

ANNUAL COMPREHENSIVE
FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2023



County of Alameda, California



Melissa Wilk, Auditor-Controller

COUNTY OF ALAMEDA STATE OF CALIFORNIA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the Year Ended
June 30, 2023**

**Melissa Wilk
Auditor-Controller**

Cover images feature artworks created by Miriam Klein Stahl for the East 14th Street Corridor Improvement Project in the Ashland community in unincorporated Alameda County. The original artworks are handmade paper cuts. For the corridor project, the artwork is in the form of cut metal art panels placed in the street medians and along the sidewalks, on seating, and featured on street banners and utility boxes. The East 14th Street public art project is managed by the Alameda County Arts Commission in partnership with the Public Works Agency. The banner program is a partnership with the Arts Commission and the Economic and Civic Development Department. Artwork copyright the artist.

The East 14th Street Corridor Improvement Project, managed by the Alameda County Public Works Agency, extends from 162nd Avenue to Interstate 238 in Ashland. The Project implements multimodal transportation improvements with enhanced safety features, including advanced traffic light technology, wider sidewalks and bike lanes, as well as high visibility crosswalks and lighting. Motorists, pedestrians, bicyclists, transit riders, and residents within the Ashland community area able to enjoy a revitalized, safe and accessible commercial corridor.

COUNTY OF ALAMEDA, CALIFORNIA

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INTRODUCTORY SECTION



ALAMEDA COUNTY
AUDITOR-CONTROLLER AGENCY
MELISSA WILK
AUDITOR-CONTROLLER/CLERK-RECORDER

December 22, 2023

The Honorable Board of Supervisors
Alameda County
County Administration Building
Oakland, CA 94612

Members of the Board of Supervisors and the Citizens of Alameda County:

The Annual Comprehensive Financial Report (ACFR) of Alameda County (the County) for the year ended June 30, 2023, is hereby submitted in compliance with the provisions of Sections 25250 and 25253 of the Government Code of the State of California.

The ACFR has been prepared by the Auditor-Controller Agency in compliance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive internal control framework it established for this purpose. Because the costs of internal control should not surpass its benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

The ACFR has been audited by the independent certified public accounting firm of Macias Gini & O'Connell LLP. The purpose of the independent audit was to provide reasonable assurance that the financial statements of the County of Alameda for the year ended June 30, 2023, are free of material misstatements. The independent certified public accounting firm has issued an unmodified ("clean") opinion on the County's financial statements for the year ended June 30, 2023.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

In addition to the annual audit of the ACFR, the County is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the 1996 amendments to that act, and the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Information related to the single audit, including the schedule of expenditures of federal awards, findings and questioned costs, and the auditor's report on the internal control and compliance with applicable laws and regulations, is presented in a separate publication.

The ACFR includes all funds of the County. The County provides a full range of services, including public protection; social services; health care for the indigent; construction and maintenance of highways, streets and other infrastructure; recreational activities; library services; and cultural events. In addition to general government activities, this ACFR includes activities of the Alameda Health System (as a discretely presented component unit), the Alameda County Employees' Retirement Association, the Alameda County Redevelopment Successor Agency, and certain special districts, financing authorities, and county service areas. The Oakland-Alameda County Coliseum Authority, which includes the Oakland-Alameda County Coliseum Financing Corporation as its blended component unit, is a joint venture between the County and the City of Oakland, each funding up to 50% of the Coliseum Authority's operating costs and debt service requirements, to the extent such funding is necessary. Finally, information about the Master Tobacco Settlement Corporation is included (as a blended component unit).

Office of the Auditor-Controller
1221 Oak St., Suite 249
Oakland, CA 94612
Tel: (510) 272-6565
Fax: (510) 272-6502

Central Collections Division
1221 Oak St., Suite 220
Oakland, CA 94612
Tel: (510) 208-9900
Fax: (510) 208-9932

Clerk-Recorder's Office, Main
1106 Madison St., 1st Floor
Oakland, CA 94607
Tel: (510) 272-6362
Fax: (510) 208-9858

Clerk-Recorder's Office, Tri-Valley
7600 Dublin Blvd.
Dublin, CA 94568
Tel: (510) 272-6362
Fax: (510) 208-9858

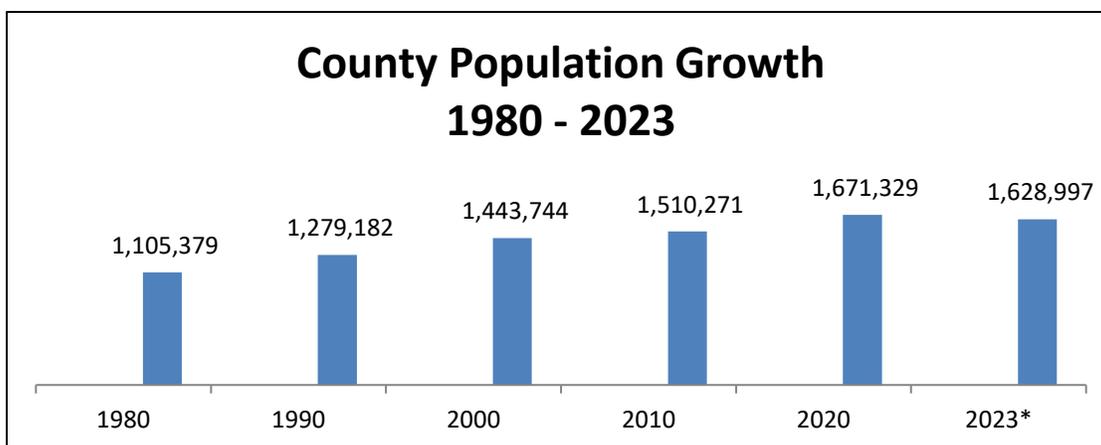
ALAMEDA COUNTY

Profile of Government:

The County was established in 1853 and is governed by a five-member Board of Supervisors (“Board”) elected by popular vote. Other elected officials include the Auditor-Controller/Clerk-Recorder, Assessor, Treasurer-Tax Collector, District Attorney, and Sheriff/Coroner. The Board of Supervisors is responsible for providing policy direction, approving the County budget, and representing the County in a number of areas including special districts. The County Administrator reports to the Board and is responsible for delivering County services.

Local Economy:

Located on the east side of the San Francisco Bay, the County encompasses 813 square miles and extends from Albany in the North to Fremont in the South and Livermore in the East. The population of the County exceeds 1.6 million making it the seventh most populous county in California according to 2022 U.S. Census Bureau data. Population growth in the County has been fairly consistent during the last forty years making it a desirable place to live and work.



Source U.S. Census

* Estimate based on July 1, 2022 Census

The County possesses a large and diverse economic base, consisting of research and high technology, professional services, manufacturing, farming, finance, transportation, wholesale and retail trade, higher education, medical and health services, and government services. The County also has a diversified industrial base that provides well-paying jobs to its residents.

In international trade, the County has a long history of strong cultural and business ties with Pacific Rim trading partners. Because of its central location and state-of-the-art port facilities, it is a major port for the Pacific Rim trade. The County’s extensive network of air, sea, highway and rail facilities have made the County a major transportation hub for regional, national, and international trade.

The Port of Oakland serves an essential role for the agricultural and manufacturing sectors of the California economy. California farm products, such as fruits, nuts, vegetables, rice, and raw cotton are exported through the Port of Oakland, as are other products, including animal feed, chemicals, lumber, recycled paper, and scrap metal. The Port last July 2023 was awarded \$119 million in grant funding from the State of California as part of the Port’s Freight Infrastructure Program. The grant award is part of the \$1.2 billion state-funded program that will support the Port in making critical infrastructure improvements at its maritime facilities and roadways that surround the Port, and to electrify Port cargo handling equipment. In June 2023, full TEUs (twenty-foot containers) were 26.5% lower than in June of last year. Marine terminal operators at the Port moved 120,433 TEUs in June 2023, compared to 163,901 TEUs in June 2022. Full imports dropped 30.6% with 66,295 TEUs handled by the terminal operators, in contrast to 95,530 TEUs in June 2022. Importers sent cargo to East Coast and Gulf Coast ports due to an uncertainty of labor negotiations between the International Longshoremen and Warehouse Union (ILWU) and Pacific Maritime Association (PMA).

Now that an agreement has been reached, hopes are that cargo is more likely to return to U.S. West Coast ports. Full exports experienced a 20.8% decline, with 54,138 TEUs transiting Port facilities, in contrast to 68,371 TEUs in June 2022. Full export volume was also down 10.8% in 2023 year-to-date (January through June 2023) compared to the same period in 2022. However, U.S. agricultural exports continue to be a steady export commodity for Oakland.

Oakland International Airport (OAK), owned and operated by the Port of Oakland (Port), is a passenger, cargo and general aviation Airport located on approximately 2,600 acres of land. It is one of the three major commercial airports serving the San Francisco Bay Area as well as the largest cargo hub in Northern California. Across the Port's four lines of business, the biggest beneficiary of increased economic activity was the Airport which experienced a 153% increase in passenger traffic in the first three months of FY 2022 compared to the same three months in the prior fiscal year. For all twelve months of FY 2022, passenger traffic at the Airport increased by 91% compared to FY 2021.

In addition, the Port oversees approximately 837 acres of land along the Oakland Estuary that is not used for maritime or aviation purposes. The commercial real estate properties on this land serve a number of uses including warehouses, parking lots, hotels, offices, shops, restaurants, public parks and open space.

The Livermore Valley is home to one of California's oldest wine regions with a rich winemaking tradition dating back to 1840. Capturing America's first international gold medal for wine in 1889 at the Paris Exposition, California was put on the world wine map. Livermore Valley currently has 50 plus wineries and more than 5,000 acres of vineyards. Wineries vary in size from limited release, 100-case special reserves to 400,000-case mass-produced operations. The region's climate is ideal for producing fully ripened, balanced grapes for winemaking. The Livermore Valley's long and rich tradition of winemaking makes it a true tourist destination for wine lovers. In an effort to improve its visibility and attract more visitors, the Livermore City Council approved the formation of the new Livermore Valley Wine Heritage District (LVWHD) on November 22, 2021 with a five-year term beginning July 1, 2021 through June 30, 2026. An annual assessment of 2% of winery sales made in the State of California over the five-year term will be collected from each winery located within the LVWHD which began on January 1, 2022. The assessments collected will be applied to marketing and education efforts to increase winery sales revenue, and other improvements and activities for the assessed wineries in Livermore Valley.

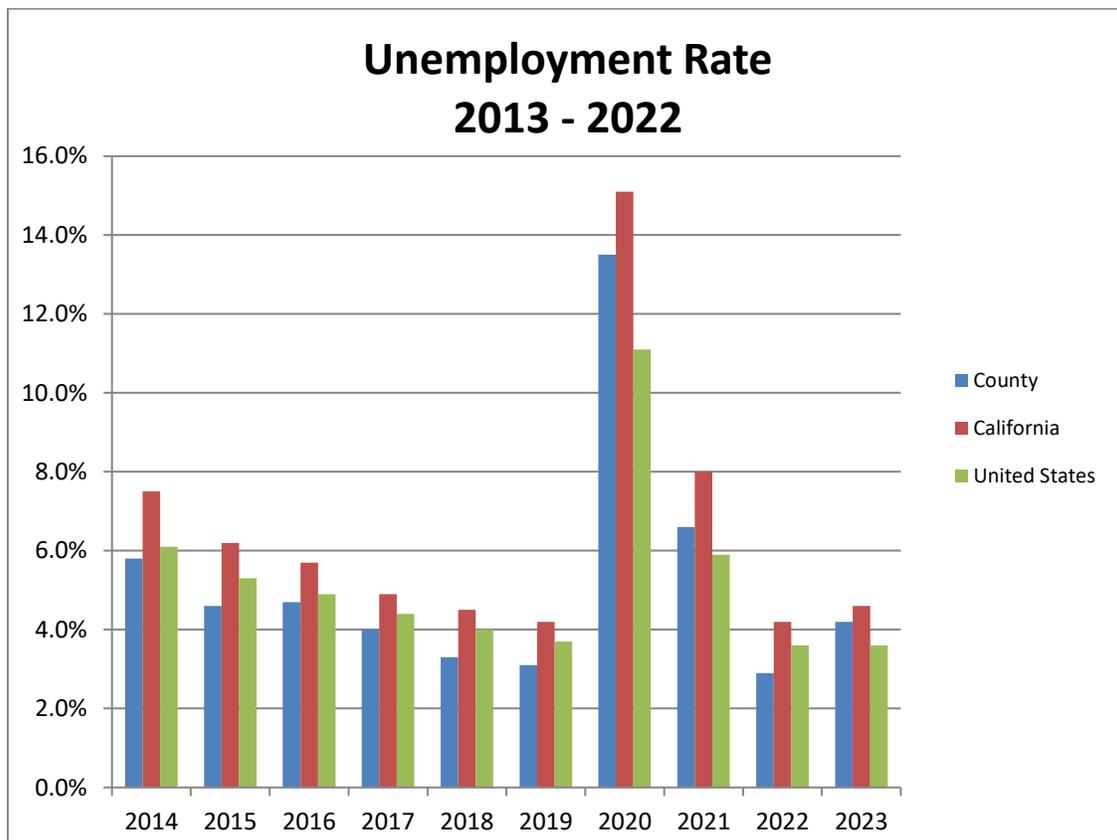
The County is also the home of Ernest Orlando Lawrence Berkeley National Laboratory and Lawrence Livermore National Laboratory. Both sites are world-renowned scientific centers, where cutting-edge science and engineering are used to break new ground to enhance national security. Other areas of research at the two locations include developments in energy, biomedicine, and environmental science.

Many institutions of higher education are located in the County, including the prestigious University of California at Berkeley, California State University of the East Bay, Mills College at Northeastern University, seven community colleges and many vocational and specialty schools. These institutions of higher learning help to produce an educated work force to drive the economy of the Bay Area.

A number of major freeways, bridges, the Alameda-Contra Costa Transit District (AC Transit), and the San Francisco Bay Area Rapid Transit District (BART) provide the County with a modern and efficient transportation system. In fiscal year 2023, BART ridership continued to trend below pre-pandemic levels but increased from fiscal year 2022 while AC Transit ridership increased by 36% in fiscal year 2022 compared to fiscal year 2021.

ECONOMIC OUTLOOK

The coronavirus continues to impact the current economic conditions. The United States Bureau of Labor Statistics show that unemployment in California was at 4.6% in June 2023 compared to the national unemployment rate of 3.6%. In the County, the unemployment rate increased from 2.9% in June 2022 to 4.2% in June 2023. These numbers remain steady and show that Alameda County continues to recover economically from the pandemic.



Source: Bureau of Labor Statistics

The UCLA Anderson School of Management provides quarterly forecasts on the state of the U.S. economy. UCLA Anderson Forecast says the threat of imminent recession has faded due to expansionary fiscal policy, new industrial policy and continued consumer spending. Growth will be tempered as interest rates remain high and inflation slowly recedes. In California, the economy will continue to grow, but more in line with national economic growth. The rate of growth in the California economy will slow down due to slower U.S. economic growth, a slowdown in investment, and slower logistics sector growth.

The State of California has passed its budget for 2023-24 in an environment of declining revenues due to the lower capital gains revenues, persistently high inflation, and rising interest rates. The budget avoids new significant ongoing commitments, and maintains fiscal discipline by setting aside a record \$37.8 billion in total budgetary reserves. Notable items that affect the County include a commitment to increase access to health care for all Californians and investments to address homelessness with new accountability measures that hold counties more accountable by requiring coordinated regional plans.

On June 29, 2023, the Board of Supervisors adopted a budget for Fiscal Year 2023–2024 by closing a \$54.0 million funding gap compared to \$49.1 million in Fiscal Year 2022-2023, using \$32.5 million in ongoing strategies and \$21.5 million in one-time solutions. Regarding the state’s budget, the County continues to be concerned about the implementation of new state mandates without adequate funding, programmatic realignments in juvenile justice, and the Governor’s proposal to sweep local Mental Health Services Act revenues to finance housing bonds.

The California housing market continued to cool down as inflation keeps interest rates elevated, suppressing the supply of available housing. The California Association of Realtors forecasts 266,200 single-family home resales in 2023, which is 22.2% lower than the 342,000 resales in 2022. The County’s median sales price of single-family homes was \$1.1 million in October 2023, an increase of 1.4% from October 2022.

The leadership of the County continues to employ sound fiscal judgment to address the severe economic issues it is facing. In the last three fiscal years from FY20-21 through FY22-23, the County has closed budget gaps totaling \$226.6 million while providing essential services to the citizens of the County.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Partnerships and collaboration have played a key role in helping the County close a \$54.0 million funding gap.

The Assessor's Office timely submitted the 2022–2023 local assessment roll of \$386.7 billion reflecting assessments of 519,664 taxable properties. The 7.8% roll increase from 2021–2022 is primarily attributed to the growing economy and the increase in real estate values.

The Board continues to invest in addressing the health and housing needs of County residents. The County has added over 1,900 permanent housing opportunities and supported over 8,000 low-income households through the Countywide Emergency Rental Assistance program. The County has allocated approximately \$42 million in Project Homekey and Measure A1 funds to develop 242 permanent housing units at the former Days Inn and Comfort Hotel sites and has committed \$20 million towards capital improvements at the St. Regis and Alameda Point Collaborative facilities.

The Board has also invested in behavioral health to develop the infrastructure necessary for service delivery by successfully supporting community-based providers in securing State Behavioral Health Continuum Infrastructure Program (BCHIP) grants to build new treatment facilities across the County. Multiple new facilities funded by BCHIP are necessary for the County to be able to implement the Forensic System Redesign Plan and are expected to be completed over the next few years.

The Board has increased the County allocation to address the deferred maintenance needs of County facilities and has continued a long-standing policy of committing a portion of discretionary revenues towards capital projects and reserves. County fire facilities will be upgraded through the \$90 million voter-approved Measure X bond measure and the new Fire Training facility project is underway. The County is upgrading facilities at Fairmont Campus to support the services of County agencies, the Alameda Health System, and other partners. In addition to investments in physical infrastructure, the Board is making significant investments in the County's information technology systems, including cybersecurity, telephone system modernization, radio interoperability, and property tax system upgrades.

The County continues to be a national leader in addressing climate change by advancing the Board's sustainability policies. The County has implemented its 2023-2026 Climate Action Plan, which sets the County on a path toward the goal of carbon neutrality for government services and operations by 2045. To support this effort, the County has completed a Fleet Electrification Assessment, has launched electric vehicle infrastructure projects, and is evaluating County facilities to better manage space and utility usage.

The Board approved allocations for a \$162.6 million final tranche of American Rescue Plan Act (ARPA) funds for a total of \$324.6 million in County ARPA allocations. ARPA spending is one-time and is in addition to the County's base annual operating budget. These investments have allowed the County to meet immediate pandemic needs while also investing in the future by funding allowable capital improvements, affordable housing, small business grants, and capacity building for our diverse community partners.

The County's Final Budget for FY 2022-2023 included \$1.5 billion in salary and employee benefits for a diverse workforce of over 10,000 employees; \$800 million in funding for direct client services provided by 246 community-based organizations including \$94 million for the Alameda Health System; \$645 million to support behavioral health programs; \$351 million in public benefit and assistance programs; \$37 million for homelessness programs and affordable housing; \$750 million for children's services; and \$310 million in services to the unincorporated areas.

RELEVANT FINANCIAL POLICIES

Internal Control: The management of the County is responsible for establishing and maintaining adequate internal control to assure that County operations are effective and efficient, applicable laws and regulations are followed, and financial reports are reliable. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefit likely to be derived, and that cost-benefit analyses require estimates and judgment by management.

Countywide internal control standards are established by the Auditor-Controller Agency. The Board of Supervisors adopted a policy that requires County departments to conduct triennial self-assessments of their internal controls, using control self-assessment tools developed by the Auditor-Controller Agency, and to make improvements to enhance their fiscal accountability. The County's internal audit staff monitors the countywide assessment program.

Budgetary Control: In accordance with the provisions of Sections 29000 through 29143, of the Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares and adopts a budget for each fiscal year. Activities of the general fund, special revenue funds and capital projects funds are included in the annual budget. Budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established for major expenditure categories in each budget unit. The budgeted expenditures become law through the passage of the Appropriation Ordinance. This Ordinance constitutes the authorized spending threshold for the fiscal year, and cannot be exceeded, except by subsequent amendment of the budget by the Board of Supervisors. In the governmental funds, an encumbrance system is used to ensure effective budgetary control and to enhance cash planning and control. As demonstrated by the statements and schedules included in the financial section of this report, the County continues to meet its responsibility for sound fiscal management.

Pension and Other Postemployment Benefits (OPEB) Trust Fund Operations: County employees' pension and OPEB are managed under trust by ACERA, except Fire Department employees, who are managed under two pension plans and one OPEB plan by CalPERS. ACERA and CalPERS Miscellaneous Risk Pool are cost-sharing multiple-employer defined benefit pension plans and as such all risks and costs are shared by the participating employers within the plans. In addition, CalPERS OPEB and Safety pension plans are agent multiple-employer defined benefit plans and as such plan assets are maintained separately for each individual employer to pay the benefits of its employees. All plans operate independently outside the control of the County Board of Supervisors. Pension benefits are the only vested benefits and all other postemployment benefits (healthcare, COLA and death benefits) are not vested.

In fiscal year 2015, the Board of Supervisors authorized the establishment of a Pension Liability Reduction Account (PLRA), a commitment of fund balance in the general fund, and the initial transfer of \$200 million from County reserves to reduce the ACERA net pension liability. From fiscal year 2016 through fiscal year 2021, an additional \$600 million was transferred, which increased the PLRA balance to \$800 million. In June 2021, the County transferred the full \$800 million to ACERA, which was applied to the County's safety member unfunded liability. This lowers the County's safety contribution rate to ACERA but will not impact the rates for employee contributions. A policy was adopted to deposit the savings from the reduced employer retirement rates to the PLRA to further reduce the unfunded pension liabilities. Since fiscal year 2022, the Board approved transfers of \$100 million to the PLRA in addition to employer retirement rate savings of \$153 million.

The County is one of the few counties within the State of California that has adopted Article 5.5 of the County Employees Retirement Law of 1937, which requires 50% of investment earnings in excess of the actuarially assumed rate of return from pension to be transferred to the Supplemental Retirees Benefits Reserve (SRBR). The SRBR funds other postemployment healthcare benefits and other benefits for ACERA members. CalPERS members are funded on a pay-as-you-go basis in a separate plan. The postemployment healthcare benefits payments for calendar year 2022 were \$46.7 million, an increase of \$794,000 or 1.7% over the prior year.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Alameda for its ACFR for the year ended June 30, 2022. The County has received this prestigious award for 40 consecutive years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate is valid for a period of one year only. The County believes that its current ACFR continues to meet the Certificate of Achievement Program's requirements and the County is submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of the ACFR was made possible by the dedicated services of the entire staff of the Auditor-Controller Agency. I would also like to express my appreciation to all members of the County departments who assisted and contributed to its preparation. In addition, I acknowledge and appreciate the leadership and support provided by the Board of Supervisors and the County Administrator who have made the preparation of this report possible.



Melissa Wilk
Auditor-Controller
of Alameda County



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Alameda
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

COUNTY OF ALAMEDA, CALIFORNIA
ELECTED AND APPOINTED PUBLIC OFFICIALS

As of June 30, 2023

ELECTED OFFICIALS

Board of Supervisors

| | |
|---------------|------------|
| David Haubert | District 1 |
| Elisa Márquez | District 2 |
| Lena Tam | District 3 |
| Nathan Miley | District 4 |
| Keith Carson | District 5 |

Department Heads

| | |
|-----------------|--|
| Phong La | Assessor |
| Melissa Wilk | Auditor-Controller/County Clerk-Recorder |
| Pamela Price | District Attorney |
| Yesenia Sanchez | Sheriff-Coroner |
| Henry C. Levy | Treasurer-Tax Collector |

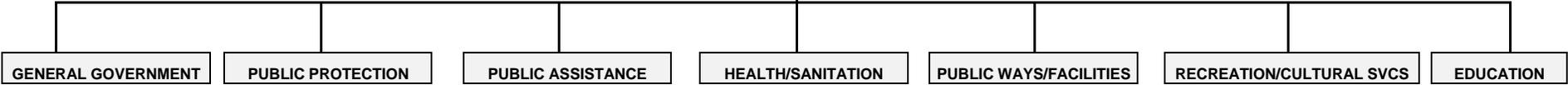
APPOINTED DEPARTMENT HEADS

| | |
|-----------------------|---|
| Susan S. Muranishi | County Administrator |
| Anika Campbell-Belton | Clerk, Board of Supervisors |
| Sandra Rivera | Director, Community Development |
| Sheila Barry | Interim Director, Cooperative Extension |
| Donna R. Ziegler | County Counsel |
| William L. McDonald | Fire Chief |
| Kimberly A. Gasaway | Director, General Services |
| Colleen Chawla | Director, Health Care Services |
| Margarita Zamora | Interim Director, Human Resource Services |
| Timothy Dupuis | Chief Information Officer |
| Cynthia L. Chadwick | County Librarian |
| Marcus Dawal | Chief Probation Officer |
| Brendon D. Woods | Public Defender |
| Daniel Woldesenbet | Director, Public Works |
| Timothy Dupuis | Registrar of Voters |
| Andrea Ford | Director, Social Services |
| Phyllis Nance | Director, Child Support Services |

COUNTY OF ALAMEDA ELECTORS

BOARD OF SUPERVISORS

COUNTY ADMINISTRATOR



GENERAL GOVERNMENT
 Clerk, Board of Supervisors
 AUDITOR-CONTROLLER*
 ASSESSOR*
 TREASURER-TAX COLLECTOR*
 County Counsel
 Human Resources
 Public Works
 General Services
 Registrar of Voters
 Information Technology

PUBLIC PROTECTION
 COUNTY CLERK-RECORDER*
 DISTRICT ATTORNEY*
 SHERIFF-CORONER-PUBLIC ADMINISTRATOR*
 Probation Officer
 Public Defender
 Housing and Community Development
 Planning
 Agriculture/Weights and Measures
 Child Support Services
 Fire Department

PUBLIC ASSISTANCE
 Social Services
 Public Guardian

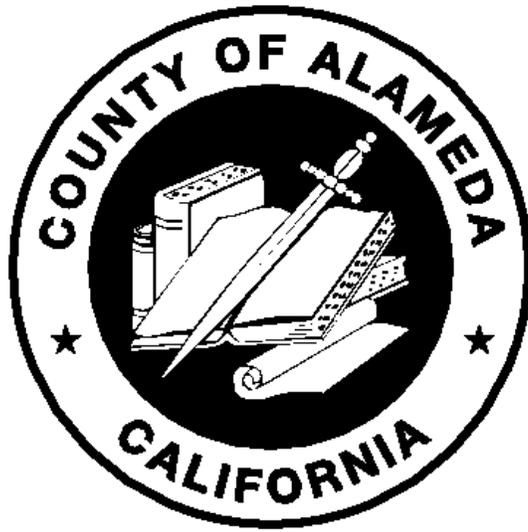
HEALTH/SANITATION
 Health Care Services

PUBLIC WAYS/FACILITIES
 Road and Bridge Maintenance

RECREATION/CULTURAL SVCS
 Veterans' Memorial Buildings

EDUCATION
 County Library
 Cooperative Extension

* Elected Officials



FINANCIAL SECTION



Independent Auditor’s Report

The Grand Jury and Honorable Members of the Board of Supervisors
County of Alameda, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Alameda, California (County), as of and for the year ended June 30, 2023, 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, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Alameda County Employees’ Retirement Association (ACERA) and the Alameda Health System (AHS) which represent the following percentages of the assets and deferred outflows and net positions/fund balances of the following opinion units as of June 30, 2023, and the respective revenues/additions for the year then ended:

| Opinion Unit | Assets and Deferred Outflows | Net Position/ Fund Balance | Revenues/ Additions |
|--------------------------------------|---------------------------------|-------------------------------|------------------------|
| Aggregate remaining fund information | 60% | 64% | -5% |
| Discretely presented component unit | 100% | 100% | 100% |

Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for ACERA and AHS, are based solely on the reports of the other auditors.

Basis for Opinions

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

Emphasis of Matter

Implementation of a New Accounting Pronouncement

As discussed in Note 1(V) to the financial statements, effective July 1, 2022, the County adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability and related ratios, the schedule of changes in the net pension liability and related ratios, the schedule of County contributions

– pension plans, the schedule of proportionate share of the net OPEB liability and related ratios, the schedule of changes in the net OPEB liability and related ratios, the schedule of County contributions – OPEB plans, the budgetary comparison schedule – General Fund, the budgetary comparison schedule - Disaster Response Special Revenue Fund, the budgetary comparison schedule – Property Development Special Revenue Fund, and the budgetary comparison schedule – Flood Control Special Revenue 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

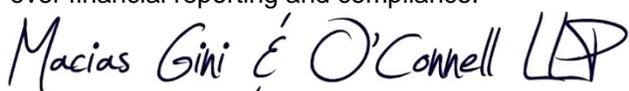
Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial 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 26, 2023, on our consideration of the County’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.



Walnut Creek, California
December 26, 2023

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

This section of the County of Alameda's (the County) Annual Comprehensive Financial Report presents a narrative overview and analysis of the financial activities of the County for the year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$3,480,893 (net position). Of this amount, \$1,585,907 is restricted for specified purposes and is not available to meet the government's ongoing obligations to citizens and creditors, \$936,655 is net investment in capital assets, and the remaining unrestricted net position totaling \$958,331 is available to meet the County's ongoing obligations to citizens and creditors.
- The government's total net position increased for fiscal year 2023 by \$385,802, an increase of 12.5 percent over the prior fiscal year. Total revenue increased \$244,859 primarily due to increases in service charges due to higher utilization rates, property taxes due to increasing assessments, and interest income caused by rising investment valuations. Total expenses increased \$315,004 or 9.3 percent over the prior fiscal year.
- As of June 30, 2023, the County's governmental funds reported a combined ending fund balance of \$3,778,372, an increase of \$751,927 in comparison with the prior year. Unassigned fund balance of \$111,881 is available for spending at the government's discretion.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$183,527 or 6.3 percent of total general fund expenditures of \$2,931,105.
- The County's gross long-term obligations, excluding unamortized premiums and discounts, increased by \$571,990 during the fiscal year 2023 primarily due to the issuance of general obligation bonds to fund affordable housing projects.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County of Alameda'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. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

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

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two 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.

COUNTY OF ALAMEDA, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS (Amounts expressed in thousands) JUNE 30, 2023

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods, such as revenues related to uncollected taxes but earned and unused vacation and compensating time off.

The government-wide statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The government activities of the County include general government, public protection, public assistance, health and sanitation, public ways and facilities, recreation and cultural services, and education. The County currently does not have any business-type activities.

The government-wide financial statements include not only the County of Alameda (known as the primary government), but also a legally separate hospital authority for which the County appoints the Board of Trustees. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 19-20 of this report.

Fund financial statements

The fund financial statements are designed to report information about groupings of related accounts, which are 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 compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: **governmental**, **proprietary**, and **fiduciary** funds.

Governmental funds

Governmental funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. The County reports most of its basic services in governmental funds. These statements, however, focus on: (1) how cash and other financial assets can readily be converted to available resources and (2) year-end balances that are available for spending. This information may be useful in evaluating the County's near-term financing requirements.

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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains several individual governmental funds organized according to their type (special revenue, capital projects, debt service, and general fund). Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the major funds, including general, property development, flood control, capital projects, and debt service. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

The governmental fund financial statements can be found on pages 21-24 of this report.

Proprietary funds

Proprietary funds are generally used to account for services for a government's business-type activities (activities supported by fees or charges). There are two types of proprietary funds and they are enterprise and internal service funds.

The County does not maintain any enterprise funds, which are used to report the same functions as business-type activities in the government-wide financial statements.

The County does maintain internal service funds, which are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet of vehicles, maintenance of buildings, risk management services, communications services and information technology services. Since the County does not have business-type activities, these services have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of the internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages 25-27 of this report.

Fiduciary funds

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 statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds. The County reports unapportioned taxes, as well as the external portion of the Treasurer's investment pool, the pension, OPEB and other employee benefits trust funds, the private-purpose trust fund, and other custodial funds under the fiduciary funds.

The fiduciary fund financial statements can be found on pages 28-29 of this report.

Notes to the basic financial statements

The notes to the basic financial statements provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-102 of this report.

Required supplementary information

This report contains required supplementary information concerning the County's progress in its obligation to provide pension, postemployment medical, and other postemployment benefits to its employees, along with budget-to-actual information for the County's general and major special revenue funds. Required supplementary information can be found on pages 103-114 of this report.

Other supplementary information

The combining statements referred to in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information. Schedules of capital assets used in the operation of governmental funds are also presented. Combining and individual fund statements and schedules can be found on pages 115-146 of this report. Budgetary comparisons for the County's capital projects and non-major special revenue funds are also presented.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Alameda County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$3,480,893 at June 30, 2023.

A portion of the County's net position, \$936,655 or 27 percent, reflects its investment in capital assets (e.g. land, buildings, equipment and infrastructure), less related outstanding debt used to acquire those assets and debt-related deferred outflows of resources. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

County of Alameda
Net Position
June 30, 2023 and 2022

| | Governmental Activities | |
|---------------------------------------|------------------------------------|--------------|
| | 2023 | 2022 |
| Assets: | | |
| Current and other assets | \$ 5,616,927 | \$5,103,792 |
| Capital and lease assets | 2,123,160 | 2,123,345 |
| Total assets | 7,740,087 | 7,227,137 |
| Deferred outflows of resources | 1,226,090 | 497,574 |
| Liabilities: | | |
| Current liabilities | 1,246,754 | 1,190,054 |
| Long-term liabilities | 3,861,809 | 2,291,763 |
| Total liabilities | 5,108,563 | 3,481,817 |
| Deferred inflows of resources | 376,721 | 1,148,010 |
| Net position: | | |
| Net investment in capital assets | 936,655 | 899,813 |
| Restricted | 1,585,907 | 989,071 |
| Unrestricted | 958,331 | 1,206,000 |
| Total net position | \$ 3,480,893 | \$ 3,094,884 |

Current and other assets increased \$513,135 from prior year primarily due to net increases of cash and investment balances of \$626,100 from lower expenses, an increase of \$102,561 in receivables, and an increase of \$98,629 in loans receivable. This is offset by a decrease of \$320,915 in net OPEB assets. Capital and lease assets decreased \$185 from prior year primarily due to the depreciation and amortization of capital and lease assets.

Deferred outflows of resources increased \$728,516 due to increased actuarial losses for the pension and OPEB plans.

Current liabilities increased \$56,700 primarily due to an increase of \$51,676 in unearned revenues and \$11,925 in bonds payable, offset by a decrease of \$31,104 due to amounts owed to the Alameda Health System.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

Long-term liabilities and deferred inflows of resources increased \$1,570,046 and \$771,289, respectively, primarily due to the change in value for the net pension/OPEB liability and related deferred inflows of resources.

A portion of the County's net position, \$1,585,907, represents resources that are subject to external restrictions as to how they may be used. As of June 30, 2023, the County has a balance of \$958,331 in unrestricted net position. Unrestricted net position in the amount of \$958,331 may be used to meet the government's ongoing obligations to citizens and creditors. There was an increase of \$596,836 in restricted net position reported in connection with the County's governmental activities.

The County's net position increased by \$385,802 during the fiscal year 2023 versus an increase of \$455,947 for fiscal year 2022. As compared to last fiscal year, expenses increased by \$315,004. Operating and capital grants and contributions decreased \$29,982 over fiscal year 2022 and charges for services increased \$124,943. General revenues increased by a total of \$149,898.

County of Alameda
Changes in Net Position
For the Years Ended June 30, 2023 and 2022

| | Governmental Activities | |
|--|--------------------------------|--------------|
| | 2023 | 2022 |
| Revenues: | | |
| Program revenues: | | |
| Charges for services | \$ 757,084 | \$ 632,141 |
| Operating grants and contributions | 2,273,968 | 2,303,950 |
| Capital grants and contributions | 8,188 | 8,188 |
| General revenues: | | |
| Property taxes | 863,014 | 776,548 |
| Sales taxes - shared revenues | 92,238 | 92,104 |
| Other taxes | 39,363 | 49,237 |
| Interest and investment income | 14,952 | (31,461) |
| Other | 44,908 | 18,149 |
| Total Revenues | 4,093,715 | 3,848,856 |
| Expenses: | | |
| General government | 205,484 | 223,727 |
| Public protection | 1,255,750 | 979,275 |
| Public assistance | 947,394 | 916,812 |
| Health and sanitation | 1,124,205 | 1,107,660 |
| Public ways and facilities | 58,336 | 63,467 |
| Recreation and cultural services | 1,383 | 928 |
| Education | 41,110 | 37,421 |
| Interest on long-term debt | 74,251 | 63,619 |
| Total expenses | 3,707,913 | 3,392,909 |
| Change in net position | 385,802 | 455,947 |
| Net position - beginning of period, as previously reported | 3,094,884 | 2,638,937 |
| Cumulative effect of restatements | 207 | - |
| Net position - beginning of period | 3,095,091 | 2,638,937 |
| Net position - end of period | \$ 3,480,893 | \$ 3,094,884 |

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

Governmental activities

Governmental activities increased the County's net position by \$385,802.

Charges for services increased \$124,943 or 20 percent from fiscal year 2022. The County earned higher charges for services because medical care financing increased by \$30,607 and mental health increased by \$24,244 due to state-approved rate range transfers. In addition, welfare administration increased \$24,928 due to utilization and eligibility of the population that is provided with the services.

General revenues increased by \$149,898 or 17 percent overall in the fiscal year 2023.

- Property tax revenues increased by \$86,466 or 11 percent due to strong assessment roll growth.
- Other taxes decreased \$9,874 or 20 percent due to decreases in property transfer taxes.
- Interest and investment income increased by \$46,413 or -148 percent. The increase was primarily due to increased rates of return on investments.
- Other revenue increased \$26,759 or 147 percent. The increase was primarily due to higher levels of insurance proceeds and interest credited to the general fund.

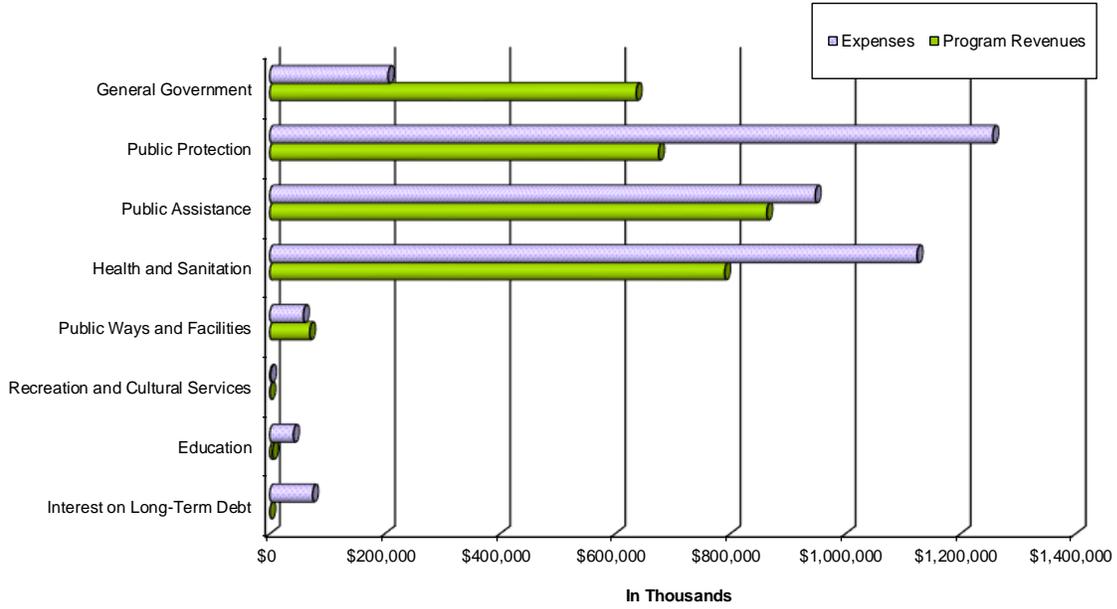
Expenses related to governmental activities increased \$315,004 or 9.3 percent during fiscal year 2023. The major changes in expenses related to governmental activities are in the following areas: general government expenses decreased by \$18,243, public protection expenses increased by \$276,475, public assistance expenses increased \$30,582, and health and sanitation expenses increased by \$16,545 from fiscal year 2022.

- The \$18,243 decrease in general government expenses is due to elections. The County held elections during the prior fiscal year so costs decreased in the current fiscal year by \$9,752. In addition, in the prior fiscal year, the County made a contribution of \$28 million to AHS for its electronic health records system while in the current fiscal year, the contribution was \$7 million. These decreases were offset by the changes in the net pension liability that increased by \$12,825.
- The \$276,475 increase in public protection expenses was primarily due to changes in the net pension liability that increased by \$259,249. In addition, contributions to support the upgrade of the criminal records system increased by \$12,787.
- The \$30,582 increase in public assistance expenses was primarily due to changes in the net pension liability that increased by \$36,541. This increase was offset by a decrease of \$13,982 in housing and community development grants for affordable housing projects.
- The \$16,545 increase in health and sanitation expenses was primarily due to changes in the net pension liability that increased by \$25,966, as well as increases in mental health and alcohol/drugs of \$45,598 for community-based organization contracts. This increase is offset by a decrease in health care administration of \$39,611 for community-based organization contracts.

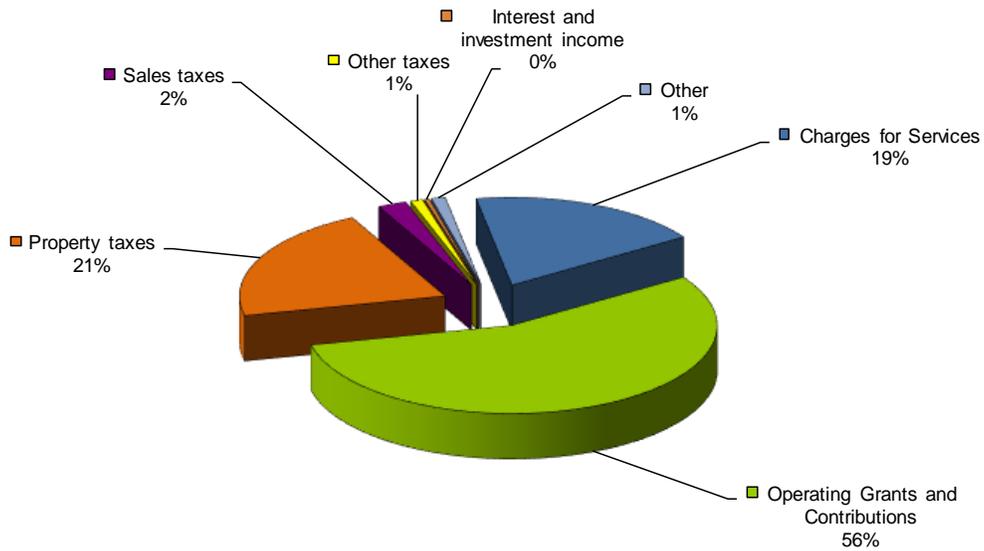
COUNTY OF ALAMEDA, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
 (Amounts expressed in thousands)
 JUNE 30, 2023

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

Financial Analysis of the County's Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. 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.

The governmental funds reported by the County include: general, special revenue, debt service, and capital projects.

As of June 30, 2023, the County's governmental funds reported combined ending fund balances of \$3,778,372, an increase of \$751,927 or 25 percent as compared to fiscal year 2022. Approximately 3 percent of this total amount (\$111,881) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of fund balance consists of nonspendable (\$57,221), restricted (\$1,608,478), committed (\$1,585,897), or assigned (\$414,895).

Revenue for governmental funds overall totaled \$4,103,231 for the fiscal year 2023, which represents an increase of \$253,244 or 6.6 percent from the fiscal year 2022. Expenditures for governmental funds, totaling \$3,701,212, increased by \$3,422 or 0.1 percent from the fiscal year 2022. The governmental funds' revenues exceeded expenditures by \$402,019 or 11 percent.

The general fund is the primary operating fund of the County. At the end of fiscal year 2023, the unassigned fund balance of the general fund was \$183,527, while total fund balance was \$2,265,902. 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 6.3 percent of total general fund expenditures of \$2,931,105, while total fund balance represents 77 percent of that same amount. The prior year comparisons for unassigned and total fund balance to total general fund expenditures are 5.9 percent and 64 percent, respectively.

General fund revenues increased by \$149,380 or 5 percent due to the following factors:

- Tax revenues increased by \$41,262 or 6 percent. Property tax revenues increased \$48,284 due to strong assessment roll growth. The general strength of the economy also led to increases of \$3,285 in sales taxes. This increase was offset by a decrease of \$10,307 in property transfer taxes.
- Federal aid decreased by \$44,913 or 9 percent. This was due to a decrease of \$42,715 in federal health programs for lower levels of deferred revenues compared to the prior year.
- Charges for services increased by \$53,879 or 14 percent. Mental health medical charges increased \$37,364 due to higher levels of revenues meeting the period of availability. In addition, election services revenues increased \$13,392, as local elections were held during the fiscal year.
- Other revenue increased by \$73,154 or 164 percent, primarily due to \$30,607 in improvement in collections of receivables. In addition, interest income transferred to other funds increased by \$21,284 and insurance proceeds increased by \$7,729 for continuing recovery of damages for the Lorenzo Theater fire.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

General fund expenditures decreased by \$3,266 or 0.1 percent from fiscal year 2022, totaling \$2,931,105. Overall, the general fund's performance resulted in revenues exceeding expenditures in the fiscal year 2023, by \$489,147. In fiscal year 2022, the general fund revenues exceeded expenditures by \$336,501.

The property development fund total fund balance was \$657,521. This fund accounts for activities related to the development and sale of County surplus land. The net increase in the fund balance during the fiscal year 2023 was \$258,900, primarily due to the increased use of Measure A1 debt proceeds to fund housing programs.

The disaster response fund total fund balance was \$(71,360). This fund accounts for activities related to the response to disaster events, in particular this year in response to covid-19. The net decrease in the fund balance during the fiscal year 2023 was \$4,724, primarily due to the recognition of expenditures where the County intends to claim reimbursement from FEMA. Most other expenditures were funded by federal ARPA funding received in June 2022.

The fund balance in the flood control fund increased in 2023 from \$280,455 to \$300,212 or 7 percent. Revenue increased by \$11,886 mainly due to fluctuations in project costs that are submitted for reimbursement or billed to other local governments who benefit from the projects.

The capital projects fund has a 2023 fund balance of \$71,765, an increase of \$59,650 from fiscal year 2022. The decrease was primarily attributable to the construction costs in excess of transfers in from other funds for projects such as the Santa Rita Jail Health Program, the Santa Rita Jail access and disability upgrades, and the Dublin Transit Center projects.

The fund balance in the debt service fund increased \$31,917 from \$94,580 to \$126,497 due to higher tax revenues for Measure A1 debt.

Proprietary funds

The County's proprietary fund statements of internal service funds are reported with governmental activities in the government-wide financial statements. The County does not have an enterprise fund to report.

The net position of the internal service funds decreased \$23,787 in 2023 with an operating loss of \$21,095, and negative net transfers in. This was primarily due to services and supplies increasing at lower rates, along with net transfers out of \$954 for debt service, energy loans and leases, and tenant improvement projects.

Fiduciary funds

The County maintains fiduciary funds for the assets of the Alameda County Employees' Retirement Association (ACERA) and funds held in trust for employees for before-tax reimbursement of health care expenses. As of December 31, 2022, ACERA's fiscal year-end, the net position of ACERA and the other employee benefits trust totaled \$10,298,524 representing a decrease of \$1,542,349 in net position from the prior year's net position. The increase was largely attributable to an increase in fair value of investments as of December 31, 2022.

As of June 30, 2023, the external investment pool's net position totaled \$4,692,515, a \$499,230 increase in net position. The increase in net position of the external investment pool was due to contributions exceeding withdrawals to the fund by \$473,353, offset by net investment income of \$25,877.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

The private-purpose trust fund includes the redevelopment non-housing successor agency, public guardian, and Court Wards and Dependents. As of June 30, 2023, the private-purpose trust fund's net position totaled \$4,834, an increase of \$1,994.

General fund budgetary highlights

The County's final expenditure budget of the general fund differs from the original budget in that it contains supplemental appropriations approved during the fiscal year. The difference of \$342,512 between the original budget and the final amended budget represents increased appropriations. The significant appropriations are briefly summarized:

- General government increased appropriations by \$41,687. This included \$4,092 of salary and benefit increases, \$3,967 of services and supplies increases, and \$33,275 of other charges increases.
- The public protection departments increased appropriations by \$72,723. This included \$27,683 of salary and benefit increases, and \$43,405 of service and supplies increases.
- The public assistance departments increased appropriations by \$50,347. This included \$6,528 of salary and benefit increases, \$37,794 of service and supplies increases, and \$6,025 of other charges increases.
- Appropriations for health and sanitation increased by \$172,318. This included \$109,668 of services and supplies increases, and \$53,509 in other charges increases.

Overall, the County's actual general fund revenues under-realized its budgeted fiscal year 2023 revenues by \$248,898 or 7 percent. Revenues that had significant variances include:

- Taxes were under-realized by \$2,766 or 0 percent. This is primarily due to \$45,733 in property taxes due to assessed values, offset by \$5,461 in property transfer tax due to housing sales.
- State aid revenue was under-realized by \$120,123 or 7 percent. State health program and state public assistance program revenues were lower than expected by \$61,921 and \$13,266, respectively, due to lower than expected reimbursable costs. State social services program were lower than expected by \$27,128 due to lower levels of funding for CalWORKS and CalFresh.
- Federal aid revenue was under-realized by \$144,466 or 25 percent. Federal public assistance and social services programs were lower than expected by \$17,005 and \$36,606, respectively, due to lower than expected reimbursable costs associated with assistance payments and welfare administration. Federal health administration and health programs were lower than expected by \$34,510 and \$61,162, respectively, due to lower than expected reimbursable costs associated with MediCal and child welfare services.
- Other aid revenue was over-realized by \$55,626 or 71 percent. This was due to \$48,440 in matching contributions for federal grant awards and \$7,000 in hospital contributions for capital projects.
- Charges for services under-realized budget by \$40,596 or 9 percent. MediCal revenues for mental health services were less than budget by \$22,228 and environmental health fees were less than budget by \$19,447 due to decrease in utilization.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

Variations between budget and actual expenditures in the general fund reflect overall expenditures under the adjusted budget by \$652,248 or 16 percent. In general, this represents savings from the major government functions, primarily due to vacancies, cost-containment measures, and unspent contingency appropriations. Significant savings came from the following County functions:

- General government's total actual expenditures was \$92,154 or 35 percent less than budget. Vacant positions resulted in savings of \$16,359. Discretionary expenditures were lower by \$24,965 due to reduction of expenditures. Other charges such as debt payments and claims were lower by \$50,746 due to lower claims costs.
- Public protection spent \$146,258 or 13 percent less than budget. Vacant positions resulted in savings of \$93,318 in salaries and benefits. Discretionary services and supplies expenditures were lower by \$58,786 due to reduction of expenditures and delayed services contract assignment and implementation.
- Public assistance spent \$118,550 or 11 percent less than budget. Vacant positions resulted in savings of \$50,665 in salaries and benefits. Discretionary services and supplies expenditures were lower by \$50,122 due to savings on contracts and interdepartmental expenditures. Other charges were lower by \$17,614 due to lower caseloads in CalWORKS, in-home support services, and child welfare services.
- Health and sanitation expenditures were \$294,316 or 20 percent less than budget. Salaries and employee benefits were under-spent by \$61,058 due to vacant positions. Discretionary services and supplies expenditures were lower by \$214,480 due to reduction of expenditures and savings on contracts. Other charges were lower by \$18,778 primarily due to lower than planned utilization of medical care financing.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

Capital assets and debt administration

Capital Assets

The County's investment in capital assets for its governmental activities amounts to \$2,123,160 (net of accumulated depreciation), as shown in the table below. This investment includes land, buildings and improvements, machinery and equipment, roads, bridges, flood control canals and other infrastructure. The total decrease in the County's investment in capital assets for fiscal year 2023 was 0.0 percent.

Capital Assets Net of Accumulated Depreciation
June 30, 2023

| | Governmental Activities | |
|---|------------------------------------|--------------------|
| | 2023 | 2022 |
| Land and other assets not being depreciated | \$ 245,958 | \$ 207,520 |
| Structures and improvements, machinery and equipment, infrastructure, software, lease assets, and subscription assets, net of depreciation and amortization | 1,877,202 | 1,915,825 |
| Total | \$ 2,123,160 | \$2,123,345 |

Major capital asset events that occurred during fiscal year 2023 include:

- Machinery and equipment increased \$13,970 due to the acquisition of equipment totaling \$5,665 and vehicles totaling \$7,518.
- Construction in progress increased \$79,975 primarily due to the following: Dublin Transit Center Parking, Santa Rita Jail ADA upgrades, and boiler upgrades in the amounts of \$14,118, \$4,637 and \$2,301, respectively. Road projects increased construction in progress by \$36,701 and flood control projects increased construction in progress by \$19,373. These increases in construction in progress were offset by completed projects that were placed into service. Completed projects include the road projects totaling \$38,350 and flood control projects totaling \$5,344.

At the end of the fiscal year, road improvements, and flood control channel improvements projects had outstanding contract commitments of \$13,449 and \$8,933, respectively.

For government-wide statement of net position presentation, depreciable capital assets are depreciated from the date they are placed into service through the end of the current fiscal year.

Governmental fund financial statements record capital asset purchases as expenditures.

Additional information about the County's capital assets can be found in Note 5 (page 59) of the financial statements.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

Debt Administration

As of June 30, 2023, the County had long-term obligations outstanding of \$2,080,452, excluding unamortized premiums and discounts of \$20,032, as summarized below:

Outstanding Long-term Obligations
June 30, 2023 and 2022

| | Governmental | |
|-------------------------------|---------------------|---------------------|
| | Activities | |
| | <u>2023</u> | <u>2022</u> |
| Tobacco securitization bonds | \$ 298,036 | \$ 296,380 |
| Lease revenue bonds | 688,225 | 714,270 |
| General obligation bonds | 515,890 | 183,745 |
| Financed purchase obligations | 88 | 347 |
| Other long-term obligations | 578,213 | 313,720 |
| Total | <u>\$ 2,080,452</u> | <u>\$ 1,508,462</u> |

The County's total long-term obligations increased \$571,990 during the fiscal year primarily due to issuance of the 2022 Measure A1 general obligation bonds, offset by decreases in long-term debt outstanding balances, as principal payments were made to reduce existing long-term debts.

The County's legal debt limit is 1.25 percent of total assessed value. As of June 30, 2023, the legal limit was \$4.74 billion. The County's outstanding general obligation debt is \$516 million and therefore \$4.22 billion is still available of the debt limit.

The County's general obligation debt financings are rated as follows:

| | <u>2023 Rating</u> | <u>2022 Rating</u> |
|-------------------|--------------------|--------------------|
| Moody's | Aaa | Aaa |
| Standard & Poor's | AAA | AAA |
| Fitch | AAA | AAA |

In addition, the County's lease-based financings are rated as follows:

| | <u>2023 Rating</u> | <u>2022 Rating</u> |
|-------------------|--------------------|--------------------|
| Moody's | Aa1 | Aa1 |
| Standard & Poor's | AA+ | AA |
| Fitch | AA+ | AA+ |

The County's long-term obligations can be found in Note 8 (page 63) of the notes to the basic financial statements.

COUNTY OF ALAMEDA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Amounts expressed in thousands)
JUNE 30, 2023

Economic factors and next year's budget and rates

- According to the U.S. Department of Labor, the unemployment rate for the County was 4.2 percent in June 2023, compared to the rate of 3.0 percent in June 2022. The State's unemployment rate was 4.6 percent in June 2023. This information is also in the transmittal letter.
- The assessed value of the County's property increased by 8.1 percent in 2023 compared to an increase of 6.8 percent in 2022.
- The County experienced an increase in property tax revenues in fiscal year 2023 due to an improved economy and housing market. Spending for goods and services throughout the state and the country increased as unemployment rates, as indicated above, declined.

All of the above factors were considered in preparing the County's budget for fiscal year 2023.

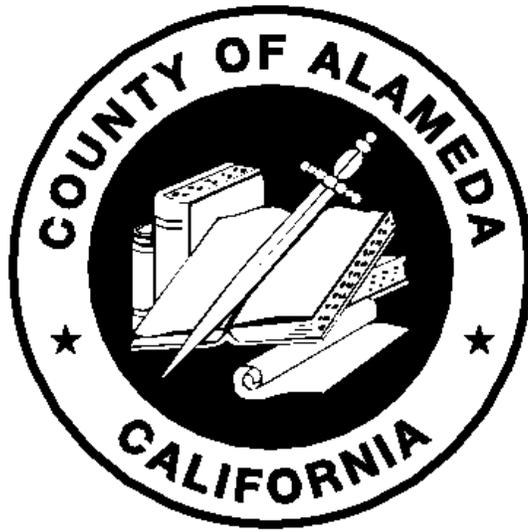
The County adopted its fiscal year 2023-24 budget on June 29, 2023, and the State of California adopted its own budget on June 27, 2023.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Below is the contact information for questions about this report or requests for additional financial information.

Alameda County
Office of the Auditor-Controller
1221 Oak Street, Room 249
Oakland, CA 94612

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BASIC FINANCIAL STATEMENTS

COUNTY OF ALAMEDA, CALIFORNIA

STATEMENT OF NET POSITION

JUNE 30, 2023

(amounts expressed in thousands)

| | Primary Government Governmental Activities | Component Unit Alameda Health System |
|--|--|--|
| ASSETS | | |
| Current assets: | | |
| Cash and investments with County Treasurer | \$ 3,825,337 | \$ - |
| Cash and investments with fiscal agents | 586,646 | 16,102 |
| Deposits with others | 16,046 | - |
| Receivables, net of allowance for uncollectible accounts | 550,322 | 416,566 |
| Due from component unit | 1,009 | - |
| Due from primary government | - | 29,484 |
| Inventory of supplies | 283 | 11,676 |
| Prepaid items | 1,181 | 11,507 |
| Total current assets | <u>4,980,824</u> | <u>485,335</u> |
| Noncurrent assets: | | |
| Restricted assets - cash and investments with County Treasurer | - | 58,174 |
| Restricted assets - cash and investments with fiscal agents | 114,320 | - |
| Properties held for resale | 53,276 | - |
| Due from component unit, net of allowance | 14,488 | - |
| Endowment | - | 5,326 |
| Loans receivable | 454,019 | - |
| Capital assets: | | |
| Land and other assets not being depreciated | 245,958 | 29,378 |
| Structures and improvements, machinery and equipment, software, infrastructure, net of depreciation | 1,626,423 | 130,246 |
| Lease assets, net of amortization | 241,382 | 31,511 |
| Subscription assets, net of amortization | 9,397 | 1,392 |
| Total capital assets, net | <u>2,123,160</u> | <u>192,527</u> |
| Total noncurrent assets | <u>2,759,263</u> | <u>256,027</u> |
| Total assets | <u>7,740,087</u> | <u>741,362</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Loss on refunding debt | 2,908 | - |
| Pension-related items | 1,042,110 | 193,481 |
| OPEB-related items | 181,072 | 37,869 |
| Total deferred outflows of resources | <u>1,226,090</u> | <u>231,350</u> |
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | 333,819 | 308,388 |
| Due to component unit | 29,484 | - |
| Due to primary government | - | 15,497 |
| Compensated employee absences payable | 52,172 | 23,843 |
| Estimated liability for claims and contingencies | 43,709 | 9,892 |
| Bonds payable | 47,508 | - |
| Financed purchase obligation | 88 | - |
| Lease liability | 24,900 | 5,284 |
| Subscription liability | 2,635 | 944 |
| Loans payable | 940 | - |
| Accrued interest payable | 12,560 | - |
| Unearned revenue | 693,492 | - |
| Due to other governmental units | 14 | 6,760 |
| Obligation to fund Coliseum Authority deficit | 5,433 | - |
| Total current liabilities | <u>1,246,754</u> | <u>370,608</u> |
| Noncurrent liabilities: | | |
| Net pension liabilities | 1,724,097 | 513,158 |
| Net OPEB liabilities | 214,627 | 33,671 |
| Compensated employee absences payable | 49,446 | 20,869 |
| Estimated liability for claims and contingencies | 156,840 | 31,074 |
| Bonds payable | 1,474,675 | - |
| Lease liability | 226,154 | 28,931 |
| Subscription liability | 5,907 | 595 |
| Loans payable | 3,398 | - |
| Obligation to fund Coliseum Authority deficit | 6,665 | - |
| Total noncurrent liabilities | <u>3,861,809</u> | <u>628,298</u> |
| Total liabilities | <u>5,108,563</u> | <u>998,906</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Pension-related items | 255,555 | 22,139 |
| OPEB-related items | 121,166 | 21,274 |
| Total deferred inflows of resources | <u>376,721</u> | <u>43,413</u> |
| NET POSITION | | |
| Net investment in capital assets | 936,655 | 159,625 |
| Restricted for: | | |
| Capital projects | - | 25,365 |
| Restricted: | | |
| Public protection | 521,208 | - |
| Public assistance | 691,512 | - |
| Health and sanitation | 198,086 | 12,866 |
| Public ways and facilities | 135,601 | - |
| Education | 26,796 | - |
| Other purposes | 12,704 | 1,101 |
| Unrestricted (deficit) | 958,331 | (268,564) |
| Total net position | <u>\$ 3,480,893</u> | <u>\$ (69,607)</u> |

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

COUNTY OF ALAMEDA, CALIFORNIA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | |
|---|---------------------|----------------------------|---|---|--|-----------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | Component Unit |
| | | | | | Governmenta Activities | Alameda Health System |
| Primary government: | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ 205,484 | \$ 128,046 | \$ 508,418 | \$ - | \$ 430,980 | \$ - |
| Public protection | 1,255,750 | 258,457 | 416,882 | - | (580,411) | - |
| Public assistance | 947,394 | 47,298 | 816,056 | - | (84,040) | - |
| Health and sanitation | 1,124,205 | 308,371 | 473,588 | 8,188 | (334,058) | - |
| Public ways and facilities | 58,336 | 12,360 | 56,951 | - | 10,975 | - |
| Recreation and cultural services | 1,383 | 123 | - | - | (1,260) | - |
| Education | 41,110 | 2,429 | 2,073 | - | (36,608) | - |
| Interest on long-term debt | 74,251 | - | - | - | (74,251) | - |
| Total governmental activities | <u>3,707,913</u> | <u>757,084</u> | <u>2,273,968</u> | <u>8,188</u> | <u>(668,673)</u> | <u>-</u> |
| Total primary government | <u>\$ 3,707,913</u> | <u>\$ 757,084</u> | <u>\$ 2,273,968</u> | <u>\$ 8,188</u> | <u>(668,673)</u> | <u>-</u> |
| Component unit | | | | | | |
| Alameda Health System | <u>\$ 1,458,169</u> | <u>\$ 1,280,746</u> | <u>\$ 15</u> | <u>\$ -</u> | <u>-</u> | <u>(177,408)</u> |
| General revenues: | | | | | | |
| Property taxes | | | | | 863,014 | - |
| Sales taxes - shared revenues | | | | | 92,238 | 150,740 |
| Property transfer taxes | | | | | 17,150 | - |
| Utility users' tax | | | | | 13,874 | - |
| Other taxes | | | | | 8,339 | - |
| Interest and investment income | | | | | 14,952 | 117 |
| Other | | | | | 44,908 | 10,102 |
| Total general revenues | | | | | <u>1,054,475</u> | <u>160,959</u> |
| Change in net position | | | | | 385,802 | (16,449) |
| Net position - beginning of period, as reported | | | | | 3,094,884 | (52,884) |
| Cumulative effect of restatements | | | | | 207 | (274) |
| Net position - beginning of period, as restated | | | | | <u>3,095,091</u> | <u>(53,158)</u> |
| Net position - end of period | | | | | <u>\$ 3,480,893</u> | <u>\$ (69,607)</u> |

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

COUNTY OF ALAMEDA, CALIFORNIA

**BALANCE SHEET
GOVERNMENTAL FUNDS**

JUNE 30, 2023

(amounts expressed in thousands)

| | General | Property Development | Disaster Response | Flood Control | Capital Projects | Debt Service | Non-major Governmental Funds | Total Governmental Funds |
|--|---------------------|---------------------------------|------------------------------|--------------------------|-----------------------------|-------------------------|---|---|
| Assets: | | | | | | | | |
| Cash and investments with County Treasurer | \$ 2,554,950 | \$ 72,081 | \$ 171,350 | \$ 304,577 | \$ 125,279 | \$ 73,717 | \$ 284,950 | \$ 3,586,904 |
| Cash and investments with fiscal agents | 1,302 | 585,093 | - | - | - | - | 1 | 586,396 |
| Restricted assets - cash and investments with fiscal agents | 1,412 | - | - | - | 5,419 | 52,717 | 54,772 | 114,320 |
| Deposits with others | 133 | - | - | - | - | - | 15,908 | 16,041 |
| Receivables, net of allowance for uncollectible accounts | 443,866 | 45,571 | (399) | 5,322 | 6,475 | 620 | 42,390 | 543,845 |
| Due from other funds | 1,910 | - | - | - | - | - | - | 1,910 |
| Due from component unit, net of allowance | 15,444 | - | - | - | - | - | 14 | 15,458 |
| Inventory of supplies | - | - | - | 4 | - | - | 275 | 279 |
| Properties held for resale | 51,513 | 1,763 | - | - | - | - | - | 53,276 |
| Advances to other funds | 2,206 | - | - | - | - | - | - | 2,206 |
| Loans receivable | 97,751 | 321,987 | - | - | - | - | 34,281 | 454,019 |
| Total assets | \$ 3,170,487 | \$ 1,026,495 | \$ 170,951 | \$ 309,903 | \$ 137,173 | \$ 127,054 | \$ 432,591 | \$ 5,374,654 |
| Liabilities, deferred inflows of resources, and fund balances | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts payable and accrued expenditures | \$ 256,171 | \$ 5,339 | \$ 19,080 | \$ 9,528 | \$ 5,758 | \$ 557 | \$ 19,682 | \$ 316,115 |
| Due to other funds | - | - | - | - | - | - | 806 | 806 |
| Due to component unit | 29,483 | - | - | - | - | - | - | 29,483 |
| Unearned revenue | 469,091 | - | 223,231 | - | - | - | 1,170 | 693,492 |
| Due to other governmental units | 14 | - | - | - | - | - | - | 14 |
| Total liabilities | 754,759 | 5,339 | 242,311 | 9,528 | 5,758 | 557 | 21,658 | 1,039,910 |
| Deferred inflows of resources | | | | | | | | |
| Unavailable revenue | 149,826 | 363,635 | - | 163 | - | - | 42,748 | 556,372 |
| Fund balances: | | | | | | | | |
| Nonspendable | 55,179 | 1,763 | - | 4 | - | - | 275 | 57,221 |
| Restricted | 569,939 | 243,821 | 286 | 300,208 | - | 126,497 | 367,727 | 1,608,478 |
| Committed | 1,042,545 | 411,937 | - | - | 131,415 | - | - | 1,585,897 |
| Assigned | 414,712 | - | - | - | - | - | 183 | 414,895 |
| Unassigned | 183,527 | - | (71,646) | - | - | - | - | 111,881 |
| Total fund balances | 2,265,902 | 657,521 | (71,360) | 300,212 | 131,415 | 126,497 | 368,185 | 3,778,372 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 3,170,487 | \$ 1,026,495 | \$ 170,951 | \$ 309,903 | \$ 137,173 | \$ 127,054 | \$ 432,591 | \$ 5,374,654 |

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

COUNTY OF ALAMEDA, CALIFORNIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023
(amounts expressed in thousands)**

| | |
|--|-----------------------------------|
| Fund balances – total governmental funds | \$ 3,778,372 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Capital assets, net of accumulated depreciation and amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds | 1,857,650 |
| The unamortized balance of deferred outflows of resources resulting from deferred refunding losses | 2,908 |
| The unamortized balance of deferred outflows of resources related to net pension liability | 1,014,982 |
| The unamortized balance of deferred outflows of resources related to net OPEB | 173,565 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities (except those reported in the internal service funds) are as follows: | |
| Certificates of participation and bonds payable | (1,522,183) |
| Compensated employee absences payable | (96,573) |
| Financed purchase obligations | (88) |
| Lease liability | (5,375) |
| Subscription liability | (6,243) |
| Loans payable | (4,338) |
| Other liabilities | (12,098) |
| Total long-term liabilities | <u>(1,646,898)</u> |
| The net OPEB liability pertaining to governmental fund types is not recorded in the governmental fund statements | (207,981) |
| The net pension liability pertaining to governmental fund types is not recorded in the governmental fund statements | (1,651,775) |
| Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds. | 556,372 |
| Deferred inflows of resources related to net pension liability | (233,524) |
| Deferred inflows of resources related to net OPEB liability | (116,511) |
| Interest on long-term debt is not accrued in the funds, but is recognized as an expenditure when due. | (12,530) |
| Internal service funds are used by management to charge the costs of fleet management, building maintenance, information technology, and risk management to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position. | <u>(33,737)</u> |
| Net position of governmental activities | <u><u>\$ 3,480,893</u></u> |

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

COUNTY OF ALAMEDA, CALIFORNIA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | <u>General</u> | <u>Property Development</u> | <u>Disaster Response</u> | <u>Flood Control</u> | <u>Capital Projects</u> | <u>Debt Service</u> | <u>Non-major Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|---------------------|---------------------------------|------------------------------|--------------------------|-----------------------------|-------------------------|---|---|
| Revenues: | | | | | | | | |
| Taxes | \$ 766,788 | \$ - | \$ - | \$ 63,317 | \$ - | 39,049 | \$ 125,049 | \$ 994,203 |
| Licenses and permits | 12,453 | - | - | 412 | - | - | 1,094 | 13,959 |
| Fines, forfeitures, and penalties | 28,685 | - | - | - | 1,697 | - | 13 | 30,395 |
| Use of money and property | 12,406 | 22,933 | (497) | 3,120 | (128) | 5,231 | 6,202 | 49,267 |
| State aid | 1,489,415 | - | 41,340 | 300 | 10,944 | 176 | 54,569 | 1,596,744 |
| Federal aid | 431,935 | - | 94,608 | 5 | - | 8,188 | 2,375 | 537,111 |
| Other aid | 134,310 | - | - | 6,275 | - | - | 8,681 | 149,266 |
| Charges for services | 426,455 | 1 | - | 12,847 | - | - | 156,007 | 595,310 |
| Other revenue | 117,805 | 36 | - | 626 | 4 | 46 | 18,459 | 136,976 |
| Total revenues | 3,420,252 | 22,970 | 135,451 | 86,902 | 12,517 | 52,690 | 372,449 | 4,103,231 |
| Expenditures: | | | | | | | | |
| Current | | | | | | | | |
| General government | 159,073 | 448 | 18,750 | - | - | - | 8 | 178,279 |
| Public protection | 853,109 | - | - | 46,596 | - | - | 188,868 | 1,088,573 |
| Public assistance | 880,060 | 93,555 | 69,682 | - | - | - | - | 1,043,297 |
| Health and sanitation | 1,016,644 | - | 51,616 | - | - | - | 32,233 | 1,100,493 |
| Public ways and facilities | 4,153 | - | - | - | - | - | 34,804 | 38,957 |
| Recreation and cultural services | 1,307 | - | - | - | - | - | - | 1,307 |
| Education | 393 | - | - | - | - | - | 38,672 | 39,065 |
| Debt service | | | | | | | | |
| Principal | 1,517 | - | - | - | - | 33,900 | 12,482 | 47,899 |
| Interest | 27 | - | - | - | - | 53,965 | 5,924 | 59,916 |
| Bond issuance costs | - | 1,462 | - | - | - | - | - | 1,462 |
| Capital outlay | 14,822 | - | - | 20,151 | 30,042 | - | 36,949 | 101,964 |
| Total expenditures | 2,931,105 | 95,465 | 140,048 | 66,747 | 30,042 | 87,865 | 349,940 | 3,701,212 |
| Excess (deficiency) of revenues over expenditures | 489,147 | (72,495) | (4,597) | 20,155 | (17,525) | (35,175) | 22,509 | 402,019 |
| Other financing sources (uses): | | | | | | | | |
| Issuance of loans | - | - | - | - | - | - | 1,980 | 1,980 |
| Issuance of bonds | - | 340,000 | - | - | - | - | - | 340,000 |
| Subscription liabilities initiated | 6,974 | - | - | - | - | - | - | 6,974 |
| Transfers in | 2,224 | - | - | - | 77,754 | 67,092 | 3,165 | 150,235 |
| Transfers out | (121,220) | (8,605) | (127) | (398) | (579) | - | (18,352) | (149,281) |
| Total other financing sources (uses) | (112,022) | 331,395 | (127) | (398) | 77,175 | 67,092 | (13,207) | 349,908 |
| Net change in fund balances | 377,125 | 258,900 | (4,724) | 19,757 | 59,650 | 31,917 | 9,302 | 751,927 |
| Fund balances - beginning of period | 1,888,777 | 398,621 | (66,636) | 280,455 | 71,765 | 94,580 | 358,883 | 3,026,445 |
| Fund balances - end of period | <u>\$ 2,265,902</u> | <u>\$ 657,521</u> | <u>\$ (71,360)</u> | <u>\$ 300,212</u> | <u>\$ 131,415</u> | <u>\$ 126,497</u> | <u>\$ 368,185</u> | <u>\$ 3,778,372</u> |

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

COUNTY OF ALAMEDA, CALIFORNIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | |
|--|-------------------|
| Net change in fund balances – total governmental funds | \$ 751,927 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Some revenues will not be collected within the availability period established for governmental funds. As a result, they are not considered as available revenues in the governmental funds and are reported as deferred inflows of resources in the governmental funds. | 107,042 |
| Pension contributions made subsequent to the measurement date in the governmental funds, but reported as deferred outflow of resources in the government-wide financial statements | 125,029 |
| OPEB contributions made subsequent to the measurement date in the governmental funds, but reported as deferred outflow of resources in the government-wide financial statements | 6,972 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | |
| Changes to net pension liability and pension related deferred outflows and inflows of resources | (276,726) |
| Changes to net OPEB liability and OPEB related deferred outflows and inflows of resources | (9,095) |
| Increase in compensated absences | 2,119 |
| Decrease in obligation to fund Coliseum Authority deficit | 5,340 |
| Total | <u>(278,362)</u> |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The statement of activities reports the gain or loss on disposal of capital assets but the governmental funds do not report any gain or loss. Governmental funds do not report capital assets; hence, capital assets transferred to and from governmental funds to the proprietary fund are not recorded in the governmental fund. | |
| Capital outlay and expenditures for general capital assets and infrastructure | 115,555 |
| Expenditures not subject to capitalization | (17,134) |
| Depreciation and amortization expense | (80,084) |
| Proceeds from sale of capital assets | (3,709) |
| Net loss on disposal of capital assets | (115) |
| Total | <u>14,513</u> |
| The change in net position of internal service funds is reported with governmental activities. | (23,787) |
| Debt proceeds are reported as financing sources in governmental funds, but increase liabilities in the statement of net position. | (1,980) |
| Subscription liability initiated | (6,974) |
| Net decrease in accrued interest decreases the liability in the statement of net position but is reported as an expenditure in the governmental funds when paid. | (5,607) |
| Proceeds from issuance of long-term bonds are reported as financing sources in governmental funds, but increase liabilities in the statement of net position. | (340,000) |
| The repayment of the principal of long-term debt, leases, subscription and loans consume the current financial resources of governmental funds. These transactions, however, have no effect on net position. | |
| Principal payment on long-term debt, leases and subscription | 47,899 |
| Principal payment on loans and financed purchase obligations | 1,194 |
| Total | <u>49,093</u> |
| Interest accreted on bonds and certificates of participation | (13,446) |
| Amortization of bond premiums and bond discounts | 1,683 |
| Amortization of deferred outflows of resources resulting from the deferred refunding loss | <u>(301)</u> |
| Change in net position of governmental activities | \$ 385,802 |

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

COUNTY OF ALAMEDA, CALIFORNIA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

JUNE 30, 2023

(amounts expressed in thousands)

| | Governmental Activities - Internal Service Funds |
|--|---|
| | <hr/> |
| Assets: | |
| Current assets: | |
| Cash and investments with County Treasurer | \$ 238,433 |
| Cash and investments with fiscal agents | 250 |
| Deposits with others | 5 |
| Other receivables | 6,477 |
| Due from component unit | 38 |
| Inventory of supplies | 4 |
| Prepaid items | 1,181 |
| | <hr/> |
| Total current assets | 246,388 |
| Noncurrent assets: | |
| Capital assets: | |
| Machinery and equipment, net of depreciation | 26,567 |
| Lease assets, net of amortization | 236,231 |
| Subscription assets, net of amortization | 2,712 |
| Total capital assets | 265,510 |
| | <hr/> |
| Total noncurrent assets | 265,510 |
| | <hr/> |
| Total assets | 511,898 |
| Deferred outflows of resources | |
| Pension-related items | 27,128 |
| OPEB-related items | 7,507 |
| | <hr/> |
| Total deferred outflows of resources | 34,635 |
| | <hr/> |
| Liabilities: | |
| Current liabilities: | |
| Accounts payable and accrued expenses | 17,704 |
| Compensated employee absences payable | 2,438 |
| Estimated liability for claims and contingencies | 43,709 |
| Accrued interest payable | 30 |
| Lease liability | 24,196 |
| Subscription liability | 1,162 |
| Due to other funds | 1,104 |
| | <hr/> |
| Total current liabilities | 90,343 |
| Noncurrent liabilities: | |
| Net pension liability | 72,322 |
| Net OPEB liability | 6,646 |
| Compensated employee absences payable | 2,607 |
| Estimated liability for claims and contingencies | 156,840 |
| Advances from other funds | 2,206 |
| Lease liability | 221,483 |
| Subscription liability | 1,137 |
| | <hr/> |
| Total noncurrent liabilities | 463,241 |
| | <hr/> |
| Total liabilities | 553,584 |
| Deferred inflows of resources | |
| Pension-related items | 22,031 |
| OPEB-related items | 4,655 |
| | <hr/> |
| Total deferred inflows of resources | 26,686 |
| | <hr/> |
| Net Position | |
| Net investment in capital assets | 26,498 |
| Unrestricted | (60,235) |
| | <hr/> |
| Total net position | \$ (33,737) |
| | <hr/> |

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

COUNTY OF ALAMEDA, CALIFORNIA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)**

| | Governmental Activities - Internal Service Funds |
|--|---|
| Operating revenues: | |
| Charges for services | \$ 311,459 |
| Operating expenses: | |
| Salaries and benefits | 88,418 |
| Contractual services | 29,338 |
| Utilities | 19,612 |
| Repairs and maintenance | 12,431 |
| Other supplies and expenses | 71,939 |
| Insurance claims and expenses | 49,353 |
| Depreciation/amortization - capital assets | 36,367 |
| Telephone | 2,170 |
| County indirect costs | 11,923 |
| Dental claims | 9,840 |
| Other | 1,163 |
| Total operating expenses | 332,554 |
| Operating loss | (21,095) |
| Non-operating revenues (expenses): | |
| Investment income | 1,698 |
| Interest expense | (3,402) |
| Gain on sale of capital assets | 60 |
| Loss on sale of capital assets | (94) |
| Total non-operating revenues (expenses) | (1,738) |
| Loss before transfers | (22,833) |
| Transfers in | 196 |
| Transfers out | (1,150) |
| Change in net position | (23,787) |
| Total net position - beginning of period | (9,950) |
| Total net position - end of period | \$ (33,737) |

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

COUNTY OF ALAMEDA, CALIFORNIA

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)**

| | Governmental Activities - Internal Service Funds |
|--|---|
| Cash flows from operating activities: | |
| Internal activity - receipts from other funds | \$ 309,417 |
| Payments to suppliers | (134,411) |
| Payments to employees | (90,337) |
| Internal activity - payments to other funds | (11,923) |
| Claims paid | (47,967) |
| Other payments | (1,163) |
| Net cash provided by operating activities | <u>23,616</u> |
| Cash flows from non-capital financing activities: | |
| Transfers in | 196 |
| Transfers out | (1,150) |
| Net cash used in non-capital financing activities | <u>(954)</u> |
| Cash flows from capital and related financing activities: | |
| Acquisition of capital assets | (8,364) |
| Principal paid on leases | (25,073) |
| Interest paid on leases | (3,371) |
| Principal paid on subscriptions | (1,189) |
| Proceeds from sale of capital assets | 124 |
| Net cash used in capital and related financing activities | <u>(37,873)</u> |
| Cash flows from investing activities: | |
| Interest received on pooled cash | 1,698 |
| Net cash provided in investing activities | <u>1,698</u> |
| Net decrease in cash and cash equivalents | (13,513) |
| Cash and cash equivalents - beginning of period | 252,196 |
| Cash and cash equivalents - end of period | <u>\$ 238,683</u> |
| Reconciliation of operating loss to net cash provided by operating activities: | |
| Operating loss | \$ (21,095) |
| Adjustments for non-cash activities: | |
| Depreciation/amortization - capital assets | 36,367 |
| Amortization - pension-related items | (2,442) |
| Amortization - OPEB-related items | 438 |
| Changes in assets and liabilities: | |
| Other receivables | (2,042) |
| Prepaid items | 302 |
| Accounts payable and accrued expenses | 1,881 |
| Compensated employee absences payable | 85 |
| Estimated liability for claims and contingencies | 11,226 |
| Due to/advances from other funds | (1,104) |
| Total adjustments | <u>44,711</u> |
| Net cash provided by operating activities | <u>\$ 23,616</u> |

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

COUNTY OF ALAMEDA, CALIFORNIA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

| | Pension, OPEB, ¹ and Other Employee Benefits Trust Funds | Private- Purpose Trust Fund | Custodial | |
|---|--|--|---|----------------------------|
| | | | External Investment Pool | Other Custodial |
| Assets: | | | | |
| Cash and investments with County Treasurer | \$ 21 | \$ 17,295 | \$ 4,713,781 | \$ 1,048,713 |
| Cash and investments with fiscal agents | 6,915 | 2,189 | - | - |
| Investments, at fair value: | | | | |
| Short-term investments | 220,268 | - | - | - |
| Domestic equities | 512,795 | - | - | - |
| Domestic equity commingled funds | 2,013,410 | - | - | - |
| International equities | 1,103,928 | - | - | - |
| International equity commingled funds | 1,379,259 | - | - | - |
| Domestic fixed income | 1,327,238 | - | - | - |
| International fixed income | 84,556 | - | - | - |
| International fixed income commingled funds | 75,541 | - | - | - |
| Real estate - separate properties | 55,578 | - | - | - |
| Real estate - commingled funds | 780,660 | - | - | - |
| Real assets | 620,459 | - | - | - |
| Absolute return | 851,556 | - | - | - |
| Private equity | 993,108 | - | - | - |
| Private credit | 260,764 | - | - | - |
| Total investments | <u>10,279,120</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Securities lending cash collateral | 133,699 | - | - | - |
| Deposits with others | 805 | - | - | 413 |
| Receivables: | | | | |
| Taxes for other governments | - | - | - | 145,134 |
| Interest | 12,000 | 131 | 35,071 | 7,551 |
| Other | 38,354 | - | - | 7 |
| Properties held for redevelopment | - | 5,008 | - | - |
| Capital assets, net of accumulated depreciation | <u>7,584</u> | <u>2,110</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>10,478,498</u> | <u>26,733</u> | <u>4,748,852</u> | <u>1,201,818</u> |
| Liabilities: | | | | |
| Accounts payable and accrued expenses | 46,275 | - | 56,337 | 278 |
| Accrued interest payable | - | 414 | - | - |
| Use tax payable | - | - | - | 4 |
| Unapportioned tax | - | - | - | 169,184 |
| Securities lending obligation | 133,699 | - | - | - |
| Uncollected tax revenue | - | - | - | 145,134 |
| Bonds payable | - | 21,485 | - | - |
| Total liabilities | <u>179,974</u> | <u>21,899</u> | <u>56,337</u> | <u>314,600</u> |
| Net Position | | | | |
| Restricted for: | | | | |
| Pension benefits | 9,175,825 | - | - | - |
| Postemployment medical benefits | 1,122,687 | - | - | - |
| Other employee benefits | 12 | - | - | - |
| Pool participants | - | - | 4,692,515 | - |
| Individuals and other governments | - | 4,834 | - | 887,218 |
| Total net position | <u>\$ 10,298,524</u> | <u>\$ 4,834</u> | <u>\$ 4,692,515</u> | <u>\$ 887,218</u> |

¹ Pension and OPEB balances reported as of December 31, 2022.

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

COUNTY OF ALAMEDA, CALIFORNIA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Pension, OPEB, ¹ and Other Employee Benefits Trust Funds | Private- Purpose Trust Fund | Custodial | |
|---|---|--------------------------------------|--------------------------------|--------------------|
| | | | External Investment Pool | Other Custodial |
| Additions: | | | | |
| Contributions: | | | | |
| Members | \$ 120,673 | \$ - | \$ - | \$ - |
| Employer | 281,647 | - | - | - |
| Contributions on pooled investments | - | - | 11,810,343 | - |
| Total contributions | 402,320 | - | 11,810,343 | - |
| Investment income: | | | | |
| Interest | 55,328 | 514 | 87,233 | 164,612 |
| Dividends | 42,028 | - | - | - |
| Net increase (decrease) in fair value of investments | (1,407,721) | (205) | (61,356) | (17,290) |
| Real estate | 24,421 | - | - | - |
| Securities lending income | 3,070 | - | - | - |
| Private equity and alternatives | 37,754 | - | - | - |
| Brokers' Commissions | 5 | - | - | - |
| Total investment income (loss) | (1,245,115) | 309 | 25,877 | 147,322 |
| Less investment expenses: | | | | |
| Investment expenses | 33,673 | - | - | - |
| Securities lending borrower rebates and management fees | 2,449 | - | - | - |
| Real estate | 8,475 | - | - | - |
| Total investment expenses | 44,597 | - | - | - |
| Net investment income (expense) | (1,289,712) | 309 | 25,877 | 147,322 |
| Other Income: | | | | |
| Redevelopment property tax revenue | - | 2,178 | - | - |
| Taxes collected for other governments | - | - | - | 3,178,733 |
| Fees collected for other governments | - | - | - | 1,345 |
| Receipt of asset forfeitures | - | - | - | 19,263 |
| Grants collected for other governments | - | - | - | 785,492 |
| Collections for operations | - | - | - | 621,105 |
| Contributions for individuals | - | - | - | 519 |
| Miscellaneous income | 117 | 5,489 | - | 13,290 |
| Total other income | 117 | 7,667 | - | 4,619,747 |
| Total additions, net | (887,275) | 7,976 | 11,836,220 | 4,767,069 |
| Deductions: | | | | |
| Benefit payments | 624,335 | - | - | - |
| Refunds of contributions | 13,713 | - | - | - |
| Administration expenses | 17,026 | - | - | - |
| Distribution from pooled investments | - | - | 11,336,990 | - |
| Beneficiary payments to individuals | - | 4,449 | - | - |
| General and administrative expenses | - | 235 | - | 181,389 |
| Depreciation | - | 62 | - | - |
| Transfers to taxing entities | - | - | - | 144,247 |
| Interest on debt | - | 986 | - | - |
| Payment of taxes to other governments | - | - | - | 3,954,761 |
| Payment of fees to other governments | - | - | - | 23,765 |
| Payment of grants to other governments | - | - | - | 237 |
| Payment of contributions to individuals | - | - | - | 1,305 |
| Payment of contributions to non-profits | - | - | - | 310 |
| Distribution of asset forfeitures | - | - | - | 7,091 |
| Distributions for operations | - | 250 | - | 55,661 |
| Total deductions | 655,074 | 5,982 | 11,336,990 | 4,368,766 |
| Change in net position | (1,542,349) | 1,994 | 499,230 | 398,303 |
| Net position - beginning of period | 11,840,873 | 2,840 | 4,193,285 | 488,915 |
| Net position - end of period | <u>\$ 10,298,524</u> | <u>\$ 4,834</u> | <u>\$ 4,692,515</u> | <u>\$ 887,218</u> |

¹ Pension and OPEB balances reported for the year ended December 31, 2022.

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

COUNTY OF ALAMEDA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
(amounts in tables expressed in thousands)
JUNE 30, 2023

1. Summary of Significant Accounting Policies

A. Scope of Financial Reporting Entity

The County of Alameda (County) is a political subdivision chartered on March 25, 1853, by the State of California (State), and as such, it can exercise the powers specified by the constitution and statutes of the State of California. The County operates under its charter and is governed by an elected five-member Board of Supervisors (Board), providing the following services to its citizens, as authorized by its charter: election administration, public protection, public assistance, health care, road and transportation, recreation, and education.

The financial reporting entity consists of the County of Alameda (the primary government) and its component units. Component units are legally separate organizations for which the Board of Supervisors 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.

As required by accounting principles generally accepted in the United States of America (GAAP), the County's basic financial statements present the County of Alameda and its component units, which are discussed below:

Blended and Fiduciary Component Units - Blended and fiduciary component units are, in substance, part of the County's operations and their financial data are combined with data of the primary government. These component units have a June 30 fiscal year-end, with the exception of the Alameda County Employees' Retirement Association (ACERA), which has a December 31 fiscal year-end. The financial activities of ACERA for the year ended December 31, 2022, are included herein.

• *Alameda County Flood Control and Water Conservation Districts (Flood Control Districts)*

The Flood Control Districts were established to provide flood control services within specific areas of the County. Although the Flood Control Districts are legally separate from the County, they are reported as if they were part of the primary government because the Flood Control Districts governing board is composed solely of the members of the County Board of Supervisors and the Board has operational responsibility for the Flood Control Districts. The financial transactions of the Flood Control Districts are reported within the flood control fund. The books and records for the Flood Control Districts are maintained by the County. Additional financial data for the Flood Control Districts may be obtained from the Alameda County Auditor-Controller's Office, 1221 Oak Street, Oakland, CA 94612.

• *Alameda County Fire Department (Fire Department)*

The Fire Department was established in 1993 as a consolidation of several County fire districts to provide fire protection services in the unincorporated areas of the County. Since then, the cities of San Leandro and Dublin have contracted with the Fire Department to provide fire protection services within their city limits as well. Although the Fire Department is legally separate from the County, it is reported as if it were part of the primary government because it is governed by the County Board of Supervisors and the Board has operational responsibility for the Fire Department. The activities of the Fire Department are reported within non-major governmental funds. The books and records for the Fire Department are maintained by the County. Additional financial data for the Fire Department may be obtained from the Alameda County Auditor-Controller's Office, 1221 Oak Street, Oakland, CA 94612.

• *Alameda County Employees' Retirement Association (ACERA)*

ACERA is a multiple-employer public retirement system organized under the 1937 Retirement Act. The County and its component unit, Alameda Health System, are the major participants and contribute 77.47 and 17.60 percent, respectively, of total employer contributions. ACERA is governed by a nine-member board that includes the County treasurer, four County citizens appointed by the Board of Supervisors and four members elected by the ACERA membership. Although ACERA is legally separate from the County, it is reported as part

COUNTY OF ALAMEDA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
(amounts in tables expressed in thousands)
JUNE 30, 2023

of the County's reporting entity because it benefits the County by providing substantial services to the County's and its component units' employees. The activities of ACERA are reported within the pension and other employee benefit trust funds. Complete financial statements for ACERA may be obtained from the Alameda County Employees' Retirement Association, 475 14th Street, Suite 1000, Oakland, CA 94612.

Postemployment healthcare benefits currently provided by ACERA include medical, dental, and vision benefits. These benefits are reported in the pension and other employee benefits trust funds in the financial statements consistent with Governmental Accounting Standards Board (GASB) Statement No. 74. Other forms of postemployment benefits provided by ACERA include supplemental cost of living allowance and death benefits. These benefits are reported in the pension and other employee benefits trust funds in the financial statements consistent with GASB Statement No. 67, as they are considered postemployment benefits.

- *Alameda County Public Facilities Corporation (Corporation)*

The Corporation is a legal entity established to account for the proceeds of certificates of participation issues and other financings for the County. The Board of Directors of the Corporation is comprised of the members of the Board of Supervisors; therefore, the Corporation is considered a component unit. The activities of the Corporation are reported within the debt service governmental fund because the Corporation provides services directly to the County. The books and records for the Corporation are maintained by the County. Additional financial data for the Corporation may be obtained from the Alameda County Auditor-Controller's Office, 1221 Oak Street, Oakland, CA 94612.

- *County Service Areas (CSA)*

CSAs are special districts established by the Board of Supervisors for the purpose of providing specific services to County residents. Although the CSAs are legally separate from the County, they are reported as if they were part of the primary government because they are governed by the County Board of Supervisors and the Board has operational responsibility for the CSAs. The books and records of these CSAs are maintained by the County, and their activities are reported within non-major governmental funds. Additional financial data for the CSAs may be obtained from the Alameda County Auditor-Controller's Office, 1221 Oak Street, Oakland, CA 94612.

- *Alameda County Tobacco Asset Securitization Authority (Authority)*

The Authority was established to account for the activities related to the tobacco securitization bonds and revenues generated from the master settlement agreement with the four largest U.S. tobacco manufacturers. The Authority is governed by a board consisting of five directors. It is a separate legal entity; however, it is presented as a blended entity because all members of the board are appointed by the Board of Supervisors and it provides services exclusively to the County. The activities of the Authority are reported within non-major governmental funds as a debt service fund. The books and records for the Authority are maintained by the County. Additional financial data for the Authority may be obtained from the Alameda County Auditor-Controller's Office, 1221 Oak Street, Oakland, CA 94612.

- *Alameda County Joint Powers Authority (Joint Powers Authority)*

The Joint Powers Authority was initially formed by and between the County and the Redevelopment Agency to assist the County in the financing of public capital improvements. Effective February 1, 2012, the Redevelopment Agency was dissolved, and pursuant to the California Health and Safety Code, the Alameda County Redevelopment Successor Agency (Successor Agency) to the Redevelopment Agency was established for the purpose of winding down the affairs of the former redevelopment agency. On March 18, 2014, the joint exercise of powers agreement was amended to add the Surplus Property Authority as a member of the Joint Powers Authority and for the Successor Agency to withdraw as a member. The Joint Powers Authority is included as part of the primary government because the governing board consists of the members of the Board of Supervisors and it provides services exclusively to the County. The activities of the Joint Powers Authority are reported within the debt service governmental fund. The books and records for the Joint Powers Authority

COUNTY OF ALAMEDA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
(amounts in tables expressed in thousands)
JUNE 30, 2023

are maintained by the County. Additional financial data for the Joint Powers Authority may be obtained from the Alameda County Auditor-Controller's Office, 1221 Oak Street, Oakland, CA 94612.

Discretely Presented Component Unit - The following component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. Although it has a significant relationship with the County, the entity does not provide services solely to the County and, therefore, is presented discretely.

• *Alameda Health System (AHS)*

Alameda Health System (AHS) is a public hospital authority created originally under the name of Alameda County Medical Center. AHS is governed by an eleven-member board of trustees, appointed by a majority vote of the Board of Supervisors of the County. Pursuant to the agreement dated July 1, 1998, between the County and the AHS, the AHS manages and operates the county hospitals and clinics. The County pays the AHS for the provision of indigent care. The hospital facilities and related debt are presented in the governmental activities of the County's statement of net position. All equipment is the property of the AHS. The AHS has a June 30 fiscal year-end. The financial activities of the AHS for the year ended June 30, 2023, are shown herein. Complete financial statements for the AHS may be obtained from the Alameda Health System, 1411 E. 31st Street, Oakland, CA 94602.

The AHS's governing body is not substantially the same as the County's and the AHS does not provide services entirely or almost entirely to the County. However, the County is accountable for the AHS through the appointment of the AHS's board and the ability to remove appointed members at will.

Other Organizations - There are other governmental agencies that provide services within the County of Alameda. These entities have independent governing boards and the County is not financially accountable for them.

• *Alameda County Redevelopment Successor Agency (Successor Agency)*

The Successor Agency was formed to wind down the affairs, including all assets except the housing assets, of the former Redevelopment Agency, which was dissolved as a result of the State of California ABx1 26. The Successor Agency's governing board consists of the members of the Board of Supervisors. The books and records of the Successor Agency are maintained by the County and its activities are reported within the fiduciary funds as a private-purpose trust fund. Additional financial data for the Successor Agency may be obtained from the Alameda County Community Development Agency, 224 W. Winton Avenue, Hayward, CA 94544.

The County's basic financial statements, except for certain cash held by the County as an agent, do not reflect operations of the Alameda Alliance for Health, Alameda County Mosquito Abatement District, Alameda County Resource Conservation District, Alameda County Transportation Authority, Alameda County Schools Insurance Group (ACSIG), and Alameda County Office of Education. The County is represented in three regional agencies, the San Francisco Bay Area Rapid Transit District (BART), the Bay Area Air Quality Management District (BAAQMD), and the Metropolitan Transportation Commission (MTC), which are also excluded from the County's reporting entity.

B. Government-wide and Fund Financial Statements

The government-wide financial statements, i.e., the statement of net position and the statement of activities, report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities normally are supported by taxes and intergovernmental revenues. The discretely presented component unit is reported separately from the primary government due to its separate legal standing.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific

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function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, of which the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements, proprietary fund statements, and fiduciary fund statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenues are considered to be available if they are collected within 180 days of the end of the current fiscal period. It is the County’s policy to submit claims for federal and state grant revenues within 90 days of the end of the program cycle and payment is generally received within 90 days thereafter. Expenditures are recognized when the liability is incurred, except for interest on long-term debt and payments related to vacation, sick leave, claims and judgments, which are recorded when due.

Property taxes, other local taxes, licenses, interest, and intergovernmental revenues associated with the current fiscal period are all considered as being susceptible to accrual and have been recognized as revenues of the current fiscal period, to the extent they are considered available. All other revenue items are considered to be measurable and available only when the County receives cash.

The County reports the following major governmental funds:

The **General Fund** is the general operating fund of the County. It is used to account for all financial resources and transactions except those required to be accounted for in another fund.

The **Property Development Fund** accounts for the sale and development of surplus County land. The fund’s revenue sources include proceeds from sale of surplus land, proceeds from the issuance of the Measure A1 general obligation bonds, and developer fees.

The **Disaster Response Fund** is used to account for financial resources to be used for general disaster relief programs.

The **Flood Control Fund** is used to account for taxes, assessments and other revenues collected in specific areas of the County, which are restricted for the provision of flood control services within those areas.

The **Capital Projects Fund** is used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary fund types and trust funds.

The **Debt Service Fund** is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

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Additionally, the County reports the following fund types:

The **Internal Service Funds** are used to account for the financing of goods or services provided by one County department or agency to other departments or agencies of the County or to other governments on a cost-reimbursement basis. Internal Service funds account for the activities of the information technology, building maintenance, motor pool, and the County's risk management programs.

The **Pension, OPEB, and Other Employee Benefits Trust Funds** reflect the activities of the ACERA and the Employees' Cafeteria Benefit Plan. ACERA accounts for employee and County contributions to retirement and postemployment benefits and the earnings or losses from investments. It also accounts for the disbursements made for employee retirement benefits, withdrawals, postemployment benefits, disability and death benefits, as well as administrative expenses. The other employee benefits trust fund holds the benefit amount of the employees who exceed the annual limit as restricted by Section 415(b) of the Internal Revenue Code.

The **Private-Purpose Trust Fund** reflects the activities of the Alameda County Redevelopment Successor Agency for assets, except the housing assets, of the former Alameda County Redevelopment Agency and the activities of the Public Guardian and Court Wards in managing the assets of conservatees of the County.

The **Custodial Funds** account for all fiduciary activities not required to be reported in pension, OPEB, and other employee benefit trust funds, investment trust funds, or private-purpose trust fund. The external portion of the Treasurer's investment pool which is not held in trust is reported in a separate column under the custodial funds classification. This includes funds of the Alameda County school and community college districts, the Trial Courts, the Law Library, the Zone 7 Water Agency, and independent special districts that participate in the Treasurer's pool.

The effect of interfund activities have been eliminated from the government-wide financial statements. Exceptions to this rule are charges between functions because elimination of these charges would distort the direct costs and program revenues reported in the statement of activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the County's internal service funds are charges for customer services including vehicle usage and maintenance fees, building rent and maintenance fees, telecommunication and information technology system support, and charges for risk management activities. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

Effect of Component Unit with Differing Fiscal Year-End

ACERA has a fiscal year ending on December 31. The amounts reflected in the June 30, 2023 financial statements are the balances as of ACERA's fiscal year ended December 31, 2022. The difference in the cash balance and interfund transactions are reconciled in the Cash and Investments footnote (Note 2).

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D. Cash and Investments

The County follows the practice of pooling cash and investments of all funds with the County Treasurer. Certain funds, which are held by outside custodians are classified as "Cash and investments with fiscal agents" on the accompanying financial statements. The earned interest yield on all funds held by the County Treasurer for fiscal year 2022-2023 was approximately 1.64 percent. The fair value of the Treasurer's pool is determined on a quarterly basis. The adjustment to the cash balance of all participants in the pool is based on the cash balance at the valuation date. The change in the fair value of investments is recognized in the year in which the change occurred.

Investment in the Treasurer's Pool

The Treasurer's investment pool comprises two components: (1) pooled deposits and investments and (2) specific investments. Specific investments are individual investments that are made separately from the pooled investments at the request of a specific depositor in the County Treasury. The interest earnings on specific investments are recorded only in the fund from which the investment was made.

Pursuant to the California Education Code, receipts of college and school districts must be deposited with the appropriate county. The Alameda County schools and colleges account for 43.09 percent of the net position in the Treasurer's pool. The deposits held for these entities are included in the external investment pool.

The funds of the independent special districts and cities that participate in the Treasurer's pool are also accounted for in the external investment pool as a separate column under the custodial funds.

In addition to the Treasurer's investment pool, the County has other funds that are held by trustees. These funds are related to the issuance of debt and the investments of Surplus Property Development and ACERA.

Investment Valuation

Certain U.S. government securities that have a remaining maturity at time of purchase of one year or less are carried at amortized cost, which approximates fair value. Investments with maturity of more than one year, whether pooled or specific, are carried at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of investments is determined using the fair value hierarchy defined by GASB Statement No. 72.

For pooled investments, the fair value of participants' position in the pool is the same as the value of the pool shares. The method used to determine the value of participants' equity withdrawn is based on the book value of the participants' percentage participation at the date of such withdrawal. In the event that a certain fund overdraws its share of pooled cash, the overdraft is reported as being due to the general fund.

Investment Income

Income from pooled investments is allocated to the individual funds or external participants at the end of each quarter based on the fund or participant's average daily cash balance during the quarter in relation to the average daily balance of total Treasurer's pool. County management has determined that the investment income related to certain funds should be allocated to the general fund. The income is reported in the fund that earned the interest. A transfer is then recorded to transfer an amount equal to the interest earnings to the general fund.

It is the County's policy to charge interest to those funds that have a negative average daily cash balance. The interest charged is reported as negative interest revenue. In certain instances, County management or State law has determined that the negative interest related to the fund should be allocated to the general fund. The negative interest revenue is recorded in the fund that is charged with the interest. A transfer is then recorded to transfer an amount equal to the negative interest revenue from the general fund.

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Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earned the interest.

E. Taxes Receivable

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

The County assesses properties and collects property taxes as follows:

| | <u>Secured</u> | <u>Unsecured</u> |
|------------------|---|-------------------------|
| Valuation dates | January 1 | January 1 |
| Lien dates | January 1 | January 1 |
| Due dates | 50% on November 1 50% on February 1 | Upon receipt of billing |
| Delinquent after | December 10 (for November) April 10 (for February) | August 31 |

Taxes are secured by liens on the property being taxed. The term "secured" refers to taxes on land and buildings, while "unsecured" refers to taxes on personal property other than land and buildings.

Secured taxes are distributed to the general fund, the flood control fund, the non-major governmental funds, the school districts and the cities of Alameda and Piedmont, who are participants in the Teeter Plan, as follows: 50 percent of the levy in December, 45 percent in April and the remaining 5 percent in August of each year. The remaining recipients of property tax revenues, who elected not to participate in the Teeter Plan, receive their share of actual current and delinquent taxes and penalties as they are collected.

F. Interfund Receivables/Payables

During the course of operations, transactions occur between funds to account for goods received or services rendered, cash overdraft and interfund loans. These receivables and payables are classified as "due from other funds" or "due to other funds" in the fund financial statements.

G. Inventory of Supplies

Supplies inventory is recorded at cost and charged on a weighted-average basis. In both the governmental and proprietary funds, supplies inventory is accounted for using the consumption method of inventory accounting. This method records an expenditure when supplies are consumed rather than when purchased.

H. Capital Assets

Capital assets, which include land, easements, construction in progress, structures and improvements, machinery and equipment, software, infrastructure assets, lease assets, subscription assets and a historical artifact, are reported in the government-wide financial statements. The County capitalizes equipment and computer software with a minimum cost of \$5 thousand and \$250 thousand, respectively, and an estimated useful life in excess of one year. Structures and improvements and infrastructure with a value of at least \$250 thousand are capitalized. Land, entitlements, and items in collections costing at least \$5 thousand are capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

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Donated capital assets are recorded at acquisition value at the date of donation. Capital additions are recorded as expenditures throughout the governmental funds and as assets in the government-wide financial statements to the extent that the County's capitalization threshold is met.

Capital assets, including financed purchases, of the primary government and its component units are depreciated/amortized using the straight-line method applied over the estimated useful lives of the assets, using the following estimated useful lives:

| <u>Type of Asset</u> | <u>Estimated Useful Life in Years</u> |
|-----------------------------|---|
| Structures and Improvements | 30 |
| Machinery and Equipment | 3-20 |
| Software | 5-10 |
| Infrastructure | 10-100 |

The majority of the infrastructure assets are being depreciated over a 30 to 60 year period. Land, easements, construction in progress, and collections are not depreciated.

The County has reported lease and subscription assets as a result of GASB Statement No. 87 (GASB 87) and GASB Statement No. 96 (GASB 96) implementations. The lease and subscription assets are initially measured at an amount equal to the measurement of the related liability plus any payments made prior to the term and ancillary charges necessary to place the assets into service less any incentives. The lease and subscription assets are amortized on a straight-line basis over the term of the related asset or the useful life of the asset, whichever is shorter.

I. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and the balance sheet report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The County reports the following deferred items:

Loss on Refunding Debt – A loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt and reported in the government-wide statement of net position.

Unavailable Revenue – Resources collected after 180 days, except for property taxes that are collected after 60 days, are not recognized on the current financial resources measurement focus and modified accrual basis of accounting.

Deferred Outflows and Inflows of Resources Related to Pensions and OPEB – These deferred items are recognized and measured in financial statements prepared using the economic resources measurement focus and the accrual basis of accounting. The deferral is for changes in the net pension/OPEB liability that are not included in pension/OPEB expense and must be amortized in a systematic and rational manner over a closed period depending on the cause beginning with the current period. These causes may include changes of future economic and demographic assumptions or other inputs, differences between expected and actual experience with regard to economic or demographic factors, differences between projected and actual earnings on

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pension/OPEB plan investments, changes in proportion, and differences between actual and proportionate share of contributions.

Employer contributions subsequent to the measurement date of the net pension/OPEB liability are reported as deferred outflows of resources.

J. Compensated Employee Absences

The County permits its employees to accumulate up to fifty days of unused vacation leave over their working career. The unused vacation leave, compensatory time, and unexpired in-lieu compensatory time are redeemed in cash upon termination or by extended absence immediately preceding retirement. Such cash payments of absences are recognized as expenditures of the governmental funds in the year of payment. Employees are not reimbursed for accumulated sick leave.

Estimated unpaid vacation leave, compensatory time, and unexpired in-lieu compensatory time at June 30, 2023, are accrued and recorded in the government-wide and proprietary fund financial statements. The estimated obligation includes an amount for salary-related payments (i.e. payroll taxes) associated with the compensated leaves. All retired or terminated employees as of June 30, 2023, have been compensated for any accumulated vacation, compensatory time, and unexpired in-lieu compensatory time. The funds used to liquidate the liability are based on the funds in which the employee's salaries are budgeted.

K. Bond Issuance Costs and Premiums/Discounts

In the government-wide and fiduciary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and fiduciary fund financial statements of net position. Bond premiums and discounts are amortized over the life of the bonds using a straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred in the statement of activities.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, in the year bonds are issued. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Lease Liability

The County recognizes lease contracts or equivalents that have a term exceeding one year and meet the criteria of GASB 87. The County uses a discount rate that is explicitly stated or implicit in the contract. If a readily determinable discount rate is not available, the County uses the incremental borrowing rate at the initial measurement of the lease for a similar asset type and term length to the contract. Short term lease payments and maintenance costs are reported as expenditures/expenses when incurred.

M. Subscription Liability

The County recognizes subscription-based information technology arrangements or equivalents that have a term exceeding one year and meet the criteria of GASB 96. The County uses a discount rate that is explicitly stated or implicit in the contract. If a readily determinable discount rate is not available, the County uses the incremental borrowing rate at the initial measurement of the subscription for a similar asset type and term length to the contract. Short term subscription payments and maintenance costs are reported as expenditures/expenses when incurred.

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N. Fund Balances/Net Position

Fund Balances

As prescribed by GASB Statement No. 54, fund balance should be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The following are the fund balance classifications:

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

Restricted Fund Balance – amounts with constraints placed on their use either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – amounts that are established for specific purposes pursuant to constraints imposed by formal action (through ordinance or resolution) of the Board of Supervisors, the County's highest level of decision-making authority. The Board of Supervisors establishes, modifies, or removes commitments of fund balance for specific purposes through ordinance or resolution. The commitments can be changed or rescinded only by taking the same formal action that imposed the constraint. An ordinance and a resolution are equally binding in effect and it is equally difficult to remove the constraints established by either an ordinance or resolution. The formal action that commits fund balance to a specific purpose must occur prior to the end of the reporting period but the amount may be determined in a subsequent period.

Assigned Fund Balance – amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. The Board of Supervisors has adopted an accounting policy whereby the authority to assign fund balance to specific purposes is delegated to the County Administrator in consultation with the County Auditor-Controller.

Unassigned Fund Balance – residual classification for the general fund. It represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. This is also the residual for negative fund balances of other governmental funds.

It is the County's policy to apply expenditures to the appropriate fund balance components if they can be specifically identified and in the following order if not:

- Apply to restricted fund balance when both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, or
- Apply to committed fund balance, then assigned fund balance, and finally unassigned fund balance when committed, assigned, or unassigned fund balances are available.

Minimum Fund Balance

The County reserves an annual amount of up to five percent of the total general fund budget within a designated contingency account and establishes a goal of maintaining a designated fund balance at a level of at least two months of expenditures of the General Fund Budget which currently is approximately 16.7% of the general fund budget. The annual budget account for capital is increased from 1% of discretionary revenue up to 5% of the total general fund budget. The County's policy is to pay current operating expenditures with current operating revenues. Budgetary procedures that fund current expenditures at the expense of future needs are avoided. The contingency account is to:

- Provide for non-recurring unforeseen expenditures of an emergency nature;
- Maximize short-term borrowable capital;

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- Provide orderly budgetary adjustments when revenues are lost through the actions of other governmental bodies;
- Provide the local match or required “Maintenance of Effort” appropriation for public or provide programs and grants that may become available; and
- Meet unexpected nominal increases in service delivery costs.

The Board of Supervisors has the sole discretion in authorizing the use of this account.

Net Position

Net Investment in Capital Assets - This category of net position groups all capital assets into one component. Accumulated depreciation and the outstanding balances of debt and loss on refunding debt related to the acquisition, construction, or improvement of the capital assets reduce the balance in this category.

Restricted Net Position - Restricted net position are those assets, net of their related liabilities, that have constraints placed on their use by creditors, grantors, contributors, or by enabling legislation. Accordingly, restricted assets may include unexpended bond proceeds, unspent grant revenues, certain fees and charges and restricted tax revenues.

Unrestricted Net Position - Unrestricted net position is the residual amount of the net position not included in the net investment in capital assets or the restricted net position.

O. Self-Insurance

The County is self-insured for general liability, automobile liability, medical malpractice, workers' compensation and employer's liability, and dental insurance claims. Internal service funds are used to account for the County's self-insurance activities. It is the County's policy to provide in each fiscal year, by premiums charged to affected operating funds, amounts sufficient to cover the estimated charges for self-insured claims, excess insurance and administrative costs. The risk management internal service fund's estimated liability for claims and contingencies is actuarially determined and includes claims incurred but not reported.

P. Interfund Transfers

Inter-fund transfers are generally recorded as transfers in or out except for certain types of transactions that are described below.

- (1) Charges for services are recorded as revenues of the performing fund and expenditures of the requesting fund. Unreimbursed costs are recognized as an asset of the performing fund at the end of the fiscal year.
- (2) Reimbursements for expenditures, initially made by one fund that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund that is reimbursed.

Q. Refunding of Debt

In the government-wide financial statements, gains or losses from refunding of debt are reported as deferred inflows or outflows of resources and amortized into interest expense over the shorter of the life of the refunded debt or refunding debt.

R. Cash Flows

A statement of cash flows is presented for proprietary fund types. Cash and cash equivalents include all unrestricted and restricted highly liquid investments with original purchase maturities of three months or less. Pooled cash and investments in the County Treasurer's pool represent monies in a cash management pool. Such accounts are similar in nature to demand deposits.

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S. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the Alameda County Employees' Retirement Association (ACERA) and additions to/deductions from ACERA's fiduciary net position have been determined on the same basis as they are reported by ACERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The County does not make contributions to the ACERA OPEB Plan. The ACERA OPEB Plan receives transfers from the ACERA Pension Plan when there are investment earnings in excess of actuarial assumptions.

GASB Statements No. 68 and 75 require that the reported results must pertain to liability and asset information within certain defined timeframes. For ACERA's pension/OPEB plans, the following timeframes are used:

| | |
|--------------------|--------------------------------------|
| Valuation Date | December 31, 2021 |
| Measurement Date | December 31, 2022 |
| Measurement Period | January 1, 2022 to December 31, 2022 |

For the Fire Department, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) Miscellaneous Plan, Safety Plan and OPEB Plan and additions to/deductions from CalPERS' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website (www.calpers.ca.gov) under Forms and Publications.

For CalPERS' pension/OPEB plans, the following timeframes are used:

| | |
|--------------------|---|
| Valuation Date | June 30, 2021 (Pension); June 30, 2022 (OPEB) |
| Measurement Date | June 30, 2022 |
| Measurement Period | July 1, 2021 to June 30, 2022 |

Below is a summary of the aggregate amount of net pension and OPEB liabilities, and deferred outflows/inflows of resources related to all pension and OPEB plans as presented in the financial statements.

| | Net Pension Liabilities | Deferred Outflows of Resources | Deferred Inflows of Resources | Pension Expense/ Expenditures |
|-----------------|---|---|--|--|
| ACERA | \$ 1,563,447 | \$ 973,649 | \$ 251,962 | \$ 335,650 |
| Fire Department | 160,650 | 68,461 | 3,593 | 30,187 |
| Total | <u>\$ 1,724,097</u> | <u>\$ 1,042,110</u> | <u>\$ 255,555</u> | <u>\$ 365,837</u> |
| | Net OPEB Liabilities/ Assets | Deferred Outflows of Resources | Deferred Inflows of Resources | OPEB Expense/ Expenditures |
| ACERA | \$ 146,524 | \$ 169,114 | \$ 92,676 | \$ 14,360 |
| Fire Department | 68,103 | 11,958 | 28,490 | (4,828) |
| Total | <u>\$ 214,627</u> | <u>\$ 181,072</u> | <u>\$ 121,166</u> | <u>\$ 9,532</u> |

T. Joint Venture

The County is a participant with the City of Oakland in a joint exercise of powers agreement known as the Oakland-Alameda County Coliseum Authority (the Coliseum Authority), which was formed on July 1, 1995, to

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assist the City of Oakland and the County in the financing of public capital improvements in the Oakland-Alameda County Coliseum Complex pursuant to the Marks-Roos Local Bond Pooling Act of 1985. Under this agreement, which formed the Coliseum Authority, the County is responsible for funding up to 50 percent of the Coliseum Authority's operating costs and debt service requirements, to the extent such funding is necessary. See Note 17 for further information on the Coliseum Authority joint venture.

U. Estimates

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

V. New Accounting Standards Implemented

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This statement did not have a significant impact to the County's financial statements.

In In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an interbank offered rate for agreements in which variable payments are made or received and depend on an interbank offered rate, namely the London Interbank Offered Rate (LIBOR). The removal of LIBOR as an appropriate benchmark interest rate is effective for the County's fiscal year ending June 30, 2023. This statement did not have a significant impact to the County's financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. This statement did not have a significant impact to the County's financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The effect to the financial statements was a recognition of subscription liability and subscription assets on the proprietary funds and government-wide financial statements. See Notes 5 and 7 for more information.

W. New Pronouncements

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives for this Statement are to enhance comparability in financial reporting and improve consistency of authoritative literature by addressing practical issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements related to leases, public-public partnership arrangements, and availability payment arrangements, and subscription-based information technology arrangements are effective for the County's year ending June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 are effective for the County's year ending June 30, 2024.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable

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and comparable information for making decisions or assessing accountability. This Statement is effective for the County's year ending June 30, 2024.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement is effective for the County's year ending June 30, 2025.

2. Cash and Investments

A. Deposits

As of June 30, 2023, the County's cash and deposits were as follows:

| | <u>Bank Balance</u> | <u>Carrying Value</u> |
|---|---------------------|-----------------------|
| Deposits with financial institutions | \$ 736,966 | \$ 737,702 |
| Cash on hand | | 34,791 |
| Deposits in transit | | 2,311 |
| Cash with County Treasurer for other employee benefits trust fund | | 21 |
| Total cash and deposits | | \$ 774,825 |

Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside entity. The County's investment policy requires that deposits in banks must meet the requirements of California Government Code. Of the \$736.9 million in deposits with financial institutions, \$3.5 million was covered by federal depository insurance and \$733.4 million was collateralized by pledging financial institutions as required by California Government Code Section 53652.

Under the California Government Code, a financial institution is required to secure deposits in excess of \$250 thousand made by state or local governmental units by pledging securities held in the form of an undivided collateral pool. The fair value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a fair value of 150 percent of the secured public deposits. The collateral must be held at the pledging bank's trust department or at another bank, acting as the pledging bank's agent, in the public agency's name. The County may waive collateral requirements for cash deposits, which are fully insured up to \$250 thousand by the Federal Deposit Insurance Corporation. The County, however, has not waived the collateralization requirements.

As of December 31, 2022, ACERA reported a deposit of \$6.9 million. As of December 31, 2022, ACERA had no deposits that were exposed to custodial credit risk.

B. Investments

County investments consist of (a) Treasurer's investments, (b) Investments with fiscal agents and, (c) ACERA's investments.

a. Treasurer's Investments

Funds with the County Treasurer are invested pursuant to the annual investment policy established by the Treasurer and approved by the Board of Supervisors. The objectives of the policy are, in order of priority, preservation of capital, liquidity, and yield. The policy addresses the soundness of financial institutions in which

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the County deposits funds, the types of investment instruments and the percentage of the portfolio, which may be invested in certain instruments, as permitted by Section 53600 et seq. of the Government Code of the State of California (Government Code).

On June 10, 1997, the Board of Supervisors created the Treasury Oversight Committee pursuant to Section 27131 of the Government Code. The Committee is responsible for ensuring that the Treasurer’s investment pool is audited annually and for reviewing and monitoring the Treasurer’s investment policy.

The County has adopted a written investment policy, which is more restrictive than state law as to terms of maturity, credit quality and types of investment. The table below identifies the investment types that are authorized by the investment policy. The table also identifies certain provisions of the investment policy that address interest rate risk and concentration of credit risk. The investment policy places maturity limits based on the type of security.

| AUTHORIZED INVESTMENTS | MAXIMUM % HOLDINGS | PURCHASE RESTRICTIONS | MAXIMUM MATURITY | CREDIT QUALITY |
|--|-------------------------------|--|--------------------------------------|--------------------------------------|
| US Treasury Obligations | 100% | N/A | 5 years with 25% allowed to 10 years | N/A |
| Federal Agencies | 100% | Max issuer 100% | 5 years with 25% allowed to 10 years | N/A |
| Money-Market Mutual Funds | 20% | Max 10% issuer, must maintain constant NAV | Daily Liquidity | AAA rated from at least 2 NRSROs |
| Commercial Paper | 25% | Max issuer 10%, combined with corporates and CP | 270 days | A-1 equivalent or better by 2 NRSROs |
| Negotiable Certificate of Deposits | 30% | Max issuer 10%, combined with corporates and CP | 1 year | A-1 equivalent or better by 2 NRSROs |
| Medium Term Corporate Notes | 30% | Max issuer 10%, combined with corporates and CP | 5 years | A equivalent or better by 2 NRSROs |
| Asset-Backed Securities | 20% | Max issuer 5%, equipment leased-backed certificate, consumer receivable pass-throughs, consumer receivables-backed bonds | 5 years | AA equivalent or better by 2 NRSROs |
| State and Local Government Bonds | 20% | Max issuer 5% | 5 years | A equivalent or better by 1 NRSROs |
| Repurchase Agreements (REPO) | 20% | Collateral to be US Government or Federal Agency with max maturity of 5 years. 102% of funds borrowed and marked-to-market daily | 180 days | N/A |
| Reverse Repurchase Agreements (Reverse REPO) | 20% | Prior approval of the Board of Supervisors | 180 days | N/A |
| Banker’s Acceptances | 30% | Drawn on and accepted by a commercial bank | 180 days | A-1 equivalent or better by 2 NRSROs |
| Supranational | 30% | Max 15% issuer, Senior unsecured unsubordinated or guaranteed by IBRD, IFC, or IADB | 5 years | AA equivalent or better by 2 NRSROs |
| Local Agency Investment Fund | State Limit | Per LAIF | Daily Liquidity | N/A |
| Investment Trust of California | 2X LAIF | Per CalTRUST | Daily Liquidity | N/A |
| California Asset Management Program | 2X LAIF | Per CAMP | Daily Liquidity | N/A |
| Collateralized/FDIC Insured Time Deposits | 30% | Refer to page 8 | 5 years | N/A |
| Collateralized Money Market Bank Accounts | 30% | Refer to page 8 | Daily Liquidity | N/A |

There were no derivative instruments in the investment pool for the year ended June 30, 2023.

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As of June 30, 2023, Treasurer's investments consisted of the following:

| Investment Type | Credit Rating S&P's/Moody's | Investment Maturities (in Years) | | Fair Value |
|--|--------------------------------|----------------------------------|---------------------|---------------------|
| | | Less than 1 | 1 to 5 | |
| Commercial paper | Not Rated | \$ 246,300 | \$ - | \$ 246,300 |
| Federal agency notes and bonds | AA+/P-1 to Aaa | 1,794,443 | 3,492,702 | 5,287,145 |
| Local agency investment funds (LAIF) | Not Rated | 22,000 | - | 22,000 |
| Asset backed securities | AAA/Aaa | 101 | 944 | 1,045 |
| Medium term corporate notes | A- to Aaa/A1 to Aaa | 133,485 | 565,743 | 699,228 |
| Negotiable certificates of deposit | AA+/P-1 to Aaa | 1,248,874 | - | 1,248,874 |
| Municipal securities | AA-/Aa3 | 25,431 | 13,816 | 39,247 |
| Non-U.S. Treasury Notes * | Aaa/Aaa | 51,428 | 193,113 | 244,541 |
| U.S. Treasury notes and bonds | AA+/Aaa | 642,793 | 397,321 | 1,040,114 |
| California Asset Management Program (CAMP) | AAA/Aaa | 20,000 | - | 20,000 |
| Investment Trust of California (CalTRUST) | AAA/Aaa | 40,000 | - | 40,000 |
| Total Investments | | \$ 4,224,855 | \$ 4,663,639 | \$ 8,888,494 |

* Non-U.S. Treasury notes fall under the Supranatural category in the County's investment policy. These are U.S. dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by certain international banks that are eligible for purchase or sale in the United States.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the Treasurer manages the risk exposure by limiting the weighted average maturity of its investment portfolio to not more than two years at any time. The weighted average maturity of the Treasurer's Pool at June 30, 2023 was 473 days.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Treasurer manages this risk exposure by complying with the Government Code and the Treasurer's more restrictive investment policy regarding the credit ratings of various types of investments. The investment policy, effective for calendar year 2023 prescribes rating requirements per investment category, which are summarized in the table on page 45.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The investment policy sets limit on the amount the County may invest in any one issuer for specific type of securities. As of June 30, 2023, more than 5 percent of the Treasurer's investments were under the following issuers:

| Issuer: | Percentage of Treasurer's Pool Portfolio as of June 30, 2023 |
|--|---|
| Federal Home Loan Bank | 32.52% |
| Federal Home Loan Mortgage Corporation | 12.04% |
| Natixis | 6.81% |
| Federal Agriculture Mortgage Corporation | 5.06% |

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The following represents a condensed statement of net position and changes in net position for the Treasurer’s pool for the year ended June 30, 2023. Cash and deposits do not include cash associated with department revolving funds or the Alameda Health System, which are held outside of the County Treasury.

Statement of Net Position:

| | | |
|--------------|--------------------------------------|---------------------|
| Assets: | | |
| | Deposits and cash on hand | \$ 772,514 |
| | Deposits in Transit | 2,311 |
| | Investments (at fair value) | 8,888,494 |
| | Accrued Interest | <u>73,570</u> |
| | Total assets | <u>\$ 9,736,889</u> |
| Liabilities: | | 56,337 |
| Net Position | | <u>\$ 9,680,552</u> |
| | Equity of internal pool participants | \$ 4,988,037 |
| | Equity of external pool participants | <u>4,692,515</u> |
| | Total Net Position | <u>\$ 9,680,552</u> |

Statement of Changes in Net Position

| | |
|--|---------------------|
| Net change in investments by pool participants | \$ 1,340,544 |
| Net position at July 1, 2022 | 8,340,008 |
| Net position at June 30, 2023 | <u>\$ 9,680,552</u> |

The County has not provided nor obtained any legally binding guarantees during the year ended June 30, 2023, to support the value of shares in the pool.

As of June 30, 2023, the Treasurer’s cash and investment pool was carried at fair value, based on the current market price of the investment holdings. During the fiscal year, the fair value of the cash and investment pool was determined quarterly and reported to the Board of Supervisors at the end of each calendar quarter.

To request a copy of an Investment Report, contact the Investment Officer at the Office of the Alameda County Treasurer – Tax Collector at 1221 Oak Street, Room 131, Oakland or call (510) 272-6800 for the fair value, the principal amount, ranges of interest rates, and maturities dates of each investment classification for the Treasurer’s Pool.

Each County fund’s equity in the pool is the fund’s actual cash position as of any given date. Any “value” that served to either increase or decrease the pool’s valuation as a result of the current fair value of the pool on June 30, 2023, has been allocated to each fund based on the average cash balance during the last quarter of the fiscal year.

Other Disclosures

As of June 30, 2023, the County’s investment in the Local Agency Investment Fund (LAIF) is \$22 million. The LAIF is part of the Pooled Money Investment Account (PMIA), and the Local Investment Advisory Board (LIAB), which consists of five members as designated by State statute, provides oversight for LAIF. All securities are

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purchased under the authority of Government Code Sections 16430 and 16480.4. The value of the pool shares in LAIF is determined on an amortized cost basis, which approximates fair value. LAIF is part of the Pooled Money Investment Account (PMIA), which is not SEC-registered. As of June 30, 2023, the PMIA balance was \$176.4 billion, of which 2.78% is in structured notes and asset backed securities.

b. Investments with Fiscal Agents

The County's general fund, property development fund, capital projects fund, debt service fund, non-major governmental funds, internal service funds, and fiduciary funds have cash and investments with fiscal agents.

As of June 30, 2023, cash and investments with fiscal agents consisted of the following:

| | Ratings (S&P/ Moody's) | Investment Maturities (in Years) | | | Fair Value |
|--------------------------------|------------------------|----------------------------------|-------------------|------------------|-------------------|
| | | Less than 1 | 1 to 5 | More than 5 | |
| Cash & Cash Equivalents | N/A | \$ 346,621 | \$ 25,841 | \$ - | \$ 372,462 |
| EBRCSA (*) revenue bonds | Not Rated | - | - | 1,412 | 1,412 |
| U.S. Treasury Securities | AA+ / AAA | 4,797 | 81,110 | 42,098 | 128,005 |
| Federal Agency Debt Securities | AA+ / AAA | 22,998 | 4,505 | - | 27,503 |
| Corporate Bonds | A- to AAA / A2 to AAA | 26,386 | 97,286 | - | 123,672 |
| Municipal Bonds | A to AAA / A2 to AAA | 42,139 | 12,750 | - | 54,889 |
| Private Debt Obligations | Not Rated | - | - | 2,129 | 2,129 |
| Totals | | <u>\$ 442,941</u> | <u>\$ 221,492</u> | <u>\$ 45,639</u> | <u>\$ 710,072</u> |

* East Bay Regional Community System Authority

Interest Rate Risk

The investment policy for the property development fund limits the maximum maturity of any issue to no more than five years from the purchase date. The County's Financial Management Policy and various bond indentures do not contain provisions that address the interest rate risk of investments made by other County funds.

Credit Risk

The investment policy for the property development fund and various bond indentures for other funds limit the funds' investments to U.S. Treasury Bills, U.S. Government Notes, Federal Agency Notes, debt issues of the State of California, debt issues of local agencies within the State of California, commercial paper, guaranteed investment contracts, and money market mutual funds to the highest two ratings issued by nationally recognized statistical rating organizations.

Concentration of Credit Risk

As of June 30, 2022, more than five percent of total investments with fiscal agents were in Federal Home Loan Banks (5.07%).

The investment policy for the property development fund and various bond indentures for other funds place no limit on the amount the funds may invest in any one issuer.

Fair Value Measurement

GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The investments in an external investment pool are not subject to reporting within the level hierarchy. The three levels of the fair value hierarchy are described below:

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- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County has the ability to access.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The County's cash equivalents and investments by fair value as of June 30, 2023, include the following:

| <u>Investments</u> | <u>Total</u> | <u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u> | <u>Significant Other Observable Inputs (Level 2)</u> |
|--|--------------|---|--|
| Investments subject to fair value hierarchy: | | | |
| Investments with County Treasury | | | |
| Commercial paper | \$ 246,300 | \$ - | \$ 246,300 |
| Federal agency notes and bonds | 5,287,145 | - | 5,287,145 |
| Asset-backed securities | 1,045 | - | 1,045 |
| Medium term notes | 699,228 | - | 699,228 |
| Negotiable certificates of deposit | 1,248,874 | - | 1,248,874 |
| Municipal securities | 39,247 | - | 39,247 |
| U.S. Treasury notes | 1,040,114 | 1,040,114 | - |
| Non-U.S. Treasury notes | 244,541 | - | 244,541 |
| Total investments with County Treasury subject to fair value hierarchy | 8,806,494 | 1,040,114 | 7,766,380 |
| Investments with Fiscal Agents | | | |
| East Bay Regional Community System Authority revenue bonds | 1,412 | - | 1,412 |
| U.S. Treasury securities | 128,005 | 128,005 | - |
| Federal agency debt securities | 27,503 | - | 27,503 |
| Corporate bonds | 123,672 | - | 123,672 |
| Municipal bonds | 54,889 | - | 54,889 |
| Private debt obligations | 2,129 | - | 2,129 |
| Total investments with fiscal agents subject to fair value hierarchy | 337,610 | 128,005 | 209,605 |
| Total investments subject to fair value hierarchy | \$ 9,144,104 | \$ 1,168,119 | \$ 7,975,985 |
| Investments not subject to fair value hierarchy: | | | |
| Local agency investment funds held by County Treasury | \$ 22,000 | | |
| Joint Powers Authorities | 60,000 | | |
| Total investments not subject to fair value hierarchy | \$ 82,000 | | |

c. Investments of Alameda County Employees Retirement Association (ACERA)

Government Code Section 31595 allows the Board of Retirement to invest funds at its discretion. Instruments authorized by the Board of Retirement are U.S. equity, international equity, U.S. and international fixed income, real estate and Treasurer's pooled investments. ACERA is prohibited from investing in securities issued by the County of Alameda or any agency thereof. Additionally, ACERA may not invest in futures, written options, swaps or structured notes, unless specific authorization is obtained from the Board of Retirement in advance of the investment. The ACERA investments shown in the statement of fiduciary net position are as of ACERA's fiscal year ended December 31, 2022.

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ACERA has chosen to manage the investment risks described by GASB Statement No. 40 and 53 by contractually requiring each portfolio investment manager to abide by restrictive investment guidelines specifically tailored to that individual manager rather than adopting across-the-board investment policies with respect to these investment risks. The guidelines stipulate the investment style, the performance objective, performance benchmarks, and portfolio characteristics. For example, in the case of foreign currency risk, the policy guidelines for the U.S. dollar equity portfolios differ from those for the non-U.S. dollar equity portfolios. Likewise, in the case of credit risk, the guidelines for one fixed income manager stipulate a minimum acceptable credit rating for each debt instrument while the guidelines for a different fixed income portfolio merely require that the average of credit ratings for a certain fair value percentage of the portfolio meet a minimum requirement. Each separate manager is likewise subject to a “manager standard of care” that establishes a fiduciary relationship requiring the manager to act prudently and solely in the best interest of ACERA. ACERA’s guidelines require each manager’s investment return performance to compare favorably with the performance of the relevant passive market index such as the Barclays Capital Aggregate Bond Index. ACERA’s investment staff continually monitors all investment managers for compliance with the respective guidelines.

Credit Risk - Investments

Credit risk is the risk that the issuer of a debt security or other counterparty to an investment will not fulfill its obligations. The individual investment guidelines for each fixed-income investment manager describe applicable restrictions on credit risk. The credit quality ratings of a security (e.g., from Moody’s or S&P) give an indication of the degree of credit risk for that security. The Credit Risk Analysis table below discloses the fair value of debt investments by type and credit rating as of December 31, 2022.

| Debt Investments by Type | Adjusted Moody's Credit Rating ⁽¹⁾ | | | | | | | | Ca and Below | Not Rated |
|---|--|-------------------|-----------------|------------------|-------------------|------------------|------------------|------------------|---------------------|-------------------|
| | Total | Aaa | Aa | A | Baa | Ba | B | Caa | | |
| Collateralized Mortgage Obligations | \$ 112,263 | \$ 78,978 | \$ 407 | \$ 1,027 | \$ 766 | \$ 2,096 | \$ 1,019 | \$ 570 | \$ 46 | \$ 27,354 |
| Convertible Bonds | 15,109 | - | - | - | 1,213 | - | - | 3,851 | - | 10,045 |
| Corporate Bonds | 570,481 | - | 1,715 | 53,229 | 404,336 | 73,170 | 27,551 | 5,566 | - | 4,914 |
| Federal Home Loan Mortgage Corp. (2) | 74,342 | - | - | - | - | - | - | - | - | 74,342 |
| Federal National Mortgage Assn. (2) | 166,589 | - | - | - | - | - | - | - | - | 166,589 |
| Government National Mortgage Assn. I, II (2) | 41,198 | - | - | - | - | - | - | - | - | 41,198 |
| Government Issues (3) | 380,279 | 310,494 | 3,767 | 10,141 | 9,286 | 1,776 | - | 129 | - | 44,686 |
| Municipals | 2,382 | 62 | 197 | 2,123 | - | - | - | - | - | - |
| Other Asset Backed Securities | 49,280 | 40,429 | 228 | 303 | 2,044 | 756 | - | 405 | 2,303 | 2,812 |
| Subtotal Debt Investments | <u>1,411,923</u> | <u>429,963</u> | <u>6,314</u> | <u>66,823</u> | <u>417,645</u> | <u>77,798</u> | <u>28,570</u> | <u>10,521</u> | <u>2,349</u> | <u>371,940</u> |
| External Investment Pools of Debt Securities | | | | | | | | | | |
| Securities Lending Cash Collateral Fund | | | | | | | | | | |
| Liquidation Pool (4) | 133,728 | - | - | - | - | - | - | - | - | 133,728 |
| Master Custodian Short-Term Investment Fund (4) | 170,032 | - | - | - | - | - | - | - | - | 170,032 |
| Subtotal External Investment Pools | 303,760 | - | - | - | - | - | - | - | - | 303,760 |
| Total | <u>\$ 1,715,683</u> | <u>\$ 429,963</u> | <u>\$ 6,314</u> | <u>\$ 66,823</u> | <u>\$ 417,645</u> | <u>\$ 77,798</u> | <u>\$ 28,570</u> | <u>\$ 10,521</u> | <u>\$ 2,349</u> | <u>\$ 675,700</u> |

¹ Adjusted Moody's Credit Rating: This schedule displays the fair value of investments by credit rating in increasing magnitude of risk. Investments are classified by Moody's credit rating, or by the Moody's rating that corresponds to the Standard & Poor's (S&P) credit rating if the investment has a S&P rating but not a Moody's rating. Also whenever both ratings for an investment exist and the S&P rating for the investment indicates a greater degree of risk than the Moody's rating, then the investment's Moody's credit rating is adjusted, solely for the purpose of this disclosure, to the Moody's rating corresponding to the greater degree of risk.

² The investments in the following debt instruments --i.e., Federal Home Loan Mortgage Corp., and Federal National Mortgage Assn., that are Not Rated are implicitly guaranteed by the U.S. Government.

³ In Government issues, the investments that are Not Rated are composed of foreign investments that are guaranteed by the foreign governments issuing the debt.

⁴ The external investment pools are not rated.

Credit Risk – Derivative Instruments

ACERA is exposed to credit risk on investment derivative instruments that are traded over the counter and are reported in asset positions. Derivative instruments exposed to credit risk include currency forward contracts, and synthetic futures (which are included in futures contracts). To minimize credit risk exposure, ACERA’s investment managers continually monitor credit ratings of counterparties. Should there be a counterparty failure, ACERA would be exposed to the loss of the fair value of derivative instruments that are in asset positions and any collateral provided to the counterparty, net of the effect of applicable netting arrangements. ACERA has no general investment policy with respect to netting arrangements or collateral requirements. Netting arrangements

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legally provide ACERA with a right of set-off in the events of bankruptcy or default by the counterparty. ACERA's investment managers may have collateral posting provisions associated with currency forward contracts. In the event of counterparty failure, ACERA would be exposed to loss of collateral provided to the counterparty. Collateral provided by the counterparty to ACERA reduces its credit risk exposure. The collateral associated with investment derivative instruments is disclosed under the disclosure for Custodial Credit Risk—Derivative Instruments.

The following Credit Risk—Derivative Instruments schedule discloses the counterparty credit ratings of ACERA's investment derivative instruments in asset positions by type, as of December 31, 2022. These amounts represent the maximum loss that would be recognized if all counterparties fail to perform as contracted, without respect to any collateral or other security, or netting arrangement.

| <u>Adjusted Moody's Credit Rating (*)</u> | <u>Fair Value</u> | <u>%</u> |
|---|-------------------|----------|
| A | \$ 3,516 | 100% |
| Subtotal Derivative in Asset Position | 3,516 | 100% |
| Derivative in Liability Position | (1,040) | |
| Total Derivative Instruments in Asset / (Liability) Position | 2,476 | |

(*) See footnote 1 in the table above.

Custodial Credit Risk— Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, ACERA will not be able to recover deposits nor be able to recover collateral securities that are in the possession of an outside party. ACERA has no general policy on custodial credit risk for deposits.

By necessity, ACERA maintains operational cash deposits to support day-to-day cash management requirements. As of December 31, 2022, cash held with a financial institution in a pooled money market fund amounted to \$8.39 million, of which \$0.50 million was insured and \$7.89 million was uninsured and uncollateralized subject to custodial credit risk.

Custodial Credit Risk – Investments

The custodial credit risk for investments is the risk that, in the event of the failure of a counterparty to a transaction, ACERA will not be able to recover the value of investment securities that are in the possession of an outside party. The individual investment guidelines for each investment manager require that managed investments be held and maintained with the master custodian in the name of ACERA. The master custodian may rely on sub-custodians. The custodial requirement does not apply to real estate investments, investments in commingled pools, private equity, absolute return, private credit and real assets. As of December 31, 2022, ACERA had no investments that were exposed to custodial credit risk.

Custodial Credit Risk – Derivative Instruments

ACERA's investments include collateral associated with derivative instruments. As of December 31, 2022, net collateral for derivative instruments was \$5.94 million. Each account was uninsured and uncollateralized, and subject to custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of ACERA's investment in a single issuer of securities. The individual investment guidelines for each fixed income manager restrict concentrations greater than 5% in the securities of any one issuer (excluding direct obligations of the U.S. and/or eligible foreign governments, and those explicitly guaranteed by the U.S. and/or eligible foreign governments). As of December

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31, 2022, ACERA had no investments in a single issuer that equaled or exceeded 5 percent of the fiduciary net position.

Interest Rate Risk

ACERA has investments in three fixed income portfolios containing individual debt securities as well as investments in external investment pools containing debt securities. All of these investments are subject to interest rate risk. ACERA has no general policy on interest rate risk for the fixed income portfolios or for the investments in external pools. ACERA manages interest rate risk for the three fixed-income portfolios by setting limits on portfolio duration for each portfolio.

The following Interest Rate Risk Analysis—Duration schedule discloses the duration of ACERA’s debt investments by type and the duration of each of the external investment pools of debt securities. Duration is a measure of a debt investment’s exposure to fair value changes arising from changing interest rates. It uses the present values of cash flows, weighted for those cash flows as a percentage of the investment’s full price. The Master Custodian Short-Term Investment Fund had an average weighted maturity of 14 days as of December 31, 2022.

| <u>Debt Investments by Type</u> | <u>Fair Value</u> | <u>Duration In Years</u> |
|--|---------------------|--------------------------|
| Collateralized mortgage obligations | \$ 112,263 | 3.5 |
| Convertible bonds | 15,109 | 0.5 |
| Corporate bonds | 570,481 | 5.4 |
| Federal Home Loan Mortgage Corp. | 74,342 | 5.1 |
| Federal National Mortgage Assn. | 166,589 | 5.3 |
| Government National Mortgage Assn. I, II | 41,198 | 4.9 |
| Government Issues | 380,279 | 8.8 |
| Municipals | 2,382 | 4.8 |
| Other Asset Backed Securities | 49,280 | 3.0 |
| | <u>\$ 1,411,923</u> | |

**Interest Rate Risk Analysis -
Duration of External Investment Pools of Debt Securities**

| <u>External Investment Pools of Debt Securities</u> | <u>Fair Value</u> | <u>Duration In Days</u> |
|---|-------------------|-------------------------|
| Securities Lending Cash Collateral Fund | | |
| Liquidity Pool | \$ 133,728 | 3 |
| Master Custodian Short-Term Investment Fund | 170,032 | - |
| Total | <u>\$ 303,760</u> | |

Fair Value Highly Sensitive to Changes in Interest Rate

The Interest Rate Risk Analysis table below discloses the degree to which ACERA’s investments are sensitive to interest rate changes due simply to the remaining term to maturity. In contrast, ACERA’s investments with fair values that are highly sensitive to interest rates due to other factors are disclosed on the Interest Rate Risk Analysis - Highly Sensitive schedule below. ACERA has no general investment policy with respect to investments with fair values that are highly sensitive to changes in interest rates.

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Interest Rate Risk Analysis – Highly Sensitive

| Investment Type | Investment Description | Interest Rates | Fair Value |
|------------------------|---------------------------------|-----------------------|-------------------|
| Corporate Bonds | Various debt related securities | 4.50% to 6.50% | \$ 4,013 |
| Government Issues | Various debt related securities | 0.75% to 8.00% | 931 |

ACERA's cash equivalents and investments by fair value as of December 31, 2022, include the following:

| Investments | Total | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---------------|---|--|--|
| Investments by Fair Value Level | | | | |
| Cash Equivalents | | | | |
| Government Issues | \$ 26,668 | \$ 26,668 | \$ - | \$ - |
| STIF-Type Instrument | 170,032 | - | 170,032 | - |
| Total Cash Equivalents | 196,700 | 26,668 | 170,032 | - |
| Fixed Income Securities | | | | |
| Auto Loan Receivable | 11,374 | - | 11,374 | - |
| CMO | 112,263 | - | 112,263 | - |
| Convertible Bonds | 15,109 | - | 15,109 | - |
| Corporate bonds | 570,481 | - | 570,481 | - |
| Credit Card Receivable | 336 | - | 336 | - |
| FHLMC | 74,342 | - | 74,342 | - |
| FNMA | 166,589 | - | 166,589 | - |
| GNMA I | 637 | - | 637 | - |
| GNMA II | 40,561 | - | 40,561 | - |
| Government Issues | 160,091 | - | 160,091 | - |
| Municipal Bonds | 222,570 | 220,188 | 2,382 | - |
| Mutual Funds | 75,541 | - | 75,541 | - |
| Other Asset Backed | 37,370 | (200) | 37,570 | - |
| Total Fixed Income Securities | 1,487,264 | 219,988 | 1,267,276 | - |
| Equity Securities | | | | |
| Non-U.S. Equity | 1,103,928 | 1,103,928 | - | - |
| Pooled Investments | 3,392,669 | 2,013,410 | 1,379,259 | - |
| U.S. Equity | 512,795 | 511,553 | 1,242 | - |
| Total Equity Securities | 5,009,392 | 3,628,891 | 1,380,501 | - |
| Real Assets | | | | |
| Mutual Funds | 362,148 | - | 362,148 | - |
| Total Real Assets | 362,148 | - | 362,148 | - |
| Real Estate | | | | |
| Properties | 55,578 | - | - | 55,578 |
| Total Real Estate | 55,578 | - | - | 55,578 |
| Collateral from Securities Lending | 133,699 | - | 133,699 | - |
| Total investments subject to fair value hierarchy | \$ 7,244,781 | \$ 3,875,547 | \$ 3,313,656 | \$ 55,578 |
| Investments Measured at Net Asset Value (NAV) | | | | |
| Real Assets | 258,311 | | | |
| Private Equity | 993,108 | | | |
| Absolute Return | 851,556 | | | |
| Real Estate | 780,660 | | | |
| Private Credit | 260,764 | | | |
| Total Investments Measured at NAV | 3,144,399 | | | |
| Total investments subject to fair value hierarchy | \$ 10,389,180 | | | |
| Derivatives | | | | |
| Futures | \$ (1,001) | \$ (1,001) | \$ - | \$ - |
| Forwards and Spot Contracts | 2,476 | 2,476 | - | - |
| Total Derivatives | \$ 1,475 | \$ 1,475 | \$ - | \$ - |

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Investments Measured at the NAV as of December 31, 2022:

| <u>Asset Type</u> | <u>Fair Value</u> | <u>Unfunded Commitments</u> | <u>Redemption Frequency (If Currently Eligible)</u> | <u>Redemption Notice Period</u> |
|--|---------------------|-----------------------------|---|----------------------------------|
| Real Assets ¹ | \$ 258,311 | \$ 80,394 | Not Eligible | N/A |
| Private Equity ² | 993,108 | 366,673 | Not Eligible | N/A |
| Absolute Return ³ | 851,556 | 7,241 | Not Eligible or Between Daily and Quarterly | N/A or Between 1 Day and 90 Days |
| Real Estate ⁴ | 780,660 | 128,143 | Not Eligible or Quarterly | N/A of up to 90 Days |
| Private Credit ⁵ | 260,764 | 120,841 | Not Eligible | N/A |
| Total Investments Measured at NAV | \$ 3,144,399 | \$ 703,292 | | |

- ¹ *Real Assets – The Real Assets portfolio consists of 11 funds which include 10 limited partnerships and 1 separately managed account. The 10 limited partnerships are commingled vehicles that invest in private infrastructure and natural resources. These limited partnerships are valued at net asset value on a quarterly basis and, due to contractual limitations, none of these vehicles are eligible for redemption but rather distribute capital proceeds over the funds' lifespans, which are up to 12 years. The one separately managed account holds shares in three commingled vehicles. These commingled vehicles invest in publically traded infrastructure and natural resources equities, commodity futures, and total return swaps. This separately managed account is not measured at net asset value and classified as level 2 in fair value hierarchy.*
- ² *Private Equity – The Private Equity portfolio consists of 61 funds, which invest primarily in buyout, debt-related, special situations, and venture capital opportunities. The fair value of these funds is determined using net asset value represented in the audited financial statements plus/minus the latest quarterly cash flows. These funds are not eligible for redemption but rather distribute capital proceeds over the funds' lifespans in either cash or "in-kind" shares of the funds' portfolio companies. Distributions to the funds' investors occur over the span of approximately 8 to 15 years.*
- ³ *Absolute Return – The Absolute Return portfolio consists of 6 funds that include a variety of commingled, liquid and illiquid idiosyncratic strategies and two fund of hedge funds account. Three of the funds are illiquid limited partnerships, which are valued at net asset value on a quarterly basis. Due to contractual limitations, these vehicles are not eligible for redemption for up to 6 years. The fourth fund is a limited liability company, which is valued daily at net asset value and is subject to daily liquidity. The two custom fund of hedge funds includes one that is a limited liability company and one that is a limited partnership. Valuations for these accounts occur monthly, and redemptions can occur quarterly.*
- ⁴ *Real Estate – The Real Estate portfolio consists of 18 funds and a separate building (1), which also serves as ACERA's headquarters. The Real Estate funds in the portfolio invest primarily in U.S. commercial real estate (office, industrial, retail, multi-family, and other). These funds are designed as open-end commingled funds or as limited partnerships (private equity structure). The investments that are structured as limited partnerships are not eligible for redemption but rather distribute proceeds over the funds' lifespan as distributions or return of capital. The primary objectives of the real estate portfolio are income and appreciation; distribution income is typically made on a quarterly basis throughout the lives of the funds. The fair value of these funds is determined using third-party appraisals every three years or an internal appraisal. Net asset values are typically reported one quarter in arrears, plus/minus the latest quarter's cash flows (capital calls, management fees, and distributions). The open-end commingled funds are eligible for redemption, typically, with up to 90 days' notice. These open-end commingled funds may also be subject to a withdrawal queue.*
- ⁵ *Private Credit – The Private Credit Portfolio is comprised of 5 Funds. The funds are illiquid limited partnerships and are valued at net asset value on a quarterly basis. Due to contractual limitations, the funds are not eligible for redemption but rather distribute capital proceeds over the funds' lifespans, which are up to nine years. Private Credit investments are typically performing senior secured, first or second lien loans secured against the assets of a company*

Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment or deposit. ACERA has no general investment policy with respect to foreign currency risk. The Foreign Currency Risk Analysis schedule below shows the fair value of investments that are exposed to this risk by currency denomination and investment type. This provides an indication of the magnitude of foreign currency risk for each currency.

Foreign Currency Risk – Swap and Futures Contracts

Swap and futures contracts are derivative instruments. A swap is a derivative contract through which two parties exchange the cash flows or liabilities from two different financial instruments. A futures contract represents an agreement to purchase or sell a particular asset for a given price at a specified future date. For those swap and futures contracts which are dollar-denominated securities issued by foreign countries, there is an exposure to a foreign currency risk.

Foreign Currency Risk – Foreign Exchange Contracts

Foreign exchange contracts are subject to foreign currency risk. Foreign exchange contracts include currency forward contracts and spot contracts. Currency forward contracts are derivative instruments and are described in the derivative instruments section of this note. Spot contracts are generally used when ACERA is required to make or receive payments in a foreign currency. Spot contracts are agreements to buy or sell a certain amount of foreign currency at the current market rate, for settlement in two business days.

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The dollar impact that foreign exchange contracts have on foreign currency risk is equal to the foreign currency settlement amounts translated in the same manner as the investments (i.e. spot exchange rate at the end of the year). The impact appears in the column labeled Foreign Currency on the schedule on page 56. The Net Exposure column of the schedule indicates the net foreign currency risk, i.e., the gross risk associated with the investments less the risk hedged by the outstanding foreign exchange contracts.

Foreign Currency Risk Analysis

| Currency | Collateralized Mortgage Obligations | Common Stock | Corporate Bonds | Depository Receipts | Foreign Currency | Government Issues | Preferred Stock | Currency Swap | Real Estate Investment Trust | Limited Partnership/ Mutual Funds | Warrants | Net Exposure |
|--------------------|---|---------------------|--------------------|------------------------|---------------------|----------------------|--------------------|------------------|------------------------------------|---|--------------|---------------------|
| Argentine Peso | \$ - | \$ - | \$ - | \$ - | \$ 42 | \$ 128 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 170 |
| Australian Dollar | - | 9,230 | - | - | 6,796 | 3,767 | - | 10 | - | 7,947 | - | 27,750 |
| Brazilian Real | - | 11,446 | - | - | 22 | 2,626 | 1,646 | (30) | - | - | - | 15,710 |
| Canadian Dollar | - | 20,576 | - | - | 89 | - | - | - | 481 | - | - | 21,146 |
| Chilean Peso | - | - | - | - | - | - | - | 498 | - | - | - | 498 |
| Czech Koruna | - | 49 | - | - | 4 | - | - | - | - | - | - | 53 |
| Danish Krone | - | 39,695 | - | - | 491 | - | - | - | - | - | - | 40,186 |
| Euro Currency | 288 | 309,782 | 412 | 325 | 1,239 | 20,176 | 1,125 | 1,231 | - | 43,253 | - | 377,831 |
| Hong Kong Dollar | - | 75,498 | - | - | 26 | - | - | - | - | - | - | 75,524 |
| Hungarian Forint | - | 210 | - | - | - | - | - | - | - | - | - | 210 |
| Indonesian Rupiah | - | 3,410 | - | - | - | - | - | - | - | - | - | 3,410 |
| Japanese Yen | - | 234,879 | - | - | 71 | - | - | 1,238 | 134 | - | - | 236,322 |
| Malaysian Ringgit | - | 282 | - | - | 11 | 3,136 | - | 2 | - | - | - | 3,431 |
| Mexican Peso | - | 3,158 | - | - | - | 9,287 | - | (304) | - | - | - | 12,141 |
| New Israeli Sheqel | - | 277 | - | - | 1 | - | - | - | - | - | - | 278 |
| New Taiwan Dollar | - | 14,242 | - | - | 3 | - | - | - | - | - | - | 14,245 |
| New Zealand Dollar | - | 736 | - | - | 18 | - | - | - | - | - | - | 754 |
| Norwegian Krone | - | 6,762 | - | - | 92 | - | - | (108) | - | - | - | 6,746 |
| Philippine Peso | - | 913 | - | - | 1 | - | - | - | - | - | - | 914 |
| Polish Zloty | - | 161 | - | - | - | 7,005 | - | (278) | - | - | - | 6,888 |
| Pound Sterling | - | 148,637 | - | - | 508 | - | - | - | 487 | - | - | 149,632 |
| Russian Ruble | - | 2,807 | - | - | - | - | - | - | - | - | - | 2,807 |
| Singapore Dollar | - | 28,398 | - | - | 61 | - | - | - | - | - | - | 28,459 |
| South African Rand | - | 6,099 | - | - | 67 | 1,776 | - | (30) | - | - | - | 7,912 |
| South Korean Won | - | 5,762 | - | - | 70 | 12,949 | - | (263) | - | - | - | 18,518 |
| Swedish Krona | - | 32,522 | - | - | 18 | - | - | 509 | - | - | - | 33,049 |
| Swiss Franc | - | 46,362 | - | - | 282 | - | - | - | - | - | 12 | 46,656 |
| Thailand Baht | - | 1,673 | - | - | - | - | - | - | - | - | - | 1,673 |
| Turkish Lira | - | 78 | - | - | 1 | - | - | - | - | - | - | 79 |
| UAE Dirham | - | 770 | - | - | - | - | - | - | - | - | - | 770 |
| Yuan Renminbi | - | 4,520 | - | - | - | - | - | - | - | - | - | 4,520 |
| Grand Total | \$ 288 | \$ 1,008,934 | \$ 412 | \$ 325 | \$ 9,913 | \$ 60,850 | \$ 2,771 | \$ 2,475 | \$ 1,102 | \$ 51,200 | \$ 12 | \$ 1,138,282 |

Derivative Instruments

ACERA has the following types of derivative instruments: futures contracts, currency forward contracts, spot contracts, swap contracts, and warrants. A futures contract represents an agreement to purchase or sell a particular asset for a given price at a specified future date. Currency forward contracts generally serve to hedge or offset, the impact of foreign currency exchange rate fluctuations on the reported U.S. dollar fair value of investments denominated in foreign currencies. A swap is a derivative contract through which two parties exchange the cash flows or liabilities from two different financial instruments. Warrants allow the holder the right, but not the obligation, to buy or sell a security for a given price within a specified time period.

The following Investment Derivative Instruments schedule reports the fair value balances, changes in fair value, and notional amounts of derivative instruments outstanding as of and for the year ended December 31, 2022, classified by type. For financial reporting purposes, all ACERA derivative instruments are classified as investment derivative instruments.

| Derivative Instruments Type | Classification | Notional Values / Shares | Fair Value | Changes in Fair Value ¹ |
|-------------------------------|-----------------------------------|-----------------------------|-----------------|---------------------------------------|
| Fixed Income Futures Long | Futures | \$ 57,200 | \$ - | \$ (13,637) |
| Fixed Income Futures Short | Futures | - | - | 2,782 |
| Foreign Currency Futures Long | Futures | 4,400 | - | (310) |
| Currency Forward Contracts | Long Term Instrument ² | 123,699 | 2,477 | (12,132) |
| Index Futures Long | Futures | 34 | - | (15,071) |
| Warrants | Common Stock | 14 | 12 | (12) |
| Total | | | \$ 2,489 | \$ (38,380) |

¹ Changes in fair value includes realized and unrealized gains and losses on derivative instruments and are reported as Net Appreciation (Depreciation) in Fair Value of Investments on the Statements of Changes in ACERA's Fiduciary Net Position.

² Currency forward contracts are reported in Foreign Exchange Contracts, which includes spot contracts which are not derivative instruments.

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Securities Lending Activity

The Board of Retirement policies authorize ACERA to participate in a securities lending program. Securities lending transactions are short-term collateralized loans of ACERA's securities for the purpose of generating additional investment income. ACERA has a securities lending agreement in place that authorizes the securities lending agent to lend ACERA's securities to broker-dealers and banks pursuant to a loan agreement. For securities on loan, ACERA receives either cash or non-cash collateral. ACERA invests the cash collateral in a pooled short-term investment fund maintained by the securities lending agent and receives earnings on it in exchange for paying a loan rebate fee to the borrower. In the case of non-cash collateral, the borrower pays ACERA a loan premium.

For the year ended December 31, 2022, on behalf of ACERA, the securities lending agent lent ACERA's securities (government bonds, corporate stocks, corporate bonds, international equities, and international fixed income) to borrowers under the securities lending agreement and ACERA received cash (U.S. and foreign currency), securities issued or guaranteed by the United States government, and sovereign debt or irrevocable bank letters-of-credit as collateral.

ACERA did not have the ability to pledge or sell collateral securities delivered absent a borrower default (therefore, such non-cash collateral is not reported on the Statement of Fiduciary Net Position). Borrowers were required to deliver collateral for each loan equal to:

- Loaned securities denominated in U.S. dollars or sovereign debt issued by foreign governments, with a margin of at least 102% of the fair value of the loaned securities; or
- Loaned securities not denominated in U.S. dollars, or whose primary trading market was not located in the United States, with a margin of at least 105% of the fair value of the loaned securities.

Moreover, borrowers were required to maintain the designated margin percentage of collateral on a daily basis.

ACERA did not impose any restrictions for the year ended December 31, 2022, on the amount of the loans that the securities lending agent made on its behalf. In the event the borrower failed to return the loaned securities, the securities lending agent indemnified ACERA by agreeing to purchase replacement securities. If the collateral was inadequate to replace the securities lent, the securities lending agent supplemented the amount of cash collateral. If the borrower failed to pay ACERA for any income distributions on loaned securities, the securities lending agent will also supplement the income amount due to ACERA. There were no losses during the year ended December 31, 2022, resulting from a default of the borrowers or the securities lending agent.

For the year ended December 31, 2022, ACERA and the borrowers maintained the right to terminate securities lending transactions upon notice. The cash collateral received on each loan was invested, together with the cash collateral of other qualified tax-exempt plan lenders in a short-term investment pool managed by the securities lending agent. For the year ended December 31, 2022, ACERA and the borrowers maintained the right to terminate securities lending transactions upon notice. The cash collateral received on each loan was invested, together with the cash collateral of other qualified tax-exempt plan lenders in a collective investment fund comprised of a liquidity pool. As of December 31, 2022, the Quality D Short-Term investment fund liquidity pool had an average duration of 3.29 days and an average weighted final maturity of 96.01 days for U.S. dollars collateral. For the year ended December 31, 2022, ACERA had no credit risk exposure to borrowers because, for each borrower, the value of borrower collateral held exceeded the value of the securities on loan to the borrower.

As of December 31, 2022, ACERA had securities on loan with a total fair value of \$171.76 million; however, the fair value of collateral held against the loaned securities was \$176.77 million which is more than the total fair value of loaned securities by \$5.01 million.

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Summary of County Deposits and Investments

The following table is a summary of the deposits and investments as of June 30, 2023:

| | |
|---|---------------|
| Cash | |
| Cash on Hand and Deposits in Transit | \$ 37,102 |
| Cash in Bank - with County Treasurer | 737,702 |
| Cash with fiscal agents | 365,547 |
| Restricted Cash - With Component Unit (AHS) | 16,102 |
| Retiree Trust Cash Balance | 21 |
| ACERA cash balance at 12/31/22 | 6,915 |
| Total Cash | 1,163,389 |
| Investments | |
| In Treasurer's Pool | 8,888,494 |
| with ACERA | 10,279,120 |
| with fiscal agents | 337,610 |
| Securities Lending - ACERA | 133,699 |
| Total Investments | 19,638,923 |
| Total Cash and Investments | \$ 20,802,312 |
| Primary Government | \$ 20,728,036 |
| Component Unit (AHS) | 74,276 |
| Total Cash and Investments | \$ 20,802,312 |

Total County deposits and investments at fair value are as follows:

| | Primary Government | | | Component Unit |
|--|------------------------------------|----------------------------|---------------|---------------------------|
| | Governmental Activities | Fiduciary Funds | Total | |
| Cash and investments with County Treasurer | \$ 3,825,337 ¹ | \$ 5,779,810 ² | \$ 9,605,147 | \$ 58,174 |
| Cash and investments with fiscal agents | 586,646 | 10,288,224 | 10,874,870 | - |
| Restricted Assets: | | | | |
| Cash with fiscal agents | 114,320 | - | 114,320 | - |
| Cash with Component Unit (AHS) | - | - | - | 16,102 |
| Invested securities lending collateral | - | 133,699 | 133,699 | - |
| Total cash and investment | \$ 4,526,303 | \$ 16,201,733 | \$ 20,728,036 | \$ 74,276 |
| Deposits and cash on hand | | | \$ 1,089,113 | \$ 74,276 |
| Investments | | | 19,638,923 | - |
| Total deposits and investments | | | \$ 20,728,036 | \$ 74,276 |

¹ Includes cash and investments with the County Treasurer of total governmental funds (\$3,586,904) and internal service funds (\$238,433).

² Includes deposits and investments with the County Treasurer of pension and other employee benefits trust funds (\$21), private-purpose trust fund (\$17,295), custodial external investment pool fund (\$4,713,781) and other custodial funds (\$1,048,713).

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3. Receivables

Receivables as of June 30, 2023, for the County's individual major funds, non-major funds in the aggregate, and the internal service funds, including the applicable allowances for uncollectible accounts, are as follows:

| | Governmental Funds | | | | | | | Internal Service Funds | Governmental Activities Total | |
|--|--------------------|----------------------|-------------------|-----------------|------------------|---------------|-----------------------------|------------------------|-------------------------------|-------------------|
| | General | Property Development | Disaster Response | Flood Control | Capital Projects | Debt Service | Nonmajor Governmental Funds | | | |
| | | | | | | | Subtotal | | | |
| Interest | \$ 22,514 | \$ 571 | \$ (399) | \$ 2,279 | \$ 943 | \$ 620 | \$ 2,434 | \$ 28,962 | \$ 1,663 | \$ 30,625 |
| Taxes | 56,635 | - | - | 2,907 | - | - | 6,389 | 65,931 | - | 65,931 |
| Departmental accounts | 187,087 | - | - | - | - | - | - | 187,087 | - | 187,087 |
| Federal and state grants and subventions | 226,308 | - | - | - | 5,532 | - | 8,784 | 240,624 | - | 240,624 |
| Charges for services | 77,624 | - | - | 136 | - | - | 16,551 | 94,311 | 4,814 | 99,125 |
| Other | 4,932 | 45,000 | - | - | - | - | 8,232 | 58,164 | - | 58,164 |
| Gross receivables | 575,100 | 45,571 | (399) | 5,322 | 6,475 | 620 | 42,390 | 675,079 | 6,477 | 681,556 |
| Less: allowance for uncollectibles | (131,234) | - | - | - | - | - | - | (131,234) | - | (131,234) |
| Net total receivable - governmental activities | <u>\$ 443,866</u> | <u>\$ 45,571</u> | <u>\$ (399)</u> | <u>\$ 5,322</u> | <u>\$ 6,475</u> | <u>\$ 620</u> | <u>\$ 42,390</u> | <u>\$ 543,845</u> | <u>\$ 6,477</u> | <u>\$ 550,322</u> |

The departmental accounts receivable, net of allowance for uncollectibles, in the amount of \$55.6 million is reported as unavailable revenue and classified as deferred inflows of resources. It is not practical to determine the amount that will be collected in the subsequent year.

Other receivables for pension and other employee benefits trust funds at December 31, 2022 are as follows:

| | |
|--|------------------|
| Contributions | \$ 23,162 |
| Unsettled trades - investments sold | 3,240 |
| Investment receivables | 9,248 |
| Other | 2,704 |
| Total other receivables at December 31, 2022 | <u>\$ 38,354</u> |

4. Loans Receivable

Loans receivable consist of an operating loan to a public entity and loans to individuals and multi-family affordable housing projects. Loans to individuals include loans for acquisition and rehabilitation of owner-occupied housing, and silent deeds for financing to first time homebuyers, and bear interest at annual rates ranging from zero to seven percent. Loans to multi-family affordable housing projects, including shelters, shared housing, and apartment complexes, may be deferred or amortized and bear interest at annual rates from zero to seven percent. Deferred and amortized housing loans receivable are secured by recorded liens on properties for which the loans are made. Loans receivable as of June 30, 2023, for the County's individual major funds and non-major funds in the aggregate are as follows:

| | General | Property Development | Non-major Governmental Funds | Total |
|--------------------|------------------|----------------------|------------------------------|-------------------|
| Affordable housing | <u>\$ 97,751</u> | <u>\$ 321,987</u> | <u>\$ 34,281</u> | <u>\$ 454,019</u> |

In fiscal year 2023, there was an increase of \$92.7 million in Property Development loans receivable due to the increased activity of the Measure A1 affordable housing bond programs.

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5. Capital Assets

Capital asset activities of the primary government for the year ended June 30, 2023, are as follows:

| | GOVERNMENTAL ACTIVITIES | | | | Balance June 30, 2023 |
|---|---------------------------------|------------------|------------------|------------------|----------------------------------|
| | Balance July 1, 2022 | Increases | Decreases | Transfers | |
| Capital assets, not being depreciated: | | | | | |
| Land and easements | \$ 87,306 | \$ 3,538 | \$ 1,382 | \$ - | \$ 89,462 |
| Construction in progress | 120,164 | 79,975 | - | (43,693) | 156,446 |
| Collections | 50 | - | - | - | 50 |
| Total capital assets, not being depreciated | <u>207,520</u> | <u>83,513</u> | <u>1,382</u> | <u>(43,693)</u> | <u>245,958</u> |
| Capital assets, being depreciated/amortized: | | | | | |
| Structures and improvements | 1,944,589 | 1,181 | 2,684 | - | 1,943,086 |
| Machinery and equipment | 235,267 | 13,970 | 14,459 | - | 234,778 |
| Software | 34,114 | - | - | - | 34,114 |
| Infrastructure | 1,117,375 | 1,025 | - | 43,693 | 1,162,093 |
| Lease assets | 292,169 | 8,981 | - | - | 301,150 |
| Subscription assets | 1,611 | 10,582 | - | - | 12,193 |
| Total capital assets, being depreciated | <u>3,625,125</u> | <u>35,739</u> | <u>17,143</u> | <u>43,693</u> | <u>3,687,414</u> |
| Less accumulated depreciation/amortization for: | | | | | |
| Structures and improvements | 842,340 | 45,193 | 357 | - | 887,176 |
| Machinery and equipment | 177,392 | 13,412 | 14,188 | - | 176,616 |
| Software | 33,386 | 275 | - | - | 33,661 |
| Infrastructure | 625,240 | 24,955 | - | - | 650,195 |
| Lease assets | 29,331 | 30,437 | - | - | 59,768 |
| Subscription assets | 617 | 2,179 | - | - | 2,796 |
| Total accumulated depreciation/amortization | <u>1,708,306</u> | <u>116,451</u> | <u>14,545</u> | <u>-</u> | <u>1,810,212</u> |
| Total capital assets, being depreciated, net | <u>1,916,819</u> | <u>(80,712)</u> | <u>2,598</u> | <u>43,693</u> | <u>1,877,202</u> |
| Governmental activities capital assets, net | <u>\$ 2,124,339</u> | <u>\$ 2,801</u> | <u>\$ 3,980</u> | <u>\$ -</u> | <u>\$ 2,123,160</u> |

Depreciation/amortization expense was charged to functions of the primary government as follows:

| | |
|--|-------------------|
| Governmental Activities | |
| General government | \$ 5,854 |
| Public protection | 24,038 |
| Public assistance | 3,653 |
| Health and sanitation | 25,805 |
| Public ways and facilities | 19,647 |
| Recreation and cultural services | - |
| Education | 1,087 |
| Capital assets held by the County's internal service funds | 36,367 |
| Total depreciation expense – governmental activities | <u>\$ 116,451</u> |

In fiscal year 2023, the County completed eleven road projects with a total cost of \$38.3 million and a crossing improvement for \$4.0 million.

The County has active construction projects as of June 30, 2023. The projects include construction of new facilities such as training centers and facilities, jail ADA and security upgrades, parking garage, and improvements to roadways and flood control channels. The County's outstanding commitments with contractors as of June 30, 2023 are as follows:

COUNTY OF ALAMEDA, CALIFORNIA
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| Project | Spent-to-Date | Remaining Commitment |
|------------------------------------|---------------|-------------------------|
| Road improvements | \$ 62,604 | \$ 13,449 |
| Flood control channel improvements | 27,569 | 8,933 |
| Other projects | 62,052 | 34,355 |
| Total governmental funds | \$ 152,225 | \$ 56,737 |

Gas tax and state and federal aid provide funding for the commitment for road improvements. The commitment for flood control channel improvements is being funded from general flood zone benefit assessments and property taxes.

The County is a lessee for numerous leases of buildings and office spaces that meet the requirements of GASB 87. The County is subject to variable equipment usage payments that are expensed when incurred.

The County has entered into various subscription-based information technology agreements that meet the requirements of GASB 96. The County has also entered into maintenance and IT support service contracts subject to variable usage payments that are expensed when incurred.

Financed Purchase

The County has entered into a lease agreement for the water efficiency improvements that contains a bargain purchase option that the County has determined is reasonably certain of being exercised; hence, the water efficiency improvements were capitalized as structures and improvements at an amount equal to the present value of the minimum lease payments as of the beginning of the lease term.

The assets acquired through the financed purchases for governmental activities are as follows:

| | |
|-------------------------------|----------|
| Structures and Improvements | \$ 4,896 |
| Less accumulated amortization | (3,110) |
| Net book value | \$ 1,786 |

COUNTY OF ALAMEDA, CALIFORNIA

**NOTES TO BASIC FINANCIAL STATEMENTS
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FIDUCIARY FUNDS – Pension, OPEB, and Other Employee Benefits Trust Funds

Capital asset activities of the pension, OPEB, and other employee benefits trust funds for the year ended December 31, 2022, are as follows:

| | <u>Balance</u> <u>January 1, 2022</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> <u>December 31, 2022</u> |
|---|--|------------------|------------------|--|
| Capital assets, being depreciated: | | | | |
| Equipment and furniture | \$ 3,108 | \$ - | \$ - | \$ 3,108 |
| Right-to-Use Leased Office Equipment* | 213 | - | - | 213 |
| Electronic document management system | 4,172 | - | - | 4,172 |
| Information systems | 10,484 | - | - | 10,484 |
| Leasehold improvements | 2,585 | - | - | 2,585 |
| Total capital assets, being depreciated | <u>20,562</u> | <u>-</u> | <u>-</u> | <u>20,562</u> |
| Capital assets, not being depreciated: | | | | |
| Construction-in-progress | 4,862 | 1,563 | - | 6,425 |
| Less accumulated depreciation and amortization for: | | | | |
| Equipment and furniture | 3,062 | 15 | - | 3,077 |
| Right-to-Use Leased Office Equipment | 129 | 43 | - | 172 |
| Electronic document management system | 4,166 | 2 | - | 4,168 |
| Information systems | 10,462 | 9 | - | 10,471 |
| Leasehold improvements | 1,420 | 95 | - | 1,515 |
| Total accumulated depreciation | <u>19,239</u> | <u>164</u> | <u>-</u> | <u>19,403</u> |
| Total capital assets, being depreciated, net | <u>1,323</u> | <u>1,399</u> | <u>-</u> | <u>1,159</u> |
| Fiduciary fund capital assets, net | <u>\$ 6,185</u> | <u>\$ 1,399</u> | <u>\$ -</u> | <u>\$ 7,584</u> |

COMPONENT UNIT – Alameda Health System

Capital asset activities of the Alameda Health System for the year ended June 30, 2023, are as follows:

| | <u>Balance</u> <u>July 1, 2022</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> <u>June 30, 2023</u> |
|---|---------------------------------------|--------------------|------------------|--|
| Capital assets, not being depreciated: | | | | |
| Construction in progress | \$ 14,564 | \$ 15,289 | \$ (9,760) | \$ 20,093 |
| Land | 9,021 | - | - | 9,021 |
| Trademarks | 5 | 3 | - | 8 |
| Collections | - | 256 | - | 256 |
| Total capital assets, not being depreciated | <u>23,590</u> | <u>15,548</u> | <u>(9,760)</u> | <u>29,378</u> |
| Capital assets, being depreciated/amortized: | | | | |
| Structures and improvements | 88,427 | 187 | (4,217) | 84,397 |
| Machinery and equipment | 220,571 | 3,986 | (7,046) | 217,511 |
| Lease assets | 36,038 | 8,430 | (207) | 44,261 |
| Subscription assets | 3,228 | - | - | 3,228 |
| Total capital assets, being depreciated | <u>308,998</u> | <u>4,173</u> | <u>(11,263)</u> | <u>349,397</u> |
| Less accumulated depreciation/amortization for: | | | | |
| Structures and improvements | 26,275 | 4,000 | 4,742 | 25,533 |
| Machinery and equipment | 133,474 | 28,936 | 16,281 | 146,129 |
| Lease assets | 8,057 | 4,900 | 207 | 12,750 |
| Subscription assets | 918 | 918 | - | 1,836 |
| Total accumulated depreciation | <u>168,724</u> | <u>38,754</u> | <u>21,230</u> | <u>186,248</u> |
| Total capital assets, being depreciated, net | <u>140,274</u> | <u>(34,581)</u> | <u>9,967</u> | <u>163,149</u> |
| Component unit capital assets, net | <u>\$ 163,864</u> | <u>\$ (19,033)</u> | <u>\$ 207</u> | <u>\$ 192,527</u> |

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6. Accounts Payable and Accrued Expenditures/Expenses

Accounts payable and accrued expenditures/expenses as of June 30, 2023, for the County's individual major funds, non-major funds in the aggregate, and internal service funds are as follows:

| | Governmental Funds | | | | | | | Internal Service Funds | Governmental Activities Total | |
|--|--------------------|-------------------------|----------------------|------------------|---------------------|-----------------|-----------------------------------|------------------------------|-------------------------------------|-------------------|
| | General | Property Development | Disaster Response | Flood Control | Capital Projects | Debt Service | Nonmajor Governmental Funds | | | |
| | | | | | | | Subtotal | | | |
| Accounts payable | \$ 155,233 | \$ 5,339 | \$ 19,080 | \$ 7,812 | \$ 5,758 | \$ 557 | \$ 12,898 | \$ 206,677 | \$ 13,062 | \$ 219,739 |
| Outstanding warrants | 24,489 | - | - | - | - | - | - | 24,489 | - | 24,489 |
| Accrued payroll | 76,449 | - | - | 1,716 | - | - | 6,784 | 84,949 | 4,642 | 89,591 |
| Other | - | - | - | - | - | - | - | - | 30 | - |
| Total accounts payable and accrued expenditures | <u>\$ 256,171</u> | <u>\$ 5,339</u> | <u>\$ 19,080</u> | <u>\$ 9,528</u> | <u>\$ 5,758</u> | <u>\$ 557</u> | <u>\$ 19,682</u> | <u>\$ 316,115</u> | <u>\$ 17,704</u> | <u>\$ 333,819</u> |

Payables for pension, OPEB, and other employee benefits trust funds at December 31, 2022 are as follows:

| | |
|---|------------------|
| Purchase of securities | \$ 22,508 |
| Investment-related payables | 13,148 |
| Member benefits | 7,252 |
| Accrued administrative expenses | 2,933 |
| Lease liability | 54 |
| Other | 380 |
| Total accounts payable and accrued expenses | <u>\$ 46,275</u> |

Payables for the custodial funds consist of outstanding warrants and estate funds held by the Public Administrator.

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7. Long-Term Obligations

The following is a summary of long-term obligations of the County as of June 30, 2023:

GOVERNMENTAL ACTIVITIES

| Type of Obligation and Purpose | Maturity | Interest Rates | Original Issue | Outstanding |
|--|------------|----------------|----------------|----------------------------|
| Tobacco settlement asset-backed bonds | | | | |
| Tobacco Securitization bonds 2002 (e) | 6/1/2042 | 2.25 - 6.00 | \$ 220,525 | \$ 86,390 |
| Tobacco Securitization capital appreciation bonds 2006 - A & B (e) | 6/1/2050 | 6.2 - 6.7 | 51,475 | 51,475 |
| Tobacco Securitization capital appreciation bonds 2006 - C (e) | 6/1/2055 | 7.55 | 16,384 | 16,384 |
| Tobacco Securitization bonds-principal | | | | <u>154,249</u> |
| Tobacco Securitization capital appreciation bonds 2006 - accretion (e) | | | | 143,787 |
| Lease revenue bonds | | | | |
| Alameda County Joint Powers Authority: | | | | |
| Juvenile Justice Refunding Bonds 2016 (a) | 6/1/2035 | 2.0 - 5.0 | 98,470 | 74,285 |
| Multiple Capital Projects Bonds 2010A (a) | 12/1/2044 | 7.046 | 320,000 | 320,000 |
| North County Center Bonds 2004 (a) | 12/1/2035 | 3.07 - 4.38 | 45,675 | 30,765 |
| Multiple Capital Projects Bonds 2013A (a) | 12/1/2035 | 3 - 5.25 | 287,380 | 226,910 |
| Taxable Lease Revenue Bonds 2018 (f) | 6/1/2028 | 2.27 - 3.60 | 73,495 | 36,265 |
| Lease revenue bonds | | | | <u>688,225</u> |
| General obligation bonds | | | | |
| Measure A1 bonds 2018 - A (g) | 8/1/2038 | 2.56 - 4.00 | 240,000 | 515,890 |
| Financed purchase obligations | | | | |
| Water efficiency measures (a) | 10/30/2023 | 4.08 | 3,000 | 88 |
| Other long-term obligations | | | | |
| Loans payable (d) | 6/22/2026 | 1.0 - 4.1 | 59,613 | 4,338 |
| Compensated employee absences payable (c) | | | | 101,618 |
| Estimated liability for claims and contingencies (d) | | | | 200,549 |
| Due to other governmental units | | | | 14 |
| Obligation to fund Authority deficit (see Note 17) (a) | | | | 12,098 |
| Lease liability | | | | 251,054 |
| Subscription liability | | | | <u>8,542</u> |
| Other long-term obligations | | | | <u>578,213</u> |
| Governmental activities total long-term obligations | | | | <u><u>\$ 2,080,452</u></u> |

Debt service payments are generally made from the following sources:

- (a) Discretionary revenues of the general fund.
- (b) Discretionary revenues of the fund that received the benefit of the asset, purchased or constructed.
- (c) Discretionary revenues of the fund in which the employee's salary is charged; approximately eighty percent of the employees' salaries are charged to the general fund.
- (d) User-charge reimbursements from the general fund and the non-major governmental funds.
- (e) Revenues from tobacco master settlement agreement.
- (f) 1998 Escrow Securities from the issuance of the 2002 Tobacco Securitization bonds
- (g) Ad valorem taxes levied on taxable property located within the County

The Alameda County Tobacco Asset Securitization Authority has pledged all revenues received from the tobacco master settlement agreement with four U.S. tobacco manufacturers to repay the outstanding amount as of June 30, 2023 of \$86.39 million in tobacco securitization bonds issued in October 2002 and \$51.47 million of tobacco securitization capital appreciation bonds issued in February 2006. The bonds were issued to finance the acquisition of the County Tobacco Assets from the County of Alameda. Total principal, interest, and interest accretion remaining on the bonds is \$1.62 billion, payable through June 2055. The tobacco revenue is determined by applying a rate to the number of cigarettes sold; hence, the amount to be received over the term of the bonds is not estimable. During the year, principal and interest payments were \$17.6 million while tobacco settlement revenue was \$16.4 million. The shortfall of \$1.2 million in revenue was offset by the interest earned in the escrow fund to pay for the debt.

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COMPONENT UNIT

| Type of Obligation | Outstanding |
|--|-------------|
| Alameda Health System | |
| Compensated employee absences payable | \$ 44,712 |
| Estimated liability for claims and contingencies | 40,966 |
| Component unit total long-term obligations | \$ 85,678 |

Debt Compliance

The County is in compliance with all significant limitations and restrictions contained in the various bond indentures.

Legal Debt Limit and Legal Debt Margin

As of June 30, 2023, the County's debt limit (1.25% of total assessed value) was \$4.73 billion. The County's outstanding general obligation debt is \$515.89 million and therefore, \$4.21 billion is still available of the debt limit.

Arbitrage

Under U.S. Treasury Department regulations, all governmental tax-exempt debts issued after August 31, 1986, are subject to arbitrage rebate requirements. The requirements stipulate, in general, that the excess of earnings from the investment of tax-exempt bond proceeds over related interest expenditures on the bonds must be remitted to the Federal government on every fifth anniversary of each bond issue. The County has evaluated each outstanding debt obligation that is subject to the arbitrage rebate requirements and there is no arbitrage rebate liability as of June 30, 2023.

Conduit Debt

In addition to the long-term obligations discussed above, the following types of long-term obligations have been issued in the name of the County or agencies of the County. Neither the County, nor its agencies, is obligated in any manner for the repayment of these obligations. Accordingly, they are not included in the accompanying financial statements, as noted below.

Mortgage revenue bonds – In order to facilitate affordable housing to first-time home buyers, the County issued mortgage revenue bonds with an outstanding aggregate balance of \$18.4 million as of June 30, 2023. These obligations are secured by the related mortgage indebtedness.

Industrial development bonds – In order to encourage industrial development within the County, the County has issued industrial development bonds with an outstanding aggregate balance of \$20.1 million as of June 30, 2023. These obligations are the liability of the businesses that receive the proceeds of the bonds.

The County administers the general obligation debt of school districts and special districts under local boards that are located within the County. The County has no direct or contingent liability for their debts and, accordingly, such amounts are not included in the accompanying basic financial statements.

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Changes in Long-Term Obligations

The changes in long-term obligations for governmental activities for the year ended June 30, 2023, are as follows:

| | Balance July 1, 2022 | Additional Obligations, Interest Accretion, and Net Increases | Current Maturities, Retirements, and Net Decreases | Balance June 30, 2023 | Amounts Due Within One Year |
|--|-------------------------|--|--|--------------------------|--------------------------------------|
| Governmental activities: | | | | | |
| Bonds payable | | | | | |
| Tobacco securitization bonds | \$ 166,039 | \$ - | \$ (11,790) | \$ 154,249 | \$ - |
| Lease revenue bonds | 714,270 | - | (26,045) | 688,225 | 27,230 |
| General obligation bonds | 183,745 | 340,000 | (7,855) | 515,890 | 18,595 |
| Total bonds payable before accretion | 1,064,054 | 340,000 | (45,690) | 1,358,364 | 45,825 |
| Accretion on capital appreciation bonds | | | | | |
| Tobacco Securitization bonds | 130,341 | 13,446 | - | 143,787 | - |
| Total bonds payable at accreted value | 1,194,395 | 353,446 | (45,690) | 1,502,151 | 45,825 |
| Other debt-related items | | | | | |
| Issuance premiums | 24,474 | - | (1,818) | 22,656 | 1,819 |
| Issuance discount | (2,759) | - | 135 | (2,624) | (136) |
| Total bonds and certificates payable | 1,216,110 | 353,446 | (47,373) | 1,522,183 | 47,508 |
| Loans payable | 3,293 | 1,980 | (935) | 4,338 | 940 |
| Compensated employee absences payable | 103,652 | 44,979 | (47,013) | 101,618 | 52,172 |
| Estimated liability for claims and contingencies | 189,323 | 50,775 | (39,549) | 200,549 | 43,709 |
| Financed purchase obligations | 347 | - | (259) | 88 | 88 |
| Due to other governmental units | 14 | - | - | 14 | 14 |
| Obligation to fund Coliseum Authority deficit | 17,438 | - | (5,340) | 12,098 | 5,433 |
| Lease liability | 267,838 | 8,981 | (25,765) | 251,054 | 24,900 |
| Subscription liability | 787 | 10,461 | (2,706) | 8,542 | 2,635 |
| Governmental activity long-term obligations | <u>\$ 1,798,802</u> | <u>\$ 470,622</u> | <u>\$ (168,940)</u> | <u>\$ 2,100,484</u> | <u>\$ 177,399</u> |

Internal service funds predominantly serve the governmental funds, the long-term liabilities of which are included as part of the above totals for governmental activities. At the year ended June 30, 2023, \$5.04 million of accrued compensated employee absences are included in the above amounts.

The changes in long-term obligations for the component unit for the year ended June 30, 2023, are as follows:

| Component Unit: | Balance July 1, 2022 | Increases | Decreases | Balance June 30, 2023 | Amounts Due Within One Year |
|--|-------------------------|-----------------|-------------|--------------------------|--------------------------------------|
| Compensated employee absences payable | \$ 41,685 | \$ 3,027 | \$ - | \$ 44,712 | \$ 23,843 |
| Estimated liability for claims and contingencies | 36,376 | 4,590 | - | 40,966 | 9,892 |
| Total component unit long-term obligations | <u>\$ 78,061</u> | <u>\$ 7,617</u> | <u>\$ -</u> | <u>\$ 85,678</u> | <u>\$ 33,735</u> |

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Annual debt service requirements for long-term obligations outstanding as of June 30, 2023, are as follows:

GOVERNMENTAL ACTIVITIES

| For the Year Ending June 30 | Lease Revenue Bonds | | General Obligation Bonds | | Tobacco Securitization Bonds | | | Total Bonds | | |
|-----------------------------------|------------------------|-------------------|-----------------------------|-------------------|---------------------------------|---------------------|------------------|---------------------|---------------------|-------------------|
| | Principal | Interest | Principal | Interest | Accreted | | | Principal | Accreted | |
| | | | | | Principal | Interest | Interest | | Interest | Interest |
| 2024 | \$ 27,230 | \$ 39,824 | \$ 18,595 | \$ 20,372 | \$ - | \$ - | \$ 5,171 | \$ 45,825 | \$ - | \$ 65,367 |
| 2025 | 28,465 | 38,584 | 18,370 | 19,702 | - | - | 5,171 | 46,835 | - | 63,457 |
| 2026 | 29,805 | 37,253 | 19,040 | 19,016 | - | - | 5,171 | 48,845 | - | 61,440 |
| 2027 | 31,180 | 35,811 | 19,740 | 18,302 | - | - | 5,171 | 50,920 | - | 59,284 |
| 2028 | 32,700 | 34,292 | 20,470 | 17,558 | - | - | 5,171 | 53,170 | - | 57,021 |
| 2029-2033 | 145,710 | 149,025 | 113,955 | 76,011 | - | - | 25,854 | 259,665 | - | 250,890 |
| 2034-2038 | 151,865 | 108,842 | 137,220 | 52,058 | 10,140 | - | 24,066 | 299,225 | - | 184,966 |
| 2039-2043 | 164,980 | 56,985 | 168,500 | 19,755 | 76,250 | - | 18,300 | 409,730 | - | 95,040 |
| 2044-2048 | 76,290 | 5,428 | - | - | - | - | - | 76,290 | - | 5,428 |
| 2049-2053 | - | - | - | - | 51,475 | 764,585 | - | 51,475 | 764,585 | - |
| 2054-2058 | - | - | - | - | 16,384 | 616,926 | - | 16,384 | 616,926 | - |
| Total | \$ 688,225 | \$ 506,044 | \$ 515,890 | \$ 242,774 | \$ 154,249 | \$ 1,381,511 | \$ 94,074 | \$ 1,358,364 | \$ 1,381,511 | \$ 842,892 |

| For the Year Ending June 30 | Other Long-Term Obligations | | Total Debt | | |
|-----------------------------------|--------------------------------|------------------|---------------------|---------------------|-------------------|
| | Principal | Interest | Principal | Accreted | |
| | | | | Interest | Interest |
| 2024 | \$ 28,563 | \$ 3,542 | \$ 74,388 | \$ - | \$ 68,909 |
| 2025 | 26,794 | 3,237 | 73,629 | - | 66,694 |
| 2026 | 23,806 | 2,928 | 72,651 | - | 64,368 |
| 2027 | 20,615 | 2,654 | 71,535 | - | 61,938 |
| 2028 | 16,930 | 2,400 | 70,100 | - | 59,421 |
| 2029-2033 | 73,311 | 8,807 | 332,976 | - | 259,697 |
| 2034-2038 | 48,715 | 4,258 | 347,940 | - | 189,224 |
| 2039-2043 | 25,288 | 673 | 435,018 | - | 95,713 |
| 2044-2048 | - | - | 76,290 | - | 5,428 |
| 2049-2053 | - | - | 51,475 | 764,585 | - |
| 2054-2058 | - | - | 16,384 | 616,926 | - |
| Total | \$ 264,022 | \$ 28,499 | \$ 1,622,386 | \$ 1,381,511 | \$ 871,391 |

It is not practical to determine the specific year of payment for the accrued compensated employee absences payable, the estimated liability for claims and contingencies, and the obligation to fund Coliseum Authority deficit. Amounts due within one year for the accrued compensated employee absences and the estimated liability for claims and contingencies are estimates based on prior year experience.

Events of Default, Termination Events and Acceleration Clauses

Tobacco Settlement Asset-Backed Bonds (Series 2002 and 2006)

The California Statewide Financing Authority issued the bonds to finance the acquisition of the County Tobacco Assets from the County of Alameda. The County uses revenues received from the tobacco master settlement agreement to repay the principal and interest. No payments will be made with respect to the Series 2006 bonds prior to the payment in full of all the indebtedness under the Series 2002 bonds. The Authority would be considered to be in default if one or more of the following events occurs: (i) failure to pay the debt service when due; (ii) failure to comply with covenants and conditions of the Indenture, if not remedied within 60 days after the written notice is given to the

COUNTY OF ALAMEDA, CALIFORNIA
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Authority by the trustee or the bondholders of at least 25% of the bond outstanding; (iii) bankruptcy, reorganization, arrangement or similar debtor relief proceedings.

Following an event of default, the trustee may pursue its rights and remedies at law or in equity. If an event of default occurs in Series 2002 bonds, it will be redeemed after payment of all current and past due principal and interest on the outstanding debt from all available funds in the reserve and prepayment account established under the Indenture. If the Series 2002 bonds are not paid in accordance with the terms, the bondholders may suffer a complete loss of their investment in Series 2006 bonds and would have no remedy for the loss. If the accreted value of Series 2006 bonds is not paid when due at maturity or upon prior redemption, it will be converted to a current interest bond with a principal amount equal to its accreted value and bear interest at the default rate.

All Outstanding Lease Revenue Bonds

The County has covenanted in the lease agreement to pay for the base rental payment for all the leased property plus additional payments of all costs and expenses incurred in connection with the leased property. Generally, the County would be considered to be in default if one or more of the following events occurs (i) the failure to pay any rental payable when due, (ii) the failure to keep, observe or perform any term, covenant or condition of the lease agreement or the indenture to be kept or performed by the County after notice and the elapse of a 30-day grace period and (iii) the filing of bankruptcy or insolvency.

Following an event of default under the lease agreement, the trustee may exercise any and all remedies available pursuant to law or under the agreement to enforce payment of base rental payments when due, or to exercise all remedies. The trustee, in addition to all other rights and remedies it may have at law, has the option to do any of the following: (i) terminate the lease agreement and retake possession of the leased property; (ii) without terminating the lease agreement, collect each installment of rent as it becomes due and enforce any other term or provision of the lease agreement to be kept or performed by the County, and/or exercise any and all rights to retake possession of the leased property.

Remedies, upon an event of default, do not include accelerating the obligations of the County to pay base rental payments under the lease agreement.

General Obligation Bonds (Measure A1)

The County covenanted that the money for the payment of principal and interest on the Measure A1 bonds will be raised by ad valorem taxation without limitation as to rate or amount upon all property located within the County subject to taxation. The County would be considered to be in default if one or more of the following events occurs: (i) failure to pay any installment of interest on any bond when due; (ii) failure to pay the principal or redemption price of any bond when due.

Following an event of default under the lease agreement, the County shall immediately transfer to the trustee all tax revenues held by it, if any, and the trustee shall apply all the revenues and any other funds then held or thereafter received by the trustee under any of the provisions of the trust agreement to the payment of the whole amount of obligation then due on the bonds, with interest at the rate or rates of interest borne by the respective bonds, to the payment to the persons entitled thereto of all installments of interest then due and the unpaid principal or redemption price of any bonds which shall have become due, whether at maturity, by call for redemption or otherwise, in the order of their due dates, with interest on the overdue obligation at the rate borne by the respective bonds, and, if the amount available shall not be sufficient to pay in full all the bonds due on any date, together with such interest, then to the payment thereof on a proportionate basis, according to the amounts of principal plus accrued interest due on such date to the persons entitled thereto, without any discrimination or preference.

The trust agreement does not contain a provision allowing for the acceleration of the Measure A1 bonds if an event of default occurs and is continuing.

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Lease Revenue Tax-Exempt Commercial Paper Notes

The County may issue up to \$100 million in aggregate principal amount of commercial paper notes to provide financing and refinancing the costs of various capital improvement projects. As of June 30, 2023, The County does not have any outstanding commercial paper notes. The occurrence of any of the following shall be an “event of termination” (i) failure to pay any liquidity advance including interest or term loan when due; (ii) failure to comply with the terms and covenants of the agreement or (iii) bankruptcy or similar debtor relief proceedings. During the period that an event of termination has occurred, the bank may pursue its rights and remedies at law or in equity. With respect to payment defaults, the bank may demand payment of amounts past due with interest, to the extent permitted by law.

8. Net Position/Fund Balance Deficits

Individual fund deficits at June 30, 2023 are as follows:

| | |
|--|-----------|
| Alameda Health System | \$ 69,607 |
| Disaster Response Fund | \$ 70,085 |
| Internal Service Fund - Building Maintenance | \$ 26,542 |
| Internal Service Fund - Information Technology | \$ 25,813 |
| Internal Service Fund - Risk Management | \$ 5,820 |

The fund deficit of the disaster response fund is expected to be funded by grants from the Federal Emergency Management Agency and the State. The fund deficits of the internal service funds are expected to be funded by increased user charges. The fund deficit of AHS is expected to remain in the succeeding years as the County is to provide ongoing liquidity support until 2034.

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9. Fund Balances

Details of the fund balance classifications of the major and non-major governmental funds as of June 30, 2023 are as follows:

| | General | Property Development | Disaster Response | Flood Control | Capital Projects | Debt Service | Non-major | Total |
|-----------------------------------|--------------|----------------------|-------------------|---------------|------------------|--------------|------------|--------------|
| Nonspendable: | | | | | | | | |
| Inventory | \$ - | \$ 1,763 | \$ - | \$ 4 | \$ - | \$ - | \$ 275 | \$ 2,042 |
| Long-term receivables | 3,666 | - | - | - | - | - | - | 3,666 |
| Properties held for resale | 51,513 | - | - | - | - | - | - | 51,513 |
| Total Nonspendable | 55,179 | 1,763 | - | 4 | - | - | 275 | 57,221 |
| Restricted for: | | | | | | | | |
| Public protection | 384,170 | - | - | 300,208 | - | - | 129,885 | 814,263 |
| Public assistance | 1,321 | - | 286 | - | - | - | 419 | 2,026 |
| Health and sanitation | 165,784 | 243,821 | - | - | - | - | 17,251 | 426,856 |
| Public ways and facilities | - | - | - | - | - | - | 138,722 | 138,722 |
| Education | - | - | - | - | - | - | 26,694 | 26,694 |
| Debt service | - | - | - | - | - | 126,497 | 54,756 | 181,253 |
| Other purposes | 18,664 | - | - | - | - | - | - | 18,664 |
| Total Restricted | 569,939 | 243,821 | 286 | 300,208 | - | 126,497 | 367,727 | 1,608,478 |
| Committed to: | | | | | | | | |
| Fiscal management rewards | 219,569 | - | - | - | - | - | - | 219,569 |
| Settlement claims | 85,059 | - | - | - | - | - | - | 85,059 |
| General contingencies | 126,654 | - | - | - | - | - | - | 126,654 |
| Capital projects | 13,839 | - | - | - | 131,415 | - | - | 145,254 |
| Pension liability reduction | 252,673 | - | - | - | - | - | - | 252,673 |
| Capital projects and related debt | 167,992 | 411,937 | - | - | - | - | - | 579,929 |
| Public assistance | 4,363 | - | - | - | - | - | - | 4,363 |
| Public protection | 2,354 | - | - | - | - | - | - | 2,354 |
| Other commitments | 170,042 | - | - | - | - | - | - | 170,042 |
| Total Committed | 1,042,545 | 411,937 | - | - | 131,415 | - | - | 1,585,897 |
| Assigned to: | | | | | | | | |
| Appropriations in subsequent year | 50,081 | - | - | - | - | - | - | 50,081 |
| General government | 16,218 | - | - | - | - | - | - | 16,218 |
| Public protection | 54,916 | - | - | - | - | - | 183 | 55,099 |
| Public assistance | 124,415 | - | - | - | - | - | - | 124,415 |
| Health and sanitation | 168,635 | - | - | - | - | - | - | 168,635 |
| Public ways and facilities | 209 | - | - | - | - | - | - | 209 |
| Recreation and cultural services | 22 | - | - | - | - | - | - | 22 |
| Other purposes | 216 | - | - | - | - | - | - | 216 |
| Total Assigned | 414,712 | - | - | - | - | - | 183 | 414,895 |
| Unassigned | | | | | | | | |
| | 183,527 | - | (70,371) | - | - | - | - | 113,156 |
| Total fund balances | \$ 2,265,902 | \$ 657,521 | \$ (70,085) | \$ 300,212 | \$ 131,415 | \$ 126,497 | \$ 368,185 | \$ 3,779,647 |

Encumbrance balances by major funds and non-major funds as of June 30, 2023 are:

| | Restricted | Committed | Assigned | Total |
|------------------------------|------------|-----------|------------|------------|
| General Fund | \$ 34,012 | \$ - | \$ 348,070 | \$ 382,082 |
| Property Development | 40,298 | 267 | - | 40,565 |
| Disaster Response | - | - | 41,238 | 41,238 |
| Flood Control | 32,288 | - | - | 32,288 |
| Capital Projects | - | 54,211 | - | 54,211 |
| Non-major Governmental Funds | 36,561 | - | 560 | 37,121 |
| Total encumbrances | \$ 143,159 | \$ 54,478 | \$ 389,868 | \$ 587,505 |

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10. Restricted Net Position

Restricted net position is net position that is subject to constraints either externally imposed by creditors, grantors, contributors, or by enabling legislation. Restricted net position as of June 30, 2023 for governmental activities is as follows:

| | | |
|---|-----------|-------------|
| Restricted for Public Protection | | |
| Flood | \$300,375 | |
| Consumer Protection | 54,748 | |
| Sheriff | 35,307 | |
| Public Safety | 50,978 | |
| Criminal Justice and Courthouse Construction | 19,917 | |
| Vital Records | 24,799 | |
| Child Support Enforcement | 17,048 | |
| Community Development | 8,379 | |
| Criminal Justice Programs | 551 | |
| Vehicle Theft Prevention | 5,805 | |
| Survey Monument Preservation | 850 | |
| Domestic Violence | 104 | |
| Probation | 382 | |
| Other | 1,965 | \$521,208 |
| Restricted for Public Assistance | | |
| Housing and Commercial Development | 689,604 | |
| Emergency Rental Assistance Program | 286 | |
| Social Services Programs | 571 | |
| Child Protective Services | 1,051 | 691,512 |
| Restricted for Health and Sanitation | | |
| Behavioral Health Services | 76,252 | |
| Public Health | 51,606 | |
| Emergency Medical Services | 31,388 | |
| Environmental Health | 38,840 | 198,086 |
| Restricted for Public Ways and Facilities | | |
| Roads and Bridges Maintenance | 130,252 | |
| Streets and Highway Lighting | 5,349 | 135,601 |
| Restricted for Education | | |
| Library Services | | 26,796 |
| Restricted for Other Purposes | | |
| Property Taxes | 7,936 | |
| Assessor | 4,460 | |
| Sheriff | 308 | 12,704 |
| Total Restricted Net Position-Governmental Activities | | \$1,585,907 |

Included in governmental activities restricted net position as of June 30, 2023 is net position restricted by enabling legislation of \$120.6 million.

11. Interfund Receivables, Payables, and Transfers

“Due to” and “due from” balances have been recorded for cash overdraft and interfund loans. The composition of interfund balances as of June 30, 2023, is as follows:

| Due from other funds | Due to other funds | | Total Due from |
|----------------------|------------------------------------|------------------------------|-------------------|
| | Non-major Governmental Funds | Internal Service Funds | |
| General fund | \$ 806 | \$ 1,104 | \$ 1,910 |

As of June 30, 2023 advances to and from other funds between general and internal service funds is \$2.2 million.

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During the course of operations, transactions occur between the County and AHS for goods received or services rendered and for loans. These receivables and payables are classified as “due from component unit” and “due to component unit” on the basic financial statements.

Due to/from primary government and component unit:

| <u>Receivable Entity</u> | <u>Payable Entity</u> | <u>Amount</u> |
|---------------------------------|---------------------------------|------------------|
| Primary government-governmental | Alameda Health System | <u>\$ 15,497</u> |
| Alameda Health System | Primary government-governmental | <u>\$ 29,484</u> |

Transfers between funds for the year ended June 30, 2023, are as follows:

| | <u>Transfers In:</u> | | | | | <u>Total Transfers Out</u> |
|------------------------------|----------------------|------------------------------|--------------------------|-------------------------------------|-------------------------------|----------------------------|
| | <u>General Fund</u> | <u>Capital Projects Fund</u> | <u>Debt Service Fund</u> | <u>Non-major Governmental Funds</u> | <u>Internal Service Funds</u> | |
| Transfers out: | | | | | | |
| General fund | \$ - | \$ 70,113 | \$ 50,911 | \$ - | \$ 196 | 121,220 |
| Property development fund | 451 | - | 8,154 | - | - | 8,605 |
| Disaster response fund | 127 | - | - | - | - | 127 |
| Flood control fund | - | - | - | 398 | - | 398 |
| Capital projects fund | 579 | - | - | - | - | 579 |
| Non-major governmental funds | - | 7,625 | 8,027 | 2,700 | - | 18,352 |
| Internal service funds | 1,067 | 16 | - | 67 | - | 1,150 |
| Total transfers in | <u>\$ 2,224</u> | <u>\$ 77,754</u> | <u>\$ 67,092</u> | <u>\$ 3,165</u> | <u>\$ 196</u> | <u>\$ 150,431</u> |

The \$121.2 million General Fund transfer out includes \$50.9 million to provide for the payment of debt service, \$70.1 million to provide funding for capital projects, and \$0.1 million for maintenance projects.

The \$8.6 million Property Development Fund transfer out includes \$8.1 million for the payment of Juvenile Justice Refunding bond, \$0.4 million to provide funding for Surplus Property administrative expenditures.

The \$18.3 million Non-major Governmental Funds transfer out includes \$8.0 million for debt service payments, \$7.6 million to provide funding for the construction of the Alameda County Fire Department’s fire stations.

The \$1.1 million Internal Service Funds transfer out includes \$1.0 million for payment of energy loans and leases.

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12. Defined Benefit Pension Plan – ACERA

A. Plan Description

The County is the major participant in the Alameda County Employees' Retirement Association (ACERA). The total payroll covered by ACERA for all participants was \$1.26 billion as of December 31, 2022. ACERA began operations on January 1, 1948 and is governed by the California Constitution, the County Employees Retirement Law of 1937, the California Public Employees' Pension Reform Act (PEPRA) of 2012 and the bylaws, policies and procedures adopted by the Board of Retirement.

ACERA operates as a cost-sharing, multiple-employer, defined benefit plan for the County, the Alameda Health System, the Superior Court of California for the County of Alameda, and four participating special districts located in the County, but not under the control of the County Board of Supervisors. All full-time employees of participating entities, except for Alameda Health System, appointed to permanent positions are required by statute to become members of ACERA. Safety membership includes employees who are in active law enforcement, deferred firefighters, probation officers, and juvenile hall group counselors. General membership includes all other eligible classifications.

ACERA provides service and disability retirement benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefit and contribution provisions are established by State Law and are subject to amendment only by an act of the State of California legislature. Alternative benefit and contribution schedules are permissible with the Board of Supervisors' approval. All risks and costs, including benefit costs, are shared by the participating entities.

There are separate retirement benefits for General and Safety members. Any new member who becomes a member on or after January 1, 2013 is placed into Tier 4 and is subject to the provisions of PEPRA, California Government Code 7522 et seq. and Assembly Bill (AB) 197. General members enrolled in Tiers 1, 2, or 3 are eligible to retire once they attain the age of 70 regardless of service or at age 50 with five or more years of retirement service credit and a total of 10 years of qualifying membership. A non-Tier 4 General member with 30 years of service is eligible to retire regardless of age. General members enrolled in Tier 4 are eligible to retire once they have attained the age of 52 and have acquired five years of retirement service credit, or at age 70 regardless of service. Safety members enrolled in Tiers 1, 2, 2C, or 2D are eligible to retire once they attain the age of 70 regardless of service or at age 50 with five or more years of retirement service credit and a total of 10 years of qualifying membership. A non-Tier 4 Safety member with 20 years of service is eligible to retire regardless of age. Safety members enrolled in Tier 4 are eligible to retire once they have attained the age of 50 and have acquired five years of retirement service credit, or at age 70 regardless of service. The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier. For members enrolled in Tiers 1, 2, 2C, 2D, or 3, the maximum monthly retirement allowance is 100% of final compensation. There is no maximum for members enrolled in Tier 4.

ACERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment, based upon the Consumer Price Index for the San Francisco-Oakland-San Jose Area (with 1982-84 as the base period), is capped at 3.0% for General Tiers 1 and 3 and Safety Tier 1, and at 2.0% for General Tiers 2 and 4 and Safety Tiers 2, 2C, 2D, and 4.

ACERA also provides other postemployment benefits for retired members and their beneficiaries. The payment of those benefits is subject to available funding and must be annually reauthorized by the Board of Retirement. These benefits include supplemental cost of living adjustment (COLA) and retired member death benefit. The supplemental COLA is to maintain each retiree's purchasing power at no less than 85% of the purchasing power of the original benefit. The retired member death benefit is a one-time \$1,000 lump sum payment to the beneficiary of a retiree.

An actuarial valuation is performed annually for the pension plan as a whole. ACERA's financial statements and required supplementary information are audited annually by independent auditors. The audit report and

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December 31, 2022 financial statements may be obtained by writing to Alameda County Employees' Retirement Association, 475 14th Street, Suite 1000, Oakland, CA 94612.

B. Funding Policy

The pension plan under the 1937 Act has no legal or contractual maximum contribution rates. The employers and members contribute to ACERA based on rates recommended by an independent actuary and adopted by the Board of Retirement. Covered employees are required by statute to contribute toward their pensions. Member contribution rates are formulated on the basis of their age at the date of entry and the actuarially calculated benefits, and are between 5.80 and 23.18 percent of their annual covered salary effective September 2022. Member contributions are refundable upon termination from the retirement system.

State and Federal laws as well as the California Constitution provide the authority for the establishment of ACERA benefit provisions. In most cases where the 1937 Act provides options concerning the allowance of credit for service, the offering of benefits, or the modification of benefit levels, the law generally requires approval of the employers' governing board for the option to take effect. Separately, in 1984 the Alameda Board of Supervisors and the Board of Retirement approved the adoption of Article 5.5 of the 1937 Act. This adoption permitted the establishment of a Supplemental Retirees Benefit Reserve (SRBR) for ACERA.

Article 5.5 provides for the systematic funding of the SRBR and stipulates that its assets be used only for the benefit of retired members and their beneficiaries. The 1937 Act grants exclusive authority over the use of the SRBR funds to the Board of Retirement. Supplemental benefits currently provided through the SRBR include supplemental COLA, retiree death benefit, and retiree health benefits including the Monthly Medical Allowance (MMA), dental and vision care, and Medicare Part B reimbursement. The provision of all supplemental benefits from the SRBR is subject to available funding and annual review and authorization by the Board of Retirement. SRBR benefits are not vested.

In 2006 the Board of Retirement approved the allocation of SRBR funds to Postemployment Medical Benefits and Other Pension Benefits. These two plans provide the supplemental benefits described above.

The County is required by statute to contribute the amounts necessary to finance the estimated benefits accruing to the employees. For the year ended June 30, 2023, the County made contributions of \$194.0 million to ACERA.

C. Pension Liabilities

As of June 30, 2023, the County reported a liability of \$1.56 billion for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At December 31, 2022, the County's proportion was 70.1 percent, which was an increase of 10.9 percent from its proportion measured as of December 31, 2021.

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D. Pension Expense and Deferred Flows of Resources Related to Pensions

For the year ended June 30, 2023, the County recognized pension expense of \$335.65 million. At June 30, 2023, 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 | \$ 51,104 | \$ 23,827 |
| Changes of assumptions | 106,634 | 32,002 |
| Net difference between projected and actual earnings on investments | 506,711 | - |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 206,756 | 196,133 |
| County contributions subsequent to the measurement date | 102,444 | - |
| Total | \$ 973,649 | \$ 251,962 |

County contributions of \$102.44 million are reported as deferred outflows of resources to pensions and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended June 30: | |
|---------------------|-----------|
| 2024 | \$ 67,509 |
| 2025 | 162,155 |
| 2026 | 159,431 |
| 2027 | 230,148 |

E. Actuarial Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The total pension liability at December 31, 2022 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|---|
| Valuation Date | December 31, 2021 |
| Inflation | 2.75% |
| Salary Increases | General: 3.65% to 8.35% Safety: 4.05% to 11.25% Vary by service, including inflation and across-the- board salary increase |
| Investment Rate of Return | 7.00%, net of pension plan investment expense, including inflation |
| Mortality Tables | Pub-2010 Amount -Weighted Mortality Tables, projected generationally with the two-dimensional mortality improvement scale MP-2019. |
| Date of Experience Study | December 1, 2016 through November 30, 2019 |

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|--------------------------------|------------------------------|---|
| US Large Cap Equity | 22.40 % | 5.43 % |
| US Small Cap Equity | 2.50 | 6.21 |
| International Developed Equity | 17.00 | 6.67 |
| International Small Cap Equity | 3.00 | 7.36 |
| Emerging Markets Equity | 5.00 | 8.58 |
| Core Plus Fixed Income | 11.50 | 1.10 |
| High Yield Bonds | 1.60 | 2.91 |
| Global Fixed Income | 3.00 | -0.63 |
| Private Equity | 10.50 | 10.00 |
| Core Real Estate | 8.00 | 4.58 |
| Commodities | 0.75 | 3.46 |
| Infrastructure | 1.75 | 7.80 |
| Private Credit | 4.00 | 8.50 |
| Absolute Return | 9.00 | 3.70 |
| Total | 100.00 % | |

Discount Rate – The discount rate used to measure the total pension liability was 7.00% as of December 31, 2022, which was the same as last year. Article 5.5 of the 1937 Act, which authorizes the allocation of 50% excess earnings to the SRBR, does not allow the use of a different investment return assumption for funding than is used for interest crediting. In order to reflect the provisions of Article 5.5, future allocations to the SRBR have been treated as an additional outflow against ACERA’s fiduciary net position in the GASB crossover test. It is estimated that the additional outflow would average approximately 0.60% of assets over time, based on the results of the actuarial stochastic modeling of the 50% allocation of future excess earnings to the SRBR.

The projection of cash flows used to determine the discount rate assumes plan member contributions will be made at the current member contribution rates, and that employer contributions will be made at rates equal to the actuarially determined contribution rates plus additional future contributions that would follow from the future allocation of excess earnings to the SRBR. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, ACERA’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

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| | 1% Decrease (6.00%) | Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|------------------------|--------------------------|------------------------|
| County's proportionate share of the net pension liability | \$ 2,663,498 | \$ 1,563,447 | \$ 658,260 |

F. Pension Plan Fiduciary Net Position

Detailed information about pension plan fiduciary net position is available in the separately issued ACERA financial reports, which can be obtained at ACERA's website (www.acera.org) under Forms and Publications.

13. Defined Benefit Pension Plan – Alameda County Fire District (ACFD)

A. Plan Description

The ACFD Miscellaneous Plan (Miscellaneous Plan) is a cost-sharing, multiple-employer, defined benefit plan and the ACFD Safety Plan (Safety Plan) is an agent multiple-employer, defined benefit plan. Both plans are administered by CalPERS. The Miscellaneous Plan and the Safety Plan provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and County ordinance.

All permanent ACFD non-safety employees classified as full-time are required to participate in the Miscellaneous Plan. Members hired before January 1, 2013 become eligible for service retirement upon attainment of age 50 with at least five years of credited service (total service across all CalPERS employers, and with certain other retirement systems with which CalPERS has reciprocity agreements). PEPRAs members become eligible for service retirement upon attainment of age 52 with at least five years of service.

All permanent ACFD safety employees classified as full-time are required to participate in the Safety Plan. Members become eligible for service retirement upon attainment of age 50 with at least five years of credited service (total service across all CalPERS employers, and with certain other retirement systems with which CalPERS has reciprocity agreements).

The service retirement benefit is equal to the product of the benefit factor, years of service, and final compensation. The benefit factor depends on the benefit formula specified in the contract. The years of service is the amount credited by CalPERS to a member while employed in this group (or for other periods that are recognized under the employer's contract with CalPERS). The final compensation is the monthly average of the highest 12 consecutive months' full-time equivalent monthly pay for classic members and 36 consecutive months' full-time equivalent pay for PEPRAs members.

The non-industrial disability retirement benefit is available to both ACFD safety and non-safety employees if the employee becomes disabled and has at least 5 years of credited service. There is no special age requirement and the illness or injury does not have to be job related. The employee must be active employed at the time of disability in order to be eligible for this benefit.

The industrial disability retirement is available only to ACFD safety employees. An employee is eligible for this benefit if the disability is work-related illness or injury, which is expected to be permanent or to last indefinitely.

Upon the death of retiree, a one-time lump sum payment of \$500 will be available to the retiree's designated survivor(s) or to the retiree's estate for both Plans.

A full description of the ACFD Miscellaneous and Safety Plan benefit provisions and membership information is available in the separately issued CalPERS Annual Actuarial Valuation Reports.

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B. Funding Policy

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The Miscellaneous Plan's actuarially determined rate is based on the estimated amount necessary to pay the Miscellaneous Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. ACFD is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the period ended June 30, 2023, the average active miscellaneous employee contribution rate is 6.92 percent of annual pay, and the average ACFD contribution rate is 10.87 percent of annual payroll.

The Safety Plan's actuarially determined rate is based on the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. ACFD is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the period ended June 30, 2023, the average active safety employee contribution rate is 12.00 percent of annual pay, and the average ACFD contribution rate is 38.64 percent of annual payroll.

ACFD's contribution rates may change if plan contracts are amended. The contribution requirements of employees and ACFD are established and may be amended by CalPERS.

C. Net Pension Liability

Miscellaneous Plan

As of June 30, 2023, ACFD reported a liability of \$4.64 million for its proportionate share of the net pension liability for the Miscellaneous Plan. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. ACFD's proportion of the net pension liability was based on a projection of ACFD's long-term share of contributions to the pension plan relative to the projected contributions of all participants, actuarially determined. At June 30, 2022, ACFD's proportion was 0.045 percent, which was an increase of 0.034 percent from its proportion measured as of June 30, 2022.

Safety Plan

As of June 30, 2023, ACFD reported a liability of \$156.01 million for its Safety Plan net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021.

As of the measurement date June 30, 2022, the following numbers of participants were covered by the benefit terms:

| | Number of Covered Participants |
|-------------------------------|---------------------------------------|
| Active employees | 345 |
| Retired and receiving pension | 393 |
| Inactive | 45 |
| Total | 783 |

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The following table summarizes the changes in the net pension liability:

| | Increase (Decrease) | | |
|--|-----------------------------------|---------------------------------------|---------------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balance at June 30, 2022 | \$ 540,283 | \$ 467,928 | \$ 72,355 |
| Changes for the year: | | | |
| Service cost | 16,113 | - | 16,113 |
| Interest | 38,260 | - | 38,260 |
| Changes of assumptions | 22,007 | - | 22,007 |
| Differences between expected and actual experience | (2,922) | - | (2,922) |
| Contributions - employer | - | 20,373 | (20,373) |
| Contributions - employee | - | 5,398 | (5,398) |
| Net investment income | - | (35,677) | 35,677 |
| Benefit payments ¹ | (25,875) | (25,875) | - |
| Administrative expenses | - | (292) | 292 |
| Net changes for the year | <u>47,583</u> | <u>(36,073)</u> | <u>83,656</u> |
| Balances at June 30, 2023 | <u>\$ 587,866</u> | <u>\$ 431,855</u> | <u>\$ 156,011</u> |

¹ Including refunds of employee contributions

D. Pension Expense and Deferred Flows of Resources Related to Pensions

Miscellaneous Plan

For the year ended June 30, 2023, ACFD recognized pension expense of \$2.08 million. At June 30, 2023, ACFD 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 |
|---|--------------------------------------|-------------------------------------|
| Net difference between projected and actual earnings on pension plan investments | \$ 850 | \$ - |
| Changes of assumptions | 475 | - |
| Differences between expected and actual experience | 93 | 62 |
| Changes in proportion and differences between ACFD contributions and proportionate share of contributions | 763 | 53 |
| ACFD contributions subsequent to the measurement date | 995 | - |
| Total | <u>\$ 3,176</u> | <u>\$ 115</u> |

ACFD contributions of \$995 thousand are reported as deferred outflows of resources to pensions and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended June 30: | |
|---------------------|--------|
| 2024 | \$ 717 |
| 2025 | 558 |
| 2026 | 271 |
| 2027 | 520 |

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Safety Plan

For the year ended June 30, 2023, ACFD recognized pension expense of \$28.11 million. At June 30, 2023, ACFD 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 |
|--|---|--|
| Net difference between projected and actual earnings on pension plan investments | \$ 22,084 | \$ - |
| Changes of assumptions | 18,147 | 236 |
| Differences between expected and actual experience | 3,464 | 3,242 |
| ACFD contributions subsequent to the measurement date | 21,590 | - |
| Total | \$ 65,285 | \$ 3,478 |

ACFD contributions of \$21.59 million are reported as deferred outflows of resources to pensions and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended June 30: | |
|---------------------|----------|
| 2024 | \$ 7,803 |
| 2025 | 7,813 |
| 2026 | 5,432 |
| 2027 | 16,825 |
| 2028 | 2,344 |

E. Actuarial Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The total pension liability at the June 30, 2021 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|-----------------------------------|---|
| Valuation Date | June 30, 2021 |
| Discount Rate | 6.90% |
| Inflation Rate | 2.30% |
| Salary Increases | Varies by entry age and service |
| Mortality Rate Table ¹ | Derived using CalPERS' membership data for all funds |
| Post Retirement Benefit Increase | Contract COLA up to 2.30% until purchasing power protection allowance floor on purchasing power applies |

¹The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study

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

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

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Real Return Years 1-10^{1,2}</u> |
|--------------------------------|--------------------------|---|
| Global equity - cap-weighted | 30.00% | 4.45% |
| Global equity non-cap-weighted | 12.00% | 3.84% |
| Private Equity | 13.00% | 7.28% |
| Treasury | 5.00% | 0.27% |
| Mortgage-backed Securities | 5.00% | 0.50% |
| Investment Grade Corporates | 10.00% | 1.56% |
| High Yield | 5.00% | 2.27% |
| Emerging Market Debt | 5.00% | 2.48% |
| Private Debt | 5.00% | 3.57% |
| Real Assets | 15.00% | 3.21% |
| Leverage | -5.00% | -0.59% |

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate – The discount rate used to measure the total pension liability of both the Miscellaneous Plan and the Safety Plan was 6.90 percent as of June 30, 2022, which is the same as last year. The projection of cash flows used to determine the discount rate assumes plan member contributions will be made at the current member contribution rates, and that employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, both the Miscellaneous Plan and the Safety Plan’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Miscellaneous Plan

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents ACFD’s proportionate share of the net pension liability of the Miscellaneous Plan calculated using the discount rate of 6.90 percent, as well as what ACFD’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

| | <u>1% Decrease (5.90%)</u> | <u>Discount Rate (6.90%)</u> | <u>1% Increase (7.90%)</u> |
|---|--------------------------------|----------------------------------|--------------------------------|
| ACFD's proportionate share of the net pension liability | \$ 8,083 | \$ 4,639 | \$ 1,804 |

Safety Plan

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents ACFD’s net pension liability for the Safety Plan calculated using the discount rate of 6.90 percent, as well as what the ACFD’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

| | <u>1% Decrease (5.90%)</u> | <u>Discount Rate (6.90%)</u> | <u>1% Increase (7.90%)</u> |
|------------------------------|--------------------------------|----------------------------------|--------------------------------|
| ACFD's net pension liability | \$ 237,159 | \$ 156,011 | \$ 89,184 |

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F. Pension Plan Fiduciary Net Position

Detailed information about the pension plan fiduciary net position is available in separately issued CalPERS financial reports, which can be obtained at CalPERS' website (www.calpers.ca.gov) under Forms and Publications.

14. Other Postemployment Benefits - ACERA

A. Plan Description

ACERA administers a medical benefits plan for retired members and their eligible dependents. The County participates in the plan. The OPEB plan is a cost-sharing, multiple-employer, defined benefit plan. The OPEB plan is not a benefit entitlement program and benefits are subject to modification and/or deletion by the ACERA Board of Retirement. Annually, based on the recommendation of the Board of Retirement, the Board of Supervisors designates a portion of the County's contribution to retirement towards medical premiums of retirees. The OPEB plan provides healthcare benefits for eligible retired members through health care subsidy in the form of the monthly medical allowance (MMA), Medicare Part B reimbursement, and dental and vision subsidies. Retirees can also purchase medical benefits for eligible dependents on an out-of-pocket basis.

The County arranges health insurance coverage for employees, negotiating coverage levels and premium rates annually with several carriers. Employees who meet certain eligibility conditions and make the required contributions may continue coverage in those same health plans after retirement until they become Medicare eligible. Currently, the County uses a single blended rate for budgeting and setting premium and contribution rates for both active employees and non-Medicare eligible retirees. The County funds the premiums for employees while ACERA funds the premiums for retirees. ACERA establishes the amount of the MMA.

The maximum MMA in 2022 was \$596.73 and increases to \$616.12 in 2023 for retirees who are not purchasing individual insurance through the Medicare exchange. For those purchasing individual insurance through the Medicare exchange, the MMA was \$457.13 for 2022 and increases to \$471.99 for 2023. These allowances are subject to the following schedule:

| <u>Completed Years of Service</u> | <u>Percentage Subsidized</u> |
|---------------------------------------|----------------------------------|
| 10-14 | 50% |
| 15-19 | 75% |
| 20+ | 100% |

The ACERA Board of Retirement annually reviews the maximum MMA and does not index the MMA to increase automatically. In addition, the MMA can only be used to pay for retiree medical benefits. If the actual cost of coverage is less than the MMA, the benefit is limited to the cost of the medical insurance.

B. Funding Policy

The postemployment medical, dental and vision benefits are currently provided through the Supplemental Retirees Benefit Reserve (SRBR) as described in the ACERA Defined Benefit Pension Plan note. The SRBR is a funded trust that receives fifty percent of the investment earnings that are in excess of the assumed investment rate of return of the ACERA Defined Benefit Pension Plan. The County does not make postemployment medical benefit payments directly to retirees and does not have the ability to fund these benefits. However, the County's pension contribution to ACERA would be lower if not for the excess interest transfer to the SRBR.

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C. OPEB Liabilities

As of June 30, 2023, the County reported a net OPEB liability of \$146.52 million for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as December 31, 2021. The County's proportion of the net OPEB liability 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 participants, actuarially determined. At December 31, 2022, the County's proportion was 76.60 percent, which was an increase of 0.29 percent from its proportion measured as of December 31, 2021.

D. OPEB Expense and Deferred Flows of Resources Related to OPEB

For the year ended June 30, 2023, the County recognized OPEB expense of \$14.36 million. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences between expected and actual experience | \$ - | \$ 55,648 |
| Changes of assumptions | 32,276 | 31,138 |
| Net difference between projected and actual earnings on investments | 129,981 | |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 6,857 | 5,890 |
| Total | \$ 169,114 | \$ 92,676 |

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

| Year Ended June 30: | |
|---------------------|-------------|
| 2024 | \$ (25,520) |
| 2025 | (6,111) |
| 2026 | 27,768 |
| 2027 | 89,301 |
| 2028 | (7,551) |
| Thereafter | (1,449) |

E. Actuarial Assumptions

The total OPEB liability at the December 31, 2022 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

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| | |
|---------------------------------|---|
| Valuation Date | December 31, 2021 |
| Inflation | 2.75% |
| Investment Rate of Return | 7.00%, net of OPEB plan investment expense, |
| Health care premium trend rates | |
| Non-Medicare medical plan | Graded from 7.50% to ultimate 4.50% over 12 years |
| Medicare medical plan | Graded from 6.50% to ultimate 4.50% over 7 years |
| Dental | 4.00% |
| Vision | 0.00% for the first two years to reflect a five-year guarantee and 4.00% thereafter |
| Medicare Part B | 4.50% |
| Mortality Tables | Pub-2010 Healthy Retiree Headcount-Weighted Above-Meridian |
| Date of Experience Study | December 1, 2016 through November 30, 2019 |

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

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|--------------------------------|--------------------------|---|
| US large Cap Equity | 22.40 % | 5.43 % |
| US Small Cap Equity | 2.50 | 6.21 |
| International Developed Equity | 17.00 | 6.67 |
| International Small Cap Equity | 3.00 | 7.36 |
| Emerging Markets Equity | 5.00 | 8.58 |
| Core Plus Fixed Income | 11.50 | 1.10 |
| High Yield Bonds | 1.60 | 2.91 |
| Global Fixed Income | 3.00 | -0.63 |
| Private Equity | 10.50 | 10.00 |
| Core Real Estate | 8.00 | 4.58 |
| Commodities | 0.75 | 3.46 |
| Infrastructure | 1.75 | 7.80 |
| Private Credit | 4.00 | 8.50 |
| Absolute Return | 9.00 | 3.70 |
| Total | <u>100.00 %</u> | |

Discount Rate – The discount rate used to measure the total OPEB liability was 7.00% as of December 31, 2022, which was the same as last year. The projection of cash flows used to determine the discount rate assumes benefits are paid from current SRBR assets. Based on this assumption, the SRBR's Fiduciary Net Position was projected to be available to make all projected future benefits payments for current plan members. Therefore the

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long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate – The following presents the County’s proportionate share of the net OPEB liability calculated using the discount rate of 7.00 percent, as well as what the County’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

| | 1% Decrease (6.00%) | Discount Rate (7.00%) | 1% Increase (8.00%) |
|--|--------------------------------|----------------------------------|--------------------------------|
| County's proportionate share of the net OPEB liability | \$ 272,424 | \$ 146,524 | \$ 42,467 |

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the County’s proportionate share of the net OPEB liability calculated using the current trend rate, as well as what the County’s proportionate share of the net OPEB liability would be if it were calculated using a trend rate that is 1-percentage-point lower (6.5 percent decreasing to 3.5 percent) or 1-percentage-point higher (8.5 percent decreasing to 5.5 percent) than the current rate:

| | 1% Decrease (6.5% decreasing to 3.5%) | Healthcare Cost Trend Rates (7.5% decreasing to 4.5%) | 1% Increase (8.5% decreasing to 5.5%) |
|--|--|--|--|
| County's proportionate share of the net OPEB liability | \$ 22,669 | \$ 146,524 | \$ 300,442 |

F. OPEB Plan Fiduciary Net Position

Detailed information about OPEB plan’s fiduciary net position is available in the separately issued ACERA financial reports, which can be obtained at ACERA’s website (www.acera.org) under Forms and Publications.

15. Other Postemployment Benefits – ACFD

A. Plan Description

The ACFD administers a defined benefit OPEB plan through CalPERS, an agent-multiple employer retirement system, for all eligible retired employees and their eligible dependents. Retirees are eligible if they retire from the ACFD with a minimum of five years of employment with the ACFD and ten years of service credit with CalPERS. The ACFD currently provides three tiers of medical benefit coverage to retirees, based on the hire date and years of service: tier 1- hire date before April 1, 2009, tier 2 – hire date on or after April 1, 2009 and before January 1, 2015; tier 3 – hire date on or after January 1, 2015. The ACFD pays the Minimum Employer Contribution (MEC) to CalPERS and provides eligible retirees with a stipend to offset medical benefit costs.

Tier 1 employees retiring from the ACFD with a minimum of five (5) years of services are eligible to receive a stipend amount, less the MEC, equal to the costs of the premium for the medical plan selected, up to the amount necessary for actual enrollment in Kaiser Single, Kaiser Two-Party, or Kaiser Family. For eligible retirees who are 65 years of age or older and enrolled in Medicare, the ACFD contribution will be a stipend amount, less the MEC, equal to the costs of the premium for the medical plan selected, not to exceed the premium for Kaiser Single, Kaiser Two-Party, or Kaiser Family Medicare medical coverage as applicable.

Tire 2 employees retiring from the ACFD with a minimum of five (5) years of services with the ACFD and a minimum of 10 years of total service credit with CalPERS, are eligible to receive percentage of post-retirement benefit from ACFD based on the following table:

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| Credited Years Of Service | Percentage of Employer Contribution |
|------------------------------|--|
| 10 | 50 |
| 11 | 55 |
| 12 | 60 |
| 13 | 65 |
| 14 | 70 |
| 15 | 75 |
| 16 | 80 |
| 17 | 85 |
| 18 | 90 |
| 19 | 95 |
| 20 or more | 100 |

The ACFD's contribution will equal to the costs of the premium for the medical plan selected, not to exceed the premium for Kaiser Single, Kaiser Two-Party, or Kaiser Family Medicare medical coverage as applicable, less the MEC, with the application of the percentage of employer contribution. In no event will the department contribution be less than the MEC.

Tire 3 employees retiring from the ACFD with a minimum of five (5) years of services with the ACFD and a minimum of 10 years of total service credit with CalPERS, are eligible to receive post-retirement benefit from ACFD. The ACFD's maximum contribution will be based on ninety percent of either the Kaiser single or two-party rate (as applicable) less the MEC with the application of the formula as Tier 2, but in no event will the department contribution be less than the MEC.

At June 30, 2022, the following numbers of participants were covered by the benefit terms:

| | Number of Covered Participants |
|--|-----------------------------------|
| Inactives currently receiving benefits | 317 |
| Inactives entitled to but not yet receiving benefits | 23 |
| Active employees | 409 |
| Total | 749 |

B. Funding Policy

The ACFD's current funding policy for postemployment medical benefits is pay-as-you-go, with employees making contribution to the CalPERS California Employers' Retiree Benefit Trust (CERBT) as a percentage of salary. For the measurement year 2022, the ACFD's contribution is \$10.6 million. This amount includes \$3.0 million of employee contributions and \$7.6 million of employer contributions. The employer contributions are comprised of \$2.3 million in contributions to the trust, \$4.5 million in cash benefit payments, and \$1.3 million in implied subsidy benefit payments. The ACFD is working with an actuary and its contract agencies to develop a funding strategy and accounting methodology for its net OPEB liability.

C. Net OPEB Liability

As of June 30, 2023, ACFD reported a net OPEB liability of \$68.1 million. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2021.

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The following table summarizes the changes in the net OPEB liability:

| | Increase (Decrease) | | |
|--|--------------------------------|---------------------------------------|------------------------------------|
| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability (a) - (b) |
| Balance at June 30, 2022 | \$ 111,794 | \$ 46,832 | \$ 64,962 |
| Changes for the year: | | | |
| Service cost | 3,979 | - | 3,978 |
| Interest | 7,054 | - | 7,054 |
| Changes of assumptions | (3,941) | - | (3,941) |
| Differences between expected and actual experience | | - | - |
| Contributions - employer | - | 7,583 | (7,582) |
| Contributions - employee | - | 3,007 | (3,007) |
| Net investment income | - | (6,614) | 6,614 |
| Benefit payments | (5,825) | (5,825) | - |
| Administrative expenses | - | (25) | 25 |
| Net changes for the year | 1,267 | (1,874) | 3,141 |
| Balance at June 30, 2023 | \$ 113,061 | \$ 44,958 | \$ 68,103 |

D. OPEB Expense and Deferred Flows of Resources Related to OPEB

For the year ended June 30, 2023, ACFD recognized OPEB income of \$4.8 million. At June 30, 2023, ACFD reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Net difference between projected and actual earnings on plan investments | \$ 3,824 | \$ - |
| Changes of assumptions | 1,162 | 13,681 |
| Differences between expected and actual experience | - | 14,809 |
| ACFD contributions subsequent to the measurement date | 6,972 | - |
| Total | \$ 11,958 | \$ 28,490 |

ACFD contributions of \$6.97 million are reported as deferred outflows of resources to OPEB and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ended June 30: | |
|---------------------|------------|
| 2024 | \$ (5,897) |
| 2025 | (5,913) |
| 2026 | (4,900) |
| 2027 | (2,993) |
| 2028 | (2,226) |
| Thereafter | (1,575) |

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E. Actuarial Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The total OPEB liability at June 30, 2022 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| Actuarial Valuation Date | June 30, 2021 | | | | | | | | | | |
|--|--|---------|---------------|-----|-----|-------|-----|-------|-----|-----|------|
| Contribution Policy | Employer contributions are made on an ad hoc basis Employees contribute based on current MOUs | | | | | | | | | | |
| Discount Rate | Based on crossover test 6.25% at June 30, 2022 6.25% at June 30, 2021 | | | | | | | | | | |
| Long-Term Expected Rate of Return on Investments | Expected contributions projected to keep sufficient plan assets to pay all benefits from trust | | | | | | | | | | |
| Crossover Test Assumptions | Projected contributions based on average over prior 5 years Administrative expenses = 0.05% of FNP No Crossover | | | | | | | | | | |
| General Inflation | 2.5% per annum | | | | | | | | | | |
| Mortality, Retirement, Disability, Termination | CalPERS 2000-2019 Experience Study | | | | | | | | | | |
| Mortality Improvement | Post-retirement mortality projected fully generational with Scale MP-2021 | | | | | | | | | | |
| Salary Increases | Aggregate - 2.75% Merit - CalPERS 2000-2019 Experience Study | | | | | | | | | | |
| Medical Trend | Non-Medicare - 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare (Kaiser) - 4.60% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years | | | | | | | | | | |
| Healthcare participation for future retirees | Hired before 4/1/09: 100% if currently covered, 90% if not currently covered Hired on or after 4/1/09: <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 20px;">Service</td> <td>Participation</td> </tr> <tr> <td style="padding-right: 20px;"><10</td> <td>60%</td> </tr> <tr> <td style="padding-right: 20px;">10-14</td> <td>90%</td> </tr> <tr> <td style="padding-right: 20px;">15-19</td> <td>95%</td> </tr> <tr> <td style="padding-right: 20px;">20+</td> <td>100%</td> </tr> </table> | Service | Participation | <10 | 60% | 10-14 | 90% | 15-19 | 95% | 20+ | 100% |
| Service | Participation | | | | | | | | | | |
| <10 | 60% | | | | | | | | | | |
| 10-14 | 90% | | | | | | | | | | |
| 15-19 | 95% | | | | | | | | | | |
| 20+ | 100% | | | | | | | | | | |

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment

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expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

| <u>Asset Class</u> | <u>Target Allocation CERBT-Strategy 1</u> | <u>Expected Real Rate of Return</u> |
|--------------------|---|---|
| Global Equity | 49.00 % | 4.56 % |
| Fixed Income | 23.00 | 1.56 |
| TIPS | 5.00 | -0.08 |
| Commodities | 3.00 | 1.22 |
| REITs | 20.00 | 4.06 |
| Total | <u>100.00 %</u> | |

Assumed long-term inflation rate of 2.50%

Expected long-term net rate of return of 6.25%, rounded

Discount Rate – The discount rate used to measure the total OPEB liability was 6.25 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes plan member contributions will be made at the current member contribution rates, and that employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents ACFD’s net OPEB liability calculated using the discount rate of 6.25 percent, as well as what the ACFD’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current rate:

| | <u>1% Decrease (5.25%)</u> | <u>Discount Rate (6.25%)</u> | <u>1% Increase (7.25%)</u> |
|---------------------------|--------------------------------|----------------------------------|--------------------------------|
| ACFD's net OPEB liability | \$ 82,088 | \$ 68,103 | \$ 55,471 |

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents ACFD’s net OPEB liability calculated using the current trend rate, as well as what ACFD’s net OPEB liability would be if it were calculated using a trend rate that is 1-percentage-point lower (6.5 percent decreasing to 3.0 percent) or 1-percentage-point higher (8.5 percent decreasing to 5.0 percent) than the current rate:

| | <u>1% Decrease (6.5% decreasing to 3.00%)</u> | <u>Current Trend Rate (7.5% decreasing to 4.00%)</u> | <u>1% Increase (8.5% decreasing to 5.00%)</u> |
|---------------------------|---|--|---|
| ACFD's net OPEB liability | \$ 55,771 | \$ 68,103 | \$ 85,693 |

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F. OPEB Plan Fiduciary Net Position

Detailed information about OPEB plan fiduciary net position is available in the separately issued CalPERS financial reports, which can be obtained at CalPERS' website (www.calpers.ca.gov) under Forms and Publications.

16. Joint Venture

The County is a participant with the City of Oakland (City) in a joint exercise of powers agreement forming the Oakland-Alameda County Coliseum Authority (Coliseum Authority), which was formed on July 1, 1995 to assist the City and County in the financing of public capital improvements in the Oakland-Alameda County Coliseum Complex (Coliseum Complex) pursuant to the Marks-Roos Local Bond Pooling Act of 1985. The Oakland-Alameda County Coliseum Financing Corporation (Financing Corporation) is reported as a blended component unit of the Coliseum Authority. The eight-member Board of Commissioners of the Coliseum Authority consists of two council members from the City, two members of the Board of Supervisors from the County, two appointees of the City Council, and two appointees of the Board of Supervisors. The Board of Directors of the Financing Corporation consists of the City Manager and the County Administrator.

Stadium Background

In August 1995, the Coliseum Authority issued \$9.2 million in Fixed Rate Refunding Lease Revenue Bonds and \$188.5 million in Variable Rate Lease Revenue Bonds (collectively known as the Stadium Bonds) to satisfy certain obligations of the Coliseum Authority, the City, the County, the Financing Corporation and Oakland-Alameda County Coliseum Inc. (Coliseum Inc.), which then managed the operations of the Coliseum Complex, to finance the costs of remodeling the stadium portion of the Coliseum complex as well as relocating the Raiders to the City.

On May 31, 2012, the Coliseum Authority issued \$122.8 million in Refunding Bonds Series 2012 A with coupons of 2 to 5 percent to refund and defease all outstanding variable rate 2000 Series C Refunding Bonds. The bonds were priced at a premium, bringing total proceeds to \$138.1 million.

These funds coupled with \$13.0 million in the 2000 Series C reserve fund generated available funds of \$151.1 million that was used to refund the 2000 C Refunding Bonds of \$137.4 million, fund a reserve fund of \$12.8 million, and pay an underwriter's discount and issuance costs of \$0.9 million. The all-in-interest cost of the 2012A refunding bonds was 3.0 percent.

On December 14, 2021, the Authority issued \$23.9 million in Lease Revenue Notes, 2021 Refunding Series A (Refunding Notes) as federally taxable obligations to refund the Stadium Bonds. A portion of the proceeds of the Refunding Notes were used, together with certain amounts contributed from the debt service reserve fund and the debt service fund associated with the Stadium Bonds to fund an escrow account totaling \$46.5 million. The Authority advance refunded the Stadium Bonds to reduce its total debt service payments over the next three years by \$13.9 million and to obtain an economic gain of \$2.7 million. The Escrow Agent paid the scheduled debt service requirements of the Stadium Bonds on February 1, 2022 and will redeem those Stadium Bonds maturing on February 1, 2023 and thereafter, for all future debt service payments on the Stadium Bonds.

The Stadium Bonds are limited obligations of the Coliseum Authority payable solely from certain revenues of the Coliseum Authority, including revenues from the Stadium and Arena Complex and base rental payments from the City and the County. The source of the Coliseum Authority's revenues relating to football games consists primarily of a portion of the club dues, concession, and parking payments. The Coliseum Authority has pledged the base rental payments and most other revenues received under the Master Lease from the lessees, the City, and the County to the trustee to pay debt service on the bonds. In the event that football revenues and other revenues received in connection with the Stadium are insufficient to make base rental payments, the City and the County are obligated to make up the shortfall in the base rental payments from their respective general funds. The City and the County each have covenanted to appropriate \$11 million annually to cover such shortfall in revenue; however, the City and the County are jointly and severally liable to cover such shortfall, which means that the County could have to pay up to \$22 million annually in the event of default by the City. Base rental payments are projected to cover one hundred

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percent of the debt service requirements over the life of the bonds. The obligation of the City and the County to make such payments is reduced to the extent the Coliseum Authority receives revenues generated at the complex to pay debt service and for operations and maintenance. The Stadium Bonds are not general obligations of either the City or the County.

Arena Background

On August 2, 1996, the Coliseum Authority issued \$70 million Series A-1 and \$70 million Series A-2 Variable Rate Lease Revenue Bonds (Arena Bonds) to finance the costs of remodeling the Coliseum Arena (Arena) and to satisfy certain obligations of the Coliseum Authority, the City, the County, and Coliseum Inc. in connection with the retention of the Golden State Warriors (the Warriors) to play professional basketball at the Arena for at least 20 basketball seasons, beginning with the 1997-98 season. These obligations are evidenced in a series of agreements (the Warriors Agreements) among the Warriors and the City, the County, Coliseum Inc., and the Coliseum Authority.

On April 14, 2015, the Coliseum Authority issued \$79.7 million in Refunding Bonds Series 2015 with coupons of 0.8 to 3.8 percent to refund and defease all outstanding variable rate 1996 Series A-1 and A-2 Bonds. The bonds were sold at par, bringing total proceeds to \$79.7 million.

These funds coupled with \$3.3 million in the 1996 Series A reserve fund generated available funds of \$83.0 million which was used to refund the 1996 Series A Refunding Bonds of \$79.7, to fund a reserve fund of \$2.1 million, to pay the underwriter's discount and issuance costs of \$0.7 million, and \$0.5 million was returned to the Coliseum Authority's general fund. The all-in true interest cost of the 2015A refunding bonds was 3.3 percent.

There was an economic loss of \$13.4 million (difference between the present value of the old and the new debt service payments) due to the low variable interest rates on the old bonds and the higher fixed rates on the new bonds. The Coliseum Authority was unable to maintain the bonds at a variable rate because it was not able to renew the letters of credit as required due to the tightening of the credit markets since 2008. However, the Coliseum Authority was able to take advantage of the fixed rate market with historically low interest rates and issued fixed rate bonds.

Under the Bond Agreements, the Arena Bonds are limited obligations of the Coliseum Authority, payable solely from revenues received by the Coliseum Authority on behalf of the City and the County. Revenues consist of base rental payments from the City and County, including certain payments from the Warriors of up to \$7.4 million annually from premium seating revenues. If necessary to prevent default, additional premium revenues up to \$10.0 million may be pledged to service Arena debt. If the revenues received from the Warriors and from Arena operations are not sufficient to cover the debt service requirements in any fiscal year, the City and the County are obligated to make up the shortfall in the base rental payments from their respective general funds. The County and the City each have covenanted to appropriate up to \$9.5 million annually to cover such shortfalls in revenue; however, the City and the County are jointly and severally liable to cover such shortfall, which means that the County could have to pay up to \$19.0 million annually in the event of default by the City. The Warriors' challenge to their obligation to pay the Project Debt shortfall was not successful. The 2018 Arbitration Interim Award in favor of the Coliseum Authority (and indirectly the City and the County) regarding the Warriors' ongoing contractual obligation under the License Agreement to annually reimburse the Coliseum Authority for any principal balance remaining on the Arena Bonds debt obligation if the net operating revenues are not sufficient to pay scheduled debt service through the term of the debt issuance, was confirmed by the San Francisco Superior Court and by the California First District Court of Appeal. The Warriors Petition for Review was denied by the California Supreme Court, ending their appeal. Since August 2019, the Warriors have paid the debt service installments that have come due and it is anticipated that they will continue to do so until the Arena Bond debt obligation is satisfied in 2026.

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Debt Obligations

Long-term debt outstanding as of June 30, 2023 is as follows:

| <u>Type of Indebtedness</u> | <u>Maturity</u> | <u>Interest Rate</u> | <u>Authorized and Issued</u> | <u>Outstanding</u> |
|---|------------------|----------------------|------------------------------|--------------------|
| Stadium Bonds | | | | |
| 2021 Refunding Series A Lease Revenue Bonds | February 1, 2025 | 1% | \$ 23,901 | \$ 13,222 |
| Arena Bonds | | | | |
| 2015 Refunding Series A Lease Revenue Bonds | February 1, 2026 | 1% - 4% | <u>79,735</u> | <u>24,135</u> |
| Total Long-term debt | | | <u>\$ 103,636</u> | <u>\$ 37,357</u> |

Debt payments during the year ended June 30, 2023 were as follows:

| | <u>Stadium</u> | <u>Arena</u> | <u>Total</u> |
|-----------|------------------|-----------------|------------------|
| Principal | \$ 10,679 | \$ 8,800 | \$ 19,479 |
| Interest | 370 | 1,167 | 1,537 |
| Total | <u>\$ 11,049</u> | <u>\$ 9,967</u> | <u>\$ 21,016</u> |

The following is a summary of long-term debt transactions for the year ended June 30, 2023:

| | |
|--|------------------|
| Outstanding lease revenue bonds, July 1, 2022 | \$ 56,836 |
| Debt issuance | - |
| Principal repayments | <u>(19,479)</u> |
| Outstanding lease revenue bonds, June 30, 2023 | 37,357 |
| Amount due within one year | <u>(20,115)</u> |
| Amount due beyond one year | <u>\$ 17,242</u> |

Annual debt service requirements to maturity for the lease revenue bonds, including interest payments, are as follows:

| <u>For the Year Ending June 30</u> | <u>Stadium Bonds</u> | | <u>Arena Bonds</u> | | <u>Total</u> | |
|------------------------------------|----------------------|-----------------|--------------------|-----------------|------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 2024 | \$ 10,865 | \$ 181 | \$ 9,250 | \$ 873 | \$ 20,115 | \$ 1,054 |
| 2025 | 2,357 | 32 | 10,000 | 550 | 12,357 | 582 |
| 2026 | - | - | 4,885 | 185 | 4,885 | 185 |
| Total | <u>\$ 13,222</u> | <u>\$ 213</u> | <u>\$ 24,135</u> | <u>\$ 1,608</u> | <u>\$ 37,357</u> | <u>\$ 1,821</u> |

The Coliseum Authority relies on the City and the County to make base rental payments in order to fulfill its debt service obligations. The Coliseum Authority would be considered to be in default if one or more of the following events occurs: (1) the City and the County fail to pay any rental payable when it becomes due and payable, (2) the City and the County fail to comply with the terms, covenants and conditions of the Master Lease Agreement and (3) the City or the County declare bankruptcy or insolvency.

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If an event of default occurs, the Trustee may declare the principal of all bonds then outstanding and the interest accrued thereon to be due and payable immediately. The Coliseum Authority may (1) terminate the Master Lease and recover certain damages, (2) re-enter or re-let the facilities, or (3) continue to collect rent from the City and the County on an annual basis by seeking a separate judgment each year for that year's defaulted base rental payments. Upon an event of default, there is no remedy of acceleration of the total base rental payments due over the term of the Master Lease.

Management of Coliseum Authority

The Coliseum Authority entered into an agreement with the Oakland Coliseum Joint Venture (OCJV) to manage the entire Coliseum complex beginning July 1, 1998. On January 1, 2001, the Coliseum Authority terminated its agreement with OCJV and reinstated its Operating Agreement with Coliseum Inc. Coliseum Inc. subcontracted all of the operations of the Coliseum Complex to OCJV. The Operating Agreement between the Coliseum Authority and Coliseum Inc. expired, by its terms, on July 31, 2006. The Coliseum Authority entered into a Termination Agreement whereby, in return for certain consideration, the Coliseum Authority agreed to perform the duties of Coliseum, Inc. on and after August 1, 2006. The Coliseum Authority's management agreement with OCJV expired in June 2012. In July 2012, AEG Management Oakland, LLC took over management of the Coliseum Complex after signing a ten year agreement. The agreement was extended for an additional term of four years commencing July 1, 2022.

Under the joint exercise of power agreement, which formed the Coliseum Authority, the County is responsible for funding up to 50 percent of the Coliseum Authority's operating costs and debt service requirements; to the extent such funding is necessary. During the year ended June 30, 2023, the County made contributions of \$10 million to fund its share of operating deficits and debt service payments of the Coliseum Authority.

The Coliseum Authority has anticipated a deficit for operating costs and repayment of its Stadium Bonds, such that the City and County will have to contribute to base rental payments. Of the \$20.0 million appropriated in the general fund as part of the above agreements, it is estimated that the County will have to contribute \$5.0 million for the year ending June 30, 2024. There are many uncertainties in the estimation of revenues for the Coliseum Authority beyond one year into the future; therefore, the County has established a contingent liability to fund the Coliseum Authority deficit in the statement of net position in an amount equal to its contingent share (50 percent) of the outstanding Stadium Bonds, in the amount of \$6.6 million. The County has not established a contingent liability for the Arena Bonds because management is of the opinion that revenues from the Arena, including payments from the Warriors and revenues from Arena operations, will be sufficient to cover the debt payments.

Complete financial statements for the Coliseum Authority can be obtained from the County Auditor-Controller's Office at 1221 Oak Street, Room 249, Oakland, CA 94612.

17. Alameda Health System Discretely Presented Component Unit

Alameda Health System (AHS) operates medical and health facilities within Alameda County. In accordance with the Master Contract (Contract) between the County and AHS dated June 23, 1998, effective July 1, 1998, AHS became a public hospital authority pursuant to California Health and Safety Code Section 101850. Accordingly, the governance, administration and operation of Fairmont Hospital, Highland Hospital and John George Hospital (Facilities) were transferred from the County to AHS.

In accordance with the Medical Facilities Lease between AHS and the County dated June 12, 1998, AHS is leasing certain land, facilities and equipment, collectively, the facilities, from the County for the annual sum of \$1. In accordance with a transfer agreement, Fairmont Hospital and Highland Hospital remain the property of the County. Accordingly, such assets, along with the John George Hospital, are accounted for within the governmental activities of the County. Under the terms of the contract, the County has agreed to provide AHS unrestricted use of the facilities.

During the year ended June 30, 2014, AHS completed the acquisitions of the San Leandro Hospital (SLH) and the Alameda Hospital (AH). AHS continued to operate SLH as an acute care hospital with 36 acute staffed beds, and AH

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with 64 acute staffed beds, 35 sub-acute staffed beds, 146 skilled nursing staffed beds, and clinics. SLH is located at 13855 East 14th Street, San Leandro, California. AH is located at 2070 Clinton Avenue, Alameda, California.

During fiscal year 2004, the Alameda Health System Foundation's (Foundation) Articles of Incorporation and bylaws were amended to require AHS to approve Foundation board members and to allow that upon dissolution, the Foundation's remaining assets would be distributed to AHS. The Foundation distributed \$1.3 million to AHS during fiscal year 2023.

Changes in the balance of the net self-insurance liabilities during the past two fiscal years are as follows:

| | 2022/23 | 2021/22 |
|--|----------------|----------------|
| Estimated liability for claims and contingencies at the beginning of the fiscal year | \$ 36,376 | \$ 33,770 |
| Additional obligations | 4,590 | 2,606 |
| Payments | - | - |
| Estimated liability for claims and contingencies at the end of the fiscal year | \$ 40,966 | \$ 36,376 |

AHS has experienced significant operating losses and negative cash flows from operations in previous years. For fiscal year 2023, AHS reported an operating profit of \$18.6 million as a result of increased net patient service and capitation revenues. AHS has financed its working capital needs through loans from the County. AHS still expects to require ongoing working capital support from the County in fiscal year 2024.

In 2004, the voters of Alameda County approved Measure A, which provides funding, beginning in fiscal year 2005, for emergency medical, hospital inpatient, outpatient, public health, mental health, and substance abuse services to indigent, low-income and uninsured adults, children, families, seniors and other residents of Alameda County through an increase in Alameda County's sales tax revenue of 0.5 percent. Seventy-five percent of the funds are to be used by AHS. On June 3, 2014, the voters of Alameda County approved Measure AA, which extends the expiration date of Measure A from June 30, 2019 to June 30, 2034.

In August 2004, the County placed a \$200 million limitation on net loans to AHS. As defined, this limitation is calculated as gross loans to AHS, reduced by board-designated funds held by the County on behalf of AHS. In fiscal year 2016, a permanent agreement was approved that sets a schedule of repayment of AHS net loans and a net loan limit of \$110 million at June 30, 2023. At June 30, 2023, AHS has a net cash balance of \$58.1 million with the County treasury investment pool as the result of increased cash receipts during fiscal year 2022/23. Should AHS, as a hospital authority, be terminated, the County may be required to assume the liabilities of AHS related to the operation of hospitals and clinics.

A. Net Patient Service Revenue

Net patient service revenues are reported at the estimated net realizable amounts from patients, third-party payors, including the State of California, and others for services rendered at AHS, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

B. Medi-Cal and Medicare Programs

A substantial portion of AHS's revenues is derived from services provided to patients eligible for benefits under the Medi-Cal and Medicare programs. Revenues from Medi-Cal and Medicare programs represent approximately 58.9 percent and 28.1 percent, respectively, of gross patient service revenues, excluding certain federal aid revenues, for the year ended June 30, 2023. Reimbursement rates are tentative and final reimbursement for services is determined after submission of annual cost reports and audits by third-party intermediaries.

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C. Other Program Revenues

AHS also receives significant revenues from components of the Medi-Cal Waiver Program. Beginning in fiscal year 2006, California Senate Bill 1100 (SB1100) provides additional funding to hospitals that provide a significant portion of their services to Medi-Cal and medically indigent recipients. SB1100 provides additional funds through a reimbursement rate increase for each Medi-Cal patient day provided, up to a maximum number of days. Effective January 1, 2016, California's Section 1115 Waiver Renewal was approved and established the Global Payment Program (GPP) of statewide funding for the uninsured, and the Public Hospital Redesign and Incentives in Medi-Cal (PRIME) program funding for improved quality of care and better care coordination through safety net providers. AHS recognized \$107.7 million in revenues for Section 1115 waiver programs for the year ended June 30, 2023. This amount includes the net intergovernmental transfers for the year ended June 30, 2023 and adjustment to prior year revenues for changes in state allocations.

D. Charity Care

Counties are required by federal statute, Section 17000 of the Health and Welfare Act, to provide charity care to patients who are unable to pay. AHS provides services to patients who are financially screened and qualified to receive charity care under the guidelines of AB 774. AHS captures the amount of unreimbursed costs for services and supplies for patients who qualify for the charity care program and County programs. The following table summarizes the estimated cost of charity care for the year ended June 30, 2023:

| | |
|-------------------------------|----------|
| Charity care cost | \$86,819 |
| Percent of operating expenses | 6.1 % |

In addition to the direct cost of charity care, AHS recognizes the unreimbursed costs of care provided to medically indigent patients covered by the Health Plan of Alameda County (HPAC) as contractual allowances. The following table summarizes the estimated HPAC unreimbursed costs for the year ended June 30, 2023:

| | |
|-------------------------------|----------|
| HPAC unreimbursed cost | \$54,889 |
| Percent of operating expenses | 3.9 % |

E. Accounts Receivable

Accounts receivable at June 30, 2023, comprised the following:

| | |
|----------------------------------|------------|
| Patient accounts receivable | \$ 379,438 |
| Net due from State of California | 18,682 |
| Other accounts receivable | 18,446 |
| Total | \$ 416,566 |

Patient accounts receivable include amounts due from third party payors, patients, and other agencies for patient services rendered and is net of \$94.4 million in estimated contractual adjustments and uncollectible accounts. Other accounts receivable include professional and other fees earned on patient services and services provided to various outside agencies. Also included in other accounts receivable are reimbursement claims for grants expenditures, amounts owed to AHS from the State for payments under the SB 1100 program, and uncollected contributions to the Foundation.

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F. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at June 30, 2023, comprised the following:

| | |
|---------------------------|-------------------|
| Accounts payable | \$ 65,150 |
| Accrued payroll | 39,725 |
| Due to third-party payors | 203,513 |
| | <u>\$ 308,388</u> |

G. Defined Benefit Pension Plan

AHS is a participant in ACERA. ACERA is governed by the California Constitution, the County Employees Retirement Law of 1937, and the bylaws, procedures, and policies adopted by the Board of Retirement. ACERA operates a cost-sharing multiple employer defined benefit plan. ACERA provides service and disability retirement benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit and contribution provisions are established by State law and are subject to amendment only by an act of the State of California legislature. An actuarial valuation is performed annually for the system as a whole.

The 1937 Act provides the authority for the establishment of ACERA benefit provisions. In most cases where the law provides options concerning the allowance of credit for service, the offering of benefits, or the modification of benefit levels, the law generally requires approval of the employers' governing boards for the option to take effect. Separately, in 1984 the Alameda County Board of Supervisors and the Board of Retirement approved the adoption of Article 5.5 of the 1937 Act. This adoption permitted the establishment of a Supplemental Retirees Benefit Reserve (SRBR) for ACERA.

Article 5.5 of the 1937 Act provides for the systematic funding of the SRBR and stipulates that it be used only for the benefit of retired members and beneficiaries. The law grants discretionary authority over the use of the SRBR funds to the Board of Retirement. Supplemental benefits currently provided through the SRBR include supplemental cost-of-living allowance, supplemental retired member death benefits, and the retiree monthly medical allowance, vision, dental, and Medicare Part B coverage. The payment of supplemental benefits from the SRBR is subject to available funding and must be periodically re-authorized by the Board of Retirement. SRBR benefits are not vested.

In 2006, the Board of Retirement approved the allocation of SRBR funds to Postemployment Medical Benefits and Other Pension Benefits. These two programs provide the supplemental benefits described above.

As of the measurement date June 30, 2022, the proportionate share of the net pension liability was \$513.1 million.

ACERA and AHS separately issue their stand-alone financial statements which can be directly obtained from their respective offices.

H. Other Postemployment Benefits

AHS also participates in an OPEB plan administered by ACERA for retired members and their eligible dependents. The OPEB plan is not a benefit entitlement program and benefits are subject to modification and/or deletion by the ACERA Board of Retirement. Annually, based on the recommendation of the Board of Retirement, the Board of Supervisors designates a portion of the County's and Health System's contribution to retirement towards medical premiums of retirees.

Retired employees from AHS receive a monthly medical allowance toward the cost of their health insurance from the SRBR. The SRBR is a funded trust that receives fifty percent of the investment earnings that are in excess of the target investment return of the ACERA pension fund. AHS does not make postemployment medical benefit payments directly to retirees and does not have the ability to fund these benefits.

As of the measurement date June 30, 2022, the proportionate share of the net OPEB liability was \$33.6 million.

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ACERA and AHS separately issue their stand-alone financial statements which can be directly obtained from their respective offices.

18. Self-Insurance and Contingencies

A. Self-Insurance and Purchased Insurance

The County is exposed to various risks of loss related to torts (theft, damage, and/or destruction of assets, errors and omissions, injuries to employees, natural disasters or medical malpractice); unemployment claims; and dental benefits provided to employees. The County maintains risk-financing internal service funds in which assets are set aside for claim settlements associated with general, automobile, and medical malpractice liability; workers' compensation; unemployment; and dental benefits to employees.

The County uses a combination of self-insurance, participation in insurance pools, and purchased insurance coverage for protection against adverse losses. Excess general liability, workers' compensation, and medical malpractice coverage is provided by Public Risk, Innovations, Solutions, and Management (PRISM) formerly known as CSAC-Excess Insurance Authority (CSAC-EIA), a joint powers authority whose purpose is to develop and fund programs of excess and primary insurance for its member counties and other California public entities. A Board of Directors consisting of one representative from each member county and seven members selected by the public entity membership governs the Authority. Purchased insurance includes primary all-risk property insurance for the County's entire real and personal property, equipment and vehicles; earthquake insurance for selected real property; Public Officials Dishonesty Bond coverage for losses related to theft of funds; and other coverage as listed below (amounts not in thousands).

The County utilizes a combination of self-insurance, pooled retentions, purchased insurance, and excess insurance for the following insurance programs. Amounts in excess of the limits listed for each program are self-insured. None of the insurance settlements over the past four years have exceeded insurance limits.

PRIMARY GOVERNMENT

Property insurance is purchased on a March 31 policy year. Therefore, the information provided in the table below is for property insurance policies covering the period March 31, 2023 to March 31, 2024.

amounts in tables expressed in dollars

| Property Insurance – Declared values as of March 31, 2023 for Policy Period March 31, 2023 to March 31, 2024 | | | |
|--|---|---|---|
| | Funding Sources and Coverage Limits | | |
| Coverage type and declared value, if applicable | Deductible | PRISM Participation | Excess Insurance Limit (Various carriers) |
| All Risk | | \$10,000,000 per tower, per occurrence All Risk | \$600,000,000 |
| Real and personal property and rents: \$3,546,113,280 | \$50,000 | | |
| Vehicles and mobile equipment (excluding buses): \$168,647,044 | \$15,000 vehicles | | |
| Buses: \$4,800,000 | \$100,000 | | |
| Fine Arts (scheduled): \$1,952,093 | \$50,000 | | |
| Terrorism | \$50,000 | | \$750,000,000 |
| Flood: \$3,546,113,280 | For properties located outside Flood Zones A and V: \$25,000 per covered party or the member's All Risk deductible, | Primary Flood (PRISM participation): \$10,000,000 | Flood Zones A and V: \$200,000,000. Flood Zones outside of A and V: |

COUNTY OF ALAMEDA, CALIFORNIA
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(amounts in tables expressed in thousands)
JUNE 30, 2023

| | | | |
|---|---|--|---------------|
| | <p>whichever is greater, except \$100,000 for Pima County. For properties located within Flood Zones A and V: \$100,000 per covered party or the member's All Risk deductible, whichever is greater, except \$500,000 for Pima County.</p> | | \$225,000,000 |
| <p>Earthquake: \$3,347,918,790</p> | <p>5% of total values per unit per occurrence subject to a minimum of \$100,000 and \$50,000,000 maximum for Towers I, II, III, IV and V combined less the PRISM Buy-Down credit as described below.</p> <p>5% of total values per unit per occurrence subject to a minimum of \$100,000 and separate \$50,000,000 maximum for Tower VI less the PRISM Buy-Down credit as described below.</p> <p>5% of total values per unit per occurrence subject to a minimum of \$100,000 and separate \$50,000,000 maximum for Tower VII less the PRISM Buy Down credit as described below.</p> <p>5% of total values per unit per occurrence subject to a minimum of \$100,000 and separate \$50,000,000 maximum for Orange County less the PRISM Buy-Down Credit as described below and a separate 5% of total values per unit per occurrence subject to a minimum of \$100,000 for John Wayne Airport in Tower VIII.</p> <p>PRISM Deductible Buy Down Credit For all Earthquake events occurring in a single policy year in Towers I-VIII (except John Wayne Airport), PRISM is responsible for a maximum credit of 3% of total values per unit, per occurrence, per covered party subject to a maximum of \$30,000,000 per occurrence and annual aggregate for all covered parties excess of a member deductible of 2% of total values per unit per occurrence per covered party.</p> <p>It is further understood and agreed that if the \$30,000,000 annual aggregate PRISM Deductible Buy-Down credit is exceeded by an accumulation of loss(es) from one or more events in a single policy year,</p> | <p>Pooled retention is \$0. Alameda County is a member of the PRISM (formerly CSAC-EIA) property insurance program. Member properties are separated into eight different groups (towers) to achieve geographical diversity within each group and spread the risk of loss from a single earthquake. Alameda County property is spread between three groups (Towers I, II, and IV) with \$100 million in purchased coverage for each tower and an additional \$365 million in annual aggregate purchased coverage shared among all members in Towers I –VI only, for total purchased earthquake coverage of \$965M. The total limit available to Alameda County across the three towers in which its property is scheduled is \$665 million: \$100 million per tower and \$365 million in annual aggregate coverage.</p> | |

COUNTY OF ALAMEDA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
(amounts in tables expressed in thousands)
JUNE 30, 2023

| | | |
|--|---|--|
| | <p>the payments to individual covered parties will be made on a proportional basis. The proportion shall be the ratio of the total \$30,000,000 maximum credit available to all covered parties in a single year divided by the total amount payable had no \$30,000,000 maximum credit been imposed.</p> | |
|--|---|--|

The County utilizes a combination of self-insurance, pooled retentions, and excess insurance for the following programs:

amounts in tables expressed in dollars

| Program Description | Funding Sources and Coverage Limits | | |
|----------------------------|-------------------------------------|--|---|
| | Self-Insured Retention | Pooled Retention Limit (PRISM) | Excess Insurance Limit (Various carriers) |
| General and Auto Liability | \$1,000,000 | \$121,184,409 group corridor retention in primary layer, reinsured by PRISM ARC, a captive of PRISM. | \$25,000,000 (inclusive of retention) |
| Medical Malpractice | \$25,000 deductible | \$1,500,000 | \$21,500,000 (inclusive of deductible) |
| Workers' Compensation | \$3,000,000 | A single shared corridor retention of \$52,203,098 reinsured by EIO, a captive of PRISM | Statutory |
| Employer's Liability | \$3,000,000 | N/A | N/A |

The County purchases insurance for the following exposures:

amounts in tables expressed in dollars

| Description | Deductible | Limit |
|-------------------------------------|-------------------------------|--|
| Aircraft Coverage: | | |
| Aircraft Liability | \$0 | \$25,000,000 |
| Aircraft Hull (2000 Cessna 206H) | \$0 | Property damage (PD) value: \$680,000 |
| Aircraft Hull (1980 Cessna U206) | \$0 | PD value: \$1,000,000 |
| Aircraft Hull (Bell 505) | \$0 | PD value: \$2,693,463 |
| Watercraft Coverage: | | |
| Watercraft Protection and Indemnity | \$1,000 | \$1,000,000 |
| Watercraft Collision and Towers | \$1,000 | \$1,000,000 |
| Watercraft Hull and Machinery | \$1,000 | \$1,000,000 |
| Foster Parents Liability | not renewed effective 7/14/21 | |
| Crime Bond / Employee Dishonesty | \$2,500 | \$20,000,000 |
| Cyber Liability | \$250,000 | \$16 million each member subject to \$90 million program aggregate between all layers combined |
| Cyber Liability – Enhanced Option | 100,000 Notified Individuals | 100,000 Notified Individuals |
| Public Official Bond | \$0 | \$1,000,000 |
| Pollution Liability | \$250,000 | \$10 million per pollution condition / \$10 million per member aggregate limit of liability / \$50 million policy aggregate for all members combined |
| Notary Bonds | N/A | N/A |
| Notary Public Errors and Omissions | \$0 | \$10,000 |

COUNTY OF ALAMEDA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
(amounts in tables expressed in thousands)
JUNE 30, 2023

The estimated liability for claims and contingencies included in the risk management internal service fund is based on the results of actuarial studies and includes amounts for claims incurred but not reported. The estimated liability for claims and contingencies is calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs, and other economic and social factors. It is the County's practice to obtain full actuarial studies annually for the workers' compensation, and general liability (which includes medical malpractice). Annual charges to departments are calculated for insurance and self-insurance costs using a cost allocation method which uses multiple cost pools and allocation bases utilizing both paid claim experience and appropriate measures of loss exposures, such as payroll for employee-related costs or square footage occupied for costs associated with property.

Changes in the balances of the estimated liability for claims and contingencies during the past two fiscal years for all self-insurance funds are as follows:

| | General Liability | | Workers' Compensation | | Total | |
|--|-------------------|-----------|-----------------------|------------|------------|------------|
| | 2022/23 | 2021/22 | 2022/23 | 2021/22 | 2022/23 | 2021/22 |
| Estimated liability for claims and contingencies at the beginning of the fiscal year | \$ 25,650 | 23,914 | \$ 163,673 | \$ 153,485 | \$ 189,323 | \$ 177,399 |
| Incurred claims and claim adjustment expenses | 17,799 | 11,237 | 32,976 | 33,238 | 50,775 | 44,475 |
| Payments | (13,451) | (9,501) | (26,098) | (23,050) | (39,549) | (32,551) |
| Total estimated liability for claims and contingencies at the end of the fiscal year | \$ 29,998 | \$ 25,650 | \$ 170,551 | \$ 163,673 | \$ 200,549 | \$ 189,323 |

B. Litigation

Various lawsuits have been instituted and claims have been made against the County, with provisions for potential losses included in the basic financial statements. In the opinion of County Counsel, it is not possible to accurately predict the County's liability under these actions, but final disposition should not materially affect the financial position of the County.

C. Federal and State Grants

The County participates in a number of federal and state grants programs subject to financial and compliance audits by the grantors or their representatives. Audits of certain grant programs for or including the year ended June 30, 2023, have not yet been conducted or settled. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. However, management does not believe that any audit disallowances would have a significant effect on the financial position of the County.

D. Medicare and Medi-Cal Reimbursements

Alameda Health System's Medicare and Medi-Cal cost reports for certain prior years are in various stages of review by third-party intermediaries and have not yet been settled. AHS believes that it has adequately provided for any potential liabilities which may arise from the intermediaries' reviews.

19. Alameda County Redevelopment Successor Agency Private-Purpose Trust Fund

On December 29, 2011, the California Supreme Court upheld Assembly Bill x1 26 (ABx1 26) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the County that previously had reported the Alameda County Redevelopment Agency as a blended component unit. ABx1 26 provides that upon dissolution of a redevelopment agency, either the County or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, via board resolution R#2012-6, File #27856, Item #12A, the County Board of Supervisors designated the County as the successor agency, in accordance with ABx1 26.

COUNTY OF ALAMEDA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
(amounts in tables expressed in thousands)
JUNE 30, 2023

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

In accordance with the timeline set forth in ABx1 26 (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. After the date of dissolution, as allowed in ABx1 26, the County elected to retain the housing assets and functions previously performed by the former redevelopment agency. The assets and activities of the Housing Successor Assets special revenue fund are reported within non-major governmental funds of the County. The remaining assets, liabilities, and activities of the dissolved Alameda County Redevelopment Agency are reported in the Alameda County Redevelopment Successor Agency private-purpose trust fund.

Capital asset activities of the private-purpose trust fund for the year ended June 30, 2023, are as follows:

| | <u>Balance</u> <u>July 1, 2022</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> <u>June 30, 2023</u> |
|--|---------------------------------------|------------------|------------------|--|
| Capital assets, being depreciated: | | | | |
| Infrastructure | \$ 3,111 | \$ - | \$ - | \$ 3,111 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | (939) | (62) | - | (1,001) |
| Total capital assets, being depreciated, net | <u>\$ 2,172</u> | <u>\$ (62)</u> | <u>\$ -</u> | <u>\$ 2,110</u> |

The changes in liabilities, other than long-term debt, of the private-purpose trust fund for the year ended June 30, 2023 are as follows:

| | <u>Balance</u> <u>July 1, 2022</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> <u>June 30, 2023</u> | <u>Amounts</u> <u>Due</u> <u>Within</u> <u>One Year</u> |
|---------------------------------|---------------------------------------|------------------|------------------|--|--|
| Due to other governmental units | <u>\$ 806</u> | <u>\$ -</u> | <u>\$ (806)</u> | <u>\$ -</u> | <u>\$ -</u> |

The outstanding tax allocation bonds of the Alameda County Redevelopment Successor Agency as of June 30, 2023:

| <u>Type of Obligation and Purpose</u> | <u>Maturity</u> | <u>Interest</u> <u>Rates</u> | <u>Original</u> <u>Issue</u> | <u>Outstanding</u> |
|---------------------------------------|-----------------|---------------------------------|---------------------------------|--------------------|
| Tax allocation bonds | | | | |
| Alameda County Successor Agency | | | | |
| Eden Area Redevelopment Bonds | 8/1/2036 | 4.0 - 5.0 % | \$ 34,735 | \$ 21,325 |

On February 2, 2006, the Alameda County Redevelopment Agency issued \$34.7 million in tax allocation bonds Series 2006A to finance redevelopment eligible activities in Castro Valley, Cherryland, and San Lorenzo project areas. Interest on the bonds varies from 4.0 to 5.0 percent and is payable twice a year, August 1 and February 1, while principal on the bonds is payable on August 1 every year. Total principal and interest remaining on the bonds is \$31.3 million, with the final payment due on August 1, 2036. The tax allocation bonds are secured by and to be serviced from tax increment revenues of the project areas. All project tax increment revenues except dedicated housing tax increment allocation are the security for the bonds. These revenues have been pledged until the year 2036. Pledged tax increment revenue recognized during the year ended June 30, 2023 was \$2.0 million as against the total debt service payment of \$2.1 million. Pursuant to California Assembly Bill ABx1 26, the responsibility for the

COUNTY OF ALAMEDA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
(amounts in tables expressed in thousands)
JUNE 30, 2023

payment of this debt was transferred to the Alameda County Redevelopment Successor Agency private-purpose trust fund.

The changes in the tax allocation bonds of the Alameda County Redevelopment Successor Agency for the year ended June 30, 2023, are as follows:

| | Balance July 1, 2022 | Additional Obligations and Net Increases | Current Maturities, Retirements, and Net Decreases | Balance June 30, 2023 | Amounts Due Within One Year |
|---|-------------------------|---|--|--------------------------|--------------------------------------|
| Tax allocation bonds | \$ 22,410 | \$ - | \$ (1,085) | \$ 21,325 | \$ 1,130 |
| Unamortized bond premium | 172 | - | (12) | 160 | 12 |
| Total private-purpose trust bonds payable | <u>\$ 22,582</u> | <u>\$ -</u> | <u>\$ (1,097)</u> | <u>\$ 21,485</u> | <u>\$ 1,142</u> |

Annual debt service requirements for Alameda County Redevelopment Successor Agency tax allocation bonds outstanding as of June 30, 2023 are as follows:

| For the Year Ending June 30 | Tax Allocation Bonds | | |
|-----------------------------------|-------------------------|-----------------|------------------|
| | Principal | Interest | Total |
| 2024 | \$ 1,130 | \$ 970 | \$ 2,100 |
| 2025 | 1,180 | 921 | 2,101 |
| 2026 | 1,230 | 870 | 2,100 |
| 2027 | 1,285 | 817 | 2,102 |
| 2028 | 1,340 | 760 | 2,100 |
| 2029-2033 | 7,620 | 2,829 | 10,449 |
| 2034-2038 | 7,540 | 777 | 8,317 |
| | <u>\$ 21,325</u> | <u>\$ 7,944</u> | <u>\$ 29,269</u> |

20. Restatement of Beginning Net Position

In fiscal year 2023, the County restated the beginning net position as a result of GASB Statement No. 96 implementation.

The beginning net position was restated in the governmental activities as follows:

| | Governmental Activities |
|--|------------------------------------|
| Net position- beginning of period, as reported | \$ 3,094,884 |
| Cumulative effect of GASB 96 implementation | 207 |
| Net position- beginning of period, as restated | <u>\$ 3,095,091</u> |

21. Subsequent Events

On November 8, 2023, the County issued Lease Revenue Refunding Bonds (Highland Hospital Project) 2023 Series A to provide funds to refund a portion of the Joint Powers Authority's outstanding Lease Revenue Bonds (Multiple Capital Projects) 2013 Series B and pay costs of issuance of the 2023 Series A Bonds. The serial bonds component were issued with fixed interest rates ranging from 3.35 percent to 3.61 percent, with maturity dates between December 1, 2024 and December 1, 2034.



**REQUIRED SUPPLEMENTARY
INFORMATION**

COUNTY OF ALAMEDA, CALIFORNIA

REQUIRED SUPPLEMENTARY INFORMATION

(amounts expressed in thousands)

JUNE 30, 2023

Schedule of Proportionate Share of the Net Pension Liability and Related Ratios

ACERA

| <u>Fiscal Year</u> | <u>Proportion of Net Pension Liability (NPL)</u> | <u>Proportionate Share of NPL (a)</u> | <u>Covered Payroll (b)</u> | <u>NPL Proportion as percentage of Covered Payroll (a/b)</u> | <u>Plan Fiduciary Net Position as a percentage of Total Pension Liability</u> |
|--------------------|--|---|------------------------------------|--|---|
| 2023 | 70.07 % | \$ 1,563,447 | \$ 839,789 | 186.17 % | 80.58 % |
| 2022 | 59.22 | 469,200 | 813,987 | 57.64 | 92.80 |
| 2021 | 77.79 | 1,706,972 | 776,023 | 219.96 | 79.37 |
| 2020 | 77.58 | 1,660,819 | 748,170 | 221.98 | 78.51 |
| 2019 | 75.96 | 2,099,536 | 719,298 | 291.89 | 77.93 |
| 2018 | 77.54 | 1,561,392 | 686,402 | 227.47 | 77.93 |
| 2017 | 76.56 | 1,717,410 | 660,415 | 260.05 | 77.01 |
| 2016 | 76.26 | 1,615,549 | 658,750 | 245.24 | 73.43 |
| 2015 | 77.01 | 1,340,553 | 614,704 | 218.08 | 77.26 |

CalPERS Miscellaneous Plan

| <u>Fiscal Year</u> | <u>Proportion of Net Pension Liability (NPL)</u> | <u>Proportionate Share of NPL (a)</u> | <u>Covered Payroll (b)</u> | <u>NPL Proportion as percentage of Covered Payroll (a/b)</u> | <u>Plan Fiduciary Net Position as percentage of Total Pension Liability</u> |
|--------------------|--|---|------------------------------------|--|---|
| 2023 | 0.040 % | \$ 4,639 | \$ 8,129 | 57.07 % | 76.68 % |
| 2022 | 0.022 | 1,198 | 7,908 | 15.15 | 88.29 |
| 2021 | 0.033 | 3,561 | 7,294 | 48.82 | 75.10 |
| 2020 | 0.030 | 3,081 | 7,206 | 42.74 | 75.26 |
| 2019 | 0.028 | 2,652 | 6,737 | 39.37 | 73.31 |
| 2018 | 0.027 | 2,720 | 6,311 | 43.10 | 73.31 |
| 2017 | 0.025 | 2,181 | 6,134 | 35.56 | 74.06 |
| 2016 | 0.023 | 1,600 | 5,951 | 26.88 | 78.40 |
| 2015 | 0.026 | 1,614 | 5,244 | 30.77 | 83.03 |

These schedules are intended to show information for ten years, information will be added as it becomes available.

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
(amounts expressed in thousands)
JUNE 30, 2023**

Schedule of Changes in the Net Pension Liability and Related Ratios

CalPERS Safety Plan

| | Fiscal Year 2023 | Fiscal Year 2022 | Fiscal Year 2021 | Fiscal Year 2020 | Fiscal Year 2019 | Fiscal Year 2018 | Fiscal Year 2017 | Fiscal Year 2016 | Fiscal Year 2015 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total pension liability | | | | | | | | | |
| Service cost | \$ 16,113 | \$ 14,788 | \$ 14,304 | \$ 14,261 | \$ 13,865 | \$ 13,986 | \$ 13,168 | \$ 13,449 | \$ 14,144 |
| Interest | 38,260 | 36,376 | 34,628 | 32,718 | 30,560 | 29,083 | 27,452 | 25,746 | 23,869 |
| Changes of assumptions | 22,007 | - | - | - | (1,306) | 24,186 | - | (6,244) | - |
| Differences between expected and actual experience | (2,922) | (882) | 2,137 | 6,701 | (1,356) | 692 | (352) | 1,544 | - |
| Benefit payments, including refunds of employee contributions | (25,875) | (24,502) | (23,174) | (21,682) | (20,592) | (18,785) | (17,229) | (15,559) | (13,785) |
| Net change in total pension liability | 47,583 | 25,780 | 27,895 | 31,998 | 21,171 | 49,162 | 23,039 | 18,936 | 24,228 |
| Total pension liability, beginning | 540,283 | 514,503 | 486,608 | 454,610 | 433,439 | 384,277 | 361,238 | 342,302 | 318,074 |
| Total pension liability, ending | <u>\$ 587,866</u> | <u>\$ 540,283</u> | <u>\$ 514,503</u> | <u>\$ 486,608</u> | <u>\$ 454,610</u> | <u>\$ 433,439</u> | <u>\$ 384,277</u> | <u>\$ 361,238</u> | <u>\$ 342,302</u> |
| Safety plan fiduciary net position | | | | | | | | | |
| Contributions - employer | \$ 20,373 | \$ 18,933 | \$ 17,174 | \$ 15,151 | \$ 14,551 | \$ 14,046 | \$ 12,596 | \$ 12,024 | \$ 12,029 |
| Contributions - employee | 5,398 | 5,189 | 4,974 | 4,761 | 4,764 | 4,434 | 4,164 | 4,144 | 4,465 |
| Net investment income | (35,677) | 86,878 | 18,240 | 22,622 | 26,991 | 32,203 | 1,614 | 6,379 | 41,634 |
| Other miscellaneous income/(Expense) | - | - | - | 1 | (948) | - | - | - | - |
| Benefit payments, including refunds of employee contributions | (25,875) | (24,502) | (23,174) | (21,682) | (20,592) | (18,785) | (17,229) | (15,559) | (13,785) |
| Administrative expense | (292) | (381) | (515) | (246) | (499) | (426) | (175) | (324) | - |
| Net change in safety plan fiduciary net position | (36,073) | 86,117 | 16,699 | 20,607 | 24,267 | 31,472 | 970 | 6,664 | 44,343 |
| Safety plan fiduciary net position, beginning | 467,928 | 381,811 | 365,112 | 344,505 | 320,238 | 288,766 | 287,796 | 281,132 | 236,789 |
| Safety plan fiduciary net position, ending | <u>\$ 431,855</u> | <u>\$ 467,928</u> | <u>\$ 381,811</u> | <u>\$ 365,112</u> | <u>\$ 344,505</u> | <u>\$ 320,238</u> | <u>\$ 288,766</u> | <u>\$ 287,796</u> | <u>\$ 281,132</u> |
| County's net pension liability - ending | <u>\$ 156,011</u> | <u>\$ 72,355</u> | <u>\$ 132,692</u> | <u>\$ 121,496</u> | <u>\$ 110,105</u> | <u>\$ 113,201</u> | <u>\$ 95,511</u> | <u>\$ 73,442</u> | <u>\$ 61,170</u> |
| Safety plan fiduciary net position as a percentage of the total pension liability | 73.46 % | 86.61 | 74.21 % | 75.03 % | 75.78 % | 73.88 % | 75.15 % | 79.67 % | 82.13 % |
| Covered payroll | \$ 55,509 | \$ 53,678 | \$ 51,677 | \$ 49,197 | \$ 47,042 | \$ 45,815 | \$ 45,596 | \$ 45,029 | \$ 45,785 |
| County's net pension liability as a percentage of covered payroll | 281.05 % | 134.80 % | 256.77 % | 246.96 % | 234.06 % | 247.08 % | 209.47 % | 163.10 % | 133.60 % |

These schedules are intended to show information for ten years, information will be added as it becomes available.

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
(amounts expressed in thousands)
JUNE 30, 2023**

Schedule of County Contributions - Pension Plans

ACERA

| Fiscal Year* | Contractually Required Contribution | Contributions in relation to Contractually Required Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a percentage of Covered Payroll |
|--------------|---|--|--|--------------------|---|
| 2023 | \$ 193,995 | \$ 193,995 | \$ - | \$ 848,603 | 22.86 % |
| 2022 | 202,905 | 202,905 | - | 829,277 | 24.47 |
| 2021 | 242,029 | 1,042,029 | (800,000) | 790,006 | 131.90 |
| 2020 | 231,127 | 231,127 | - | 763,495 | 30.27 |
| 2019 | 220,067 | 220,067 | - | 737,129 | 29.85 |
| 2018 | 189,776 | 189,776 | - | 704,619 | 26.93 |
| 2016 | 182,764 | 182,764 | - | 660,415 | 27.67 |
| 2015 | 169,323 | 169,323 | - | 658,750 | 25.70 |
| 2014 | 159,661 | 159,661 | - | 614,704 | 25.97 |

*Starting FY 2018, county contributions are reported by fiscal year instead of calendar year.

CalPERS Miscellaneous Plan

| Fiscal Year | Contractually Required Contribution | Contributions in relation to Contractually Required Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a percentage of Covered Payroll |
|-------------|---|--|--|--------------------|---|
| 2023 | \$ 995 | \$ 995 | \$ - | \$ 7,953 | 12.52 % |
| 2022 | 998 | 998 | - | 8,129 | 12.28 |
| 2021 | 950 | 950 | - | 7,908 | 12.01 |
| 2020 | 808 | 808 | - | 7,294 | 11.08 |
| 2019 | 729 | 729 | - | 7,206 | 10.12 |
| 2018 | 632 | 632 | - | 6,737 | 9.38 |
| 2017 | 515 | 515 | - | 6,311 | 8.16 |
| 2016 | 491 | 491 | - | 6,134 | 8.00 |
| 2015 | 652 | 652 | - | 5,951 | 10.96 |
| 2014 | 564 | 564 | - | 5,244 | 10.76 |

CalPERS Safety Plan

| Fiscal Year | Actuarially Determined Contribution | Contributions in relation to Actuarially Determined Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a percentage of Covered Payroll |
|-------------|---|--|--|--------------------|---|
| 2023 | \$ 21,590 | \$ 21,590 | \$ - | \$ 57,673 | 37.44 % |
| 2022 | 20,373 | 20,373 | - | 55,509 | 36.70 |
| 2021 | 18,933 | 18,933 | - | 53,678 | 35.27 |
| 2020 | 17,174 | 17,174 | - | 51,677 | 33.23 |
| 2019 | 15,178 | 15,178 | - | 49,197 | 30.85 |
| 2018 | 10,067 | 10,067 | - | 47,042 | 21.40 |
| 2017 | 14,046 | 14,046 | - | 45,815 | 30.66 |
| 2016 | 12,596 | 12,596 | - | 45,596 | 27.63 |
| 2015 | 12,024 | 12,024 | - | 45,029 | 26.70 |
| 2014 | 12,029 | 12,029 | - | 45,785 | 26.27 |

These schedules are intended to show information for ten years, information will be added as it becomes available.

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
(amounts expressed in thousands)
JUNE 30, 2023**

Notes to the CalPERS Safety Plan Schedule - Pension

The actuarial methods and assumptions used to set the actuarially determined contributions for June 30, 2022 measurement date were from the June 30, 2019 public agency valuations:

| | |
|---------------------------|--|
| Actuarial cost method | Entry Age Actuarial Cost Method |
| Asset valuation method | Fair Value of Assets. |
| Inflation | 2.50% |
| Salary increases | Varies by entry age and service |
| Payroll growth | 2.75% |
| Investment rate of return | 7.00% net of pension plan investment and administrative expenses; includes inflation. |
| Retirement age | The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. |
| Mortality | The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. |

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
(amounts expressed in thousands)
JUNE 30, 2023**

Schedule of Proportionate Share of the Net OPEB Liability and Related Ratios

ACERA

| Fiscal Year | Proportion of Net OPEB Liability (NOL) | Proportionate Share of NOL (a) | Covered Payroll (b) | NOL as Covered Payroll (a/b) | Plan Fiduciary Net Position as a percentage of Total OPEB Liability |
|-------------|--|--------------------------------|---------------------|------------------------------|---|
| 2023 | 76.60 % | \$ 146,524 | \$ 839,789 | 17.45 % | 84.47 % |
| 2022 | 76.31 | (320,915) | 807,130 | -39.76 | 134.96 |
| 2021 | 76.26 | 5,101 | 776,102 | 0.66 | 99.44 |
| 2020 | 76.04 | 85,874 | 751,655 | 11.43 | 89.57 |
| 2019 | 75.36 | 175,522 | 719,298 | 24.40 | 77.91 |
| 2018 | 75.20 | 20,664 | 686,402 | 3.01 | 97.33 |

Schedule of Changes in the Net OPEB Liability and Related Ratios

| CalPERS | Fiscal Year 2023 | Fiscal Year 2022 | Fiscal Year 2021 | Fiscal Year 2020 | Fiscal Year 2019 | Fiscal Year 2018 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Service cost | \$ 3,979 | \$ 4,131 | \$ 4,077 | \$ 5,269 | \$ 5,379 | \$ 5,905 |
| Interest | 7,054 | 8,217 | 7,903 | 7,539 | 7,047 | 6,490 |
| Changes of assumptions | (3,941) | 1,563 | - | (17,094) | (3,878) | (9,592) |
| Differences between expected and actual experience | - | (16,926) | (2,050) | (4,449) | - | - |
| Benefit payments, including refunds of employee contrib | (5,825) | (5,582) | (5,103) | (4,922) | (4,626) | (4,915) |
| Net change in total OPEB liability | 1,267 | (8,597) | 4,827 | (13,657) | 3,922 | (2,112) |
| Total OPEB liability, beginning | 111,794 | 120,391 | 115,564 | 129,221 | 125,299 | 127,411 |
| Total OPEB liability, ending | <u>\$ 113,061</u> | <u>\$ 111,794</u> | <u>\$ 120,391</u> | <u>\$ 115,564</u> | <u>\$ 129,221</u> | <u>\$ 125,299</u> |
| CalPERS fiduciary net position | | | | | | |
| Contributions - employer | \$ 7,583 | \$ 7,145 | \$ 6,809 | \$ 6,929 | \$ 6,668 | \$ 7,086 |
| Contributions - employee | 3,007 | 2,602 | 2,484 | 2,030 | 1,630 | 1,241 |
| Net investment income | (6,614) | 9,441 | 1,062 | 1,519 | 1,424 | 1,468 |
| Benefit payments, including refunds of employee contrib | (5,825) | (5,582) | (5,103) | (4,922) | (4,626) | (4,915) |
| Administrative expense | (25) | (24) | (27) | (15) | (33) | (8) |
| Net change in safety plan fiduciary net position | (1,874) | 13,582 | 5,225 | 5,541 | 5,063 | 4,872 |
| Safety plan fiduciary net position, beginning | 46,832 | 33,250 | 28,025 | 22,484 | 17,421 | 12,549 |
| Safety plan fiduciary net position, ending | <u>\$ 44,958</u> | <u>\$ 46,832</u> | <u>\$ 33,250</u> | <u>\$ 28,025</u> | <u>\$ 22,484</u> | <u>\$ 17,421</u> |
| County's net OPEB liability - ending | <u>\$ 68,103</u> | <u>\$ 64,962</u> | <u>\$ 87,141</u> | <u>\$ 87,539</u> | <u>\$ 106,737</u> | <u>\$ 107,878</u> |
| CalPERS plan fiduciary net position as a percentage of the total OPEB liability | 39.77 % | 41.89 % | 27.62 % | 24.25 % | 17.40 % | 13.90 % |
| Covered payroll | \$ 85,775 | \$ 77,331 | \$ 70,253 | \$ 73,445 | \$ 70,029 | \$ 72,109 |
| County's net OPEB liability as a percentage of covered payroll | 79.40 % | 84.01 % | 124.04 % | 119.19 % | 152.42 % | 149.60 % |

These schedules are intended to show information for ten years, information will be added as it becomes available.

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
(amounts expressed in thousands)
JUNE 30, 2023**

Schedule of County Contributions - OPEB Plans

ACERA

| Fiscal Year* | Contractually Required Contribution | Contributions in relation to Contractually Required Contribution | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a percentage of Covered Payroll |
|--------------|---|--|--|--------------------|---|
| 2023 | \$ - | \$ - | \$ - | \$ 848,603 | - % |
| 2022 | - | - | - | 822,299 | - |
| 2021 | - | - | - | 790,086 | - |
| 2020 | - | - | - | 767,051 | - |
| 2019 | - | - | - | 737,129 | - |
| 2018 | - | - | - | 704,619 | - |

CalPERS

| Fiscal Year | Contractually Required Contribution | Contributions in relation to Contractually Required Contribution | Contribution (Excess) | Covered Payroll | Contributions as a percentage of Covered Payroll |
|-------------|---|--|--------------------------|--------------------|---|
| 2023 | \$ 6,730 | \$ 6,972 | \$ 242 | \$ 85,076 | 8.20 % |
| 2022 | 8,124 | 7,583 | 541 | 85,776 | 8.80 |
| 2021 | 8,270 | 7,145 | 1,125 | 77,331 | 9.20 |
| 2020 | 10,322 | 6,809 | 3,513 | 70,253 | 9.70 |
| 2019 | 10,021 | 6,929 | 3,092 | 73,445 | 9.40 |
| 2018 | 11,220 | 6,668 | 4,552 | 75,330 | 8.90 |

These schedules are intended to show information for ten years, information will be added as it becomes available

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|---------------------|---------------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 726,913 | \$ 769,554 | \$ 766,788 | \$ (2,766) |
| Licenses and permits | 11,101 | 11,225 | 12,452 | 1,227 |
| Fines, forfeitures, and penalties | 9,132 | 9,159 | 28,685 | 19,526 |
| Use of money and property | 12,100 | 12,206 | 12,406 | 200 |
| State aid | 1,508,016 | 1,609,538 | 1,489,415 | (120,123) |
| Federal aid | 535,320 | 576,401 | 431,935 | (144,466) |
| Other aid | 77,943 | 78,684 | 134,310 | 55,626 |
| Charges for services | 420,618 | 467,051 | 426,455 | (40,596) |
| Other revenue | 114,593 | 135,331 | 117,805 | (17,526) |
| Total revenues | 3,415,736 | 3,669,149 | 3,420,251 | (248,898) |
| Expenditures: | | | | |
| Current | | | | |
| General government | | | | |
| Salaries and benefits | 124,775 | 128,867 | 112,508 | 16,359 |
| Services and supplies | 60,312 | 64,279 | 39,314 | 24,965 |
| Other charges | 35,271 | 68,546 | 17,800 | 50,746 |
| Capital assets | 51 | 404 | 320 | 84 |
| Public protection | | | | |
| Salaries and benefits | 732,018 | 759,701 | 666,384 | 93,317 |
| Services and supplies | 331,813 | 375,218 | 316,432 | 58,786 |
| Other charges | 7,309 | 7,444 | 6,267 | 1,177 |
| Capital assets | 1,908 | 3,408 | 10,430 | (7,022) |
| Public assistance | | | | |
| Salaries and benefits | 324,296 | 330,824 | 280,159 | 50,665 |
| Services and supplies | 369,655 | 407,449 | 357,328 | 50,121 |
| Other charges | 376,015 | 382,040 | 364,426 | 17,614 |
| Capital assets | 150 | 150 | - | 150 |
| Health and sanitation | | | | |
| Salaries and benefits | 267,167 | 276,308 | 215,250 | 61,058 |
| Services and supplies | 949,442 | 1,059,110 | 844,630 | 214,480 |
| Other charges | 110,182 | 163,691 | 144,913 | 18,778 |
| Public ways and facilities | | | | |
| Salaries and benefits | 671 | 628 | 628 | - |
| Services and supplies | 3,871 | 4,007 | 3,735 | 272 |
| Recreation and cultural services | | | | |
| Salaries and benefits | 11 | 16 | 16 | - |
| Services and supplies | 1,059 | 1,313 | 1,313 | - |
| Education | | | | |
| Services and supplies | 391 | 626 | 393 | 233 |
| Debt Service | | | | |
| Principal | - | - | 1,517 | (1,517) |
| Interest | - | - | 27 | (27) |
| Capital outlay | 8,690 | 13,540 | 13,075 | 465 |
| Pension bond debt service transfer | (83,678) | (83,678) | (83,678) | - |
| Total expenditures | 3,621,379 | 3,963,891 | 3,313,187 | 650,704 |
| Excess (deficiency) of revenues over expenditures | (205,643) | (294,742) | 107,064 | 401,806 |
| Other financing sources (uses): | | | | |
| Subscription liabilities initiated | - | - | 6,974 | 6,974 |
| Transfers in | - | 45,691 | 2,224 | (43,467) |
| Transfers out | (83,678) | (306,888) | (121,219) | 185,669 |
| Budgetary reserves and designations | - | (57,310) | - | 57,310 |
| Total other financing sources (uses) | (83,678) | (318,507) | (112,021) | 206,486 |
| Net change in fund balance | (289,321) | (613,249) | (4,957) | 608,292 |
| Add outstanding encumbrances for current budget year | - | (57,310) | 382,082 | 439,392 |
| Fund balance - beginning of period | 1,888,777 | 1,888,777 | 1,888,777 | - |
| Fund balance - end of period | \$ 1,599,456 | \$ 1,218,218 | \$ 2,265,902 | \$ 1,047,684 |

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PROPERTY DEVELOPMENT SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|-------------------|-------------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Use of money and property | \$ 156 | \$ 156 | \$ 22,933 | \$ 22,777 |
| Other revenue | 3,030 | 3,030 | 36 | (2,994) |
| Total revenues | <u>3,186</u> | <u>3,186</u> | <u>22,970</u> | <u>19,784</u> |
| Expenditures: | | | | |
| Current | | | | |
| General government | | | | |
| Salaries and benefits | 585 | 585 | 4 | 581 |
| Services and supplies | 1,094 | 1,094 | 711 | 383 |
| Capital assets | 500 | 500 | - | 500 |
| Public assistance | | | | |
| Salaries and benefits | - | 339,525 | 133,853 | 205,672 |
| Total expenditures | <u>2,179</u> | <u>343,166</u> | <u>136,030</u> | <u>207,136</u> |
| Excess (deficiency) of revenues over expenditures | <u>1,007</u> | <u>(339,980)</u> | <u>(113,060)</u> | <u>226,920</u> |
| Other financing uses: | | | | |
| Transfers out | (38,666) | (39,990) | (8,605) | 31,385 |
| Net change in fund balance | 46,607 | (2,570) | 218,335 | 220,905 |
| Add outstanding encumbrances for current budget year | - | - | 40,565 | 40,565 |
| Fund balance - beginning of period | <u>398,621</u> | <u>398,621</u> | <u>398,621</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 445,228</u> | <u>\$ 396,051</u> | <u>\$ 657,521</u> | <u>\$ 261,470</u> |

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
DISASTER RESPONSE SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|---------------------|---------------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Use of money and property | \$ - | \$ - | \$ (497) | \$ (497) |
| State aid | - | 41,065 | 41,340 | 275 |
| Federal aid | - | 169,024 | 94,608 | (74,416) |
| Other revenue | - | - | - | - |
| Total revenues | <u>-</u> | <u>210,089</u> | <u>135,451</u> | <u>(74,638)</u> |
| Expenditures: | | | | |
| Current | | | | |
| General government | | | | |
| Services and supplies | 9,000 | 8,977 | 311 | 8,666 |
| Other charges | 24,837 | 318,472 | 61,198 | 257,274 |
| Public assistance | | | | |
| Services and supplies | 6,574 | 44,444 | 40,401 | 4,043 |
| Other charges | - | 11,238 | 32,305 | (21,067) |
| Health and sanitation | | | | |
| Services and supplies | - | (1) | 2,955 | (2,956) |
| Other charges | - | - | 44,116 | (44,116) |
| Total expenditures | <u>40,411</u> | <u>383,130</u> | <u>181,286</u> | <u>201,844</u> |
| Deficiency of revenues over expenditures | <u>(40,411)</u> | <u>(173,041)</u> | <u>(45,835)</u> | <u>127,206</u> |
| Net change in fund balance | <u>(40,411)</u> | <u>(173,168)</u> | <u>(45,962)</u> | <u>127,206</u> |
| Add outstanding encumbrances for current budget year | - | - | 41,238 | 41,238 |
| Fund balance - beginning of period | <u>(66,636)</u> | <u>(66,636)</u> | <u>(66,636)</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ (107,047)</u> | <u>\$ (239,804)</u> | <u>\$ (71,360)</u> | <u>\$ 168,444</u> |

COUNTY OF ALAMEDA, CALIFORNIA

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FLOOD CONTROL SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|-------------------|------------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 52,304 | \$ 63,368 | \$ 63,317 | \$ (51) |
| Licenses and permits | 5 | 5 | 412 | 407 |
| Use of money and property | 3,026 | 3,026 | 3,120 | 94 |
| State aid | 7,632 | 7,632 | 300 | (7,332) |
| Federal aid | - | - | 5 | 5 |
| Other aid | 3,912 | 3,912 | 6,275 | 2,363 |
| Charges for services | 12,161 | 12,161 | 12,847 | 686 |
| Other revenue | 75 | 75 | 626 | 551 |
| Total revenues | 79,115 | 90,179 | 86,902 | (3,277) |
| Expenditures: | | | | |
| Current | | | | |
| Public protection | | | | |
| Salaries and benefits | 77,571 | 77,675 | 50,211 | 27,464 |
| Services and supplies | 163,538 | 193,025 | 42,867 | 150,158 |
| Other charges | 2,621 | 2,771 | 2,268 | 503 |
| Capital assets | 6,753 | 5,969 | 3,689 | 2,280 |
| Total expenditures | 250,483 | 279,440 | 99,035 | 180,405 |
| Deficiency of revenues over expenditures | (171,368) | (189,261) | (12,133) | 177,128 |
| Other financing sources (uses): | | | | |
| Transfers in | 5,425 | 5,972 | - | (5,972) |
| Transfers out | (5,950) | (6,497) | (398) | 6,099 |
| Total other financing sources (uses) | (525) | (525) | (398) | 127 |
| Net change in fund balance | (171,893) | (189,786) | (12,531) | 177,255 |
| Add outstanding encumbrances for current budget year | - | - | 32,288 | 32,288 |
| Fund balance - beginning of period | 280,455 | 280,455 | 280,455 | - |
| Fund balance - end of period | \$ 108,562 | \$ 90,669 | \$ 300,212 | \$ 209,543 |

COUNTY OF ALAMEDA, CALIFORNIA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

1. Budget and Budgetary Accounting

General Budget Policies

In accordance with the provisions of Sections 29000 through 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget on or before August 30, for each fiscal year. The expenditure side of the budget is enacted into law through the passage of an appropriation ordinance. This ordinance constitutes the maximum authorizations for spending during the fiscal year, and cannot be exceeded except by subsequent amendment of the budget by the Board of Supervisors. A balanced operating budget is adopted each fiscal year for the general fund, the special revenue funds, with the exception of the capital projects fund. No formal budget is adopted for disaster response, inmate welfare and housing successor asset special revenue funds. Public hearings are conducted on the proposed budget prior to adoption to review all appropriations and sources of financing. The prior year fund balance is used as part of the balancing formula. Because the final budget must be balanced, any shortfall in revenue requires an equal reduction in appropriations.

Any amendments or transfers of appropriations between object levels within the same department or between departments must be approved by the County Board of Supervisors. Supplemental appropriations normally financed by unanticipated revenues during the year must also be approved by the Board. Additionally, the Auditor-Controller is authorized to make certain transfers of surplus appropriations within a department. Such adjustments are reflected in the final budgetary data.

Expenditures are controlled at the object level for all budgets within the County except for capital assets, which are controlled at the sub-object level. The object level is the level at which expenditures may not legally exceed appropriations. Appropriations lapse at the close of the fiscal year to the extent that they have not been expended or encumbered.

General fund budgetary comparisons are not presented at the detail object level in this financial report due to their excessive length. A separate publication presenting this information is available from the Alameda County Auditor-Controller's Office, 1221 Oak Street, Oakland, CA 94612.

Budgetary Basis of Accounting

The County prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule – General Fund and Major Special Revenue Funds on the budgetary basis to provide a meaningful comparison of actual results with the budget. Budgeted amounts represent the original budget and the original budget as modified by adjustments authorized during the year. The difference between the budgetary basis of accounting and GAAP is that encumbrances are recorded as expenditures under the budgetary basis. The amounts reported as expenditures also include amounts charged each department for payment of the debt service on the pension obligation bonds because the budget includes these amounts as expenditures. The pension bond debt service transfer is a reporting adjustment on the Budgetary Comparison Schedule to agree with the financial statements where such expenditures are reported as transfers in accordance with generally accepted accounting principles.

2. Reconciliation of Budget vs. GAAP Basis Expenditures

The differences between budgetary expenditures and GAAP expenditures are presented in the following table:

Reconciliation of Budget vs. GAAP Basis Expenditures

| | General Fund | Disaster Response Fund | Property Development Fund | Flood Control Fund |
|--------------------------------------|---------------------|------------------------------|---------------------------------|--------------------------|
| Budget basis expenditures | \$ 3,313,187 | \$ 181,286 | \$ 136,030 | \$ 99,035 |
| Encumbrances for current budget year | (382,082) | (41,238) | (40,565) | (32,288) |
| GAAP basis expenditures | <u>\$ 2,931,105</u> | <u>\$ 140,048</u> | <u>\$ 95,465</u> | <u>\$ 66,747</u> |

COUNTY OF ALAMEDA, CALIFORNIA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

3. Excess of Budgetary Expenditures Over Appropriations

Funding received from the Coronavirus Aid, Relief and Economic Security Act (CARES) is included in the Disaster Response Fund. When the County Board of Supervisors approved acceptance of the CARES funds, they delegated administrative authority for how to spend the funds to the County Administrator's Office. Since there was no board direction on how to budget the funds, the County did not apply budgetary controls in the accounting system. Line items in the budgetary comparison schedule with an excess of budgetary expenditures over appropriations are due to CARES funded expenditures. The County Administrator's Office approved CARES expenditures on a case-by-case basis to ensure compliance with CARES funding rules. All other funding sources in the Disaster Response Fund are subject to board authorization for appropriations and utilize the budgetary controls in the accounting system.



**COMBINING FINANCIAL
STATEMENTS AND OTHER
SUPPLEMENTARY INFORMATION**

**COUNTY OF ALAMEDA, CALIFORNIA
COMBINING FINANCIAL STATEMENTS AND
OTHER SUPPLEMENTARY INFORMATION**

Capital Projects Fund

The capital projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

COUNTY OF ALAMEDA, CALIFORNIA

**CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|--|-------------------------|--------------------|----------------------------|---------------------------------------|
| | Original | Final | Budgetary Basis | |
| Revenues: | | | | |
| Fines, forfeitures, and penalties | \$ - | \$ - | \$ 1,697 | \$ 1,697 |
| Use of money and property | - | - | (128) | (128) |
| State aid | 31,612 | 31,612 | 10,944 | (20,668) |
| Total revenues | <u>31,612</u> | <u>31,612</u> | <u>12,517</u> | <u>(19,095)</u> |
| Expenditures: | | | | |
| Capital outlay | 115,973 | 208,672 | 84,253 | 124,419 |
| Deficiency of revenues over expenditures | <u>(84,361)</u> | <u>(177,060)</u> | <u>(71,736)</u> | <u>105,324</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 12,294 | 94,449 | 77,754 | (16,695) |
| Transfers out | - | (4,979) | (579) | 4,400 |
| Total other financing sources (uses) | <u>12,294</u> | <u>89,470</u> | <u>77,175</u> | <u>(12,295)</u> |
| Net change in fund balance | <u>(72,067)</u> | <u>(87,590)</u> | <u>5,439</u> | <u>93,029</u> |
| Add outstanding encumbrances for current budget year | - | - | 54,211 | 54,211 |
| Fund balance - beginning | <u>71,765</u> | <u>71,765</u> | <u>71,765</u> | <u>-</u> |
| Fund balance - ending | <u>\$ (302)</u> | <u>\$ (15,825)</u> | <u>\$ 131,415</u> | <u>\$ 147,240</u> |

**COUNTY OF ALAMEDA, CALIFORNIA
COMBINING FINANCIAL STATEMENTS AND
OTHER SUPPLEMENTARY INFORMATION**

Non-major Governmental Funds

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than debt service or major capital projects) that are legally restricted or committed to expenditures for specified purposes.

Fish and Game Fund - This fund is used to account for fines and forfeitures received under Section 13003 of the Fish and Game Code and their expenditure for the propagation and conservation of fish and wildlife.

Road Fund - This fund is used to account for state and local tax apportionments and other authorized revenues, the expenditure of which is restricted to street, road, highway, and bridge purposes.

County Library Fund - This fund is used to account for taxes and other revenues collected in specific areas of the County, which are restricted to fund the operation of county libraries within those areas.

Library Special Taxing Zone Fund - This fund is used to account for taxes and other revenues collected in the cities of Dublin, Newark, and Union City, and in specific unincorporated areas for the maintenance and operation of certain library buildings.

Health Services Fund - This fund is used to account for assessments and other revenues collected in specific areas of the County, which are restricted for the provision of emergency medical services, vector control services and lead abatement services.

Fire Fund - This fund is used to account for revenues and expenditures of funds restricted for fire protection services in the unincorporated areas of the County.

Recovery Grants Fund - This fund is used to account for federal grants received under the American Recovery and Reinvestment Act of 2009.

Lighting Fund - This fund is used to account for revenues and expenditures restricted for street lighting in the unincorporated areas of Castro Valley, Ashland, Cherryland, San Lorenzo, and the unincorporated areas of Hayward and San Leandro.

Public Ways and Facilities Fund - This fund is used to account for revenues and expenditures restricted for the provision of road maintenance, bridge maintenance and sanitary sewer, domestic water, and drainage facilities in the unincorporated service areas of Castlewood, Castle Homes, Morva Drive, Morva Court, Five Canyons and the Estuary Bridges.

Dublin Library Fund - This fund is used to account for revenues and expenditures for the maintenance of the Dublin library in the city of Dublin.

Police Protection Fund - This fund is used to account for revenues and expenditures restricted for the provision of police protection in the unincorporated areas of the County.

Housing Successor Assets Fund – This fund is used to account for the low and moderate income housing assets of the former Alameda County Redevelopment Agency. A formal budget is not adopted for this fund.

Inmate Welfare Fund – This fund is used to account for all revenues and expenditures of maintaining and operating a store in connection with the County adult and juvenile detention facilities. The funds shall be expended for the benefit, education, and welfare of the inmates. A formal budget is not adopted for this fund.

DEBT SERVICE FUND

Tobacco Securitization Authority Fund – This fund is used to account for all revenues and expenditures relating to the activities of the tobacco master settlement agreement with the U.S. tobacco companies.

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

| | Special Revenue | | | | | |
|--|---------------------|-------------------|-------------------|--------------------------------------|--------------------|-------------------|
| | Fish and Game | Road | County Library | Library Special Taxing Zone | Health Services | Fire |
| Assets: | | | | | | |
| Cash and investments with County Treasurer | \$ 142 | \$ 125,969 | \$ 23,995 | \$ 1,686 | \$ 21,755 | \$ 88,923 |
| Cash and investments with fiscal agents | - | - | - | - | - | 1 |
| Restricted assets - cash and investments with fiscal agents | - | - | - | - | - | - |
| Deposits with others | - | - | - | - | - | 15,908 |
| Receivables, net of allowance for uncollectible accounts | 2 | 10,057 | 2,679 | 47 | 178 | 18,984 |
| Due from component unit | - | 14 | - | - | - | - |
| Inventory of supplies | - | 275 | - | - | - | - |
| Loans receivable | - | - | - | - | 173 | - |
| Total assets | <u>\$ 144</u> | <u>\$ 136,315</u> | <u>\$ 26,674</u> | <u>\$ 1,733</u> | <u>\$ 22,106</u> | <u>\$ 123,816</u> |
| Liabilities, deferred inflows of resources, and fund balances | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable and accrued expenditures | \$ - | \$ 6,308 | \$ 1,616 | \$ - | \$ 4,587 | \$ 6,169 |
| Due to other funds | - | - | - | - | - | - |
| Unearned revenue | - | - | - | - | 95 | 1,075 |
| Total liabilities | <u>-</u> | <u>6,308</u> | <u>1,616</u> | <u>-</u> | <u>4,682</u> | <u>7,244</u> |
| Deferred inflows of resources | | | | | | |
| Unavailable revenue | - | - | 103 | - | 173 | 164 |
| Fund balances: | | | | | | |
| Nonspendable | - | 275 | - | - | - | - |
| Restricted | 144 | 129,732 | 24,955 | 1,733 | 17,251 | 116,408 |
| Assigned | - | - | - | - | - | - |
| Total fund balances | <u>144</u> | <u>130,007</u> | <u>24,955</u> | <u>1,733</u> | <u>17,251</u> | <u>116,408</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 144</u> | <u>\$ 136,315</u> | <u>\$ 26,674</u> | <u>\$ 1,733</u> | <u>\$ 22,106</u> | <u>\$ 123,816</u> |

(continued)

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

| | Special Revenue | | | | |
|--|----------------------------|-----------------|---|---------------------------|------------------------------|
| | Recovery Grants | Lighting | Public Ways and Facilities | Dublin Library | Police Protection |
| Assets: | | | | | |
| Cash and investments with County Treasurer | \$ 418 | \$ 3,690 | \$ 5,235 | \$ 6 | \$ - |
| Cash and investments with fiscal agents | - | - | - | - | - |
| Restricted assets - cash and investments with fiscal agents | - | - | - | - | - |
| Deposits with others | - | - | - | - | - |
| Receivables, net of allowance for uncollectible accounts | 1 | 29 | 440 | - | 1,404 |
| Due from component unit | - | - | - | - | - |
| Inventory of supplies | - | - | - | - | - |
| Loans receivable | - | - | - | - | - |
| Total assets | \$ 419 | \$ 3,719 | \$ 5,675 | \$ 6 | \$ 1,404 |
| Liabilities, deferred inflows of resources, and fund balances | | | | | |
| Liabilities: | | | | | |
| Accounts payable and accrued expenditures | \$ - | \$ 55 | \$ 349 | \$ - | \$ - |
| Due to other funds | - | - | - | - | 790 |
| Unearned revenue | - | - | - | - | - |
| Total liabilities | - | 55 | 349 | - | 790 |
| Deferred inflows of resources | | | | | |
| Unavailable revenue | - | - | - | - | - |
| Fund balances: | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | 419 | 3,664 | 5,326 | 6 | 614 |
| Assigned | - | - | - | - | - |
| Total fund balances | 419 | 3,664 | 5,326 | 6 | 614 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 419 | \$ 3,719 | \$ 5,675 | \$ 6 | \$ 1,404 |

(continued)

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

| | Special Revenue | | | Debt Service | Total Non-major Governmental Funds |
|--|--------------------------|------------------|-------------------|----------------------------------|------------------------------------|
| | Housing Successor Assets | Inmate Welfare | Total | Tobacco Securitization Authority | |
| Assets: | | | | | |
| Cash and investments with County Treasurer | \$ - | \$ 13,131 | \$ 284,950 | \$ - | \$ 284,950 |
| Cash and investments with fiscal agents | - | - | 1 | - | 1 |
| Restricted assets - cash and investments with fiscal agents | - | - | - | 54,772 | 54,772 |
| Deposits with others | - | - | 15,908 | - | 15,908 |
| Receivables, net of allowance for uncollectible accounts | - | 369 | 34,190 | 8,200 | 42,390 |
| Due from component unit | - | - | 14 | - | 14 |
| Inventory of supplies | - | - | 275 | - | 275 |
| Loans receivable | 34,108 | - | 34,281 | - | 34,281 |
| Total assets | \$ 34,108 | \$ 13,500 | \$ 369,619 | \$ 62,972 | \$ 432,591 |
| Liabilities, deferred inflows of resources, and fund balances | | | | | |
| Liabilities: | | | | | |
| Accounts payable and accrued expenditures | \$ - | \$ 598 | \$ 19,682 | \$ - | \$ 19,682 |
| Due to other funds | - | - | 790 | 16 | 806 |
| Unearned revenue | - | - | 1,170 | - | 1,170 |
| Total liabilities | - | 598 | 21,642 | 16 | 21,658 |
| Deferred inflows of resources | | | | | |
| Unavailable revenue | 34,108 | - | 34,548 | 8,200 | 42,748 |
| Fund balances: | | | | | |
| Nonspendable | - | - | 275 | - | 275 |
| Restricted | - | 12,719 | 312,971 | 54,756 | 367,727 |
| Assigned | - | 183 | 183 | - | 183 |
| Total fund balances | - | 12,902 | 313,429 | 54,756 | 368,185 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 34,108 | \$ 13,500 | \$ 369,619 | \$ 62,972 | \$ 432,591 |

(concluded)

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Special Revenue | | | | | |
|--|---------------------|-------------------|-------------------|--------------------------------------|--------------------|-------------------|
| | Fish and Game | Road | County Library | Library Special Taxing Zone | Health Services | Fire |
| Revenues: | | | | | | |
| Taxes | \$ - | \$ 9,452 | \$ 36,909 | \$ 669 | \$ - | \$ 52,164 |
| Licenses and permits | - | 1,094 | - | - | - | - |
| Fines, forfeitures, and penalties | 9 | 4 | - | - | - | - |
| Use of money and property | 3 | 3,656 | 111 | 8 | 115 | 804 |
| State aid | - | 52,699 | 221 | 3 | - | 1,535 |
| Federal aid | - | 2,368 | 7 | - | - | - |
| Other aid | - | 1,820 | 1,784 | 58 | - | 4,955 |
| Charges for services | - | 1,561 | 2,235 | - | 34,174 | 106,938 |
| Other revenue | - | 490 | 380 | - | 2 | 982 |
| Total revenues | <u>12</u> | <u>73,144</u> | <u>41,647</u> | <u>738</u> | <u>34,291</u> | <u>167,378</u> |
| Expenditures: | | | | | | |
| General government | - | - | - | - | - | - |
| Public protection | 86 | - | - | - | - | 155,691 |
| Health and sanitation | - | - | - | - | 32,233 | - |
| Public ways and facilities | - | 25,003 | - | - | - | - |
| Education | - | - | 38,299 | 373 | - | - |
| Debt service | | | | | | |
| Principal | - | - | - | - | - | 692 |
| Interest | - | - | - | - | - | 61 |
| Capital outlay | - | 36,949 | - | - | - | - |
| Total expenditures | <u>86</u> | <u>61,952</u> | <u>38,299</u> | <u>373</u> | <u>32,233</u> | <u>156,444</u> |
| Excess (deficiency) of revenues over expenditures | <u>(74)</u> | <u>11,192</u> | <u>3,348</u> | <u>365</u> | <u>2,058</u> | <u>10,934</u> |
| Other financing sources (uses): | | | | | | |
| Issuance of loans | - | - | - | - | - | - |
| Transfers in | - | 398 | - | - | 67 | - |
| Transfers out | - | (2,700) | - | - | - | (7,625) |
| Total other financing sources (uses) | <u>-</u> | <u>(2,302)</u> | <u>-</u> | <u>-</u> | <u>67</u> | <u>(7,625)</u> |
| Net change in fund balances | <u>(74)</u> | <u>8,890</u> | <u>3,348</u> | <u>365</u> | <u>2,125</u> | <u>3,309</u> |
| Fund balances - beginning of period | 218 | 121,117 | 21,607 | 1,368 | 15,126 | 113,099 |
| Fund balances - end of period | <u>\$ 144</u> | <u>\$ 130,007</u> | <u>\$ 24,955</u> | <u>\$ 1,733</u> | <u>\$ 17,251</u> | <u>\$ 116,408</u> |

(continued)

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Special Revenue | | | | |
|--|--------------------|-----------------|-------------------------------------|-------------------|----------------------|
| | Recovery Grants | Lighting | Public Ways and Facilities | Dublin Library | Police Protection |
| Revenues: | | | | | |
| Taxes | \$ - | \$ 12 | \$ 772 | \$ - | \$ 25,071 |
| Licenses and permits | - | - | - | - | - |
| Fines, forfeitures, and penalties | - | - | - | - | - |
| Use of money and property | 2 | 41 | 46 | - | 316 |
| State aid | - | - | - | - | 111 |
| Federal aid | - | - | - | - | - |
| Other aid | - | 3 | 61 | - | - |
| Charges for services | - | 904 | 2,439 | - | - |
| Other revenue | - | 2 | 191 | - | - |
| Total revenues | <u>2</u> | <u>962</u> | <u>3,509</u> | <u>-</u> | <u>25,498</u> |
| Expenditures: | | | | | |
| General government | - | - | - | - | - |
| Public protection | - | - | - | - | 25,262 |
| Health and sanitation | - | - | - | - | - |
| Public ways and facilities | - | 959 | 8,842 | - | - |
| Education | - | - | - | - | - |
| Debt service | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Total expenditures | <u>-</u> | <u>959</u> | <u>8,842</u> | <u>-</u> | <u>25,262</u> |
| Excess (deficiency) of revenues over expenditures | <u>2</u> | <u>3</u> | <u>(5,333)</u> | <u>-</u> | <u>236</u> |
| Other financing sources (uses): | | | | | |
| Issuance of loans | - | - | 1,980 | - | - |
| Transfers in | - | - | 2,700 | - | - |
| Transfers out | - | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>4,680</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>2</u> | <u>3</u> | <u>(653)</u> | <u>-</u> | <u>236</u> |
| Fund balances - beginning of period | 417 | 3,661 | 5,979 | 6 | 378 |
| Fund balances - end of period | <u>\$ 419</u> | <u>\$ 3,664</u> | <u>\$ 5,326</u> | <u>\$ 6</u> | <u>\$ 614</u> |

(continued)

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | <u>Special Revenue</u> | | | <u>Debt Service</u> | <u>Total Non-major Governmental Funds</u> |
|--|---------------------------------|-----------------------|----------------|---|---|
| | <u>Housing Successor Assets</u> | <u>Inmate Welfare</u> | <u>Total</u> | <u>Tobacco Securitization Authority</u> | |
| Revenues: | | | | | |
| Taxes | \$ - | \$ - | \$ 125,049 | \$ - | \$ 125,049 |
| Licenses and permits | - | - | 1,094 | - | 1,094 |
| Fines, forfeitures, and penalties | - | - | 13 | - | 13 |
| Use of money and property | - | 127 | 5,229 | 973 | 6,202 |
| State aid | - | - | 54,569 | - | 54,569 |
| Federal aid | - | - | 2,375 | - | 2,375 |
| Other aid | - | - | 8,681 | - | 8,681 |
| Charges for services | - | 7,756 | 156,007 | - | 156,007 |
| Other revenue | - | - | 2,047 | 16,412 | 18,459 |
| Total revenues | - | 7,883 | 355,064 | 17,385 | 372,449 |
| Expenditures: | | | | | |
| General government | - | - | - | 8 | 8 |
| Public protection | - | 7,829 | 188,868 | - | 188,868 |
| Health and sanitation | - | - | 32,233 | - | 32,233 |
| Public ways and facilities | - | - | 34,804 | - | 34,804 |
| Education | - | - | 38,672 | - | 38,672 |
| Debt service | | | | | |
| Principal | - | - | 692 | 11,790 | 12,482 |
| Interest | - | - | 61 | 5,863 | 5,924 |
| Capital outlay | - | - | 36,949 | - | 36,949 |
| Total expenditures | - | 7,829 | 332,279 | 17,661 | 349,940 |
| Excess (deficiency) of revenues over expenditures | - | 54 | 22,785 | (276) | 22,509 |
| Other financing sources (uses): | | | | | |
| Issuance of loans | - | - | 1,980 | - | 1,980 |
| Transfers in | - | - | 3,165 | - | 3,165 |
| Transfers out | - | - | (10,325) | (8,027) | (18,352) |
| Total other financing sources (uses) | - | - | (5,180) | (8,027) | (13,207) |
| Net change in fund balances | - | 54 | 17,605 | (8,303) | 9,302 |
| Fund balances - beginning of period | - | 12,848 | 295,824 | 63,059 | 358,883 |
| Fund balances - end of period | \$ - | \$ 12,902 | \$ 313,429 | \$ 54,756 | \$ 368,185 |

(concluded)

COUNTY OF ALAMEDA, CALIFORNIA

FISH AND GAME - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|---------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Fines, forfeitures, and penalties | \$ 60 | \$ 60 | \$ 9 | \$ (51) |
| Use of money and property | - | - | 3 | 3 |
| Total revenues | <u>60</u> | <u>60</u> | <u>12</u> | <u>(48)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public protection | | | | |
| Services and supplies | 60 | 280 | 86 | 194 |
| Excess (deficiency) of revenues over expenditures | <u>-</u> | <u>(220)</u> | <u>(74)</u> | <u>146</u> |
| Net change in fund balance | - | (220) | (74) | 146 |
| Fund balance - beginning of period | <u>218</u> | <u>218</u> | <u>218</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 218</u> | <u>\$ (2)</u> | <u>\$ 144</u> | <u>\$ 146</u> |

COUNTY OF ALAMEDA, CALIFORNIA

ROAD - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|------------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 10,540 | \$ 10,540 | \$ 9,452 | \$ (1,088) |
| Licenses and permits | 1,214 | 1,214 | 1,094 | (120) |
| Fines, forfeitures, and penalties | 25 | 25 | 4 | (21) |
| Use of money and property | 3,535 | 3,535 | 3,656 | 121 |
| State aid | 52,401 | 52,401 | 52,699 | 298 |
| Federal aid | 617 | 617 | 2,368 | 1,751 |
| Other aid | 200 | 200 | 1,820 | 1,620 |
| Charges for services | 840 | 840 | 1,561 | 721 |
| Other revenue | 39 | 39 | 490 | 451 |
| Total revenues | <u>69,411</u> | <u>69,411</u> | <u>73,144</u> | <u>3,733</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public ways and facilities | | | | |
| Salaries and benefits | 17,374 | 17,374 | 16,475 | 899 |
| Services and supplies | 137,900 | 160,207 | 69,767 | 90,440 |
| Other charges | 1,343 | 1,543 | 43 | 1,500 |
| Capital assets | 3,099 | 3,299 | 2,205 | 1,094 |
| Total expenditures | <u>159,716</u> | <u>182,423</u> | <u>88,490</u> | <u>93,933</u> |
| Excess (deficiency) of revenues over expenditures | <u>(90,305)</u> | <u>(113,012)</u> | <u>(15,346)</u> | <u>97,666</u> |
| Other financing uses: | | | | |
| Transfers-in | 425 | 425 | 398 | (27) |
| Transfers out | (2,700) | (2,700) | (2,700) | - |
| Total other financing uses | <u>(2,275)</u> | <u>(2,275)</u> | <u>(2,302)</u> | <u>(27)</u> |
| Net change in fund balance | <u>(92,580)</u> | <u>(115,287)</u> | <u>(17,648)</u> | <u>97,639</u> |
| Add outstanding encumbrances for current budget year | - | - | 26,538 | 26,538 |
| Fund balance - beginning of period | <u>121,117</u> | <u>121,117</u> | <u>121,117</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 28,537</u> | <u>\$ 5,830</u> | <u>\$ 130,007</u> | <u>\$ 124,177</u> |

COUNTY OF ALAMEDA, CALIFORNIA
COUNTY LIBRARY - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|-----------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 33,576 | \$ 36,968 | \$ 36,909 | \$ (59) |
| Use of money and property | 100 | 100 | 111 | 11 |
| State aid | 150 | 150 | 221 | 71 |
| Federal aid | - | - | 7 | 7 |
| Other aid | 975 | 975 | 1,784 | 809 |
| Charges for services | 2,524 | 2,524 | 2,235 | (289) |
| Other revenue | 210 | 210 | 380 | 170 |
| Total revenues | <u>37,535</u> | <u>40,927</u> | <u>41,647</u> | <u>720</u> |
| Expenditures: | | | | |
| Current | | | | |
| Education | | | | |
| Salaries and benefits | 26,953 | 26,953 | 24,547 | 2,406 |
| Services and supplies | 16,666 | 31,956 | 15,307 | 16,649 |
| Other charges | 1,387 | 1,580 | 1,562 | 18 |
| Capital assets | 1,000 | 1,000 | - | 1,000 |
| Total expenditures | <u>46,006</u> | <u>61,489</u> | <u>41,416</u> | <u>20,073</u> |
| Excess (deficiency) of revenues over expenditures | <u>(8,471)</u> | <u>(20,562)</u> | <u>231</u> | <u>20,793</u> |
| Net change in fund balance | (8,471) | (20,562) | 231 | 20,793 |
| Add outstanding encumbrances for current budget year | - | - | 3,117 | 3,117 |
| Fund balance - beginning of period | <u>21,607</u> | <u>21,607</u> | <u>21,607</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 13,136</u> | <u>\$ 1,045</u> | <u>\$ 24,955</u> | <u>\$ 23,910</u> |

COUNTY OF ALAMEDA, CALIFORNIA

LIBRARY SPECIAL TAXING ZONE - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|----------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 619 | \$ 676 | \$ 669 | \$ (7) |
| Use of money and property | 5 | 5 | 8 | 3 |
| State aid | 3 | 3 | 3 | - |
| Other aid | - | - | 58 | 58 |
| Total revenues | <u>627</u> | <u>684</u> | <u>738</u> | <u>54</u> |
| Expenditures: | | | | |
| Current | | | | |
| Education | | | | |
| Services and supplies | 823 | 2,065 | 530 | 1,535 |
| Other charges | 10 | 10 | 10 | - |
| Total expenditures | <u>833</u> | <u>2,075</u> | <u>540</u> | <u>1,535</u> |
| Excess (deficiency) of revenues over expenditures | <u>(206)</u> | <u>(1,391)</u> | <u>198</u> | <u>1,589</u> |
| Net change in fund balance | (206) | (1,391) | 198 | 1,589 |
| Add outstanding encumbrances for current budget year | - | - | 167 | 167 |
| Fund balance - beginning of period | <u>1,368</u> | <u>1,368</u> | <u>1,368</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 1,162</u> | <u>\$ (23)</u> | <u>\$ 1,733</u> | <u>\$ 1,756</u> |

COUNTY OF ALAMEDA, CALIFORNIA

HEALTH SERVICES - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|-------------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Use of money and property | \$ 50 | \$ 50 | \$ 115 | \$ 65 |
| Charges for services | 33,819 | 33,849 | 34,174 | 325 |
| Other revenue | 1 | 1 | 2 | 1 |
| Total revenues | <u>33,870</u> | <u>33,900</u> | <u>34,291</u> | <u>391</u> |
| Expenditures: | | | | |
| Current | | | | |
| Health and sanitation | | | | |
| Salaries and benefits | 12,418 | 12,526 | 11,772 | 754 |
| Services and supplies | 27,451 | 40,327 | 20,682 | 19,645 |
| Other charges | 162 | 194 | 194 | - |
| Total expenditures | <u>40,031</u> | <u>53,047</u> | <u>32,648</u> | <u>20,399</u> |
| Excess (deficiency) of revenues over expenditures | <u>(6,161)</u> | <u>(19,147)</u> | <u>1,643</u> | <u>20,790</u> |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | 67 | 67 |
| Budgetary reserves and designations | (133) | (133) | - | 133 |
| Total other financing uses | <u>(133)</u> | <u>(133)</u> | <u>67</u> | <u>200</u> |
| Net change in fund balance | <u>(6,294)</u> | <u>(19,280)</u> | <u>1,710</u> | <u>20,990</u> |
| Add outstanding encumbrances for current budget year | - | - | 415 | 415 |
| Fund balance - beginning of period | <u>15,126</u> | <u>15,126</u> | <u>15,126</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 8,832</u> | <u>\$ (4,154)</u> | <u>\$ 17,251</u> | <u>\$ 21,405</u> |

COUNTY OF ALAMEDA, CALIFORNIA

FIRE - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|-------------------|------------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 46,604 | \$ 52,218 | \$ 52,164 | \$ (54) |
| Use of money and property | 838 | 838 | 804 | (34) |
| State aid | 3,811 | 4,309 | 1,535 | (2,774) |
| Other aid | 3,600 | 3,600 | 4,955 | 1,355 |
| Charges for services | 107,421 | 107,421 | 106,938 | (483) |
| Other revenue | 70 | 809 | 982 | 173 |
| Total revenues | <u>162,344</u> | <u>169,195</u> | <u>167,378</u> | <u>(1,817)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public protection | | | | |
| Salaries and benefits | 137,827 | 138,125 | 134,162 | 3,963 |
| Services and supplies | 31,213 | 121,646 | 24,867 | 96,779 |
| Other charges | 514 | 516 | 516 | - |
| Capital assets | 3,008 | 12,092 | 2,277 | 9,815 |
| Total expenditures | <u>172,562</u> | <u>272,379</u> | <u>161,822</u> | <u>110,557</u> |
| Excess (deficiency) of revenues over expenditures | <u>(10,218)</u> | <u>(103,184)</u> | <u>5,556</u> | <u>108,740</u> |
| Other financing sources (uses): | | | | |
| Lease principal payments | - | - | (692) | (692) |
| Lease interest payments | - | - | (61) | (61) |
| Transfers in | 2,065 | 2,065 | - | (2,065) |
| Transfers out | (2,065) | (9,689) | (7,625) | 2,064 |
| Total other financing sources (uses) | <u>-</u> | <u>(7,624)</u> | <u>(8,378)</u> | <u>(754)</u> |
| Net change in fund balance | <u>(10,218)</u> | <u>(110,808)</u> | <u>(2,822)</u> | <u>107,986</u> |
| Add outstanding encumbrances for current budget year | - | - | 6,131 | 6,131 |
| Fund balance - beginning of period | <u>113,099</u> | <u>113,099</u> | <u>113,099</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 102,881</u> | <u>\$ 2,291</u> | <u>\$ 116,408</u> | <u>\$ 114,117</u> |

COUNTY OF ALAMEDA, CALIFORNIA

RECOVERY GRANTS - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|---------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Use of money and property | \$ - | \$ - | \$ 2 | \$ 2 |
| Other revenue | 500 | 500 | - | (500) |
| Total revenues | <u>500</u> | <u>500</u> | <u>2</u> | <u>(498)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public assistance | | | | |
| Services and supplies | 500 | 496 | - | 496 |
| Excess (deficiency) of revenues over expenditures | <u>-</u> | <u>4</u> | <u>2</u> | <u>(2)</u> |
| Net change in fund balance | - | 4 | 2 | (2) |
| Fund balance - beginning of period | <u>417</u> | <u>417</u> | <u>417</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 417</u> | <u>\$ 421</u> | <u>\$ 419</u> | <u>\$ (2)</u> |

COUNTY OF ALAMEDA, CALIFORNIA

LIGHTING - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|-----------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 6 | \$ 12 | \$ 12 | \$ - |
| Use of money and property | 78 | 78 | 41 | (37) |
| Other aid | - | - | 3 | 3 |
| Charges for services | 873 | 873 | 904 | 31 |
| Other revenue | - | - | 2 | 2 |
| Total revenues | <u>957</u> | <u>963</u> | <u>962</u> | <u>(1)</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public ways and facilities | | | | |
| Salaries and benefits | 96 | 173 | 177 | (4) |
| Services and supplies | 1,235 | 1,304 | 602 | 702 |
| Other charges | 180 | 180 | 180 | - |
| Total expenditures | <u>1,511</u> | <u>1,657</u> | <u>959</u> | <u>698</u> |
| Excess (deficiency) of revenues over expenditures | <u>(554)</u> | <u>(694)</u> | <u>3</u> | <u>697</u> |
| Net change in fund balance | (554) | (694) | 3 | 697 |
| Fund balance - beginning of period | <u>3,661</u> | <u>3,661</u> | <u>3,661</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 3,107</u> | <u>\$ 2,967</u> | <u>\$ 3,664</u> | <u>\$ 697</u> |

COUNTY OF ALAMEDA, CALIFORNIA

PUBLIC WAYS AND FACILITIES - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|-----------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 740 | \$ 750 | \$ 773 | \$ 23 |
| Use of money and property | 64 | 64 | 46 | (18) |
| Other aid | 55 | 55 | 61 | 6 |
| Charges for services | 2,277 | 2,292 | 2,439 | 147 |
| Other revenue | - | - | 191 | 191 |
| Total revenues | <u>3,136</u> | <u>3,161</u> | <u>3,510</u> | <u>349</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public ways and facilities | | | | |
| Salaries and benefits | 3,261 | 3,913 | 3,955 | (42) |
| Services and supplies | 8,864 | 7,759 | 5,545 | 2,214 |
| Other charges | 248 | 257 | 96 | 161 |
| Total expenditures | <u>12,373</u> | <u>11,929</u> | <u>9,596</u> | <u>2,333</u> |
| Excess (deficiency) of revenues over expenditures | <u>(9,237)</u> | <u>(8,768)</u> | <u>(6,086)</u> | <u>2,682</u> |
| Other financing sources: | | | | |
| Issuance of loans | 600 | 1,200 | 1,980 | 780 |
| Transfers in | 2,700 | 2,700 | 2,700 | - |
| Total other financing sources | <u>3,300</u> | <u>3,900</u> | <u>4,680</u> | <u>780</u> |
| Net change in fund balance | <u>(5,937)</u> | <u>(4,868)</u> | <u>(1,406)</u> | <u>3,462</u> |
| Add outstanding encumbrances for current budget year | - | - | 753 | 753 |
| Fund balance - beginning of period | <u>5,979</u> | <u>5,979</u> | <u>5,979</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 42</u> | <u>\$ 1,111</u> | <u>\$ 5,326</u> | <u>\$ 4,215</u> |

COUNTY OF ALAMEDA, CALIFORNIA
 DUBLIN LIBRARY - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|---|------------------|-------|------------------------------|-------------------------------|
| | Original | Final | | |
| Expenditures: | | | | |
| Current | | | | |
| Education | | | | |
| Services and supplies | \$ - | \$ 6 | \$ - | \$ 6 |
| Net change in fund balance | - | (6) | - | 6 |
| Fund balance - beginning of period | 6 | 6 | 6 | - |
| Fund balance - end of period | \$ 6 | \$ - | \$ 6 | \$ 6 |

COUNTY OF ALAMEDA, CALIFORNIA

POLICE PROTECTION - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2023
 (amounts expressed in thousands)

| | Budgeted Amounts | | Actual Budgetary Basis | Variance with Final Budget |
|--|------------------|---------------|------------------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 24,828 | \$ 25,170 | \$ 25,072 | \$ (98) |
| Use of money and property | 20 | 22 | 316 | 294 |
| State aid | 124 | 124 | 111 | (13) |
| Total revenues | <u>24,972</u> | <u>25,316</u> | <u>25,499</u> | <u>183</u> |
| Expenditures: | | | | |
| Current | | | | |
| Public protection | | | | |
| Salaries and benefits | 24,779 | 25,000 | 25,000 | - |
| Services and supplies | 128 | 474 | 133 | 341 |
| Other charges | 65 | 130 | 130 | - |
| Total expenditures | <u>24,972</u> | <u>25,604</u> | <u>25,263</u> | <u>341</u> |
| Excess (deficiency) of revenues over expenditures | <u>-</u> | <u>(288)</u> | <u>236</u> | <u>524</u> |
| Net change in fund balance | <u>-</u> | <u>(288)</u> | <u>236</u> | <u>524</u> |
| Fund balance - beginning of period | <u>378</u> | <u>378</u> | <u>378</u> | <u>-</u> |
| Fund balance - end of period | <u>\$ 378</u> | <u>\$ 90</u> | <u>\$ 614</u> | <u>\$ 524</u> |

**COUNTY OF ALAMEDA, CALIFORNIA
COMBINING FINANCIAL STATEMENTS AND
OTHER SUPPLEMENTARY INFORMATION**

Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies on a cost reimbursement basis.

Motor Pool - This fund was established to account for the cost of maintaining all County-owned automobiles, trucks and heavy equipment for County departments and other funds. Revenues are derived from fees charged for services provided.

Building Maintenance - This fund was established to account for the cost of providing custodial, groundskeeping, maintenance, and operating services for County occupied buildings. Revenues are generated by charges to users based on square footage of space occupied.

Information Technology - This fund was established to account for the costs of providing information services, system design, computer programming, and computer processing for all County departments. Effective July 1, 2013, this fund will also provide communication services such as telephone service, radio and microwave maintenance, and electronic maintenance and repair services to County departments, cities, and special districts. Revenues are based on fees charged for services provided.

Risk Management - This fund was established to account for costs to administer the County's risk management program, which includes: general risk management administration, employee wellness, alcohol and drug programs, pre-employment physicals, public and professional liability, dental insurance, property insurance programs and workers' compensation. Costs of claims against the County under the self-insurance programs for general and medical malpractice liabilities and deductibles for damage to County property are also recorded in this fund. The primary source of revenue for the fund is premiums paid by other funds and interest on investments.

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2023
(amounts expressed in thousands)**

| | <u>Motor Pool</u> | <u>Building Maintenance</u> | <u>Information Technology</u> | <u>Risk Management</u> | <u>Total</u> |
|--|-----------------------|---------------------------------|-----------------------------------|----------------------------|--------------------|
| Assets | | | | | |
| Current assets: | | | | | |
| Cash and investments with County Treasurer | \$ 3,836 | \$ 21,408 | \$ 15,394 | \$ 197,795 | \$ 238,433 |
| Cash and investments with fiscal agents | - | - | - | 250 | 250 |
| Deposits with others | - | 5 | - | - | 5 |
| Other receivables | 428 | 674 | 3,228 | 2,147 | 6,477 |
| Due from component unit | 10 | 28 | - | - | 38 |
| Inventory of supplies | - | - | 4 | - | 4 |
| Prepaid items | - | - | 1,181 | - | 1,181 |
| Total current assets | <u>4,274</u> | <u>22,115</u> | <u>19,807</u> | <u>200,192</u> | <u>246,388</u> |
| Noncurrent assets: | | | | | |
| Capital assets: | | | | | |
| Machinery and equipment, net of depreciation | 23,329 | 483 | 2,751 | 4 | 26,567 |
| Lease assets, net of amortization | - | 236,231 | - | - | 236,231 |
| Subscription assets, net of amortization | - | - | 2,712 | - | 2,712 |
| Total capital assets | <u>23,329</u> | <u>236,714</u> | <u>5,463</u> | <u>4</u> | <u>265,510</u> |
| Total noncurrent assets | <u>23,329</u> | <u>236,714</u> | <u>5,463</u> | <u>4</u> | <u>265,510</u> |
| Total assets | <u>27,603</u> | <u>258,829</u> | <u>25,270</u> | <u>200,196</u> | <u>511,898</u> |
| Deferred outflows of resources | | | | | |
| Related to pensions | 765 | 11,966 | 14,013 | 384 | 27,128 |
| Related to OPEB | 208 | 3,327 | 3,866 | 106 | 7,507 |
| Total deferred outflows of resources | <u>973</u> | <u>15,293</u> | <u>17,879</u> | <u>490</u> | <u>34,635</u> |
| Liabilities | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | 774 | 5,994 | 6,781 | 4,155 | 17,704 |
| Compensated employee absences payable | 86 | 1,015 | 1,305 | 32 | 2,438 |
| Estimated liability for claims and contingencies | - | - | - | 43,709 | 43,709 |
| Accrued interest payable | - | - | 30 | - | 30 |
| Lease liability | - | 24,196 | - | - | 24,196 |
| Subscription liability | - | - | 1,162 | - | 1,162 |
| Due to other funds | - | - | 1,104 | - | 1,104 |
| Total current liabilities | <u>860</u> | <u>31,205</u> | <u>10,382</u> | <u>47,896</u> | <u>90,343</u> |
| Noncurrent liabilities: | | | | | |
| Net pension liability | 2,050 | 32,277 | 37,035 | 960 | 72,322 |
| Net OPEB liability | 188 | 2,966 | 3,404 | 88 | 6,646 |
| Compensated employee absences payable | 92 | 1,085 | 1,395 | 35 | 2,607 |
| Estimated liability for claims and contingencies | - | - | - | 156,840 | 156,840 |
| Advances from other funds | - | - | 2,206 | - | 2,206 |
| Lease liability | - | 221,483 | - | - | 221,483 |
| Subscription liability | - | - | 1,137 | - | 1,137 |
| Total noncurrent liabilities | <u>2,330</u> | <u>257,811</u> | <u>45,177</u> | <u>157,923</u> | <u>463,241</u> |
| Total liabilities | <u>3,190</u> | <u>289,016</u> | <u>55,559</u> | <u>205,819</u> | <u>553,584</u> |
| Deferred inflows of resources | | | | | |
| Related to pensions | 802 | 9,618 | 11,010 | 601 | 22,031 |
| Related to OPEB | 146 | 2,030 | 2,393 | 86 | 4,655 |
| Total deferred inflows of resources | <u>948</u> | <u>11,648</u> | <u>13,403</u> | <u>687</u> | <u>26,686</u> |
| Net position | | | | | |
| Investment in capital assets | 23,329 | - | 3,165 | 4 | 26,498 |
| Unrestricted (deficit) | 1,109 | (26,542) | (28,978) | (5,824) | (60,235) |
| Total net position | <u>\$ 24,438</u> | <u>\$ (26,542)</u> | <u>\$ (25,813)</u> | <u>\$ (5,820)</u> | <u>\$ (33,737)</u> |

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Motor Pool | Building Maintenance | Information Technology | Risk Management | Total |
|---|-----------------------|---------------------------------|-----------------------------------|----------------------------|-----------------|
| Operating revenues: | | | | | |
| Charges for services | \$ 18,389 | \$ 130,169 | \$ 74,088 | \$ 88,813 | \$ 311,459 |
| Operating expenses: | | | | | |
| Salaries and benefits | 2,283 | 43,449 | 41,666 | 1,020 | 88,418 |
| Contractual services | 469 | 2,727 | 22,174 | 3,968 | 29,338 |
| Utilities | 9 | 19,301 | 302 | - | 19,612 |
| Repairs and maintenance | 590 | 10,620 | 1,221 | - | 12,431 |
| Other supplies and expenses | 7,591 | 17,827 | 17,168 | 29,353 | 71,939 |
| Insurance claims and expenses | - | - | - | 49,353 | 49,353 |
| Depreciation/amortization - capital assets | 4,309 | 29,771 | 2,287 | - | 36,367 |
| Telephone | - | - | 2,170 | - | 2,170 |
| County indirect costs | 902 | 5,706 | 3,893 | 1,422 | 11,923 |
| Dental claims | - | - | - | 9,840 | 9,840 |
| Other | - | - | - | 1,163 | 1,163 |
| Total operating expenses | 16,153 | 129,401 | 90,881 | 96,119 | 332,554 |
| Operating income (loss) | 2,236 | 768 | (16,793) | (7,306) | (21,095) |
| Non-operating revenues (expenses): | | | | | |
| Investment income | 43 | 64 | 418 | 1,173 | 1,698 |
| Interest expense | - | (3,371) | (31) | - | (3,402) |
| Gain on sale of capital assets | 60 | - | - | - | 60 |
| Loss on sale of capital assets | (94) | - | - | - | (94) |
| Total non-operating revenues (expenses) | 9 | (3,307) | 387 | 1,173 | (1,738) |
| Income (loss) before capital contributions and transfers | 2,245 | (2,539) | (16,406) | (6,133) | (22,833) |
| Transfers in | - | 196 | - | - | 196 |
| Transfers out | - | (1,134) | (16) | - | (1,150) |
| Change in net position | 2,245 | (3,477) | (16,422) | (6,133) | (23,787) |
| Total net position - beginning of period | 22,193 | (23,065) | (9,391) | 313 | (9,950) |
| Total net position - end of period | \$ 24,438 | \$ (26,542) | \$ (25,813) | \$ (5,820) | \$ (33,737) |

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Motor Pool | Building Maintenance | Information Technology | Risk Management | Total |
|--|-----------------------|---------------------------------|-----------------------------------|----------------------------|-------------------|
| Cash flows from operating activities | | | | | |
| Internal activity - receipts from other funds | \$ 18,663 | \$ 129,961 | \$ 72,974 | \$ 87,819 | \$ 309,417 |
| Payments to suppliers | (8,468) | (49,401) | (43,416) | (33,126) | (134,411) |
| Payments to employees | (2,442) | (44,090) | (42,598) | (1,207) | (90,337) |
| Internal activity - payments to other funds | (902) | (5,706) | (3,893) | (1,422) | (11,923) |
| Claims paid | - | - | - | (47,967) | (47,967) |
| Other payments | - | - | - | (1,163) | (1,163) |
| Net cash provided by operating activities | 6,851 | 30,764 | (16,933) | 2,934 | 23,616 |
| Cash flows from non-capital financing activities | | | | | |
| Transfers in | - | 196 | - | - | 196 |
| Transfers out | - | (1,134) | (16) | - | (1,150) |
| Net cash (used in) non-capital financing activities | - | (938) | (16) | - | (954) |
| Cash flows from capital and related financing activities | | | | | |
| Acquisition of capital assets | (7,518) | (110) | (736) | - | (8,364) |
| Principal paid on lease obligations | - | (25,073) | - | - | (25,073) |
| Interest paid on lease obligations | - | (3,371) | - | - | (3,371) |
| Principal paid on subscription obligations | - | - | (1,189) | - | (1,189) |
| Proceeds from sale of capital assets | 124 | - | - | - | 124 |
| Net cash used in capital and related financing activities | (7,394) | (28,554) | (1,925) | - | (37,873) |
| Cash flows from investing activities | | | | | |
| Interest received on pooled cash and investments | 43 | 64 | 418 | 1,173 | 1,698 |
| Net increase in cash and cash equivalents | (500) | 1,336 | (18,456) | 4,107 | (13,513) |
| Cash and cash equivalents - beginning of period | 4,336 | 20,072 | 33,850 | 193,938 | 252,196 |
| Cash and cash equivalents - end of period | \$ 3,836 | \$ 21,408 | \$ 15,394 | \$ 198,045 | \$ 238,683 |
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | | | |
| Operating income (loss) | \$ 2,236 | \$ 768 | \$ (16,793) | \$ (7,306) | \$ (21,095) |
| Adjustments for non-cash activities | | | | | |
| Depreciation/amortization - capital assets | 4,309 | 29,771 | 2,287 | - | 36,367 |
| Amortization - pension-related items | (165) | (937) | (1,159) | (181) | (2,442) |
| Amortization - OPEB-related items | 8 | 207 | 229 | (6) | 438 |
| Changes in assets and liabilities | | | | | |
| Other receivables | 274 | (208) | (1,114) | (994) | (2,042) |
| Prepaid items | - | - | 302 | - | 302 |
| Accounts payable and accrued expenses | 191 | 1,074 | 421 | 195 | 1,881 |
| Compensated employee absences payable | (2) | 89 | (2) | - | 85 |
| Estimated liability for claims and contingencies | - | - | - | 11,226 | 11,226 |
| Due to/advances from other funds | - | - | (1,104) | - | (1,104) |
| Total adjustments | 4,615 | 29,996 | (140) | 10,240 | 44,711 |
| Net cash provided by operating activities | \$ 6,851 | \$ 30,764 | \$ (16,933) | \$ 2,934 | \$ 23,616 |

**COUNTY OF ALAMEDA, CALIFORNIA
COMBINING FINANCIAL STATEMENTS AND
OTHER SUPPLEMENTARY INFORMATION**

Fiduciary Funds

Fiduciary funds include all trust and custodial funds, which account for assets held by the County as a trustee or as an agent for individuals or other governmental units.

TRUST FUNDS

Pension and Postemployment Benefits Trust Funds – These funds are under the control of the ACERA Board of Retirement and are governed by the rules and regulations of the Retirement Act of 1937. The pension fund accumulates contributions from the County, contributions from employees, and earnings from the fund's investments. Disbursements are made from the funds for retirements, postemployment benefits, disability and death benefits, refund, and administrative costs. These funds include all assets of the retirement system.

Other Employee Benefits Trust Fund – This fund accounts for pre-tax deductions from county employees' gross pay. The funds are for reimbursement of allowable health care and dependent care costs.

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION, OPEB, AND OTHER EMPLOYEE BENEFITS TRUST FUNDS
JUNE 30, 2023**

(amounts expressed in thousands)

| | Pension and Other Postemployment Benefits Trust Funds ¹ | | | Other Employee Benefits Trust Fund | Total |
|---|--|--|----------------------|------------------------------------|----------------------|
| | Pension | Postemployment Medical Benefits (OPEB) | Total | | |
| Assets: | | | | | |
| Cash and investments with County Treasurer | \$ - | \$ - | \$ - | \$ 21 | \$ 21 |
| Cash and investments with fiscal agents | 6,915 | - | 6,915 | - | 6,915 |
| Investments, at fair value: | | | | | |
| Short-term investments | 220,268 | - | 220,268 | - | 220,268 |
| Domestic equities | 512,795 | - | 512,795 | - | 512,795 |
| Domestic equity commingled funds | 2,013,410 | - | 2,013,410 | - | 2,013,410 |
| International equities | 1,103,928 | - | 1,103,928 | - | 1,103,928 |
| International equity commingled funds | 1,379,259 | - | 1,379,259 | - | 1,379,259 |
| Domestic fixed income | 1,327,238 | - | 1,327,238 | - | 1,327,238 |
| International fixed income | 84,556 | - | 84,556 | - | 84,556 |
| International fixed income commingled funds | 75,541 | - | 75,541 | - | 75,541 |
| Real estate - separate properties | 55,578 | - | 55,578 | - | 55,578 |
| Real estate - commingled funds | 780,660 | - | 780,660 | - | 780,660 |
| Real Assets | 620,459 | - | 620,459 | - | 620,459 |
| Absolute Return | 851,556 | - | 851,556 | - | 851,556 |
| Private Equity | 993,108 | - | 993,108 | - | 993,108 |
| Private Credit | 260,764 | - | 260,764 | - | 260,764 |
| Total investments | 10,279,120 | - | 10,279,120 | - | 10,279,120 |
| Securities lending collateral | 133,699 | - | 133,699 | - | 133,699 |
| Deposits with others | 805 | - | 805 | - | 805 |
| Other receivable | 38,354 | - | 38,354 | - | 38,354 |
| Interest receivable | 12,000 | - | 12,000 | - | 12,000 |
| Non-OPEB assets | 54,901 | - | 54,901 | - | 54,901 |
| Due from (to) pension plan | (1,177,588) | 1,122,687 | (54,901) | - | (54,901) |
| Capital assets, net of accumulated depreciation | 7,584 | - | 7,584 | - | 7,584 |
| Total assets | 9,355,790 | 1,122,687 | 10,478,477 | 21 | 10,478,498 |
| Liabilities: | | | | | |
| Accounts payable and accrued expenses | 46,266 | - | 46,266 | 9 | 46,275 |
| Securities lending obligation | 133,699 | - | 133,699 | - | 133,699 |
| Total liabilities | 179,965 | - | 179,965 | 9 | 179,974 |
| Net Position | | | | | |
| Restricted | 9,175,825 | 1,122,687 | 10,298,512 | 12 | 10,298,524 |
| | <u>\$ 9,175,825</u> | <u>\$ 1,122,687</u> | <u>\$ 10,298,512</u> | <u>\$ 12</u> | <u>\$ 10,298,524</u> |

¹ Pension and OPEB balances reported as of December 31, 2022.

COUNTY OF ALAMEDA, CALIFORNIA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION, OPEB, AND OTHER EMPLOYEE BENEFITS TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2023
(amounts expressed in thousands)**

| | Pension and Other Postemployment Benefits Trust Funds ¹ | | | Other Employee Benefits Trust Fund | Total |
|---|--|--|----------------------|--|----------------------|
| | Pension | Postemployment Medical Benefits (OPEB) | Total | | |
| Additions: | | | | | |
| Contributions: | | | | | |
| Members | \$ 120,673 | \$ - | \$ 120,673 | \$ - | \$ 120,673 |
| Employer | 234,170 | 47,477 | 281,647 | - | 281,647 |
| Total contributions | 354,843 | 47,477 | 402,320 | - | 402,320 |
| Investment income: | | | | | |
| Interest | 55,326 | - | 55,326 | 2 | 55,328 |
| Dividends | 42,028 | - | 42,028 | - | 42,028 |
| Net (decrease) in fair value of investments | (1,407,721) | - | (1,407,721) | - | (1,407,721) |
| Real estate | 24,421 | - | 24,421 | - | 24,421 |
| Securities lending income | 3,070 | - | 3,070 | - | 3,070 |
| Private equity and alternatives | 37,754 | - | 37,754 | - | 37,754 |
| Brokers' Commissions | 5 | - | 5 | - | 5 |
| Earnings allocated to non-OPEB | 4,164 | - | 4,164 | - | 4,164 |
| Earnings allocated to OPEB reserves | (90,799) | 86,635 | (4,164) | - | (4,164) |
| Total investment income (loss) | (1,331,752) | 86,635 | (1,245,117) | 2 | (1,245,115) |
| Less investment expenses: | | | | | |
| Investment expenses | 33,673 | - | 33,673 | - | 33,673 |
| Securities lending borrower rebates and management fees | 2,449 | - | 2,449 | - | 2,449 |
| Real estate | 8,475 | - | 8,475 | - | 8,475 |
| Total investment expenses | 44,597 | - | 44,597 | - | 44,597 |
| Net investment income (loss) | (1,376,349) | 86,635 | (1,289,714) | 2 | (1,289,712) |
| Miscellaneous income | 117 | - | 117 | - | 117 |
| Transfer to Pension from SRBR for Employer | | | | | |
| Contribution to 401(h) | 47,477 | (47,477) | - | - | - |
| Transfer to Pension from SRBR for Implicit Subsidy | 5,594 | (5,594) | - | - | - |
| Administrative expense | (1,657) | 1,657 | - | - | - |
| Total additions, net | (969,975) | 82,698 | (887,277) | 2 | (887,275) |
| Deductions: | | | | | |
| Benefit payments | 577,624 | 46,711 | 624,335 | - | 624,335 |
| Refunds of contributions | 13,713 | - | 13,713 | - | 13,713 |
| Administration expenses | 15,369 | 1,657 | 17,026 | - | 17,026 |
| Total deductions | 606,706 | 48,368 | 655,074 | - | 655,074 |
| Change in net position | (1,576,681) | 34,330 | (1,542,351) | 2 | (1,542,349) |
| Net position - beginning of year | 10,752,506 | 1,088,357 | 11,840,863 | 10 | 11,840,873 |
| Net position - end of year | <u>\$ 9,175,825</u> | <u>\$ 1,122,687</u> | <u>\$ 10,298,512</u> | <u>\$ 12</u> | <u>\$ 10,298,524</u> |

¹ Pension and OPEB balances reported as of December 31, 2022.

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**CAPITAL ASSETS USED
IN THE OPERATION OF
GOVERNMENTAL FUNDS**

COUNTY OF ALAMEDA, CALIFORNIA

**Capital Assets Used in the Operation of Governmental Funds
Schedule by Source¹
June 30, 2023
(amounts in tables expressed in thousands)**

Governmental funds capital assets:

| | |
|---|---|
| Land | \$ 89,462 |
| Structures & Improvements | 1,943,086 |
| Infrastructure | 1,162,093 |
| Equipment | 124,994 |
| Software | 33,814 |
| Construction in Progress | 156,446 |
| Lease Assets | 6,725 |
| Subscription Assets | <u>8,706</u> |
| Total Governmental funds capital assets | <u><u>\$ 3,525,327</u></u> ² |

| | |
|--|----------------------------|
| Investments in governmental funds capital assets acquired prior to July 1, 2001 | \$ 1,232,250 |
| Investments in governmental funds capital assets acquired from July 1, 2001 by source: | |
| General fund | 324,235 |
| Capital projects fund | 1,221,559 |
| Other governmental funds | 733,034 |
| Donations | <u>14,249</u> |
| Total governmental funds capital assets | <u><u>\$ 3,525,327</u></u> |

¹ This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds of \$110,084 are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

² This amount does not include a collection item of \$50 which is considered an historical artifact and is not used in the operation of governmental funds.

COUNTY OF ALAMEDA, CALIFORNIA

**Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Type¹
June 30, 2023
(amounts in tables expressed in thousands)**

| | <u>Land</u> | <u>Structures and Improvements</u> | <u>Infrastructure</u> | <u>Equipment</u> | <u>Software</u> | <u>Construction in Progress</u> | <u>Lease Assets</u> | <u>Subscription Assets</u> | <u>Total</u> |
|---|------------------|--|-----------------------|-------------------|------------------|---|-------------------------|--------------------------------|----------------------------------|
| General | \$ 13,249 | \$ 164,043 | \$ - | \$ 16,960 | \$ 33,814 | \$ 27,063 | \$ - | \$ - | \$ 255,129 |
| Public protection | 43,968 | 706,439 | 311,018 | 74,616 | - | 65,009 | 6,725 | 8,706 | 1,216,481 |
| Public assistance | 23,960 | 114,435 | 6,109 | 8,393 | - | 1,770 | - | - | 154,667 |
| Health and sanitation | 6,201 | 913,947 | - | 5,785 | - | - | - | - | 925,933 |
| Public ways and facilities | 378 | 13,420 | 844,966 | 14,983 | - | 62,604 | - | - | 936,351 |
| Recreation and cultural services | - | - | - | - | - | - | - | - | - |
| Education | 1,706 | 30,802 | - | 4,257 | - | - | - | - | 36,765 |
| Total governmental funds capital assets | <u>\$ 89,462</u> | <u>\$ 1,943,086</u> | <u>\$ 1,162,093</u> | <u>\$ 124,994</u> | <u>\$ 33,814</u> | <u>\$ 156,446</u> | <u>\$ 6,725</u> | <u>\$ 8,706</u> | <u>\$ 3,525,327</u> ² |

¹ This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds of \$110,084 are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

² This amount does not include a collection item of \$50 which is considered an historical artifact and is not used in the operation of governmental funds.

COUNTY OF ALAMEDA, CALIFORNIA

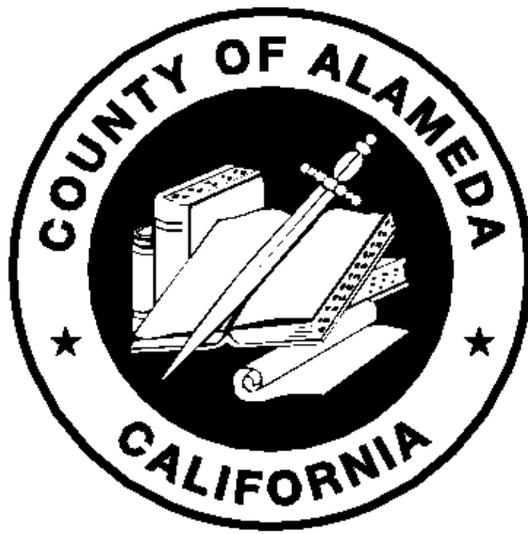
**Capital Assets Used in the Operation of Governmental Funds
Schedule by Changes by Function¹
June 30, 2023
(amounts in tables expressed in thousands)**

| | <u>Balance July 1, 2022</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance June 30, 2023</u> |
|---|---------------------------------|-------------------|-------------------|----------------------------------|
| General | \$ 241,935 | \$ 28,258 | \$ 15,064 | \$ 255,129 |
| Public protection | 1,184,405 | 65,134 | 33,058 | 1,216,481 |
| Public assistance | 154,635 | 19,791 | 19,758 | 154,667 |
| Health and sanitation | 926,232 | 84,924 | 85,223 | 925,933 |
| Public ways and facilities | 899,545 | 37,324 | 518 | 936,351 |
| Recreation and cultural services | - | - | - | - |
| Education | 36,765 | - | - | 36,765 |
| Total governmental funds capital assets | <u>\$ 3,443,517</u> | <u>\$ 235,431</u> | <u>\$ 153,621</u> | <u>\$ 3,525,327</u> ² |

¹ This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds of \$110,084 are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

² This amount does not include a collection item of \$50 which is considered an historical artifact and is not used in the operation of governmental funds.

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STATISTICAL SECTION

Statistical Section

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the readers of the annual comprehensive financial report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess a government's economic condition.

| CONTENTS | PAGE |
|--|-------------|
| 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. | 146 |
| REVENUE CAPACITY These schedules contain trend information to help the reader assess the County's most significant local revenue source, the property tax. | 150 |
| DEBT CAPACITY These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. | 154 |
| ECONOMIC AND DEMOGRAPHIC INFORMATION These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place. | 160 |
| 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 the activities it performs. | 162 |

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

COUNTY OF ALAMEDA, CALIFORNIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 619,242 | \$ 703,738 | \$ 706,722 | \$ 796,142 | \$ 737,186 | \$ 772,123 | \$ 810,517 | \$ 895,441 | \$ 899,813 | \$ 936,655 |
| Restricted | 630,253 | 763,777 | 779,105 | 801,958 | 814,964 | 926,986 | 883,195 | 918,462 | 989,071 | 1,585,907 |
| Unrestricted (deficit) | 685,877 | (28,960) | 56,405 | 115,106 | 163,925 | 261,646 | 485,135 | 825,034 | 1,206,000 | 958,331 |
| Total governmental activities net position | <u>\$ 1,935,372</u> | <u>\$ 1,438,555</u> | <u>\$ 1,542,232</u> | <u>\$ 1,713,206</u> | <u>\$ 1,716,075</u> | <u>\$ 1,960,755</u> | <u>\$ 2,178,847</u> | <u>\$ 2,638,937</u> | <u>\$ 3,094,884</u> | <u>\$ 3,480,893</u> |

COUNTY OF ALAMEDA, CALIFORNIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|-------------------|
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 162,720 | \$ 148,801 | \$ 201,130 | \$ 175,232 | \$ 188,361 | \$ 228,912 | \$181,091 | \$217,486 | \$223,727 | \$ 205,484 |
| Public protection | 816,218 | 884,370 | 995,579 | 991,438 | 1,025,266 | 1,119,430 | 1,108,558 | 1,093,840 | 979,275 | 1,255,750 |
| Public assistance | 672,473 | 671,151 | 672,846 | 732,600 | 746,760 | 798,356 | 816,847 | 889,769 | 916,812 | 947,394 |
| Health and sanitation | 700,454 | 680,779 | 638,290 | 812,264 | 831,984 | 825,153 | 986,332 | 1,120,262 | 1,107,660 | 1,124,205 |
| Public ways and facilities | 43,970 | 47,515 | 49,533 | 47,969 | 61,309 | 52,716 | 51,122 | 55,787 | 63,467 | 58,336 |
| Recreation and cultural services | 539 | 615 | 639 | 665 | 719 | 840 | 780 | 798 | 928 | 1,383 |
| Education | 27,202 | 27,442 | 29,617 | 21,110 | 30,695 | 34,449 | 36,636 | 37,668 | 37,421 | 41,110 |
| Interest on long-term debt | 88,808 | 87,591 | 82,458 | 73,694 | 73,871 | 72,623 | 70,595 | 68,049 | 63,619 | 74,251 |
| Total governmental activities expenses | <u>2,512,384</u> | <u>2,548,264</u> | <u>2,670,092</u> | <u>2,854,972</u> | <u>2,958,965</u> | <u>3,132,479</u> | <u>3,251,961</u> | <u>3,483,659</u> | <u>3,392,909</u> | <u>3,707,913</u> |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | 127,863 | 139,918 | 139,123 | 131,865 | 109,342 | 147,807 | 125,703 | 105,701 | 96,010 | 128,046 |
| Public protection | 209,420 | 230,247 | 236,577 | 240,242 | 241,418 | 241,648 | 260,141 | 269,944 | 284,445 | 258,457 |
| Health and sanitation | 211,742 | 239,465 | 186,944 | 208,147 | 208,283 | 235,786 | 249,083 | 265,240 | 233,476 | 308,371 |
| Other activities | 23,037 | 23,397 | 28,112 | 24,533 | 27,038 | 35,759 | 19,903 | 31,372 | 18,210 | 62,210 |
| Operating grants and contributions | 1,459,898 | 1,463,685 | 1,481,270 | 1,644,159 | 1,716,652 | 1,837,741 | 1,869,783 | 2,264,699 | 2,303,950 | 2,273,968 |
| Capital grants and contributions | 8,737 | 28,092 | 57,038 | 51,456 | 17,365 | 8,293 | 8,170 | 8,252 | 8,188 | 8,188 |
| Total governmental activities program revenues | <u>2,040,697</u> | <u>2,124,804</u> | <u>2,129,064</u> | <u>2,300,402</u> | <u>2,320,098</u> | <u>2,507,034</u> | <u>2,532,783</u> | <u>2,945,208</u> | <u>2,944,279</u> | <u>3,039,240</u> |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | 431,923 | 466,093 | 500,987 | 530,322 | 580,500 | 647,889 | 698,345 | 729,572 | 776,548 | 863,014 |
| Sales taxes - shared revenues | 54,939 | 57,369 | 65,175 | 64,175 | 69,692 | 75,305 | 69,976 | 81,480 | 92,104 | 92,238 |
| Other taxes | 31,312 | 35,417 | 37,957 | 37,222 | 41,970 | 39,987 | 37,012 | 44,156 | 49,237 | 39,363 |
| Interest and investment income | 8,506 | 12,488 | 10,075 | 7,443 | 22,880 | 59,726 | 81,135 | 99,475 | (31,461) | 14,952 |
| Other | 26,233 | 48,133 | 30,511 | 28,675 | 37,945 | 47,218 | 50,802 | 41,359 | 18,149 | 44,908 |
| Total governmental activities | <u>552,913</u> | <u>619,500</u> | <u>644,705</u> | <u>667,837</u> | <u>752,987</u> | <u>870,125</u> | <u>937,270</u> | <u>996,042</u> | <u>904,577</u> | <u>1,054,475</u> |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | <u>\$ 81,226</u> | <u>\$ 196,040</u> | <u>\$ 103,677</u> | <u>\$ 113,267</u> | <u>\$ 114,120</u> | <u>\$ 244,680</u> | <u>\$218,092</u> | <u>\$457,591</u> | <u>\$455,947</u> | <u>\$ 385,802</u> |

COUNTY OF ALAMEDA, CALIFORNIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------------|---------------------|
| General fund | | | | | | | | | | |
| Nonspendable | \$ 11,487 | \$ 10,547 | \$ 5,760 | \$ 3,962 | \$ 3,963 | \$ 3,899 | \$ 3,962 | \$ 55,179 | \$ 55,180 | \$ 55,179 |
| Restricted | 292,832 | 318,351 | 302,339 | 321,806 | 348,316 | 421,152 | 426,507 | 469,605 | 585,274 | 569,939 |
| Committed | 838,833 | 752,064 | 728,221 | 902,385 | 999,548 | 1,133,138 | 1,105,677 | 589,395 | 740,905 | 1,042,545 |
| Assigned | 144,224 | 170,789 | 207,381 | 191,248 | 195,744 | 243,603 | 327,303 | 337,553 | 334,927 | 414,712 |
| Unassigned | 7,960 | 114,717 | 194,490 | 107,246 | 134,850 | 95,662 | 203,831 | 154,255 | 172,491 | 183,527 |
| Total general fund | \$ 1,295,336 | \$ 1,366,468 | \$ 1,438,191 | \$ 1,526,647 | \$ 1,682,421 | \$ 1,897,454 | \$2,067,280 | \$ 1,605,987 | \$ 1,888,777 | \$ 2,265,902 |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | \$ 566 | \$ 863 | \$ 190 | \$ 1,718 | \$ 2,582 | \$ 929 | \$ 846 | \$ 196 | \$ 2,166 | \$ 2,042 |
| Restricted | 710,121 | 597,051 | 462,776 | 470,014 | 525,418 | 651,391 | 715,896 | 781,832 | 733,756 | 1,038,539 |
| Committed | 325,857 | 349,382 | 377,205 | 420,147 | 676,958 | 662,232 | 609,626 | 495,234 | 479,615 | 543,352 |
| Assigned | 5,708 | 5,390 | 5,984 | 7,645 | 9,348 | 11,511 | 13,801 | 15,794 | 183 | 183 |
| Unassigned | (60,124) | (68,323) | (4,203) | - | - | - | (10,580) | (28,365) | (78,052) | (71,646) |
| Total all other governmental funds | \$ 982,128 | \$ 884,363 | \$ 841,952 | \$ 899,524 | \$ 1,214,306 | \$ 1,326,063 | \$1,329,589 | \$ 1,264,691 | \$ 1,137,668 | \$ 1,512,470 |

COUNTY OF ALAMEDA, CALIFORNIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(dollar amounts expressed in thousands)

| | <u>2014</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> |
|---|-------------------|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|
| Revenues | | | | | | | | | | |
| Taxes | \$ 518,733 | \$ 558,922 | \$ 604,065 | \$ 631,794 | \$ 692,112 | \$ 763,216 | \$ 805,329 | \$ 855,489 | \$ 917,758 | \$ 994,203 |
| Licenses and permits | 14,465 | 14,868 | 18,332 | 13,957 | 11,647 | 11,705 | 11,697 | 12,358 | 12,751 | 13,959 |
| Fines, forfeitures, and penalties | 36,727 | 44,763 | 47,101 | 36,698 | 38,920 | 31,356 | 32,133 | 44,101 | 29,761 | 30,395 |
| Use of money and property | 19,469 | 23,997 | 23,956 | 17,040 | 34,452 | 91,857 | 117,229 | 43,439 | (28,159) | 49,267 |
| State aid | 983,076 | 1,010,825 | 1,075,081 | 1,173,431 | 1,144,110 | 1,296,862 | 1,306,761 | 1,426,709 | 1,623,056 | 1,596,744 |
| Federal aid | 446,110 | 429,885 | 427,283 | 447,142 | 459,336 | 442,529 | 498,893 | 779,057 | 573,069 | 537,111 |
| Other aid | 39,520 | 51,067 | 35,945 | 75,038 | 130,573 | 74,778 | 77,390 | 97,312 | 116,126 | 149,266 |
| Charges for services | 411,647 | 491,488 | 441,795 | 492,618 | 481,301 | 531,098 | 498,202 | 552,804 | 537,330 | 595,310 |
| Other revenue | 110,089 | 88,901 | 81,276 | 83,682 | 93,688 | 89,672 | 115,400 | 150,777 | 68,295 | 136,976 |
| Total revenues | 2,579,836 | 2,714,716 | 2,754,834 | 2,971,400 | 3,086,139 | 3,333,073 | 3,463,034 | 3,962,046 | 3,849,987 | 4,103,231 |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| General government | 127,304 | 134,691 | 142,050 | 140,147 | 144,664 | 162,871 | 177,159 | 197,334 | 220,036 | 178,279 |
| Public protection | 806,129 | 832,408 | 875,714 | 890,256 | 935,371 | 986,038 | 1,032,224 | 1,858,705 | 1,075,768 | 1,088,573 |
| Public assistance | 670,945 | 701,102 | 697,016 | 699,635 | 729,493 | 775,287 | 853,054 | 1,021,551 | 1,029,215 | 1,043,297 |
| Health and sanitation | 692,549 | 683,588 | 644,825 | 769,081 | 822,164 | 825,208 | 945,014 | 1,119,367 | 1,107,646 | 1,100,493 |
| Public ways and facilities | 44,769 | 43,950 | 50,158 | 30,280 | 42,330 | 32,945 | 32,624 | 36,575 | 44,506 | 38,957 |
| Recreation and cultural services | 580 | 615 | 659 | 654 | 714 | 801 | 770 | 740 | 935 | 1,307 |
| Education | 26,318 | 27,017 | 29,722 | 28,750 | 29,635 | 30,410 | 33,933 | 36,850 | 38,152 | 39,065 |
| Debt service | | | | | | | | | | |
| Principal | 51,048 | 44,008 | 36,428 | 35,993 | 44,642 | 46,279 | 60,705 | 67,795 | 53,234 | 47,899 |
| Interest | 108,264 | 116,149 | 119,332 | 122,488 | 125,649 | 100,773 | 61,041 | 58,506 | 56,104 | 59,916 |
| Payment to refunded bond escrow agent | - | - | - | 10,167 | - | - | - | - | - | - |
| Bond issuance costs | 1,749 | - | - | 667 | 1,838 | - | - | - | - | 1,462 |
| Capital outlay | 188,821 | 193,226 | 174,437 | 124,757 | 74,143 | 91,851 | 86,594 | 95,704 | 72,919 | 101,964 |
| Total expenditures | 2,718,476 | 2,776,754 | 2,770,341 | 2,852,875 | 2,950,643 | 3,052,463 | 3,283,118 | 4,493,127 | 3,698,515 | 3,701,212 |
| Excess (deficiency) of revenues over expenditures | (138,640) | (62,038) | (15,507) | 118,525 | 135,496 | 280,610 | 179,916 | (531,081) | 151,472 | 402,019 |
| Other financing sources (uses) | | | | | | | | | | |
| Issuance of loans | 18,600 | - | - | 3,000 | 10,000 | 30,000 | - | - | 902 | 1,980 |
| Proceeds from sale of land | 15,352 | 28,862 | 30,109 | 11,957 | - | 11,793 | 747 | - | - | - |
| Issuance of debt | 287,380 | - | - | - | 313,495 | - | - | - | - | 340,000 |
| Refunding bonds issued | - | - | - | 98,470 | - | - | - | - | - | - |
| Premium on issuance of debt | 13,106 | - | - | 17,080 | 3,424 | - | - | - | - | - |
| Payment to refunded bond escrow agent | - | - | - | (110,791) | - | - | - | - | - | - |
| Subscription liabilities initiated | - | - | - | - | - | - | - | - | - | 6,974 |
| Transfers in | 141,575 | 169,984 | 128,311 | 197,000 | 239,159 | 172,866 | 132,889 | 164,612 | 108,211 | 150,235 |
| Transfers out | (134,362) | (163,441) | (113,601) | (189,213) | (231,018) | (168,479) | (140,200) | (162,221) | (104,818) | (149,281) |
| Total other financing sources (uses) | 341,651 | 35,405 | 44,819 | 27,503 | 335,060 | 46,180 | (6,564) | 2,391 | 4,295 | 349,908 |
| Net change in fund balances | \$ 203,011 | \$ (26,633) | \$ 29,312 | \$ 146,028 | \$ 470,556 | \$ 326,790 | \$ 173,352 | \$ (528,690) | \$ 155,767 | \$ 751,927 |
| Debt service as a percentage of noncapital expenditures | 6.34% | 6.15% | 5.92% | 5.82% | 5.92% | 4.98% | 3.82% | 2.90% | 3.02% | 3.01% |

**COUNTY OF ALAMEDA, CALIFORNIA
 ASSESSED VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands)**

| Fiscal Year | Residential Property | Commercial Property | Industrial Property | Agricultural Property | Institutional Property | Utility, Unsecured and Escaped Assessment Property¹ | Less: Tax-Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate |
|--------------------|-----------------------------|----------------------------|----------------------------|------------------------------|-------------------------------|---|----------------------------------|-------------------------------------|------------------------------|
| 2014 | 149,092,989 | 29,348,915 | 20,120,895 | 1,456,520 | 2,689,140 | 15,633,013 | 7,566,667 | 210,774,805 | 1.00 % |
| 2015 | 161,954,196 | 29,475,074 | 20,596,312 | 1,501,740 | 2,871,593 | 15,748,875 | 8,858,490 | 223,289,300 | 1.00 |
| 2016 | 174,707,996 | 30,784,933 | 21,604,658 | 1,573,372 | 3,008,754 | 16,840,363 | 7,931,121 | 240,588,955 | 1.00 |
| 2017 | 186,918,732 | 32,806,144 | 23,888,234 | 1,756,511 | 3,170,216 | 17,221,687 | 8,558,188 | 257,203,336 | 1.00 |
| 2018 | 200,674,894 | 34,676,697 | 25,376,448 | 1,894,968 | 3,298,031 | 17,548,323 | 9,106,096 | 274,363,265 | 1.00 |
| 2019 | 215,427,058 | 36,533,521 | 27,666,681 | 1,876,129 | 3,469,343 | 18,506,333 | 10,161,638 | 293,317,427 | 1.00 |
| 2020 | 231,131,813 | 39,990,023 | 28,200,728 | 1,972,429 | 3,539,951 | 19,969,802 | 11,017,076 | 313,787,670 | 1.00 |
| 2021 | 247,253,774 | 42,513,567 | 29,422,878 | 2,056,686 | 3,688,113 | 21,460,096 | 11,365,306 | 335,029,808 | 1.00 |
| 2022 | 259,956,867 | 43,695,349 | 30,673,447 | 2,087,024 | 3,847,832 | 22,184,992 | 11,755,543 | 350,689,968 | 1.00 |
| 2023 | 280,995,338 | 46,128,507 | 33,664,307 | 2,204,382 | 4,051,085 | 23,624,482 | 11,527,680 | 379,140,421 | 1.00 |

¹ The utility, unsecured and escaped assessment rolls are not available by property type.

Source: Auditor-Controller, County of Alameda

**COUNTY OF ALAMEDA, CALIFORNIA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

| Fiscal Year | County General | County Special Districts | Local Special Districts | Agency Districts | Schools | Cities | Total¹ |
|--------------------|-----------------------|---------------------------------|--------------------------------|-------------------------|----------------|---------------|--------------------------|
| 2014 | 1.0000 | 0.0054 | 0.0015 | 0.0240 | 0.1346 | 0.0529 | 1.2184 % |
| 2015 | 1.0000 | 0.0054 | 0.0022 | 0.0183 | 0.1393 | 0.0546 | 1.2198 |
| 2016 | 1.0000 | 0.0074 | 0.0018 | 0.0177 | 0.1310 | 0.0469 | 1.2048 |
| 2017 | 1.0000 | 0.0071 | 0.0019 | 0.0198 | 0.1279 | 0.0513 | 1.2080 |
| 2018 | 1.0000 | 0.0077 | 0.0020 | 0.0244 | 0.1406 | 0.0526 | 1.2273 |
| 2019 | 1.0000 | 0.0071 | 0.0051 | 0.0251 | 0.1407 | 0.0501 | 1.2281 |
| 2020 | 1.0000 | 0.0067 | 0.0056 | 0.0293 | 0.1437 | 0.0504 | 1.2357 |
| 2021 | 1.0000 | 0.0066 | 0.0055 | 0.0259 | 0.1382 | 0.0537 | 1.2299 |
| 2022 | 1.0000 | 0.0067 | 0.0056 | 0.0152 | 0.1528 | 0.0554 | 1.2357 |
| 2023 | 1.0000 | 0.0061 | 0.0054 | 0.0278 | 0.1343 | 0.0569 | 1.2305 |

¹ Rates reflect voter approved Proposition 13 provisions limiting property tax levy to 1 percent of full cash value plus levie to pay for indebtedness approved by voters. The rates shown under special districts, schools, and cities represent the levies for indebtedness.

Source: Auditor-Controller, County of Alameda

**COUNTY OF ALAMEDA, CALIFORNIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(amounts expressed in thousands)**

| Taxpayer | JUNE 30, 2023 | | | JUNE 30, 2014 | | |
|-------------------------------------|-------------------------------|-------------|---|-------------------------------|-------------|---|
| | Secured Assessed Value | Rank | Percentage of Total Secured Assessed Value | Secured Assessed Value | Rank | Percentage of Total Secured Assessed Value |
| Pacific Gas & Electric Co. | \$ 3,148,504 | 1 | 0.87 % | \$ 1,600,636 | 1 | 0.80 % |
| Tesla Motors Inc | 2,701,510 | 2 | 0.75 | \$ 315,896 | 10 | 0.16 |
| Kaiser Foundation Hospitals | 703,504 | 3 | 0.19 | 971,305 | 2 | 0.49 |
| Kaiser Foundation Health Plan Inc | 538,586 | 4 | 0.15 | 361,789 | 5 | 0.18 |
| BA2 300 Lakeside LLC | 458,238 | 5 | 0.13 | | | |
| Uptown Broadway LLC | 427,380 | 6 | 0.12 | | | |
| CP VI Franklin LLC | 426,883 | 7 | 0.12 | | | |
| BMR Gateway Boulevard LLC | 391,701 | 8 | 0.11 | | | |
| Pacific Commons Owner LP | 382,099 | 9 | 0.11 | | | |
| Sofxi WFO Center 21 Owner LLC | 370,970 | 10 | 0.10 | | | |
| Russell City Energy Company, LLC | | | | 668,100 | 3 | 0.34 |
| Pacific Bell Telephone Company | | | | 424,644 | 4 | 0.21 |
| BRE Properties Inc | | | | 413,615 | 5 | 0.21 |
| Apple Computer Inc | | | | 411,562 | 6 | 0.21 |
| Sutter Medical Center Castro Valley | | | | 386,462 | 7 | 0.19 |
| OCC Venture LLC | | | | 362,294 | 8 | 0.18 |
| | <u>\$ 9,549,375</u> | | <u>2.64 %</u> | <u>\$ 5,916,303</u> | | <u>2.97 %</u> |

Source: Auditor-Controller, County of Alameda

**COUNTY OF ALAMEDA, CALIFORNIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)**

| Fiscal Year | Taxes Levied for the Fiscal Year ¹ | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|--------------------|--|---|---------------------------|--|----------------------------------|---------------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2014 | 2,539,344 | 2,503,557 | 98.59 | 34,031 | 2,537,588 | 99.9 % |
| 2015 | 2,711,822 | 2,675,977 | 98.68 | 30,564 | 2,706,541 | 99.8 |
| 2016 | 2,880,728 | 2,840,578 | 98.61 | 37,858 | 2,878,436 | 99.9 |
| 2017 | 3,082,262 | 3,040,805 | 98.65 | 39,449 | 3,080,254 | 99.9 |
| 2018 | 3,350,221 | 3,313,841 | 98.91 | 35,669 | 3,349,510 | 100.0 |
| 2019 | 3,618,407 | 3,581,759 | 98.99 | 41,013 | 3,622,772 | 100.1 |
| 2020 | 3,896,168 | 3,847,811 | 98.76 | 48,662 | 3,896,473 | 100.0 |
| 2021 | 4,118,683 | 4,069,198 | 98.80 | 40,393 | 4,109,591 | 99.8 |
| 2022 | 4,335,483 | 4,278,530 | 98.69 | 40,001 | 4,318,531 | 99.6 |
| 2023 | 4,699,072 | 4,636,760 | 98.67 | | 4,636,760 | 98.67 |

¹ Taxes levied for the fiscal year are based on the original charge and are not adjusted for any value changes that may reduce or increase taxes levied and impact percentage of levy collections, including collections to be greater than one hundred percent.

Source: Auditor-Controller, County of Alameda

COUNTY OF ALAMEDA, CALIFORNIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(dollar amounts expressed in thousands, except per capita in dollars)

| Governmental Activities | | | | | | | | | | | | | Total Primary Government | Percentage of Total Personal Income ² | Per Capita ² |
|-------------------------|-------------------------------------|--|---------------------------------|---------------------------|--------------------------------|---|--------------------------------|-------------------------------------|----------------------------------|--------------------|---------------------------|--|--------------------------------|---|----------------------------|
| Fiscal Year | Certificates of Participation | Tobacco Settlement Asset-Backed Bonds | Pension Obligations Bonds | Lease Revenue Bonds | General Obligation Bonds | Tax Allocation Bonds ¹ | Special Assessment Bonds | Financed Purchase Obligations | Loans and Notes Payable | Lease Liability | Subscription Liability | | | | |
| 2014 | \$ 32,617 | \$ 273,662 | \$ 318,892 | \$ 840,363 | \$ - | \$ - | \$ - | \$ 3,971 | \$ 51,606 | | | | \$ 1,521,111 | 1.68 | \$ 967 |
| 2015 | 28,451 | 277,030 | 262,846 | 822,644 | - | - | - | 3,784 | 17,987 | | | | 1,412,742 | 0.00 | 883 |
| 2016 | 24,033 | 281,022 | 198,891 | 812,019 | - | - | - | 3,590 | 6,484 | | | | 1,326,039 | 0.00 | 815 |
| 2017 | 19,351 | 285,265 | 126,252 | 799,658 | - | - | - | 3,351 | 8,273 | | | | 1,242,150 | 1.23 | 758 |
| 2018 | 14,557 | 286,873 | 45,755 | 856,008 | 243,424 | - | - | 2,915 | 16,646 | | | | 1,466,178 | 1.24 | 882 |
| 2019 | 9,143 | 289,005 | - | 827,622 | 243,267 | - | - | 2,320 | 45,299 | | | | 1,416,656 | 0.00 | 850 |
| 2020 | 6,203 | 291,326 | - | 798,166 | 221,096 | - | - | 1,466 | 24,202 | | | | 1,342,459 | 0.99 | 803 |
| 2021 | 3,119 | 293,337 | - | 767,530 | 194,225 | - | - | 595 | 3,306 | | | | 1,262,112 | 0.00 | 750 |
| 2022 | - | 293,619 | - | 735,993 | 186,499 | - | - | 347 | 3,293 | 267,838 | | | 1,487,589 | 0.00 | 884 |
| 2023 | - | 295,411 | - | 708,300 | 518,472 | - | - | 88 | 4,338 | 251,054 | 8,542 | | 1,786,205 | 0.00 | 1,097 |

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

¹ Pursuant to ABx1 26, the responsibility for the payment of this debt was transferred to the Alameda County Successor Agency Private-Purpose Trust Fund.

² See Schedule of Demographic and Economic Statistics for total personal income and population data.

COUNTY OF ALAMEDA, CALIFORNIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(dollar amounts expressed in thousands, except per capita in dollars)

| Fiscal Year | General Bonded Debt Outstanding | | | | Percentage of Actual Value of Property ² | Per Capita ³ |
|-------------|---------------------------------|-----------------------------------|--------------------------|---------|---|-------------------------|
| | General Obligation Bonds | Tax Allocation Bonds ¹ | Special Assessment Bonds | Total | | |
| 2014 | \$ - | \$ - | \$ - | \$ - | - | \$ - |
| 2015 | - | - | - | - | - | - |
| 2016 | - | - | - | - | - | - |
| 2017 | - | - | - | - | - | - |
| 2018 | 243,424 | - | - | 243,424 | 0.09 | 146 |
| 2019 | 243,267 | - | - | 243,267 | 0.08 | 146 |
| 2020 | 221,096 | - | - | 221,096 | 0.07 | 132 |
| 2021 | 194,225 | - | - | 194,225 | 0.06 | 115 |
| 2022 | 186,499 | - | - | 186,499 | 0.05 | 111 |
| 2023 | 518,472 | - | - | 518,472 | 0.14 | 318 |

Note:

- ¹ Pursuant to ABx1 26, the responsibility for the payment of this debt was transferred to the Alameda County Successor Agency Private-Purpose Trust Fund.
- ² See Schedule of Assessed Taxable Value for the taxable value of property.
- ³ See Schedule of Demographic and Economic Statistics for total population data.

COUNTY OF ALAMEDA, CALIFORNIA

**ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT
JUNE 30, 2023**

(dollar amounts in tables expressed in thousands)

2022-23 Assessed Valuation: \$379,140,421 (includes unitary utility valuation)

Population: 1,628,997

| <u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u> | <u>% Applicable</u> | <u>Debt 6/30/23</u> |
|--|---------------------|----------------------------|
| Alameda County | 100.000% | \$ 515,890 |
| Bay Area Rapid Transit District | 39.345 | 977,442 |
| Chabot-Las Positas Community College District | 99.477 | 752,245 |
| Ohlone Community College District | 100.000 | 403,275 |
| Peralta Community College District | 100.000 | 478,490 |
| San Joaquin Delta Community College District | 0.343 | 603 |
| Alameda Unified School District | 100.000 | 224,432 |
| Berkeley Unified School District | 100.000 | 306,845 |
| Castro Valley Unified School District | 100.000 | 139,880 |
| Dublin Unified School District | 100.000 | 630,083 |
| Fremont Unified School District | 100.000 | 623,435 |
| Hayward Unified School District | 100.000 | 748,650 |
| Livermore Valley Joint Unified School District | 99.669 | 236,873 |
| New Haven Unified School District | 100.000 | 245,035 |
| Oakland Unified School District | 100.000 | 1,050,025 |
| Piedmont Unified School District | 100.000 | 109,364 |
| San Leandro Unified School District | 100.000 | 361,427 |
| San Lorenzo Unified School District | 100.000 | 214,585 |
| Other Unified School Districts | 100.000 | 539,384 |
| City of Alameda | 100.000 | 5,615 |
| City of Albany | 100.000 | 11,140 |
| City of Berkeley | 100.000 | 210,550 |
| City of Emeryville | 100.000 | 50,000 |
| City of Fremont | 100.000 | 25,420 |
| City of Oakland | 100.000 | 600,910 |
| City of Piedmont | 100.000 | 19,500 |
| Washington Township Healthcare District | 100.000 | 340,195 |
| Hayward Area Recreation and Park District | 100.000 | 186,590 |
| East Bay Regional Park District | 58.068 | 102,174 |
| Community Facilities Districts | 100.000 | 311,652 |
| Special Assessment Obligations | 100.000 | 18,024 |
| TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT | | <u>\$10,439,733</u> |

COUNTY OF ALAMEDA, CALIFORNIA

ESTIMATED DIRECT AND OVERLAPPING BONDED DEBT (Continued)

JUNE 30, 2023

(dollar amounts in tables expressed in thousands)

| <u>DIRECT AND OVERLAPPING DEBT:</u> | <u>% Applicable</u> | <u>Debt 6/30/23</u> |
|---|---------------------|---|
| Alameda County Tobacco Securitization Bonds | 100.000 | 295,411 |
| Alameda County Lease Revenue Bonds | 100.000 | 708,300 |
| Alameda County Financed Purchase Obligations | 100.000 | 88 |
| Alameda County Loans and Notes Payable | 100.000 | 4,338 |
| Alameda County General Obligation Bonds | 100.000 | 518,472 |
| Lease Liability | 100.000 | 251,054 |
| Subscription Liability | 100.000 | 8,542 |
| Alameda-Contra Costa Transit District Certificates of Participation | 90.399 | 10,143 |
| Ohlone Community College District Certificates of Participation | 100.000 | 200,000 |
| Peralta Community College District Pension Obligation Bonds | 100.000 | 121,922 |
| Fremont Unified School District Certificates of Participation | 100.000 | 57,265 |
| Hayward Unified School District General Fund Obligations | 100.000 | 81,562 |
| Oakland Unified School District General Fund Obligations | 100.000 | 5,235 |
| San Lorenzo Unified School District General Fund Obligations | 100.000 | 8,130 |
| Other Unified School District General Fund Obligations | 5.227-100.00 | 81,902 |
| City of Berkeley General Fund Obligations | 100.000 | 18,915 |
| City of Fremont General Fund Obligations | 100.000 | 76,155 |
| City of Hayward General Fund Obligations | 100.000 | 62,440 |
| City of Livermore General Fund Obligations | 100.000 | 83,400 |
| City of Oakland General Fund Obligations | 100.000 | 48,864 |
| City of Oakland Pension Obligation Bonds | 100.000 | 151,380 |
| City of San Leandro General Fund and Pension Obligations Bonds | 100.000 | 37,405 |
| Other City General Fund Obligations | 100.000 | 98,426 |
| Eden Township Healthcare District Certificates of Participation | 100.000 | 13,235 |
| Livermore Area Recreation and Park District Pension Obligation Bonds | 100.000 | 11,665 |
| TOTAL DIRECT AND OVERLAPPING DEBT | | <u>\$2,954,249</u> |
| <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u> | 100.000 | <u>\$ 494,239</u> |
| TOTAL DIRECT DEBT | | \$1,786,205 ¹ |
| TOTAL OVERLAPPING DEBT | | <u>\$11,607,777</u> |
| COMBINED TOTAL DEBT | | <u>\$13,393,982 ²</u> |
| | | Per Capita |
| Ratios to 2022-23 Assessed Valuation: | | (not in thousands) |
| Total Overlapping Tax and Assessment Debt | 2.75% | \$6,409 |
| Total Direct Debt | .47% | 1,097 |
| Combined Total Debt | 3.53% | 8,222 |
| Ratios to Redevelopment Successor Agencies Incremental Valuation (\$55,911,480): | | |
| Total Overlapping Tax Increment Debt | .88% | 303 |

¹ Includes accreted value.

² Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue bonds and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Source: California Municipal Statistics, Inc. All bonded debt obligations that are supported in whole or in part by a property tax or assessment or are supported by a pledge of the general fund or general taxing power of a governmental entity are included. Assessment bonds and other obligations secured by an underlying portion of the jurisdiction are excluded from direct debt but are included as overlapping debt.

**COUNTY OF ALAMEDA, CALIFORNIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(dollar amounts expressed in thousands)**

| | |
|--|---------------|
| Legal debt margin calculation for fiscal year 2023 | |
| Net assessed value | \$377,441,245 |
| Plus homeowners' exemption | 1,699,176 |
| Total assessed value | \$379,140,421 |
| Debt limit (1.25% of total assessed value) | \$4,739,255 |
| Amount of debt applicable to debt limit | 515,890 |
| Legal debt margin | \$4,223,365 |

| Fiscal year | Debt Limit | Total Net Debt Applicable to Limit | Legal Debt Margin | Legal Debt Margin / Debt Limit |
|-------------|-------------|--|----------------------|--------------------------------------|
| 2014 | \$2,634,685 | \$ - | \$2,634,685 | 100 % |
| 2015 | 2,791,116 | - | 2,791,116 | 100 |
| 2016 | 3,007,362 | - | 3,007,362 | 100 |
| 2017 | 3,215,042 | - | 3,215,042 | 100 |
| 2018 | 3,669,541 | 240,000 | 3,429,541 | 100 |
| 2019 | 3,666,468 | 240,000 | 3,426,468 | 93 |
| 2020 | 3,922,346 | 218,000 | 3,704,346 | 94 |
| 2021 | 4,187,873 | 191,300 | 3,996,573 | 95 |
| 2022 | 4,383,625 | 183,745 | 4,199,880 | 96 |
| 2023 | 4,739,255 | 515,890 | 4,223,365 | 89 |

Source: Auditor-Controller, County of Alameda

**COUNTY OF ALAMEDA, CALIFORNIA
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (dollar amounts expressed in thousands)**

| Fiscal Year | Tax Allocation Bonds ¹ | | | | Tobacco Securitization Bonds ² | | | |
|-------------|-----------------------------------|--------------|----------|----------|---|--------------|----------|----------|
| | Tax Increment | Debt Service | | Coverage | Tobacco Settlement Revenue | Debt Service | | Coverage |
| | | Principal | Interest | | | Principal | Interest | |
| 2014 | \$ 2,111 | \$ 760 | \$ 1,351 | 100 | \$ 13,299 | \$ 4,140 | \$ 9,693 | 96 % |
| 2015 | 2,110 | 790 | 1,320 | 100 | 13,165 | 4,700 | 9,455 | 93 |
| 2016 | 2,113 | 825 | 1,288 | 100 | 13,017 | 4,615 | 9,185 | 94 |
| 2017 | 2,109 | 855 | 1,254 | 100 | 13,388 | 4,940 | 8,920 | 97 |
| 2018 | 2,109 | 890 | 1,219 | 100 | 15,984 | 8,190 | 8,635 | 95 |
| 2019 | 2,108 | 925 | 1,183 | 100 | 15,494 | 8,330 | 8,165 | 94 |
| 2020 | 2,105 | 960 | 1,145 | 100 | 14,854 | 8,840 | 7,686 | 90 |
| 2021 | 2,105 | 1,000 | 1,105 | 100 | 16,767 | 9,905 | 7,176 | 98 |
| 2022 | 2,103 | 1,040 | 1,063 | 100 | 18,090 | 12,440 | 6,594 | 95 |
| 2023 | 2,102 | 1,085 | 1,017 | 100 | 16,412 | 11,790 | 5,863 | 93 |

¹ Tax Allocation bonds were issued on February 2, 2006. Pursuant to ABx1 26, the responsibility for the payment of this debt was transferred to the Alameda County Redevelopment Successor Agency Private-Purpose Trust Fund effective February 1, 2012.

² Tobacco Securitization bonds were issued on October 30, 2002.

Source: Auditor-Controller, County of Alameda

**COUNTY OF ALAMEDA, CALIFORNIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

| Fiscal Year | Population | Total Personal Income (amounts expressed in thousands)² | Per Capita Personal Income (dollars)² | Unemployment Rate³ |
|--------------------|------------------------|---|---|--|
| 2014 | 1,573,254 | \$ 90,631,392 | \$ 56,261 | 5.8 |
| 2015 | 1,599,888 | - ¹ | - ¹ | 4.6 |
| 2016 | 1,627,865 | - ¹ | - ¹ | 4.7 |
| 2017 | 1,638,215 | 101,370,460 | 61,879 | 4.0 |
| 2018 | 1,663,190 | 118,554,685 | 71,282 | 3.3 |
| 2019 | 1,666,753 | 127,746,433 | 76,644 | 3.1 |
| 2020 | 1,671,329 | 135,663,560 | 81,171 | 12.2 |
| 2021 | 1,682,353 | 164,437,681 ¹ | 99,746 ¹ | 6.6 |
| 2022 | 1,682,353 ⁴ | - ¹ | - ¹ | 3.0 |
| 2023 | 1,628,997 | - ¹ | - ¹ | 4.2 |

¹ Personal Income & Per Capita Income for the County is not available from 2015-2016 and 2022-2023

² Dollar estimates are in current dollars (not adjusted for inflation); Per Capita Personal Income was computed using Census Bureau's midyear population estimates, which differ from the population column of this page.

³ Unemployment rates reflected as of June of each year

⁴ Population data was still based from 2020 census data due to no current information.

Source: State of California Department of Finance
U.S. Department of Commerce, Bureau of Economic Analysis
Employment Development Department Labor Market Information

**COUNTY OF ALAMEDA, CALIFORNIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

| Employer | Type of Business | Number of Employees June 30, 2023 ¹ | | Rank | Percentage of Total County Employment ² | Number of Employees June 30, 2014 ¹ | | Rank | Percentage of Total County Employment ² |
|---|-------------------------------------|--|------|------|--|--|------|------|--|
| | | 2023 ¹ | Rank | | | 2014 ¹ | Rank | | |
| University of California, Berkeley ³ | University-College Academics | 10,000+ | 1 | | 1.26 % | 19,779 | 1 | | 2.53 % |
| Western Digital Corp ³ | Computer Storage Devices | 10,000+ | 1 | | 1.26 | - | 20+ | | - |
| County of Alameda ⁴ | Local Government | 9,275 | 3 | | 1.16 | 9,042 | 2 | | 1.16 |
| Grifols Diagnostic Solutions ³ | Health Care | 5,000 - 9,999 | 4 | | 0.95 | - | 20+ | | - |
| Lawrence Berkeley Lab ³ | Laboratories-Research & Development | 5,000 - 9,999 | 4 | | 0.95 | 19,779 | 1 | | 2.53 |
| Lawrence Livermore Natl Lab ³ | Laboratories-Research & Development | 5,000 - 9,999 | 4 | | 0.95 | 8,007 | 4 | | 1.02 |
| PG&E Corp. ³ | Utilities - Energy Production | 5,000 - 9,999 | 4 | | 0.95 | - | 20+ | | - |
| Alta Bates Summit Medical Center ³ | Health Care | 1,000 - 4,999 | 8 | | 0.32 | 7,443 | 6 | | 0.95 |
| Bay Area Rapid Transit (BART) ³ | Public Transit | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| California State University, East Bay ³ | University-College Academics | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| Cooper Vision Inc. ³ | Wholesale Trade | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| Dell EMC ³ | Computer Storage Devices | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| East Bay Municipal Utility District (EBMUD) ³ | Utilities - Water & Sewage | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| Kaiser Permanente Oakland Medical ³ | Health Care | 1,000 - 4,999 | 8 | | 0.32 | 8,618 | 3 | | 1.10 |
| Peri Peri Grill House ³ | Food Services | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| California Dept of Transportation (CalTrans) ³ | State Government | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| UCSF Benioff Children's Hospital ³ | Health Care | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| Valley Care Health System ³ | Health Care | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| Washington Hospital Healthcare ³ | Health Care | 1,000 - 4,999 | 8 | | 0.32 | - | 20+ | | - |
| Total | | <u>56,275 - 119,260</u> | | | <u>11.27 %</u> | <u>72,668</u> | | | <u>9.29 %</u> |

Source: Employment Development Department (EDD) for employment data. The County of Alameda number of employees as of June 30, 2013 is obtained from the County of Alameda Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2014.

¹ The number of employees, except for County of Alameda as of January 1, 2014. Information as of June 30, 2014 was not available. Total employment within County of Alameda is unavailable.

² Percentage calculated based on Alameda County's Employment of 791,100 for June 2023 and 781,400 for June 2014 (Source: Employment Development Department) Percentage calculated as of June 30, 2023 based on the midpoint of the reported employee range.

³ Information from EDD as of September 2023. Information as of June 30, 2023 is not available, except for County of Alameda employer.

⁴ Information from County of Alameda's database as of June 30, 2023.

**COUNTY OF ALAMEDA
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

| Function | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Government | 1,259 | 1,333 | 1,291 | 1,294 | 1,307 | 1,342 | 1,332 | 1,294 | 1,290 | 1,285 |
| Public Protection | 3,385 | 3,155 | 3,249 | 3,039 | 2,994 | 3,092 | 2,939 | 3,015 | 3,056 | 2,971 |
| Public Assistance | 2,057 | 2,288 | 1,211 | 2,137 | 2,152 | 2,176 | 2,116 | 2,046 | 1,960 | 1,926 |
| Health and Sanitation | 1,190 | 1,159 | 2,276 | 1,595 | 1,641 | 1,676 | 1,677 | 1,712 | 1,728 | 1,720 |
| Public Ways and Facilities | 5 | 4 | 105 | 4 | 4 | 4 | 3 | 3 | 3 | 3 |
| Recreation and Cultural Services | 4 | 4 | 5 | 4 | 4 | 4 | 3 | 3 | 3 | 3 |
| Education | <u>93</u> | <u>102</u> | <u>4</u> | <u>107</u> | <u>118</u> | <u>107</u> | <u>145</u> | <u>142</u> | <u>141</u> | <u>145</u> |
| Totals | <u><u>7,993</u></u> | <u><u>8,045</u></u> | <u><u>8,141</u></u> | <u><u>8,180</u></u> | <u><u>8,220</u></u> | <u><u>8,401</u></u> | <u><u>8,215</u></u> | <u><u>8,215</u></u> | <u><u>8,181</u></u> | <u><u>8,053</u></u> |

Source: Auditor-Controller, County of Alameda

**COUNTY OF ALAMEDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS ¹**

| Function | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| General Government | | | | | | | | | | |
| Property tax bills processed | 571,625 | 568,444 | 565,466 | 568,056 | 584,861 | 572,794 | 583,126 | 568,569 | 557,981 | 550,605 |
| Phone-assisted property tax calls | 53,484 | 56,467 | 42,666 | 46,641 | 49,158 | 45,752 | 46,890 | 51,037 | 55,072 | 41,273 |
| Recycled materials recovered (pounds) from county departments | | | | | | | | | | |
| Metal | 413,351 | 386,384 | 561,659 | 459,812 | 486,709 | 442,089 | 295,401 | 282,717 | 242,144 | 254,437 |
| Paper | 1,399,429 | 1,420,980 | 1,328,709 | 1,158,883 | 963,607 | 920,961 | 1,153,705 | 703,812 | 701,775 | 858,289 |
| Toner cartridges | 14,515 | 14,692 | 11,644 | 12,038 | 7,473 | 12,386 | 3,185 | 8,047 | 6,414 | 6,017 |
| Public Protection | | | | | | | | | | |
| Juvenile detention risks and needs assessment completed | 2,740 | 2,524 | 1,852 | 1,621 | 1,596 | 733 | 1926 | 479 | 308 | 369 |
| Youth serviced through community probation | 576 | 436 | 397 | 384 | 565 | 650 | 510 | 388 | 218 | 268 |
| Documents recorded/indexed | 323,925 | 346,218 | 326,558 | 320,423 | 273,564 | 242,294 | 298,511 | 453,935 | 297,026 | 158,374 |
| Child support active caseload | 32,983 | 31,825 | 31,081 | 31,034 | 31,625 | 30,813 | 29,725 | 29,249 | 29,460 | 29,165 |
| Emergency calls to fire district | 36,621 | 38,797 | 40,814 | 40,921 | 41,683 | 42,173 | 42,363 | 40,886 | 46,632 | 47,653 |
| Calls for police service | 50,444 | 53,147 | 54,317 | 54,542 | 55,202 | 53,715 | 58,657 | 50,064 | 48,688 | 54,716 |
| Total patrol arrests | 6,437 | 6,430 | 6,672 | 5,854 | 5,670 | 5,485 | 4,630 | 4,417 | 4,336 | 3,111 |
| Total investigation arrests | 1,969 | 2,008 | 1,846 | 1,652 | 1,713 | 1,609 | 1,835 | 1,207 | 1,351 | 1,102 |
| Crime investigation cases assigned | 5,844 | 7,141 | 7,002 | 6,569 | 4,683 | 3,963 | 3,151 | 3,002 | 3,306 | 3,632 |
| Crime investigation cases closed | 8,308 | 6,542 | 7,099 | 7,380 | 6,712 | 6,264 | 6,680 | 7,118 | 6,417 | 7,281 |
| Average daily inmate population | 3,380 | 2,988 | 2,653 | 2,493 | 2,547 | 2,565 | 2,364 | 2,078 | 2,170 | 1,974 |
| Public Assistance | | | | | | | | | | |
| Seniors receiving services (annual amount) | 57,740 | 64,464 | 63,011 | 72,261 | 75,755 | 70,395 | 51,390 | 65,500 | 207,462 | 209,508 |
| Congregate nutrition meals served (annual amount) | 196,768 | 185,477 | 180,046 | 194,848 | 188,288 | 179,046 | 191,104 | 183,291 | 296,763 | 261,302 |
| Home-delivered nutrition meals served (annual amount) | 496,397 | 529,690 | 480,814 | 540,995 | 659,416 | 570,190 | 595,662 | 549,873 | 803,805 | 735,335 |
| CALWORKS job placements (annual amount) | 2,614 | 2,626 | 2,372 | 1,847 | 1,596 | 1,511 | 1,055 | 599 | 894 | 1,497 |
| CALWORKS eligible households aided (monthly average) | 18,406 | 17,036 | 14,581 | 12,631 | 11,148 | 9,608 | 8,953 | 7,600 | 7,349 | 7,902 |
| Medi-Cal eligible households aided (monthly average) | 116,322 | 168,060 | 204,664 | 213,808 | 212,715 | 206,917 | 203,614 | 226,879 | 245,707 | 267,015 |
| Food stamps eligible households aided (monthly average) | 63,828 | 67,545 | 62,067 | 59,076 | 56,676 | 53,901 | 68,780 | 79,199 | 85,366 | 96,941 |
| General Assistance eligible cases aided (monthly average) | 8,089 | 8,241 | 8,250 | 8,794 | 9,084 | 9,035 | 9,022 | 6,009 | 5,809 | 6,728 |
| Health and Sanitation | | | | | | | | | | |
| Food inspections | 16,165 | 17,911 | 15,647 | 15,227 | 10,822 | 13,749 | 11,371 | 10,385 | 11,815 | 10,743 |
| Recreational inspections | 2,418 | 2,054 | 2,505 | 2,315 | 1,645 | 2,302 | 1,823 | 663 | 1,935 | 2,048 |
| Medical waste facility inspections | 158 | 136 | 140 | 146 | 189 | 154 | 147 | 95 | 196 | 224 |
| Landfill site inspections | 221 | 295 | 306 | 241 | 382 | 350 | 451 | 358 | 364 | 485 |
| Hazardous waste accepted from households (pounds) | 3,100,100 | 3,390,777 | 4,066,855 | 4,570,668 | 4,722,366 | 4,978,582 | 2,841,671 | 4,300,524 | 3,531,427 | 2,927,893 |
| Hazardous waste recycled (pounds) | 2,450,000 | 1,982,822 | 2,889,840 | 3,426,088 | 3,430,603 | 3,657,846 | 1,932,714 | 3,086,221 | 2,406,616 | 2,068,653 |
| Public Ways and Facilities | | | | | | | | | | |
| Percent of roadway miles rehabilitated | 9.45 | 6.75 | 8.40 | 1.10 | 3.74 | 3.5 | 2.45 | 2.2 | 2.6 | 4.13 |
| Percent of potholes filled within 48 hours of request | 80.00 | 80.00 | 80.00 | 80.00 | 72.00 | 34.56 | 35.31 | 51.85 | 41.62 | 50.00 |
| Education | | | | | | | | | | |
| Number of library visits | 4,855,755 | 5,301,916 | 5,006,010 | 4,902,657 | 4,385,828 | 4,803,248 | 3,981,475 | 428,353 | 7,251,616 | 2,538,243 |
| Number of registered library card holders | 366,504 | 375,054 | 386,768 | 395,120 | 425,068 | 439,401 | 340,736 | 360,690 | 260,828 | 279,855 |

1 Operating indicators are not available for the recreation and cultural services function.

Source: Various County of Alameda departments

**COUNTY OF ALAMEDA
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

| Function | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | | | | |
| Administration buildings | 5 | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 6 |
| Public Protection | | | | | | | | | | |
| Administration buildings | 11 | 11 | 11 | 11 | 12 | 12 | 12 | 12 | 12 | 13 |
| Jail and detention facilities | 5 | 5 | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Pump stations | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| Fuel cell center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire stations | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 5 | 5 | 5 |
| Fire trucks | 31 | 33 | 31 | 29 | 27 | 29 | 30 | 30 | 28 | 28 |
| Aircraft | 2 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 3 | 3 |
| Patrol boats | 5 | 5 | 7 | 7 | 9 | 10 | 10 | 9 | 7 | 7 |
| Patrol cars | 160 | 165 | 143 | 129 | 148 | 146 | 145 | 139 | 135 | 136 |
| Rescue equipment | 10 | 10 | 6 | 6 | 6 | 6 | 6 | 7 | 6 | 6 |
| Heavy equipment | 72 | 72 | 61 | 63 | 66 | 65 | 75 | 82 | 83 | 84 |
| Public Assistance | | | | | | | | | | |
| Administration buildings | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 5 | 6 |
| Health and Sanitation | | | | | | | | | | |
| Administration buildings | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Hospitals | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Health centers | 5 | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Hazardous waste facilities | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Navigation Center | | | | | | | | | 1 | 1 |
| Public Ways and Facilities | | | | | | | | | | |
| Administration building | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Maintenance buildings | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Bridges | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Road (miles) | 472 | 472 | 472 | 471 | 471 | 473 | 473 | 473 | 474 | 474 |
| Street lights | 7,603 | 7,613 | 8,076 | 8,084 | 8,084 | 8,090 | 8,107 | 8,168 | 8,237 | 8242 |
| Traffic signals | 80 | 87 | 87 | 87 | 87 | 98 | 94 | 95 | 96 | 96 |
| Heavy equipment | 73 | 73 | 68 | 64 | 65 | 47 | 66 | 62 | 63 | 60 |
| Recreation and Cultural Services | | | | | | | | | | |
| Administration building | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Exhibit halls | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Amphitheater | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Agricultural Center | | | | | | | 1 | 1 | | |
| Education | | | | | | | | | | |
| Libraries | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |

Source: Auditor-Controller, County of Alameda

Mission

To enrich the lives of Alameda County residents through visionary policies and accessible, responsive, and effective services.

Vision

Alameda County is recognized as one of the best counties in which to live, work and do business.

Values

Integrity, honesty and respect fostering mutual trust.

Transparency and accountability achieved through open communications and involvement of diverse community voices.

Fiscal stewardship reflecting the responsible management of resources.

Customer service built on commitment, accessibility and responsiveness.

Excellence in performance based on strong leadership, teamwork and a willingness to take risks.

Diversity recognizing the unique qualities of every individual and his or her perspective.

Environmental stewardship to preserve, protect and restore our natural resources.

Social responsibility promoting self-sufficiency, economic independence and an interdependent system of care and support.

Compassion ensuring all people are treated with respect, dignity and fairness.

