

CITY OF BARSTOW  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR YEAR ENDED JUNE 30, 2022

PREPARED BY THE FINANCE DEPARTMENT  
MARC PUCKETT, INTERIM DIRECTOR OF FINANCE

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 ANNUAL COMPREHENSIVE FINANCIAL REPORT  
 FOR YEAR ENDED JUNE 30, 2022

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January 18, 2023

For the Citizens of the City of Barstow,

Honorable Mayor and City Council  
City of Barstow

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the City of Barstow. State law requires that all general-purpose local governments publish each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the City of Barstow for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the City of Barstow. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. Management of the City of Barstow has established a comprehensive internal control framework that is designed to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than, absolute assurance that the financial statements will be free from material misstatement.

The City of Barstow's financial statements have been audited by Lance, Soll, & Lundgard, LLP, a firm of licensed certified public accountants. The independent auditors have issued an unmodified ("clean") opinion and have concluded that the City's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with generally accepted accounting principles. The independent auditors' report is presented as the first component of the financial section of this report. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Barstow's MD&A can be found immediately following the report of the independent auditors.

## **PROFILE OF THE CITY**

### **The Reporting Entity**

This report combines the financial statements of the City of Barstow, and its component units, the Barstow Public Financing Authority, the Barstow Public Facilities Corporation, the Odessa Water District, the Barstow Harvey House Foundation, Barstow Community Services Foundation and the Barstow Fire Protection District to constitute a single reporting entity. The City Council serves as the governing board of these component units and, as such, this combined presentation better represents the financial activities of the City of Barstow.

220 East Mountain View Street, Suite A, Barstow, California 92311-2839  
Ph: 760-256-3531 Fax: 760-256-1750 [www.barstowca.org](http://www.barstowca.org)

The City directly provides a full range of services, including police and fire protection services. Contracted services include engineering, street sweeping, solid waste management, and attorney services.

Staff provided services include police services and fire protection services, customer service and community relations, community development (which includes planning, economic development, housing and grant administration activities as well as overall department administration), public works oversight including construction and maintenance of roadways, parks and streets, recreational and cultural activities, sewer utility services and general administrative services. All of these activities are included in this report. Fire protection is provided by the Barstow Fire Protection District, a subsidiary agency of the City.

The City is served by private water companies. However, sewerage services are provided by the City of Barstow. Additionally, the Barstow Unified School District is a separate entity and, accordingly, not included in this report.

### **History of the City**

The City of Barstow is a General Law Council/Manager municipality incorporated in 1947. It is located in the northern part of the County of San Bernardino, approximately 114 miles northeast of Los Angeles, and approximately 70 miles north of the City of San Bernardino. The City boundary encompasses approximately 40 square miles and serves a population of over 24,000. The City prides itself as the “Crossroads of Opportunity” at the juncture of the I-40 and I-15 freeways. Situated midway between Los Angeles and Las Vegas, Barstow caters to the needs of approximately 55 million travelers passing through the City annually.

The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and City Attorney. The Council is elected on a non-partisan basis. Council members serve four-year terms and elections are staggered every two years. The mayor is elected to serve a four-year term. The mayor is elected at large while the council members are elected by districts.

The City Manager is responsible for carrying out the policies and ordinances of the governing body, and for overseeing the day-to-day operations of the City government working with the directors and managers of various City departments.

The City Manager administers the Annual Operating and Capital Improvement Budget and maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the appropriated budget approved by the City’s governing body. Activities of the general fund, special revenue funds, enterprise funds, debt service fund and capital projects funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is *established at the individual fund level*. Appropriations lapse at year end. However, encumbrances and project appropriations generally are re-appropriated as part of the following fiscal year’s operating budget.

### **ECONOMIC CONDITION AND OUTLOOK**

From a historical perspective, growth in the City of Barstow has proceeded at a fairly slow, but steady pace. Major industries located within the city’s boundaries, or in close proximity, included major military installations with both military and civilian personnel, national defense contractors, transportation and rail firms, as well as numerous educational and financial institutions. The most current population figures show San Bernardino County has increased its population by 0.2% from January 1, 2021 to January 1, 2022. The population for the City of Barstow had a slight decrease of 0.8% according to the California Department of



Finance. The unemployment rate as of June, 2022, for the City is 4.0% which is a decrease from 8.0% in June, 2021. The prior fiscal year still reflected some impacts on the City from the COVID-19 pandemic. Staff continues to pursue economic development in areas of the local economy that will provide job creation and increased opportunities for City residents.

Sales tax revenue, excluding Measure Q, increased from \$7.5 million in fiscal year 2021 to \$8.6 million in fiscal year 2022. This was largely due to inflationary pressures created, in great part, by economic stimulus provided in response to the economic downturn caused by the COVID-19 pandemic. The City's transient occupancy tax also continued to be a major source of revenue for the City. TOT revenues for fiscal year 2022 were \$4.3 million, up from \$3.44 million in fiscal year 2021. City management remains optimistic that the rebound in the City's revenue bases will continue into the next fiscal year.

### **MAJOR ACTIVITY IN THE CITY:**

Major development activities are underway in the City consistent with the City's General Plan and Council's vision and direction to improve and upgrade infrastructure, public services, and promote economic growth and development. Some of these development activities include:

- The City has approved construction of a Marriott hotel project in the Lenwood area of Barstow along the freeway. The project includes constructing two hotels totaling 181 rooms using an innovative shared footprint design. The two hotels are a Fairfield Inn (short term stay) and a Towne Place Suites (long term stay). The hotels are currently under construction and expected to open in May, 2023. The hotels are located close to the Outlet mall and conservatively will add over \$1 million annually in new revenues to the City's General Fund.
- The City has entered into four Inter Governmental Service Agreements (IGSCs) with Fort Irwin (Army) that are expected to add over \$800,000 annually in new revenues to the City's General Fund. The IGSCs cover base operations, refuse collections, and animal services among other services.
- The City has approved creation of a "green zone" and have approved four applications for commercial retail operations. In addition, twenty-four applications for manufacturing, distribution and commercial retail are in the final stages of approval. The City will receive regulatory fees plus 3% of gross sales (above the City's existing 2%) for commercial retail operations and \$5 per square foot for manufacturing operations annually per approved development agreements. Annual revenues received pursuant to approved development agreements are expected to be in excess of \$2 million annually.
- The City continued its efforts to improve infrastructure in fiscal year 2022. The major infrastructure projects are pavement preservation, the design phase for Phase One of the West Section 7 project, the First Avenue Bridge over the BNSF Classification Yard project, and the First Avenue Bridge over the Mojave River project.
- The City successfully passed a local general sales tax ballot measure (Measure Q) on November 6, 2018. Income from the new general sales tax measure began to be collected on April 1, 2019. The City collected over \$10.1 million from the sales tax measure in fiscal year 2022, an increase of \$1.2 million from the \$8.9 million collected in the prior fiscal year.

### **LONG-TERM FINANCIAL PLANNING**

The City continues to maintain a Council mandated reserve of 20% Working Capital and 5% for emergencies. The Fiscal Year 2020-22 Budget falls within the policy guidelines set by the City Council for budgetary and planning purposes. The City's financial condition is continuously being monitored and has

improved due to the passage of the Measure Q Local Sales Tax, a 1% general tax available to fund senior and youth recreation programs; assist with maintaining roads and parks; and improve police and fire services. Periodically, interim financial reports are presented to City Council regarding the budgetary performance of all major funds. By closely monitoring revenues, expenditures, and financial trends, the City has been able to successfully manage economic downturns, thus reducing the impact on City services. Current economic factors and potential future economic impacts continue to be carefully monitored and tracked by staff.

## ***AWARDS AND ACKNOWLEDGEMENTS***

### ***Awards***

The City's Annual Comprehensive Financial Report for the year ended, June 30, 2022, was prepared utilizing best practices and in conformity with the awards program criteria for the Certificate of Achievement for Excellence in Financial Reporting as promulgated by the Government Finance Officer's Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report for the year ended, June 30, 2022, conforms to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for the certificate.

### ***Acknowledgements***

In closing, this report was made possible by the leadership and support of the governing body of the City of Barstow.

The preparation of this report on a timely basis is a team effort, requiring the dedication and cooperation of the entire Finance Department staff and continued support of the City Manager's Office and City Council. The guidance and suggestions from the accounting firm of Lance, Soll and Lunghard, LLP, were also invaluable in completion of this report.

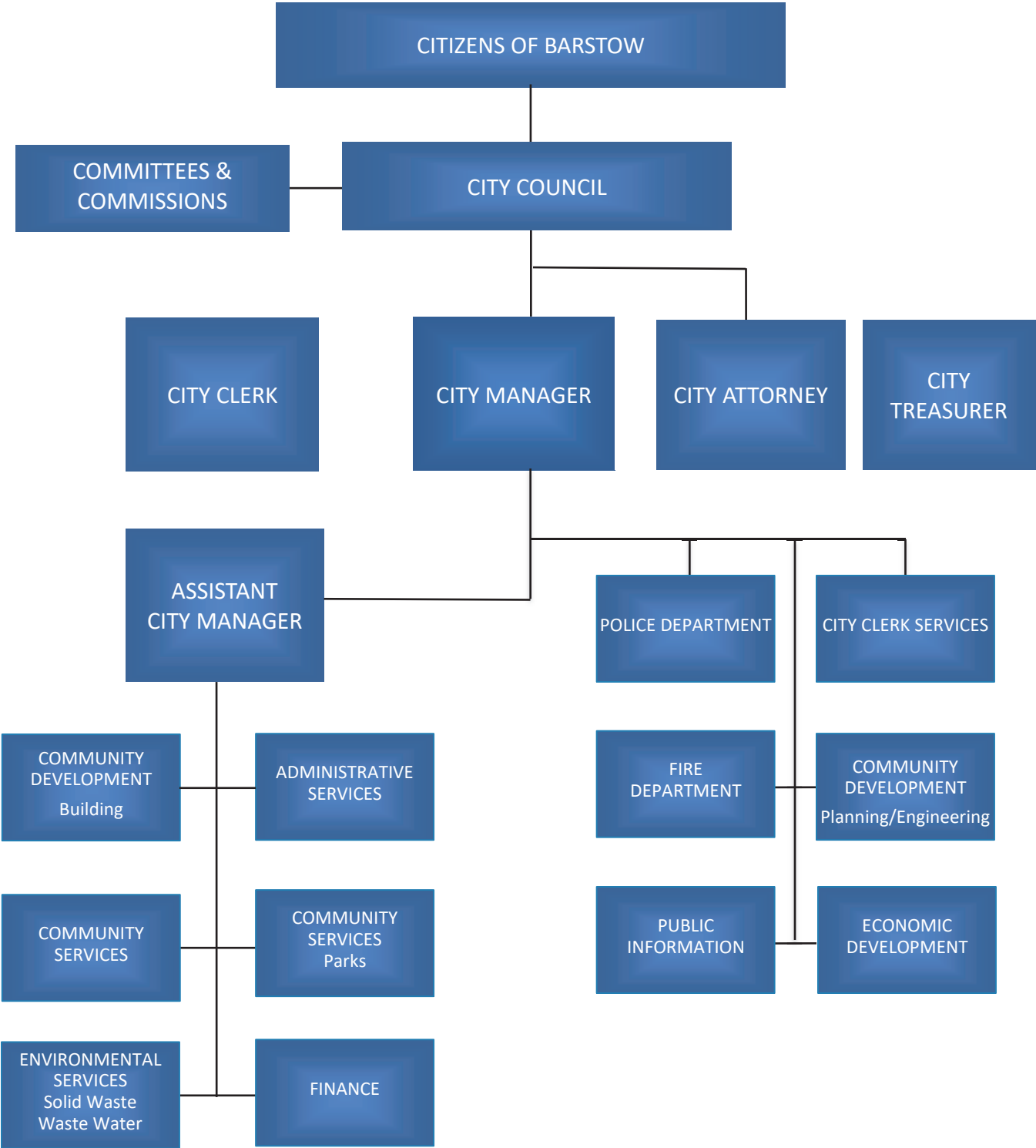
Sincerely,



Marc R. Puckett  
Interim Finance Director

# City of Barstow ORGANIZATIONAL CHART

Fiscal Year 2021-2022



**City of Barstow**  
**List of Elected and Appointed Officials**  
**June 30, 2022**

***Elected Officials***

Mayor	Dr. Paul Anthony Courtney
Mayor Pro Tem	James M. Noble
Council Member	Barbara Mae Rose
Council Member	Marilyn Dyer Kruse
Council Member	Timothy R. Silva
City Treasurer	Michael J. Lewis
City Clerk	Andrea Flores

***Appointed Officials***

City Manager	Willie Hopkins, Jr.
Interim Finance Director	Marc Puckett
City Attorney	Matthew Summers
Chief of Police	Andrew Espinoza, Jr.
Acting Fire Chief	Nick Dinapoli



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Barstow  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

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# AUDITORS' OPINION LETTER

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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Barstow, California

### Report on the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Barstow, California, (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barstow, California, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matter**

##### *Change in Accounting Principle*

As described in Note 1 to the financial statements, in the fiscal year ended June 30, 2022, the City adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 City'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.





To the Honorable Mayor and Members of the City Council  
City of Barstow, California

### ***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 opinion. 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 City'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 City'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.

### ***Other Reporting Responsibilities***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the General Fund and major special revenue funds, and the required pension and other post-employment benefits schedules, 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.



To the Honorable Mayor and Members of the City Council  
City of Barstow, California

supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary Information*

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

#### *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 January 18, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Lance, Soll &amp; Lughard, LLP". The signature is written in a cursive, flowing style.

Brea, California  
January 18, 2023

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# MANAGEMENT'S DISCUSSION AND ANALYSIS

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**CITY OF BARSTOW**  
**Management's Discussion and Analysis**  
**June 30, 2022**

As management of the City of Barstow (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. It is designed to:

- Highlight significant financial issues
- Provide an overview of the City's financial activity
- Discuss changes in the City's financial position
- Explain any material deviations from the approved budget
- Identify individual fund issues

We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages i to iv of this report.

**FINANCIAL HIGHLIGHTS**

- The governmental program and general revenues were \$46.8 million.
- The cost of governmental activities was \$45.7 million.
- The business-type activities program and general revenues were \$11.2 million.
- The cost of business-type activities was \$7.7 million.
- The General Fund ended the fiscal year with a fund balance of \$23.3 million, with a reported net increase in fund balance of \$5.67 million.
- For the General Fund, actual revenues exceeded the budgeted revenue estimates by \$3.6 million and actual expenditures were less than final amended budget by \$1.9 million (both favorable variances). Effects of the COVID-19 pandemic were less than anticipated.
- The Measure I Special Revenue Fund, a major governmental fund, ended the fiscal year with a deficit of \$668,000 in fund balance, a deficit reduction of \$551,000 from the prior fiscal year.
- The Barstow Fire Protection District ended the fiscal year with a fund deficit of \$5.0 million, a deficit reduction of \$55,000 from the prior fiscal year.
- Total Other Governmental Funds had a combined fund deficit of \$2.0 million.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City of Barstow's basic financial statements, which are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the 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 City's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, 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 City is improving or deteriorating.

**CITY OF BARSTOW**  
**Management's Discussion and Analysis**  
**June 30, 2022**

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

Both of the government-wide financial statements distinguish functions of the City 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 governmental activities of the City include general government, public safety, public works, recreation and community development. The business-type activities of the City include wastewater reclamation and solid waste disposal.

The government-wide financial statements include not only the City itself, (known as the *primary government*), but also its legally separate component units. The Odessa Water District, the Barstow Fire Protection District, the Barstow Harvey House Foundation and the Barstow Community Services Foundation all function, for all practical purposes, as part of the City of Barstow, and therefore, have been included (blended) as an integral part of the primary government.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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 City are divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

### **Governmental funds**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a 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 City of Barstow maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Measure I special revenue fund, Barstow Fire Protection District special revenue, Grants special revenue funds, and the Capital Projects fund, which are considered to be major funds. Data from the other eight 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* as supplementary information. The non-major revenue funds are the special revenue funds. They are Gas Tax, Asset Seizure, Barstow Harvey House Foundation, Redevelopment Housing Successor Fund, Barstow Community Services Foundation, the Local Transportation Fund, and the Flood Control Fund. The Measure I TRIP debt service fund is also combined with the non-major governmental funds.



**CITY OF BARSTOW**  
**Management's Discussion and Analysis**  
**June 30, 2022**

The City adopted a two-year appropriations budget for its governmental and proprietary funds in fiscal year 2020. A budgetary comparison has been provided for the general fund on page 101.

The basic governmental fund financial statements can be found on pages 32-38 of this report.

**Proprietary funds**

The City maintains two proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its wastewater reclamation and solid waste disposal.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the major enterprise funds. The basic proprietary fund financial statements can be found on pages 39-41 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 financial statements because the resources for those funds are not available to support the City's own programs. The accounting used for fiduciary funds is like that used for proprietary funds. The City maintains seven fiduciary funds to account for the receipts and disbursements of special assessments. The City also has one private purpose trust fund to account for redevelopment successor agency activity. Fiduciary fund statements are located on page 44-45 of this report.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Included in this section is Note 15, which summarizes the activity related to Measure Q, the 1% general transaction tax approved by voters on November 6, 2018. The notes to the financial statements are located on pages 51-98 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's budgetary information and compliance for the General Fund, Measure I special revenue fund, the Barstow Fire Protection District special revenue fund and Grants special revenue fund. This section also includes information regarding the Defined Benefit Pension Plan, which includes the *California Public Employees' Retirement System* (CALPERS) and the *San Bernardino County Employees' Retirement Association* (SBCERA) Plan. The schedule of funding progress, which presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits, is also presented as required supplementary information. Required supplementary information can be found on page 100-117 of this report.

Supplementary information for the non-major governmental funds, such as Gas Tax special revenue fund, Grants, Asset Seizure, Barstow Harvey House Foundation, Redevelopment Housing Successor, Barstow Community Services Foundation, Local Transportation Fund and Flood Control special revenue funds, as well as the Measure I TRIP debt service fund and Capital Projects fund are located on page 122-136 of this report.

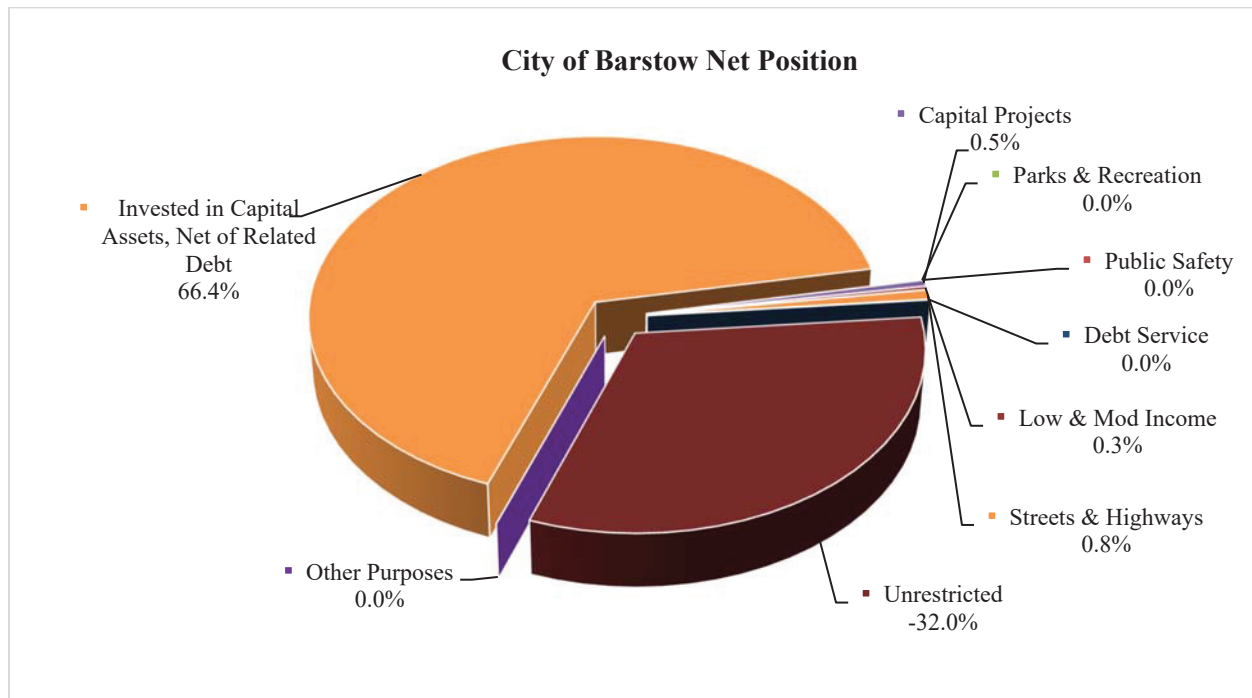
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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position**

Net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$58.5 million at the close of the fiscal year, an increase of 8.6% from the previous year.

Capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets comprises \$107.7 million of the City's Net Position. Total Assets and Deferred Outflows equaled \$181.8 million. Total Liabilities and Deferred Inflows equaled \$123.1 million. Total net position from Governmental Activities equaled \$39.0 million or 66.4% and Business-Type Activities equaled 19.7 million or 33.6% of the \$58.7 million total.



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**Changes in Net Position**  
**As of June 30, 2022 and 2021**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 1,830,004	\$ 1,236,136	\$ 10,938,172	\$ 9,772,548	\$12,768,176	\$ 11,008,684
Operating contributions and grants	305,735	757,387	-	-	305,735	757,387
Capital contributions and grants	9,450,259	4,994,774	-	-	9,450,259	4,994,774
General Revenues:						
Property taxes	10,448,051	9,796,572	-	-	10,448,051	9,796,572
Transient occupancy taxes	4,318,551	3,436,464	-	-	4,318,551	3,436,464
Sales taxes	18,622,825	16,387,048	-	-	18,622,825	16,387,048
Franchise taxes	1,212,053	1,175,996	-	-	1,212,053	1,175,996
Business license taxes	228,316	222,605	-	-	228,316	222,605
Other taxes	144,161	55,188	-	-	144,161	55,188
Use of money and property	117,614	1,048,338	(3,498)	-	114,116	1,048,338
Other revenues	370,710	591,410	39,202	129,965	409,912	721,375
Gain (loss) on disp. of capital assets	-	-	(54,873)	-	(54,873)	-
Transfers between funds	(258,393)	-	258,393	-	-	-
<b>Total Revenues</b>	<b>46,789,886</b>	<b>39,701,918</b>	<b>11,177,396</b>	<b>9,902,513</b>	<b>57,967,282</b>	<b>49,604,431</b>
Expenses:						
General government	11,261,122	7,178,050	-	-	11,261,122	7,178,050
Public safety	20,727,916	22,274,486	-	-	20,727,916	22,274,486
Community development	2,114,693	1,835,249	-	-	2,114,693	1,835,249
Recreation	1,892,705	1,413,896	-	-	1,892,705	1,413,896
Public works	8,246,181	9,115,346	-	-	8,246,181	9,115,346
Interest on long-term debt	1,178,331	51,162	-	-	1,178,331	51,162
Wastewater Reclamation	-	-	2,572,697	4,626,634	2,572,697	4,626,634
Solid Waste Disposal	-	-	5,088,339	3,901,112	5,088,339	3,901,112
<b>Total Expenses</b>	<b>45,420,948</b>	<b>41,868,189</b>	<b>7,661,036</b>	<b>8,527,746</b>	<b>53,081,984</b>	<b>50,395,935</b>
<b>Change in Net Position</b>	<b>1,368,938</b>	<b>(2,166,271)</b>	<b>3,516,360</b>	<b>1,374,767</b>	<b>4,885,298</b>	<b>(791,504)</b>
Net position, beginning of year	37,641,248	39,807,519	16,219,939	14,845,172	53,861,187	54,652,691
Net position, end of year	<u>\$39,010,186</u>	<u>\$ 37,641,248</u>	<u>\$ 19,736,299</u>	<u>\$16,219,939</u>	<u>\$58,746,485</u>	<u>\$ 53,861,187</u>

As shown in the total column for 2022 in the chart above (City of Barstow Net Position), a portion of the City's net position, \$2.7 million, represents resources that are subject to restrictions on how they may be used. This restricted amount is primarily comprised of \$1.3 million restricted for Streets and Highways, \$834 thousand restricted for capital projects, and \$441 thousand restricted for low and moderate income projects.

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**Changes in Net Position**  
**As of June 30, 2022 and 2021**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 1,830,004	\$ 1,236,136	\$ 10,938,172	\$ 9,772,548	\$ 12,768,176	\$ 11,008,684
Operating contributions and grants	305,735	757,387	-	-	305,735	757,387
Capital contributions and grants	9,450,259	4,994,774	-	-	9,450,259	4,994,774
General Revenues:						
Property taxes	10,448,051	9,796,572	-	-	10,448,051	9,796,572
Transient occupancy taxes	4,318,551	3,436,464	-	-	4,318,551	3,436,464
Sales taxes	18,622,825	16,387,048	-	-	18,622,825	16,387,048
Franchise taxes	1,212,053	1,175,996	-	-	1,212,053	1,175,996
Business license taxes	228,316	222,605	-	-	228,316	222,605
Other taxes	144,161	55,188	-	-	144,161	55,188
Use of money and property	117,614	1,048,338	(3,498)	-	114,116	1,048,338
Other revenues	370,710	591,410	39,202	129,965	409,912	721,375
Gain (loss) on disp. of capital assets	-	-	(54,873)	-	(54,873)	-
Transfers between funds	(258,393)	-	258,393	-	-	-
Total Revenues	46,789,886	39,701,918	11,177,396	9,902,513	57,967,282	49,604,431
Expenses:						
General government	11,261,122	7,178,050	-	-	11,261,122	7,178,050
Public safety	20,727,916	22,274,486	-	-	20,727,916	22,274,486
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Recreation	1,892,705	1,413,896	-	-	1,892,705	1,413,896
Public works	8,246,181	9,115,346	-	-	8,246,181	9,115,346
Interest on long-term debt	1,178,331	51,162	-	-	1,178,331	51,162
Wastewater Reclamation	-	-	2,572,697	4,626,634	2,572,697	4,626,634
Solid Waste Disposal	-	-	5,088,339	3,901,112	5,088,339	3,901,112
Total Expenses	45,420,948	41,868,189	7,661,036	8,527,746	53,081,984	50,395,935
Change in Net Position	1,368,938	(2,166,271)	3,516,360	1,374,767	4,885,298	(791,504)
Net position, beginning of year	37,641,248	39,807,519	16,219,939	14,845,172	53,861,187	54,652,691
Net position, end of year	<u>\$39,010,186</u>	<u>\$ 37,641,248</u>	<u>\$ 19,736,299</u>	<u>\$16,219,939</u>	<u>\$58,746,485</u>	<u>\$ 53,861,187</u>

The City of Barstow's overall net position increased by \$4.9 million from the prior year. The reasons for this overall increase are discussed in the following sections for governmental activities (an increase of \$1.4 million) and business-type activities (an increase of \$3.5 million).

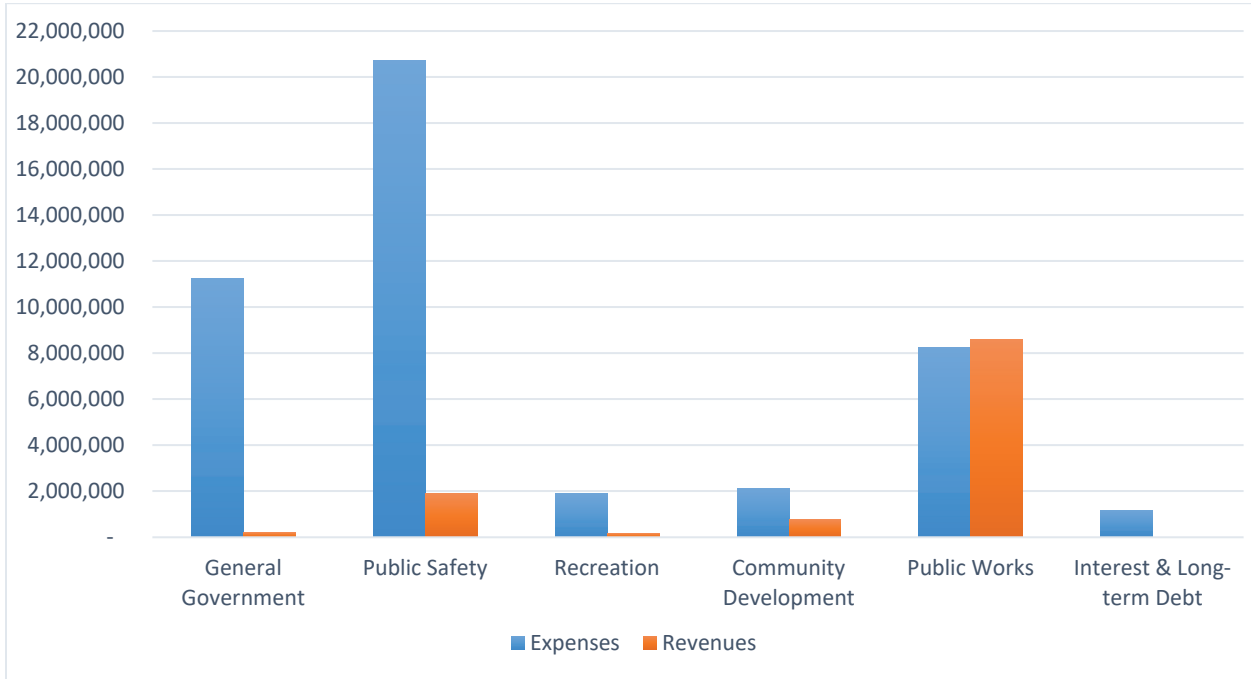
**Governmental Activities**

Governmental activities net position increased by \$1.4 million for fiscal year 2022 as shown in the chart above and the chart on page 10. This net increase primarily resulted from increases in the City's total assets of \$12.4 million plus \$12.4 million in increases in deferred outflows less \$9.8 million for increases in total liabilities and \$14 million for deferred outflows. More information about governmental activities are reflected in the charts and graphs on the following pages.

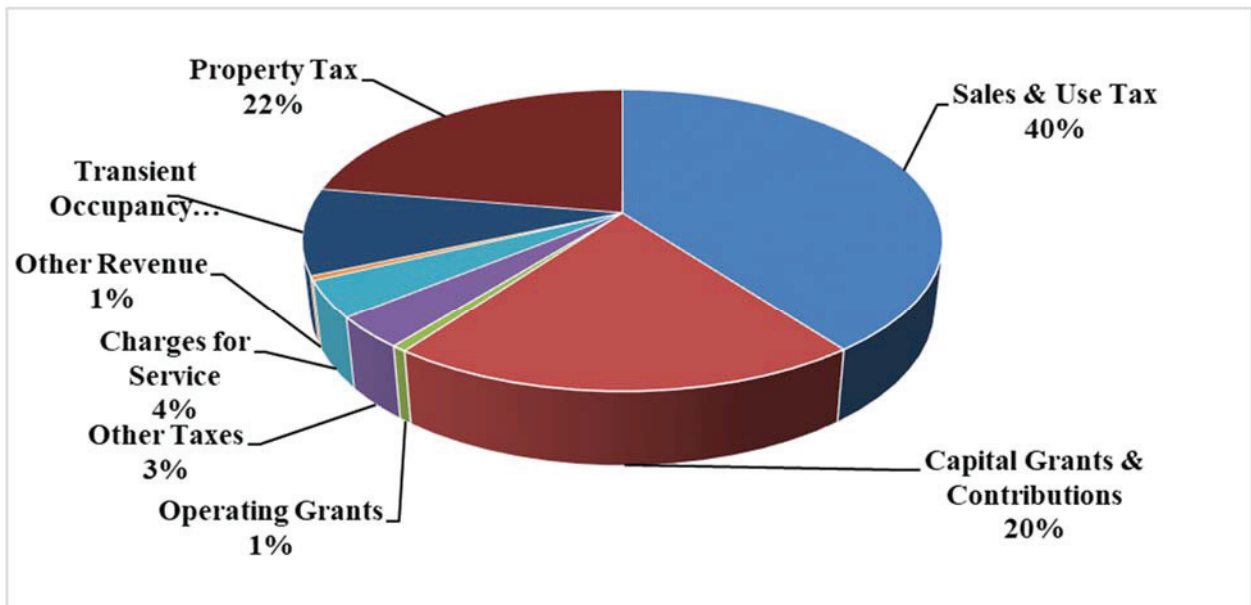
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**Governmental Activities**

**Governmental Activities - Expenses and Program Revenues for FY 2021/22**



**Governmental Activities - Revenues by Source**



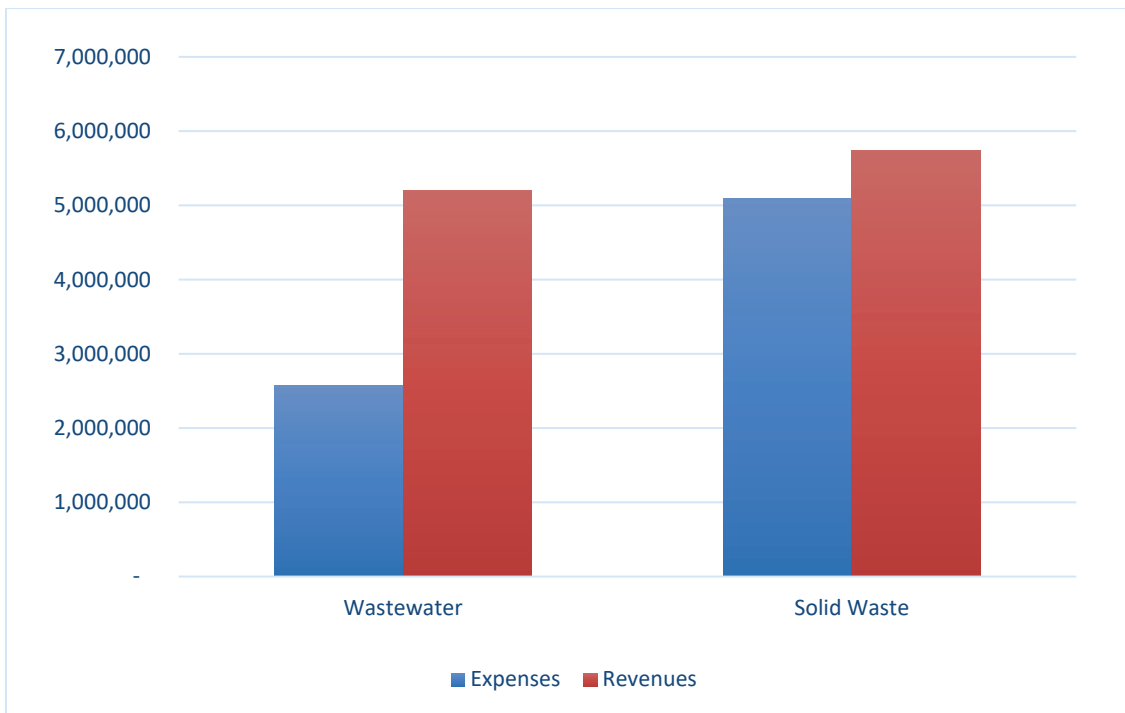
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**Business-type Activities**

Business-type activities increased net position by \$3.5 million as shown in the chart on page 10. The increase is directly a result of the reduction of the solid waste hauler rate subsidy. To stabilize Solid Waste's financial condition, the City Council approved the elimination of the subsidy over a 3 year period which ended during FY2022. Also, the State of California, as outlined in Senate Bill 1383, mandated changes to organics recycling programs. The City implemented a rate increase for waste services to account for costs of the expanded organics recycling services mandated by the State.

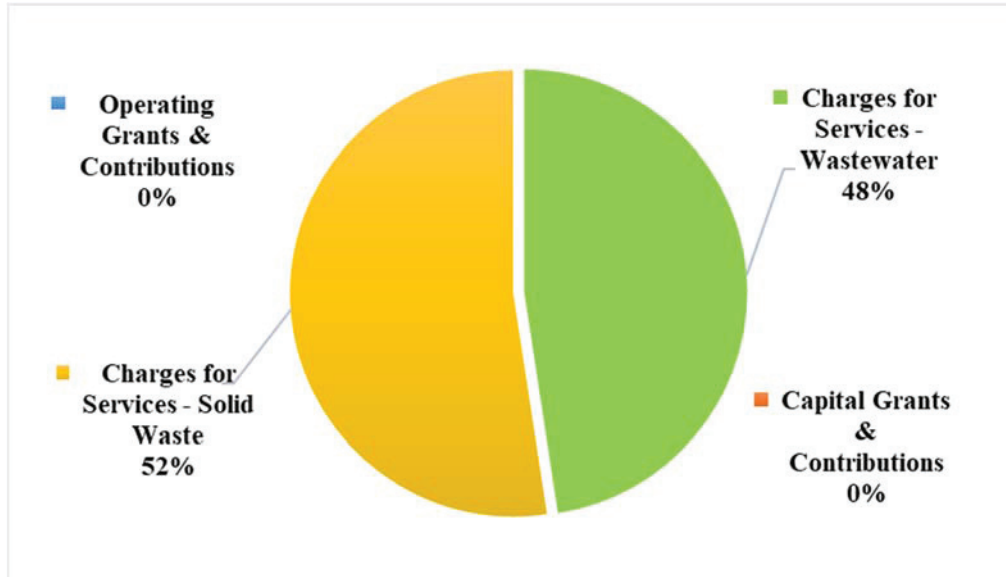
The chart below illustrates business-type expenses and revenues. The second chart on the following page shows Business-type revenues by source.

**Business-Type Activities - Expenses and Program Revenues**



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**Business-Type Activities - Revenues by Source**



**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental Funds**

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$15.7 million, an increase of \$2.7 million or 21.1% when compared to the fund balances of the prior year. In fiscal year 2022, total governmental funds revenues exceeded expenditures by \$2.5 million. Further analysis discusses the underlying changes in the major government funds with major changes:

*General Fund-* During fiscal year 2022, there was an increase in fund balance of \$5.7 million from the previous year. General Fund revenues were higher than anticipated due primarily to a strong rebound in total taxes collected as lockdowns related to the COVID-19 pandemic eased. Inflationary pressures created by easing of pandemic restrictions and stimulus funding created unexpected increases in sales tax revenues. These increases were primarily from sales tax collections related to higher gas prices. Other non tax-related general fund revenues decreased by \$62 thousand in total. Expenditures included additional retirement contributions to pre-fund unfunded actuarially-accrued liabilities. During Fiscal Year 2022, \$20.2 million in pension obligation bonds were issued to pre-fund approximately all unfunded actuarially accrued

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liabilities within the CalPERS pension plan. This plan covers general employees working for the City and Police personnel. This austerity measure is anticipated to save the City approximately \$3.8 million over the next 15 years.

*Measure I-* The net change in fund balance was an increase of \$551 thousand. This increase in fund balance reduced the accumulated fund deficit to \$667 thousand. Based on the adopted deficit elimination plan, it is anticipated that the deficit will be eliminated during the next two fiscal years.

*Barstow Fire Protection District-* The net change in fund balance was an increase of \$55 thousand. This increase in fund balance reduced the accumulated fund deficit to slightly under \$5.0 million. The deficit relates to an interfund operating loan from the General Fund to the BFPD. A plan of repayment has been adopted including annual payments of \$500 thousand which may be amended from time to time as warranted. Total revenues for the District, excluding transfers, decreased by \$215 thousand while total expenditures increased by almost \$900 thousand. Expenditures included additional retirement contributions to pre-fund unfunded actuarially-accrued liabilities. During Fiscal Year 2022, \$8.5 million in lease revenue bonds were issued to pre-fund approximately all unfunded actuarially accrued liabilities within the SBCERA pension plan. This plan currently covers firefighters working for the District. This austerity measure is anticipated to save the District approximately \$2.3 million over the next 15 years.

The *non-spendable* portion of total governmental funds fund balances is \$6.7 million. The City's non-spendable fund balances are prepaid amounts that pertain to another accounting period, inventories, assets that are not in cash form and deposits that are liabilities. As of June 30, 2022, the major amounts designated as non-spendable were loans from the following funds:

- \$1.7 million due from the Measure I Special Revenue Fund
- \$4.6 million Barstow Fire Protection District loan

Other non-spendable items included deposits and prepaids.

*Restricted funds* constitute \$2.7 million of the total governmental funds fund balance.

- One half (\$1.36 million) of the restricted funds are restricted for Streets & Highway uses.
- \$800,000 of the restricted funds are restricted for various Capital Projects.
- Low and Moderate Income Housing funds constitute \$440 thousand of the restricted fund balance.

*Assigned fund balance* accounts for \$4.4 million of fund balance and is comprised of working capital (\$4.5 million) and emergency reserves (\$.9 million).

*Unassigned fund balance* in the General Fund constitutes approximately \$12.2 million as of the end of the fiscal year which is available for spending at the government's discretion. Of this amount, \$10.3 million offsets accumulated deficits for all other governmental funds leaving \$1.9 million remaining as *unassigned fund balance* as of the fiscal year end.

More details about the fund balance for governmental funds can be found on page 101.



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**Proprietary Funds**

At year-end, the total net position of all proprietary funds was \$19.7 million, which was an increase of \$3.5 million or 21.6% over the previous fiscal year. Details for the change are discussed below.

- The *Wastewater Fund* net position increased by \$2.4 million (14.9%) during the fiscal year. The increase is primarily due to the increased monitoring of industrial discharge flow and rate increases due to inflationary cost pressures.
- The *Solid Waste Fund* had a change in net position of \$1.1 million (453%) thereby eliminating the deficit of \$236,000 that existed at the end of the prior fiscal year. This change was primarily due to a decrease in the hauler subsidy and rate increases due to inflationary cost pressures.

Additional information can be found on pages 39-41 of this report.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The fiscal 2022 year-end actual revenues of \$32.2 million exceeded budgeted estimated revenues by approximately \$6.0 million after adjusting for one-time expenditures. The City implemented austerity measures in response to the COVID-19 pandemic and subsequent lockdown. As the lockdowns imposed due to the pandemic have been lifted and travel restrictions have eased, the City has benefited from increases in revenues sensitive to transient travel. Primarily, the City's sales taxes and transient occupancy taxes have increased significantly. This, coupled with inflationary spending due in part, to stimulus funding, created significant short-term increases in Sales tax collections. Sales Taxes have increased by \$1.1 million from the prior fiscal year to \$8.8 million. Measure Q sales tax collections have also increased by \$1.2 million to \$10.0 million. Transient occupancy tax collections increased by \$900 thousand from the prior fiscal year to \$4.3 million. Property Taxes also increased by \$300 thousand to \$5.1 million. Collections from various franchise taxes also increased by \$26 thousand to \$1.2 million during the fiscal year.

Actual total General Fund revenues had a positive or favorable variance in the amount of \$3.6 million or 5.5%. The total General Fund expenditures also ended the fiscal year with a positive or favorable variance coming in under budget by \$1.9 million or 4.0%. Attrition savings due to vacancies and retirements accounted for the majority of the savings in the General Fund.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$107.7 million (net of accumulated depreciation). This investment in capital assets includes land, building and system improvements, machinery and equipment and park facilities. The total change in the City's investment in capital assets for the current fiscal year, when compared to the previous year's capital assets, was an increase of 2.5% or \$2.6 million. Changes from the prior year are discussed below and the City of Barstow's Capital Assets chart on the next page. The analysis is detailed below:

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**Increases in Capital Assets for Governmental Activities & Decreases in Business-type Activities:**

**Governmental Activities** had a net increase in capital assets of \$2.1 million from the previous fiscal year due mainly to the following: a net increase in Work in Progress of \$3.9 million; a net decrease of \$1.2 million in Infrastructure, a decrease of \$210 thousand for Buildings & Improvements, and a net decrease in Machinery & Equipment of \$565 thousand.

**Business-type Activities** had an overall increase of \$581 thousand from fiscal year 2021. This increase was primarily due to a \$1.5 million increase in Work in Progress and a \$800 thousand decrease in Infrastructure from the prior fiscal year.

**City of Barstow's Capital Assets**  
*(Net of Depreciation)*

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land & Intangible Assets	\$ 9,787,484	\$ 9,787,484	\$ 1,657,637	\$ 1,657,637	\$ 11,445,121	\$ 11,445,121
Work in progress	17,210,425	13,361,468	1,757,420	237,741	\$ 18,967,845	\$ 13,599,209
Buildings & Improvements	9,453,568	9,665,376	82,378	88,796	\$ 9,535,946	\$ 9,754,172
Machinery and equipment	1,852,040	2,417,574	1,407,663	1,564,826	\$ 3,259,703	\$ 3,982,400
Right to Use - Leased Equipment	251,335	-	22,353	-	\$ 273,688	\$ -
Infrastructure	48,364,903	49,555,927	17,622,923	18,420,482	\$ 65,987,826	\$ 67,976,409
<b>Total</b>	<b>\$ 86,919,755</b>	<b>\$ 84,787,829</b>	<b>\$ 22,550,374</b>	<b>\$ 21,969,482</b>	<b>\$ 109,470,129</b>	<b>\$ 106,757,311</b>

Additional information on the City's capital assets can be found in Note 5 of the "Notes to Basic Financial Statements" on page 65 & 66 of this report.

**Long-term Debt**

At the end of the current fiscal year, the City of Barstow had total debt outstanding of \$41.7 million. Of this debt amount, governmental activities accounts for \$36.1 million, and \$5.6 million is related to business-type activities. The City has no general obligation bonded debt or tax allocation bonded debt outstanding.

**City of Barstow's Outstanding Debt**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	Total 2022	Total 2021
Lease Revenue Bonds	\$ 8,245,878	\$ -	\$ -	\$ -	\$ 8,245,878	\$ -
Pension Obligation Bonds	\$ 20,170,000	\$ -	\$ -	\$ -	\$ 20,170,000	\$ -
Loans Payable	1,275,983	1,594,224	47,057	47,057	1,323,040	1,641,281
Pollution Remediation Liability	-	-	5,450,638	5,468,992	5,450,638	5,468,992
Claims & Judgments Payable	4,316,258	3,363,065	-	-	4,316,258	3,363,065
Compensated Absences	2,104,560	1,856,949	139,370	136,907	2,243,930	1,993,856
<b>Total</b>	<b>\$ 36,112,679</b>	<b>\$ 6,814,238</b>	<b>\$ 5,637,065</b>	<b>\$ 5,652,956</b>	<b>\$ 41,749,744</b>	<b>\$ 12,467,194</b>

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In total, debt increased by \$29.2 million. This increase was due to the issuance of Pension Obligation Bonds (\$20.2 million) and Lease Revenue Bonds (\$8.5 million) during the fiscal year. These bonds were issued to pre-fund the Unfunded Actuarially-accrued Liabilities (UAL) within the pension funds for the City and Fire District. The net present value savings for both issues was \$4.56 million and the total savings was \$6.06 million. With respect to other outstanding debts, although the City actively works to reduce claims and judgements with professional risk managers, Claims & Judgments increased by \$950 thousand during the fiscal year. Also, debt for compensated absences increased by \$248 thousand and pollution remediation expenses in the Soapmine Road area reduced the related liability by \$18 thousand.

Additional information on the City's long-term debt can be found in Note 6 on page 67 to 68 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The economy continues to be at the forefront of management's consideration in leading and providing services for the residents of the City of Barstow. The management team continuously takes the necessary steps required to address the needs of its residents for the short-term and the long-term, focusing on needed infrastructure improvements, community services including recreation and activities for all ages, business and economic development, and planning for long-term growth in conjunction with the City Council.

When the coronavirus epidemic began, no one knew what the impacts would be or how long it would last. The City was proactive in its attempts to manage the impacts on the City organization and provision of services. The City adopted a two-year budget for the first time for FY21 and 22. This budget included reductions in revenue projections of \$2.8m and reductions in appropriations of \$2.3m. Budgetary actions included a hiring freeze, a freeze in wages and certain benefits for two years, a reduction in force of 7.5 FTEs, elimination of 4 vacant funded positions, temporary elimination of recreation programs and closure of recreation facilities. Most of the pandemic related economic impacts have now abated and the City's revenue sources have returned to pre-pandemic levels. Further, all financial activity is continually monitored to ensure resources and expenses are in-line with budgeted projections. The budget amendments and continual budget monitoring are necessary and vital to the City's efforts in appropriately and responsibly managing its budget.

As the imposed lockdown and other travel restrictions due to the epidemic eased, increased transient travel had an unanticipated positive impact on the City's key revenue sources. These effects coupled with inflationary pressures created, in part, by economic stimulus monies resulted in sales tax revenues received higher than projected by \$1.1 million and Transient Occupancy Taxes received higher than projected by \$900 thousand. All told, the City received over \$3.6 million (5.5%) in revenues more than what was projected in the amended budget. Expenditures for the year were \$1.9 million (4.0%) below the amended budget.

These revenue increases have been assisted by the diversity of the City's tax base. In particular, between the Lynwood Outlet Mall, the number of hotels in the Lynwood area, surrounding restaurants and four truck stops representing all four major chains, 38% of the City's revenues are generated from transient travelers through the community. Barstow is located at the juncture of the I-40 and I-15 freeways. As such, freeway traffic through the community has been a tremendous source of revenue.

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The City has also received federal stimulus funding through the CDBG program, JAG grant, CARES grant, and ARPA federal stimulus programs which has greatly assisted with the economic recovery from impacts due to the pandemic. These funds are recorded in Special Revenue funds outside of the City's General Fund.

Through the American Rescue Plan Act (ARPA), the City was awarded \$5,720,976. The first tranche of \$2,860,488 representing 50% of the funding was received in July, 2021. The second half of the funding will be received by the City in July, 2022. The City has up to four years to obligate the funding.

The City has also approved construction of a Marriott hotel project in the Lenwood area of Barstow along the freeway. The project includes constructing two hotels totaling 181 rooms using an innovative shared footprint design. The two hotels are a Fairfield Inn (short term stay) and a Towne Place Suites (long term stay). The hotels are currently under construction and expected to open in July, 2023. The hotels are located close to the Outlet mall and conservatively will add over \$1 million annually in new revenues.

The City has approved creation of a "green zone" within a commercial and industrial area of the City. Based upon a Cannabis fee study completed for the City, expected new revenues during the next fiscal year may amount to between \$2 to \$3 million in new revenue. After approval, the City will receive over \$70,000 annually in regulatory fees plus 3% of gross sales (above the City's existing 2% sales tax) for each approved development agreement. To date, four Cannabis retailers have been fully approved. Two of those retailers are now in operation. Also, 24 additional applications have passed initial approvals (22 manufacturing and two retailers).

Burlington Northern Santa Fe railroad (BNSF) has recently announced investment of \$2 billion in the City and immediately surrounding area to construct an in-land port. This new intermodal hub is anticipated to create 20,000 direct and indirect jobs in the City. This project will create significant future positive impacts both in quality of life and new revenue as well as additional service demands and significant growth. Currently, it is anticipated that this project will be completed in the spring of 2027. The City's executive management team continues its commitment to improving the infrastructure for its residents. This is evidenced by the continued projects such as: First Avenue Bridge over Burlington Northern Santa Fe (BNSF), the North First Avenue Bridge over the Mojave River, and West Section 7.

The unemployment rate for the City of Barstow as of June, 2022 was 4.0%. This represents a decrease of 50.0% from the June, 2021 rate of 8.0%. An improved local economy is reflected in the increases in transient occupancy tax and sales tax collections. The City's Economic Development team is actively working to assist local businesses to identify and development new business opportunities in the community. The City also demonstrates its "pro-business" outlook by its willingness to work with prospective employers and new businesses interested in locating in Barstow.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 220 E. Mountain View Street, Suite A, Barstow, California 92311.

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# **GENERAL PURPOSE FINANCIAL STATEMENTS**

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# GOVERNMENT-WIDE FINANCIAL STATEMENTS

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CITY OF BARSTOW

STATEMENT OF NET POSITION  
JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 16,295,096	\$ 2,808,647	\$ 19,103,743
Receivables:			
Accounts	6,253,235	1,031,257	7,284,492
Taxes	110,366	-	110,366
Accrued interest	14,280	3,316	17,596
Leases	409,525	-	409,525
Prepaid costs	57,863	1,371	59,234
Due from other governments	4,757,305	-	4,757,305
Inventories	76,415	-	76,415
Capital assets not being depreciated	26,997,908	3,415,057	30,412,965
Capital assets, net of depreciation	59,921,845	19,135,317	79,057,162
<b>Total Assets</b>	<b>114,893,838</b>	<b>26,394,965</b>	<b>141,288,803</b>
<b>Deferred Outflows of Resources:</b>			
Deferred employer contributions - pensions	23,447,594	2,097,695	25,545,289
Deferred outflows of resources - pension	11,070,712	399,847	11,470,559
Deferred contributions - OPEB	946,719	-	946,719
Deferred outflows of resources - OPEB	2,587,998	-	2,587,998
<b>Total Deferred Outflows of Resources</b>	<b>38,053,023</b>	<b>2,497,542</b>	<b>40,550,565</b>
<b>Liabilities:</b>			
Accounts payable	1,559,836	904,792	2,464,628
Accrued liabilities	1,565,587	93,869	1,659,456
Accrued interest	300,372	-	300,372
Unearned revenue	3,008,183	-	3,008,183
Deposits payable	53,220	44,971	98,191
Due to other governments	50,589	-	50,589
Retentions payable	78,176	-	78,176
Noncurrent liabilities:			
Due within one year			
Long-term debt	1,746,160	-	1,746,160
Compensated absences	841,824	55,747	897,571
Claims and judgements	924,332	-	924,332
Leases payable	192,977	12,358	205,335
Pollution remediation liability	-	23,500	23,500
Due in more than one year			
Long-term debt	27,945,701	-	27,945,701
Compensated absences	1,262,735	83,623	1,346,358
Claims and judgements	3,391,926	-	3,391,926
Leases payable	58,755	10,068	68,823
Pollution remediation liability	-	5,427,138	5,427,138
Net Pension Liability	22,170,409	1,128,175	23,298,584
Net OPEB Liability	23,072,204	-	23,072,204
<b>Total Liabilities</b>	<b>88,222,986</b>	<b>7,784,241</b>	<b>96,007,227</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources - pension	22,525,019	1,371,967	23,896,986
Deferred inflows of resources - OPEB	2,786,315	-	2,786,315
Deferred inflows of resources - leases	402,355	-	402,355
<b>Total Deferred Inflows of Resources</b>	<b>25,713,689</b>	<b>1,371,967</b>	<b>27,085,656</b>
<b>Net Position:</b>			
Net investment in capital assets	85,392,038	22,527,948	107,919,986
Restricted for:			
Public safety	26,036	-	26,036
Parks and recreation	1,836	-	1,836
Capital projects	834,430	-	834,430
Debt service	2,381	-	2,381
Low and Moderate Income	441,633	-	441,633
Streets and Highways	1,335,251	-	1,335,251
Other purposes	10,444	-	10,444
Unrestricted	(49,033,863)	(2,791,649)	(51,825,512)
<b>Total Net Position</b>	<b>\$ 39,010,186</b>	<b>\$ 19,736,299</b>	<b>\$ 58,746,485</b>

See Notes to Financial Statements.

CITY OF BARSTOW

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 11,261,122	\$ 158,842	\$ 26	\$ 22,071
Public safety	20,727,916	1,029,531	301,169	567,648
Community development	2,114,693	481,505	-	287,463
Recreation	1,892,705	157,387	-	4,708
Public works	8,246,181	2,739	4,540	8,568,369
Interest on long-term debt	1,178,331	-	-	-
<b>Total Governmental Activities</b>	<b>45,420,948</b>	<b>1,830,004</b>	<b>305,735</b>	<b>9,450,259</b>
Business-Type Activities:				
Wastewater Reclamation	2,572,697	5,204,267	-	-
Solid Waste Disposal	5,088,339	5,733,905	-	-
<b>Total Business-Type Activities</b>	<b>7,661,036</b>	<b>10,938,172</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 53,081,984</b>	<b>\$ 12,768,176</b>	<b>\$ 305,735</b>	<b>\$ 9,450,259</b>

**General Revenues:**

- Taxes:
  - Property taxes, levied for general purpose
  - Transient occupancy taxes
  - Sales taxes
  - Franchise taxes
  - Business licenses taxes
  - Other taxes
- Use of money and property
- Other
- Gain on sale of capital asset
- \* Transfers between funds

**Total General Revenues**

- Change in Net Position
- Net Position, Beginning of Year
- Net Position, End of Year

**Net (Expenses) Revenues  
and Changes in Net Position  
Primary Government**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (11,080,183)	\$ -	\$ (11,080,183)
(18,829,568)	-	(18,829,568)
(1,345,725)	-	(1,345,725)
(1,730,610)	-	(1,730,610)
329,467	-	329,467
(1,178,331)	-	(1,178,331)
<b>(33,834,950)</b>	<b>-</b>	<b>(33,834,950)</b>
-	2,631,570	2,631,570
-	645,566	645,566
-	<b>3,277,136</b>	<b>3,277,136</b>
<b>(33,834,950)</b>	<b>3,277,136</b>	<b>(30,557,814)</b>
10,448,051	-	10,448,051
4,318,551	-	4,318,551
18,622,825	-	18,622,825
1,212,053	-	1,212,053
228,316	-	228,316
144,161	-	144,161
117,614	(3,498)	114,116
370,710	39,202	409,912
-	(54,873)	(54,873)
(258,393)	258,393	-
<b>35,203,888</b>	<b>239,224</b>	<b>35,443,112</b>
1,368,938	3,516,360	4,885,298
37,641,248	16,219,939	53,861,187
<b>\$ 39,010,186</b>	<b>\$ 19,736,299</b>	<b>\$ 58,746,485</b>

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# FUND FINANCIAL STATEMENTS

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*Governmental Funds Financial Statements*

*Enterprise Funds Financial Statements*

*Fiduciary Funds Financial Statements*

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## GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

**The Measure I Special Revenue Fund** is used to account for money generated by a one-half percent sales tax approved by the voters in 1989, through 2010. In 2004, San Bernardino County voters approved the extension of Measure I sales tax through 2040.

**The Barstow Fire Protection District Special Revenue Fund** accounts for operations of the Barstow Fire Protection District.

**Grants Special Revenue Fund** is used to account for receipts and expenditures of money received from various governmental grants.

**COVID-19 Grants Fund** is used to account for grant expenditures incurred due grants for the Covid-19 pandemic.

**The City Capital Projects Fund** accounts for transactions related to proceeds from bonds and other resources and their use to acquire and construct certain capital facilities.

**Non-Major Governmental Funds** is the aggregate of all the non-major governmental funds.

CITY OF BARSTOW

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	Special Revenue Funds			
	General	Measure I	Barstow Fire Protection District	Grants
<b>Assets:</b>				
Pooled cash and investments	\$ 9,827,852	\$ 711,481	\$ 222,417	\$ 662,727
Receivables:				
Accounts	377,457	1,086,213	71,535	4,629,175
Taxes	-	-	-	-
Accrued interest	6,651	653	-	761
Leases	164,363	-	245,162	-
Prepaid costs	57,863	-	-	-
Due from other governments	4,757,305	-	-	-
Due from other funds	4,437,590	-	-	-
Advances to other funds	6,517,392	-	-	-
Inventories	76,415	-	-	-
<b>Total Assets</b>	<b>\$ 26,222,888</b>	<b>\$ 1,798,347</b>	<b>\$ 539,114</b>	<b>\$ 5,292,663</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,062,471	\$ 65,289	\$ 215,698	\$ 212,768
Accrued liabilities	1,308,361	-	257,226	-
Unearned revenues	-	-	-	660,601
Deposits payable	53,220	-	-	-
Due to other governments	50,589	-	-	-
Due to other funds	-	-	-	4,422,657
Advances from other funds	-	1,700,000	4,817,392	-
Retentions payable	-	-	-	-
<b>Total Liabilities</b>	<b>2,474,641</b>	<b>1,765,289</b>	<b>5,290,316</b>	<b>5,296,026</b>
<b>Deferred Inflows of resources:</b>				
Unavailable revenues	260,795	700,725	-	4,626,022
Leases	159,667	-	242,688	-
<b>Total Deferred Inflows of Resources</b>	<b>420,462</b>	<b>700,725</b>	<b>242,688</b>	<b>4,626,022</b>
<b>Fund Balances:</b>				
Nonspendable	6,651,670	-	-	-
Restricted	-	-	-	-
Assigned	4,438,404	-	-	-
Unassigned	12,237,711	(667,667)	(4,993,890)	(4,629,385)
<b>Total Fund Balances</b>	<b>23,327,785</b>	<b>(667,667)</b>	<b>(4,993,890)</b>	<b>(4,629,385)</b>
<b>Total Liabilities, Deferred inflows of Resources, and Fund Balances</b>	<b>\$ 26,222,888</b>	<b>\$ 1,798,347</b>	<b>\$ 539,114</b>	<b>\$ 5,292,663</b>



CITY OF BARSTOW

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022

	Special Revenue Funds	Capital Projects Funds	Other Governmental Funds	Total Governmental Funds
	COVID-19 Grants	City Capital Projects		
<b>Assets:</b>				
Pooled cash and investments	\$ 2,289,518	\$ 911,361	\$ 1,669,740	\$ 16,295,096
Receivables:				
Accounts	-	-	88,855	6,253,235
Taxes	-	-	110,366	110,366
Accrued interest	3,411	1,055	1,749	14,280
Leases	-	-	-	409,525
Prepaid costs	-	-	-	57,863
Due from other governments	-	-	-	4,757,305
Due from other funds	-	-	-	4,437,590
Advances to other funds	-	-	-	6,517,392
Inventories	-	-	-	76,415
<b>Total Assets</b>	<b>\$ 2,292,929</b>	<b>\$ 912,416</b>	<b>\$ 1,870,710</b>	<b>\$ 38,929,067</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 3,610	\$ -	\$ -	\$ 1,559,836
Accrued liabilities	-	-	-	1,565,587
Unearned revenues	2,294,453	-	53,129	3,008,183
Deposits payable	-	-	-	53,220
Due to other governments	-	-	-	50,589
Due to other funds	-	-	14,933	4,437,590
Advances from other funds	-	-	-	6,517,392
Retentions payable	190	77,986	-	78,176
<b>Total Liabilities</b>	<b>2,298,253</b>	<b>77,986</b>	<b>68,062</b>	<b>17,270,573</b>
<b>Deferred Inflows of resources:</b>				
Unavailable revenues	-	-	-	5,587,542
Leases	-	-	-	402,355
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,989,897</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	6,651,670
Restricted	-	834,430	1,817,581	2,652,011
Assigned	-	-	-	4,438,404
Unassigned	(5,324)	-	(14,933)	1,926,512
<b>Total Fund Balances</b>	<b>(5,324)</b>	<b>834,430</b>	<b>1,802,648</b>	<b>15,668,597</b>
<b>Total Liabilities, Deferred inflows of Resources, and Fund Balances</b>	<b>\$ 2,292,929</b>	<b>\$ 912,416</b>	<b>\$ 1,870,710</b>	<b>\$ 38,929,067</b>

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**CITY OF BARSTOW**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2022**

Fund balances of governmental funds		\$ 15,668,597
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		86,919,753
Long-term liabilities, claims liabilities, compensated absences and leases payable that have not been included in the governmental fund activity:		
Bonds payable	\$ (29,691,861)	
Leases payable	(251,732)	
Claims and judgements payable	(4,316,258)	
Compensated absences	<u>(2,104,559)</u>	(36,364,410)
Pension liabilities are not included in the governmental fund statements, however they are reported in the governmental activities in the Statement of Net Position:		
Miscellaneous net pension liability	(4,524,382)	
Safety net pension liability	(9,212,367)	
Safety net pension liability - Fire	<u>(8,433,660)</u>	(22,170,409)
OPEB liabilities are not included in the governmental fund statements, however they are reported in the governmental activities in the Statement of Net Position.		(23,072,204)
Employer contributions for pension were recorded as expenditures in the governmental funds. However, in the Government-Wide Financial Statements these contributions are deferred.		23,447,594
Employer contributions for OPEB were recorded as expenditures in the governmental funds. However, in the Government-Wide Financial Statements these contributions are deferred.		946,719
In the Government-Wide Financial Statements, certain differences between actuarial amounts and actual results for pension are deferred and amortized over a period of time, however these differences do not impact the Governmental Funds Balance Sheet:		
Deferred outflows of resources - pension	11,070,712	
Deferred outflows of resources - OPEB	2,587,998	
Deferred inflows of resources - pension	(22,525,019)	
Deferred inflows of resources - OPEB	<u>(2,786,315)</u>	(11,652,624)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.		(300,372)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		<u>5,587,542</u>
<b>Net Position of Governmental Activities</b>		<b><u>\$ 39,010,186</u></b>

CITY OF BARSTOW

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	General	Measure I	Barstow Fire Protection District	Grants
<b>Revenues:</b>				
Taxes	\$ 29,713,455	\$ -	\$ 5,247,931	\$ -
Licenses and permits	428,466	-	1,866	-
Intergovernmental	506,234	2,044,965	88,901	1,228,361
Charges for services	1,003,759	-	-	-
Use of money and property	160,457	(2,407)	10,856	(1,960)
Fines and forfeitures	163,033	-	-	-
Miscellaneous	231,021	-	138,239	-
<b>Total Revenues</b>	<b>32,206,425</b>	<b>2,042,558</b>	<b>5,487,793</b>	<b>1,226,401</b>
<b>Expenditures:</b>				
Current:				
General government	15,844,401	-	-	-
Public safety	18,461,965	24,911	17,085,431	136,089
Community development	1,901,962	-	-	36,622
Parks and recreation	1,487,614	-	-	-
Public works	3,750,149	-	-	-
Capital outlay	592,784	-	258,353	-
Debt service:				
Principal retirement	155,368	-	-	-
Interest and fiscal charges	355,683	-	-	-
<b>Total Expenditures</b>	<b>42,549,926</b>	<b>24,911</b>	<b>17,343,784</b>	<b>172,711</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,343,501)	2,017,647	(11,855,991)	1,053,690
<b>Other Financing Sources (Uses):</b>				
Transfers in	19,453,612	-	11,868,580	-
Transfers out	(3,862,541)	(1,466,404)	-	(5,191,706)
Proceed from leases	421,061	-	42,851	-
Other debts issued	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>16,012,132</b>	<b>(1,466,404)</b>	<b>11,911,431</b>	<b>(5,191,706)</b>
Net Change in Fund Balances	5,668,631	551,243	55,440	(4,138,016)
Fund Balances, Beginning of Year	17,659,154	(1,218,910)	(5,049,330)	(491,369)
<b>Fund Balances, End of Year</b>	<b>\$ 23,327,785</b>	<b>\$ (667,667)</b>	<b>\$ (4,993,890)</b>	<b>\$ (4,629,385)</b>

CITY OF BARSTOW

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>COVID-19 Grants</u>	<u>City Capital Projects</u>		
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ 34,961,386
Licenses and permits	-	-	-	430,332
Intergovernmental	588,106	29,276	1,139,702	5,625,545
Charges for services	-	-	-	1,003,759
Use of money and property	(5,325)	(2,331)	(5,136)	154,154
Fines and forfeitures	-	-	-	163,033
Miscellaneous	-	-	1,450	370,710
<b>Total Revenues</b>	<b>582,781</b>	<b>26,945</b>	<b>1,136,016</b>	<b>42,708,919</b>
<b>Expenditures:</b>				
Current:				
General government	215,992	9,917	-	16,070,310
Public safety	1,832	-	1,605	35,711,833
Community development	-	42,883	409	1,981,876
Parks and recreation	-	-	325	1,487,939
Public works	-	1,717,182	-	5,467,331
Capital outlay	350,043	5,642,568	-	6,843,748
Debt service:				
Principal retirement	-	-	-	155,368
Interest and fiscal charges	-	-	522,276	877,959
<b>Total Expenditures</b>	<b>567,867</b>	<b>7,412,550</b>	<b>524,615</b>	<b>68,596,364</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,914	(7,385,605)	611,401	(25,887,445)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	7,412,546	-	38,734,738
Transfers out	(9,917)	-	(28,462,563)	(38,993,131)
Proceed from leases	-	-	-	463,912
Other debts issued	-	-	28,415,878	28,415,878
<b>Total Other Financing Sources (Uses)</b>	<b>(9,917)</b>	<b>7,412,546</b>	<b>(46,685)</b>	<b>28,621,397</b>
Net Change in Fund Balances	4,997	26,941	564,716	2,733,952
Fund Balances, Beginning of Year	(10,321)	807,489	1,237,932	12,934,645
<b>Fund Balances, End of Year</b>	<b>\$ (5,324)</b>	<b>\$ 834,430</b>	<b>\$ 1,802,648</b>	<b>\$ 15,668,597</b>

**CITY OF BARSTOW**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

Net change in fund balances - total governmental funds \$ 2,733,952

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 6,677,504	
Depreciation	(3,964,235)	
Assets acquired through lease	463,912	
Amortization of leased assets	(212,577)	
Gain/(loss) on sale of capital assets	<u>(832,680)</u>	2,131,924

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Proceeds from debt issuances are reported as a revenue in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.

Principal repayments	550,363	
Lease payments	212,180	
Lease issuance	(463,912)	
Bond issuance	<u>(28,648,000)</u>	(28,349,369)

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. (300,372)

Compensated absences 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. (247,610)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds. The details of this difference are as follows:

Claims and judgements	(953,193)	
Pension-related items	22,793,406	
Other post-employment benefit-related items	<u>(779,160)</u>	21,061,053

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 4,339,360

**Change in Net Position of Governmental Activities \$ 1,368,938**

CITY OF BARSTOW

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2022

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Wastewater Reclamation</b>	<b>Solid Waste Disposal</b>	<b>Totals</b>
<b>Assets:</b>			
Current:			
Cash and investments	\$ 2,042,815	\$ 765,832	\$ 2,808,647
Receivables:			
Accounts	678,488	352,769	1,031,257
Accrued interest	3,105	211	3,316
Prepaid costs	687	684	1,371
<b>Total Current Assets</b>	<b>2,725,095</b>	<b>1,119,496</b>	<b>3,844,591</b>
Noncurrent:			
Capital assets:			
Not being depreciated	3,415,057	-	3,415,057
Net of accumulated depreciation	18,836,580	298,737	19,135,317
<b>Total Noncurrent Assets</b>	<b>22,251,637</b>	<b>298,737</b>	<b>22,550,374</b>
<b>Total Assets</b>	<b>24,976,732</b>	<b>1,418,233</b>	<b>26,394,965</b>
<b>Deferred Outflows of Resources:</b>			
Deferred employer pension contributions	1,645,058	452,637	2,097,695
Deferred outflows of resources - pension related items	313,569	86,278	399,847
<b>Total Deferred Outflows of Resources</b>	<b>1,958,627</b>	<b>538,915</b>	<b>2,497,542</b>
<b>Liabilities:</b>			
Current:			
Accounts payable	405,039	499,753	904,792
Accrued liabilities	70,980	22,889	93,869
Deposits payable	-	44,971	44,971
Accrued compensated absences - due within one year	49,843	5,904	55,747
Pollution remediation liability - due within one year	23,500	-	23,500
Leases payable - due within one year	12,358	-	12,358
<b>Total Current Liabilities</b>	<b>561,720</b>	<b>573,517</b>	<b>1,135,237</b>
Noncurrent:			
Accrued compensated absences - due in more than one year	74,766	8,857	83,623
Pollution remediation liability - due in more than one year	5,427,138	-	5,427,138
Leases payable - due in more than one year	10,068	-	10,068
Net pension liability	884,739	243,436	1,128,175
<b>Total Noncurrent Liabilities</b>	<b>6,396,711</b>	<b>252,293</b>	<b>6,649,004</b>
<b>Total Liabilities</b>	<b>6,958,431</b>	<b>825,810</b>	<b>7,784,241</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows of resources - pension related items	1,075,926	296,041	1,371,967
<b>Total Deferred Inflows of Resources</b>	<b>1,075,926</b>	<b>296,041</b>	<b>1,371,967</b>
<b>Net Position:</b>			
Net investment in capital assets	22,229,211	298,737	22,527,948
Unrestricted (deficit)	(3,328,209)	536,560	(2,791,649)
<b>Total Net Position</b>	<b>\$ 18,901,002</b>	<b>\$ 835,297</b>	<b>\$ 19,736,299</b>

CITY OF BARSTOW

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2022

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Wastewater Reclamation</b>	<b>Solid Waste Disposal</b>	<b>Totals</b>
<b>Operating Revenues:</b>			
Sales and service charges	\$ 5,204,267	\$ 5,733,905	\$ 10,938,172
Miscellaneous	4,682	34,520	39,202
<b>Total Operating Revenues</b>	<b>5,208,949</b>	<b>5,768,425</b>	<b>10,977,374</b>
<b>Operating Expenses:</b>			
Administration and general	1,058,086	713,233	1,771,319
Cost of services	422,017	4,336,680	4,758,697
Claims expense	137,056	16,237	153,293
Depreciation expense	949,799	22,189	971,988
<b>Total Operating Expenses</b>	<b>2,566,958</b>	<b>5,088,339</b>	<b>7,655,297</b>
Operating Income (Loss)	2,641,991	680,086	3,322,077
<b>Nonoperating Revenues (Expenses):</b>			
Interest revenue	-	(3,498)	(3,498)
Interest expense	(5,739)	-	(5,739)
Gain (loss) on disposal of capital assets	(54,873)	-	(54,873)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(60,612)</b>	<b>(3,498)</b>	<b>(64,110)</b>
Income (Loss) Before Transfers	2,581,379	676,588	3,257,967
Transfers in	1,382,944	395,127	1,778,071
Transfers out	(1,519,678)	-	(1,519,678)
Changes in Net Position	2,444,645	1,071,715	3,516,360
<b>Net Position:</b>			
Beginning of Year	16,456,357	(236,418)	16,219,939
<b>End of Fiscal Year</b>	<b>\$ 18,901,002</b>	<b>\$ 835,297</b>	<b>\$ 19,736,299</b>



CITY OF BARSTOW

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2022

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Wastewater Reclamation</b>	<b>Solid Waste Disposal</b>	<b>Totals</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers and users	\$ 5,278,830	\$ 5,750,462	\$ 11,029,292
Cash paid to suppliers for goods and services	(369,372)	(4,350,431)	(4,719,803)
Cash paid to employees for services	(2,857,721)	(1,159,426)	(4,017,147)
Cash received from others	4,682	34,520	39,202
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>2,056,419</b>	<b>275,125</b>	<b>2,331,544</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Cash transfers out	(1,519,678)	-	(1,519,678)
Cash transfers in	1,382,944	395,127	1,778,071
Repayments made to other funds	(283,671)	-	(283,671)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>(420,405)</b>	<b>395,127</b>	<b>(25,278)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	(1,607,751)	-	(1,607,751)
Principal paid on capital debt	(42,985)	-	(42,985)
Interest paid on capital debt	(5,739)	-	(5,739)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(1,656,475)</b>	<b>-</b>	<b>(1,656,475)</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	-	(3,710)	(3,710)
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>-</b>	<b>(3,710)</b>	<b>(3,710)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(20,461)</b>	<b>666,542</b>	<b>646,081</b>
Cash and Cash Equivalents at Beginning of Year	2,063,276	99,290	2,162,566
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 2,042,815</b>	<b>\$ 765,832</b>	<b>\$ 2,808,647</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 2,641,991	\$ 680,086	\$ 3,322,077
<b>Adjustments to Reconcile Operating Income (Loss) Net Cash Provided (Used) by Operating Activities:</b>			
Depreciation	949,799	22,189	971,988
(Increase) decrease in accounts receivable	74,563	11,102	85,665
(Increase) decrease in prepaid expense	162	(20)	142
(Increase) decrease in deferred employer contributions	(1,405,351)	(394,533)	(1,799,884)
(Increase) decrease in deferred outflows of resources - pension	63,760	5,186	68,946
Increase (decrease) in accounts payable and accrued liabilities	172,955	(12,683)	160,272
Increase (decrease) in deposits payable	-	5,455	5,455
Increase (decrease) in net pension liability	(1,236,970)	(270,862)	(1,507,832)
Increase (decrease) in deferred inflows of resources - pension	794,442	227,810	1,022,252
Increase (decrease) in compensated absences	1,068	1,395	2,463
<b>Total Adjustments</b>	<b>(585,572)</b>	<b>(404,961)</b>	<b>(990,533)</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 2,056,419</b>	<b>\$ 275,125</b>	<b>\$ 2,331,544</b>

See Notes to Financial Statements.

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## FIDUCIARY FUND FINANCIAL STATEMENTS

CITY OF BARSTOW

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2022

	<u>Custodial Funds</u>	<u>Private-Purpose Trust Fund</u>
<b>Assets:</b>		
Cash and investments (Note 3)	\$ 183,813	\$ 869,417
Receivables:		
Accounts	75	-
Taxes	-	14,000
Accrued interest receivable	223	313
Due from other governments	-	45,461
Land held for resale	-	2,224,905
<b>Total Assets</b>	<b><u>184,111</u></b>	<b><u>3,154,096</u></b>
<b>Liabilities:</b>		
Accounts payable	1,412	-
Accrued interest	-	12,768
Long-term debt		
Due in one year	-	815,000
<b>Total Liabilities</b>	<b><u>1,412</u></b>	<b><u>827,768</u></b>
<b>Net Position:</b>		
Held in trust for other purposes	182,699	2,326,328
<b>Total Net Position</b>	<b><u>\$ 182,699</u></b>	<b><u>\$ 2,326,328</u></b>

CITY OF BARSTOW

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Custodial Funds</u>	<u>Private-Purpose Trust Fund</u>
<b>Additions:</b>		
Collections for assessment districts	\$ 22,328	\$ -
Intergovernmental	-	914,441
Interest and change in fair value of investments	(520)	(3,886)
<b>Total Additions</b>	<u>21,808</u>	<u>910,555</u>
<b>Deductions:</b>		
Administrative expenses	990	37,000
Contractual services	6,640	-
Interest expense	-	58,203
<b>Total Deductions</b>	<u>7,630</u>	<u>95,203</u>
Net Increase in Fiduciary Net Position	14,178	815,352
Net Position - Beginning	<u>168,521</u>	<u>1,510,976</u>
<b>Net Position - Ending</b>	<u>\$ 182,699</u>	<u>\$ 2,326,328</u>

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# FOOTNOTE DISCLOSURES

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# NOTES TO BASIC FINANCIAL STATEMENTS

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NOTES TO BASIC FINANCIAL STATEMENTS  
FOR YEAR ENDED JUNE 30, 2022

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**Note 1: Summary of Significant Accounting Policies**

The basic financial statements of the City of Barstow California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

**a. Financial Reporting Entity**

The City of Barstow (City) was incorporated on September 30, 1947, under the general laws of the State of California. The City operates under a council-manager form of government and provides the following services: park and recreation, public safety (police and fire), highways and streets, public improvements, planning and zoning, and general administrative services.

The accompanying financial statements include the financial activities of the City, and its component units, the Barstow Public Financing Authority, the Barstow Public Facilities Corporation, the Odessa Water District, the Barstow Harvey House Foundation, Barstow Community Services Foundation, and the Barstow Fire Protection District. Financial information for the City and these components are accounted for in the accompanying financial statements in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board. The City Council serves as the governing board of these component units and, as such, these entities are presented on a blended basis:

The Barstow Public Facilities Corporation (the Facilities Corporation) was established on September 21, 1989, to render financial assistance to the City by financing, refinancing, acquiring, constructing, improving, leasing, selling or otherwise conveying property of any kind to the City. The City Council acts as the Corporation's governing board and exerts significant influence over its operations. The City is responsible for the Facilities Corporation's obligations. Separate financial statements are not produced for the Facilities Corporation.

The Odessa Water District (Odessa) was established on July 5, 1993, pursuant to legislation approved by the State in 1991 to provide water resources to the City. The City Council acts as the District's governing board and exerts significant influence over its operations. The City is responsible for Odessa's obligations. Separate financial statements are produced for the District and may be obtained from the City's Finance Administration Office.

The Barstow Harvey House Foundation (the Foundation) is a nonprofit public benefit corporation established on January 16, 1992, to promote development of the Harvey House historic site, to improve, renovate, and maintain the historic significance of the site. The City Council acts as the Foundation's governing board and exerts significant influence over its operations. The City is responsible for the Foundation's obligations. Separate financial statements are not produced for the Foundation.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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**Note 1: Summary of Significant Accounting Policies (Continued)**

The Barstow Community Services Foundation (the Community Services Foundation) was formed on October 7, 2013 as a non-profit public benefit corporation. The Community Services Foundation will receive, invest and utilize funds and property acquired through the solicitation of contributions, donations, grants, gifts, bequests for the purposes of fostering and promoting community interests, events, and programs promoting and celebrating Barstow, its history and contributions, and any other purpose beneficial to the public. The City Council acts as the Community Services Foundation's governing board and exerts significant influence over its operations. The City is responsible for the Community Services Foundation's obligations. Separate financial statements for the Community Services Foundation are not produced.

The Barstow Fire Protection District (the District) became a component unit of the City on November 17, 2010. Previously the District was an independent district. The District will continue to be operated according to the applicable state fire protection district laws and the property taxes collected within the district will be used exclusively for the administration and operational costs of the district. The City Council acts as the District's governing board and exerts significant influence over its operations. Separate financial statements are produced for the District and may be obtained from the City's Finance Office.

**b. Basis of Accounting and Measurement Focus**

The accounts of the City are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**Government-Wide Financial Statements**

The City's government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These statements are presented on an economic resource's measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses recognized in the period in which the liability is incurred. Grant revenues are recognized when all eligibility requirements imposed by the provider have been met. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34 in regard to interfund activities, payables and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**Governmental Fund Financial Statements**

Governmental funds financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the government-wide financial statements.

The City of Barstow reports the following major governmental funds:

- The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- The Measure I Fund is used to account for money generated by a one-half percent sales tax approved by the voters in 1989 and extended in 2004 by the San Bernardino County voters to continue until 2040. The fund is also used to account for the debt proceeds and related expenditures of the California Communities Local Measure I Sales Tax Revenue Certificates of Participation, Series 2012.
- The Barstow Fire Protection District Special Revenue Fund accounts for operations of the Barstow Fire Protection District which was annexed to the City effective November 17, 2010. The District's main source of revenue is through the collection of property taxes. This constitutes approximately 91% of its revenue source for fiscal year 2022. Minor sources of revenue are fees for permits, plan and specification review, and grants.
- The Grants Fund accounts for transactions related to proceeds from grants restricted for various purposes specified in the respective grant agreements.
- The COVID-19 Grants Fund is used to account for grant expenditures incurred due grants for the Covid-19 pandemic.
- The City Capital Projects Fund accounts for transactions related to proceeds from bonds and other resources and their use to acquire and construct certain capital facilities.

All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The statement of revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally received within 90 days after year-end). The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues, and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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Note 1: Summary of Significant Accounting Policies (Continued)

**Enterprise Fund Financial Statements**

Enterprise fund financial statements include a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows for each major enterprise fund and nonmajor funds aggregated.

The City of Barstow reports one major enterprise fund:

- The Wastewater Reclamation Fund accounts for the operation of the wastewater system. The City and its employees operate the wastewater system and plant.

In addition, the City reports one non- major enterprise fund:

- The Solid Waste Disposal Fund is used to account for the operation of the Solid Waste (trash) utility, a self-supporting activity which renders services on a user charge basis to residents and businesses located in the Barstow area.

Enterprise funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the statement of net position. The statement of revenues, expenses and changes in fund net position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

**Fiduciary Fund Financial Statements**

Fiduciary fund types are accounted for according to the nature of the fund. The custodial funds and the private-purpose trust fund are reported using the economic resources measurement and the accrual basis of accounting.

The City reports the following fiduciary funds:

- Custodial Funds – account for receipt of special taxes and assessments used to pay principal and interest on related bonds with no direct City liability. Custodial funds are also used to account for developer deposits and other small funds for the benefit of other agencies.
- Successor Agency Private Purpose Trust Fund – accounts for assets and liabilities of the Successor Agency Trust Fund.

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**c. Cash and Investments**

The City pools idle cash from all funds for the purpose of increasing income through investment activities. In compliance with Governmental Accounting Standards Board Statement No. 31, the City's investments are stated at fair value. Fair market value is used for those securities for which market quotations are readily available. For securities that lack readily available market quotations, reasonable estimates of fair value are used based on the market value of similar investments. The City generally holds all investments until maturity or until market values equal or exceed cost. Therefore, the fair value of securities in the investment pool does not necessarily reflect realized gains or losses but rather the fair value of those investments as of June 30, 2022.

**d. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the City considered all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All pooled cash and investments of the enterprise funds are considered cash equivalents.

**e. Use of Estimates**

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

**f. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances to other funds, as reported in the fund financial statements, are offset by a non-spendable fund balance.

Governmental fund and enterprise fund receivables are shown net of an allowance for uncollectible amounts. Residential utility customers are billed bi-monthly on an alternating basis. Commercial and multi-family customers are billed monthly.

Property taxes are assessed, collected and allocated by San Bernardino County throughout the fiscal year according to the following property tax calendar:

Lien Date	January 1
Levy Date	July 1 to June 30
Due Dates	November 1, 1st Installment February 1, 2nd Installment
Delinquent Dates	December 11, 1st Installment April 11, 2nd Installment

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

City property tax revenues are recognized when levied to the extent that they result in current receivables. The City elected to participate in the County of San Bernardino Teeter Plan guaranteed payment as of June 30, 1993.

The County of San Bernardino collects an administration fee from the City for its services. The City receives a percentage of the basic 1% ad valorem tax rate allowed on property within the City of Barstow. Property tax rates for the City's general obligation debt are set by the City Council based on assessed valuations and debt service requirements. The assessed valuation is at "full cash value."

**g. Inventories and Prepayments**

Inventory is valued at cost using the first in, first out method. The City uses the consumption method of accounting for inventories. Certain types of goods and services such as payments to vendors and pension costs are paid in advance and reflect costs applicable to future accounting periods and are recorded as prepaid items.

**h. Use of Restricted/Unrestricted Net Position**

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

**i. Capital Assets**

The City's buildings, machinery, equipment, infrastructure and intangible assets with useful lives of more than two years are stated at historical cost or estimated historical cost and reported in the government-wide financial statements. Enterprise capital assets are also reported in their respective fund financial statements. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The City updated its Capital Asset Policy on June 16, 2014 per Council approval. The City capitalizes its assets as follows:

Buildings and building improvements	Costs of \$50,000 or more
Furniture	Costs of \$10,000 or more
Equipment	Costs of \$20,000 or more
Infrastructure	Costs of \$100,000 or more
Right to use leased assets	Shorter of the leased asset's useful life or the lease term

The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Amortization of assets acquired under capital leases is based on the shorter of the lease term or the estimated useful life of the asset and is included in depreciation and amortization. Water rights, which are intangible assets, are not amortized. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	50 years
Infrastructure and improvements other than buildings	10-100 years
Machinery and equipment	3-15 years



NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**j. Compensated Absence Payable**

Under certain circumstances and according to negotiated labor agreements, employees of the City are allowed to accumulate vacation leave, compensation time, and sick leave. This amount is included as a liability in the government-wide and enterprise fund financial statements.

**k. Long-Term Obligations**

In the government-wide financial statements and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise fund type statement of net position.

**l. Net Position and Fund Equity**

In the government-wide financial statements, net position is classified in the following categories:

*Net Investment in Capital Assets:* This category groups all capital assets into one component of net position. Accumulated depreciation on these assets and the outstanding principal of related debt reduce this category.

*Restricted Net Position:* This category represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Position:* This category represents the net position of the City that are not externally restricted for any project or other purpose.

In the fund financial statements, governmental funds are classified in the following categories:

*Non-spendable Fund Balance* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

*Restricted Fund Balance* – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

*Committed Fund Balance* – is the portion of fund balance that can only be used for specific purpose due to formal action of the City Council through adoption of a resolution prior to the end of the fiscal year. Once adopted, the limitation imposed by resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. No amounts have been reported within this category of fund balance.

*Assigned Fund Balance* – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (a) City Council or (b) a body (a budget, finance committee, or management

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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**Note 1: Summary of Significant Accounting Policies (Continued)**

(City Wide Leadership team, which consists of City Manager and Executive Department Heads)) to which the assigned amounts are to be used for specific purposes. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) other than the General Fund, that are not classified as non-spendable, restricted, or committed.

*Unassigned Fund Balance* – the residual classification for the General Fund and includes all not contained in the other classifications. Governmental funds report residual negative balances as unassigned fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

**m. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, 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 or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, 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.

**n. Pension**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan and San Bernardino County Employees' Retirement Association (SBCERA) plan (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and SBCERA. 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.

**o. Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Valuation Date June 30, 2021  
 Measurement Date June 30, 2021  
 Measurement Period July 1, 2020 to June 30, 2021

**Note 2: Cash and Investments**

Cash and investments are reported in the accompanying financial statements as follows:

Government-Wide Statement of Net Position

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and Investments	\$ 16,295,096	\$ 2,808,647	\$ 1,053,230	\$ 20,156,973
Total Cash and Investments	<u>\$ 16,295,096</u>	<u>\$ 2,808,647</u>	<u>\$ 1,053,230</u>	<u>\$ 20,156,973</u>

Cash and investments as of June 30, 2022 consist of the following:

Deposits:	
Cash on Hand	\$ 2,040
Deposits with Financial Institution	10,594,748
Total Deposits	<u>10,596,788</u>
Investments	
Local Agency Investment Fund	9,560,185
Total Investments	<u>9,560,185</u>
Total City Treasury	<u>20,156,973</u>
Total Cash and Investments	<u>\$ 20,156,973</u>

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund. The carrying amount of the City's cash deposit was \$10,594,748 at June 30, 2022. Bank balances before reconciling items were \$10,856,242 the total amount of which was insured and/or collateralized with securities held by pledging financial institutions in the City's name as discussed in note 2.f.

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

Note 2: Cash and Investments (Continued)

a. Investments Authorized by the California Government Code and the City of Barstow Adopted Investment Policy

The table below identifies the investment types that are authorized for the City of Barstow by the California Government Code and by the City's adopted investment policy. The table also identifies certain provisions of the California Government Code or the City's adopted investment policy, where more restrictive, that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City or its authorities, rather than the general provisions of the California Government Code or the City's adopted investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Bills, Notes, or Bonds	None	None	None
U.S. Agencies	None	None	None
CA Warrants, Treasury Notes and Bonds	None	None	None
Local Agency	5 Years	N/A	N/A
Negotiable Certificates of Deposit	N/A	30%	50%
Bankers' Acceptance	180 Days	40%	30%
Prime Commercial Paper	270 Days	25%	None
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 Days	20%	None
Mutual Funds Investing in Eligible	N/A	20%	10%
Medium Term Notes	5 Years	30%	None
Mortgage Backed Securities	5 Years	20%	None
Local Agency Investment Fund (LAIF) *	N/A	None	\$75 million
Federal Agency	None	None	None

\*Limit set by LAIF Governing Board, not Government Code

b. Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee is governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the City's investment policy.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

Note 2: Cash and Investments (Continued)

c. Disclosures Related to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates that adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type	Fair Value	Investment Maturities (in years) 1 Year or Less
Local Agent Investment Fund	\$ 9,560,185	\$ 9,560,185
Total	<u>\$ 9,560,185</u>	<u>\$ 9,560,185</u>

d. Disclosures Related to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code or the City's investment policy, and the actual rating as of year-end for each investment type.

Investment Type	Fair Value	Legal Minimum Rating	Rating as of Year End Not Rated
Local Agency Investment	\$ 9,560,185	N/A	\$ 9,560,185
Total	<u>\$ 9,560,185</u>		<u>\$ 9,560,185</u>

Concentration of Credit Risk

The City's investment policy contains certain limitations as disclosed in the accompanying table on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. The City has not invested more than 5% of its total investment value with any one issuer.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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**Note 2: Cash and Investments (Continued)**

**e. Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, \$10,594,748 of the City's deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts.

**f. Local Agency Investment Fund**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The balance is available for withdrawal on demand. The City's investments with LAIF at June 30, 2022, include a portion of the pooled funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structures Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2022, the City had \$9,560,185 invested in LAIF, which had invested 1.14% of the pool investment funds in Structured Notes and Asset-Backed Securities. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The fair value of LAIF was calculated by applying a factor of 0.987125414 to the total investments held by LAIF.

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

**Note 2: Cash and Investments (Continued)**

**g. Investment Valuation**

Investments (except for money market accounts included in investments classified as restricted cash and investments) are measured at fair value on a recurring basis. *Recurring* fair value measurements, are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investment fair value measurements at June 30, 2022 are described on the following page.

Investments included in restricted cash and investments included money market accounts and guaranteed investment contracts are not subject to fair value measurement.

Investment Type	Fair Value	Not Subjected to Disclosure
Local Agency Investment Fund	\$ 9,560,185	\$ 9,560,185
Total Investment Subject to Fair Value	<u>\$ 9,560,185</u>	<u>\$ 9,560,185</u>

**Note 3: Accounts Receivable**

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

	Accounts Receivable	Allowances for Uncollectibles	Accounts Receivable, Net
Governmental Funds:			
General Fund	\$ 478,945	\$ (101,488)	\$ 377,457
Measure I	1,086,213	-	1,086,213
Barstow Fire Protection District	71,535	-	71,535
Grants Fund	4,629,175	-	4,629,175
Non Major Funds	88,855	-	88,855
Proprietary Funds:			
Wastewater Reclamation	771,966	(93,478)	678,488
Solid Waste Disposal	435,664	(82,895)	352,769
Fiduciary Funds:			
Custodial Funds	75	-	75
	<u>\$ 7,562,428</u>	<u>\$ (277,861)</u>	<u>\$ 7,284,567</u>

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 4: Interfund Balances**

The following table presents the interfund balances as of June 30, 2022:

<u>Due to General Fund</u>	<u>Due From Other Funds</u>
Grants Fund	\$ 4,422,657
Non-Major Governmental Funds	14,933
Total	<u>\$ 4,437,590</u>

Capital projects, funded by reimbursable grants and capital allocations from Federal, State, and County sources, were approved by the City Council with the understanding that the General Fund lends monies to other funds with the expectation that the amounts will be repaid based on contractual commitments from other governmental entities. The Grants Special Revenue Fund and Non-Major Governmental Funds have expenses for which the expected reimbursement has not yet been received as of June 30, 2022.

The following table presents advances as of June 30, 2022:

	<u>Advances From Other Funds</u>		<u>Total</u>
	<u>Measure I Special Revenue Fund</u>	<u>Barstow Fire Protection District Special Revenue Fund</u>	
Advances to Other Funds			
General Fund	<u>\$ 1,700,000</u>	<u>\$ 4,817,392</u>	<u>\$ 6,517,392</u>
Total	<u>\$ 1,700,000</u>	<u>\$ 4,817,392</u>	<u>\$ 6,517,392</u>

In fiscal year 2016, the General Fund advanced \$2,000,000 to the Measure I Special Revenue Fund to complete the Henderson/Cameron Area Road Project. Per San Bernardino County Transportation Authority (SBCTA), interest may not be charged on Measure I funds. As of June 30, 2022, the total amount owed to the General Fund is \$ 1,700,000.

Beginning in fiscal year 2015, the General Fund began advancing funds to the Barstow Fire Protection District Special Revenue Fund to cover operational expenditures for each fiscal year. Funds advanced accumulated to \$4,153,696 as of July 1, 2018. On October 1, 2018, the City and the Barstow Fire Protection District entered into a formal loan agreement with the balance due to be paid over a period of 5 years at a zero percent interest rate. The City has the option to declare at any point in time that the entire principal amount outstanding will be due and payable upon request. In fiscal year 2021, the General Fund advanced the Barstow Fire Protection District an additional \$1,243,696. As of June 30, 2022, the total amount owed to the General Fund from the Barstow Fire Protection District Special Revenue Fund is \$ 4,817,392.



**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 4: Interfund Transfers (Continued)**

With Council approval, resources are transferred from one City fund to another. The transfers reflected are to record capital outlay and debt service for the year. The transfers between governmental funds have been eliminated in the government-wide statements.

In the fund financial statements, transfers were as follows:

Transfers Out	Transfers In					Total
	General Fund	Barstow Fire Protection District	City Capital Projects	Wastewater Reclamation	Solid Waste	
<b>Governmental Funds:</b>						
General	\$ -	\$ 3,733,703	\$ 128,838	\$ -	\$ -	\$ 3,862,541
Measure I	870,339	-	596,065	-	-	1,466,404
Grants	-	-	5,111,706	-	-	5,111,706
COVID-19 Grants	-	-	9,917	-	-	9,917
Non-Major Governmental Funds	18,583,273	8,134,877	46,342	1,382,944	395,127	28,542,563
<b>Proprietary Funds:</b>						
Wastewater Reclamation	-	-	1,519,678	-	-	1,519,678
<b>Total</b>	<b>\$ 19,453,612</b>	<b>\$ 11,868,580</b>	<b>\$ 7,412,546</b>	<b>\$ 1,382,944</b>	<b>\$ 395,127</b>	<b>\$ 40,512,809</b>

**Note 5: Capital Assets**

A summary of changes in the governmental activities capital assets at June 30, 2022 is as follows:

	Balance July 1, 2021	Transfers of CIP	Increases	Decreases	Balance June 30, 2022
<b>Non-Depreciable Assets:</b>					
Work in Progress	\$ 13,361,468	\$ (1,953,910)	\$ 5,802,866	\$ -	\$ 17,210,424
Land	9,702,484	-	-	-	9,702,484
Intangible Asset-Water Rights	85,000	-	-	-	85,000
<b>Total Non-Depreciable Assets</b>	<b>23,148,952</b>	<b>(1,953,910)</b>	<b>5,802,866</b>	<b>-</b>	<b>26,997,908</b>
<b>Depreciable Assets:</b>					
Buildings and Improvements	25,336,328	-	276,431	104,000	25,508,759
Machinery and Equipment	6,712,195	104,212	592,453	2,210,550	5,198,310
Right to Use - Leased Equipment	-	-	463,912	-	463,912
Infrastructure	113,332,068	1,849,698	5,753	-	115,187,519
<b>Total Depreciable Assets</b>	<b>145,380,591</b>	<b>1,953,910</b>	<b>1,338,549</b>	<b>2,314,550</b>	<b>146,358,500</b>
<b>Less Accumulated Depreciation:</b>					
Buildings and Improvements	15,670,952	-	488,238	104,000	16,055,190
Machinery and Equipment	4,294,621	-	429,521	1,377,870	3,346,272
Right to Use - Leased Equipment	-	-	212,577	-	212,577
Infrastructure	63,776,141	-	3,046,475	-	66,822,616
<b>Total Accumulated Depreciation</b>	<b>83,741,714</b>	<b>-</b>	<b>4,176,811</b>	<b>1,481,870</b>	<b>86,436,655</b>
<b>Total Depreciable Assets, Net</b>	<b>61,638,877</b>	<b>1,953,910</b>	<b>(2,838,262)</b>	<b>832,680</b>	<b>59,921,845</b>
<b>Total Capital Assets</b>	<b>\$ 84,787,829</b>	<b>\$ -</b>	<b>\$ 2,964,604</b>	<b>\$ 832,680</b>	<b>\$ 86,919,753</b>

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

Note 5: Capital Assets (Continued)

A summary of changes in the business-type activities capital assets at June 30, 2022 is as follows:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Non-Depreciable Assets:				
Work in Progress	\$ 237,741	\$ 1,519,679	\$ -	\$ 1,757,420
Land	1,657,637	-	-	1,657,637
Total Non-Depreciable Assets	<u>1,895,378</u>	<u>1,519,679</u>	<u>-</u>	<u>3,415,057</u>
Depreciable Assets:				
Buildings and Improvements	306,094	-	-	306,094
Machinery and Equipment	2,781,491	49,687	118,333	2,712,845
Right to Use - Leased Equipment	-	38,386	-	38,386
Infrastructure	31,369,761	-	-	31,369,761
Total Depreciable Assets	<u>34,457,346</u>	<u>88,073</u>	<u>118,333</u>	<u>34,427,086</u>
Less Accumulated Depreciation:				
Buildings and Improvements	217,298	6,418	-	223,716
Machinery and Equipment	1,216,665	151,978	63,461	1,305,182
Right to Use - Leased Equipment	-	16,033	-	16,033
Infrastructure	12,949,279	797,559	-	13,746,838
Total Accumulated Depreciation	<u>14,383,242</u>	<u>971,988</u>	<u>63,461</u>	<u>15,291,769</u>
Total Depreciable Assets, Net	<u>20,074,104</u>	<u>(883,915)</u>	<u>54,872</u>	<u>19,135,317</u>
<b>Total Capital Assets</b>	<b><u>\$ 21,969,482</u></b>	<b><u>\$ 635,764</u></b>	<b><u>\$ 54,872</u></b>	<b><u>\$ 22,550,374</u></b>

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

	Governmental Activities	Business-Type Activities
General Government	\$ 563,346	\$ -
Public Safety	222,700	-
Recreation	224,704	-
Community Development	6,258	-
Public Works	3,159,804	-
Wastewater Reclamation	-	949,799
Solid Waste Disposal	-	22,189
<b>Total Depreciation Expense</b>	<b><u>\$ 4,176,812</u></b>	<b><u>\$ 971,988</u></b>

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 6: Long-Term Debt**

During the year ended June 30, 2022, the following changes occurred in liabilities reported in long-term debt:

	Balance June 30, 2021	Additions	Deletions/ Adjustments	Balance June 30, 2022	Due Within One Year
<b>Governmental Activities:</b>					
Lease Revenue Bonds	\$ -	\$ 8,245,878	\$ -	\$ 8,245,878	\$ 589,386
Pension Obligation Bonds	-	20,170,000	-	20,170,000	1,020,000
Loans Payable	1,594,224	232,122	(550,363)	1,275,983	136,774
Total Governmental Activities	<u>\$ 1,594,224</u>	<u>\$ 28,648,000</u>	<u>\$ (550,363)</u>	<u>\$ 29,691,861</u>	<u>\$ 1,746,160</u>

**a. Lease Revenue Bonds**

In November 2021, the City of Barstow issued \$8,245,878 of 2021 Lease Revenue Bonds at a fixed interest rate of 2.98%. The bonds were issued to provide funds for the Barstow Fire Protection District to refinance its payment obligation to the San Bernardino County Employees' Retirement Association. The payments under the agreement are due on July 1 and January 1 of each year and mature through July 2036.

Annual debt service requirements to maturity for the 2021 Lease Revenue Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 589,386	\$ 262,883	\$ 852,269
2024	448,714	221,478	670,192
2025	462,086	207,907	669,993
2026	475,856	193,931	669,787
2027	490,036	179,540	669,576
2028-2032	2,678,218	666,355	3,344,573
2033-2037	3,101,582	236,501	3,338,083
	<u>\$ 8,245,878</u>	<u>\$ 1,968,595</u>	<u>\$ 10,214,473</u>

**b. Pension Obligation Bonds**

In April 2022, the City of Barstow issued \$20,170,000 of the 2022 Taxable Pension Obligation Bonds (POBs). The bonds were issued to refund a portion of the City's obligations to the California Public Employee's Retirement System ("CalPERS") under the CalPERS contracts, evidencing all of the City's obligation to pay the City's unfunded actuarial liability to CalPERS. The payments under the agreement are due June and December of each year with interest rates ranging from 3.109% to 4.560% and mature through June 2033.

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 6: Long-Term Debt (Continued)**

Annual debt service requirements to maturity for the 2022 Taxable Pension Obligation Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 589,386	\$ 262,883	\$ 852,269
2024	448,714	221,478	670,192
2025	462,086	207,907	669,993
2026	475,856	193,931	669,787
2027	490,036	179,540	669,576
2028-2032	2,678,218	666,355	3,344,573
2033-2037	3,101,672	236,501	3,338,173
	<u>\$ 5,144,296</u>	<u>\$ 1,732,094</u>	<u>\$ 4,014,149</u>

**c. Loans Payable**

In fiscal year 2021, the City entered into an equipment purchase agreement to finance the cost to refurbish a fire engine, and purchase a new fire apparatus, and hydraulic lift to service the fire apparatus. The total available financing is \$ 1,242,878. During fiscal year 2021-22 the remaining balance of the available funding was utilized. The City is required to make semi-annual payments of \$83,601, including principal and interest at a rate of 2.45% until the year 2030.

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 136,774	\$ 30,429	\$ 167,203
2024	140,145	27,057	167,202
2025	143,600	23,603	167,203
2026	147,140	20,063	167,203
2027	150,767	16,436	167,203
2028-2031	557,557	27,653	585,210
	<u>\$ 1,275,983</u>	<u>\$ 145,241</u>	<u>\$ 752,413</u>

**Note 7: Compensated Absences**

The City's policy relating to compensated absences is described in Note 1. Compensated absences are liquidated primarily by the General Fund and the Enterprise Funds. The total amount outstanding at June 30, 2022, was \$ 2,104,560 for governmental activities and \$139,370 for business-type activities.

	Balance June 30, 2021	Incurred	Satisfied	Balance June 30, 2022	Due Within One Year
Governmental Activities	<u>\$ 1,856,950</u>	<u>\$ 1,069,105</u>	<u>\$ (821,496)</u>	<u>\$ 2,104,559</u>	<u>\$ 841,824</u>
Business Type Activities	<u>\$ 136,907</u>	<u>\$ 80,732</u>	<u>\$ (78,270)</u>	<u>\$ 139,370</u>	<u>\$ 55,747</u>

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 8: Leases**

The City implemented GASB Statement No. 87 in the fiscal year ended June 30, 2022. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

**a. Leases Receivable and Deferred Inflows of Resources**

The City leases land and buildings to various companies. The terms by lease type are listed in the table below. Some leases have extension options of ranging from 1.83 to 44.58 years. An initial lease receivable was recorded in the amount of \$466,491. As of June 30, 2022, the value of the lease receivable is \$409,525. The value of the deferred inflow of resources as of June 30, 2022 was \$402,355, and the amortization of the deferred inflow during the year totaled \$64,135. The City recognized lease revenue of \$114,454 during the fiscal year which included \$64,135 related to the amortization of the deferred inflow and \$50,319 for variable and other payments, including short term leases, not included in the measurement of the lease receivable under GASB 87.

The principal and interest payments that are expected to maturity are as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 59,508	\$ 8,039	\$ 67,547
2024	46,383	7,492	53,875
2025	48,076	6,962	55,038
2026	22,785	6,479	29,264
2027	3,315	6,339	9,654
2028 - 2032	18,007	30,265	48,272
2033 - 2037	20,649	27,623	48,272
2038 - 2042	23,679	24,594	48,273
2043 - 2047	27,153	21,120	48,273
2048 - 2052	31,137	17,136	48,273
2053 - 2057	35,705	12,567	48,272
2058 - 2062	40,944	7,328	48,272
2063 - 2067	32,184	1,605	33,789
Total	\$ 409,525	\$ 177,549	\$ 587,074

**b. Lease Payable and Right to Use Lease Assets**

The City entered into a master lease agreement with Enterprise FM Trust for the lease of vehicles. The terms range from 36 to 60 months from the date the lease is entered into. The City is required to make monthly payments ranging from \$266 to \$1,461. The leases have an interest rate of ranging from 0.5925% to 2.4806%. The City also leases printers, postage machines and copiers with terms ranging from 36 to 60 months. The City is required to make monthly payments ranging from \$178 to \$815. The leases have an interest rate of 0.8453%.

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

**Note 8: Leases**

An initial lease liability was recorded in the amount of \$470,306. As of June 30, 2022, the value of the lease liability is \$274,158.

Right-to-use leased assets include the following at June 30, 2022:

Lease Type	Major Class of Underlying Asset	Amount of Leased Capital Assets	Accumulated Amortization
Equipment	Right-to-Use Leased Equipment	\$ 502,298	\$ 228,610
Total		<u>\$ 502,298</u>	<u>\$ 228,610</u>

Future principal and interest requirements to maturity for the lease liability are as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 192,977	\$ 1,564	\$ 194,541
2024	33,296	712	34,008
2025	13,856	392	14,248
2026	6,568	213	6,781
2027	5,035	52	5,087
Total	<u>\$ 251,732</u>	<u>\$ 2,933</u>	<u>\$ 254,665</u>

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 12,358	\$ 128	\$ 12,486
2024	7,094	58	7,152
2025	2,974	6	2,980
Total	<u>\$ 22,426</u>	<u>\$ 192</u>	<u>\$ 22,618</u>

**Note 9: Pollution Remediation Liability**

During the year ended June 30, 2022, the following changes occurred in the City's Pollution Remediation Liability

	Balance June 30, 2021	Additions	Deletions/ Adjustments	Balance June 30, 2022	Due Within One Year
<b>Business Type Activities:</b>					
Pollution Remediation Liability	<u>\$ 5,468,992</u>	<u>\$ -</u>	<u>\$ (18,354)</u>	<u>\$ 5,450,638</u>	<u>\$ 23,500</u>

On August 2, 2006, the California Regional Water Quality Board issued an order requiring the City of Barstow to take remediation action for wastewater discharges resulting in alleged increases in the nitrate levels in the water supply resulting from the City's wastewater plant. Major long-term costs associated with the project include quarterly well sampling and reporting; operation and maintenance of a groundwater remediation system; and replacement drinking water to select residents. In 2015, the City completed the Phase I Improvement Project, which resulted in an improved effluent water quality from the Barstow Wastewater Treatment Plant. In 2019, the California Regional Water Quality Control Board issued a new discharge permit

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 9: Pollution Remediation Liability (Continued)**

that encompassed new and revised sampling requirements for the treatment plant and the surrounding monitoring wells. During this time the Regional Water Quality Control Board removed the Cease and Desist Order against the City of Barstow. To date approximately \$3,404,362 has been spent. Implementation of the mitigation order has been delayed pending the outcome of the discussions with the Regional Water Quality Board to include perchlorate remediation, (which is not the City's responsibility) with nitrate remediation. The City anticipates spending \$23,500 for the operating and testing costs in fiscal year 2022 and will continue the monitoring costs relating to legal mandates such as regulatory agency orders, court orders or other affirmative legal obligations. A summary of the components of the pollution remediation liability at June 30, 2022 is as follows:

<u>Obligating Event</u>	<u>Liability</u>
Quarterly and Maintenance of Groundwater	\$ 10,625
Operation and Maintenance of Ground Water	1,202
Replacement Drinking Water	6,528
Total by Obligating Event	<u>\$ 18,355</u>

**Method and Assumption**

With the adoption of GASB 49, the pollution remediation sites on the property managed and operated by the City were evaluated. The City applied the requirements of GASB 49 and measured the environmental liabilities for pollution remediation sites using the expected cash flow technique. The measurements are based on the current value of the outlays expected to be incurred. The cash flow scenarios include components which can be reasonably estimated for outlays such as testing, monitoring, legal services and indirect outlays. Reasonable estimates of ranges of possible cash flows are limited from a single scenario to a few scenarios. Data used to develop the cash flow scenarios is obtained from outside consultants and City staff.

Changes to estimates will be made when new information becomes available, increases or reductions in price, changes in technology, or changes in applicable laws or regulations. At a minimum, the City will evaluate the estimates for the pollution remediation sites when the following benchmarks occur.

- Receipt of an administrative order.
- Participation, as a responsible party or a potentially responsible party, in the site assessment or investigation.
- Completion of a corrective measures feasibility study.
- Issuance of an authorization to proceed.
- Remediation design and implementation, through and including operation and maintenance and post remediation monitoring.

**Note 10: Risk Management**

The City is a member of Public Entity Risk Management Authority (PERMA), a joint powers insurance authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. PERMA is comprised of thirty-one participating member agencies: twenty-one cities, four transit agencies and six special districts. PERMA is governed by a Board of Directors which consists of one director from each member agency. The City participates in the Liability, Workers' Compensation, Employment Practices Liability, Property Insurance, Auto Physical Damage, Cyber Liability, and Crime Coverage insurance programs of PERMA.

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

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**Note 10: Risk Management (Continued)**

The Liability program provides coverage up to \$50 million per occurrence for personal injury, bodily injury, property damage and public officials' errors and omissions. The City self-insures up to \$125,000 per occurrence and participates in risk sharing pools for losses up to \$1 million followed by PERMA's membership in the Public Risk Innovation, Solutions, and Management (PRISM) for \$49 million excess liability coverage. PERMA administers the City's liability claims.

The Workers' Compensation program provides statutory limits per accident for workers' compensation and \$5 million each accident for employers' liability. The City self-insures up to \$250,000 per accident or employee and participates in a risk sharing pool for losses up to \$500,000 followed by PERMA's membership in the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX) for excess coverage. A third-party administrator administers the City's workers' compensation claims.

The Employment Practices Liability program provides up to \$1 million coverage for employment related lawsuits, such as wrongful termination and discrimination. The City self-insures up to \$25,000 per occurrence and participates in the Employment Risk Management Authority (ERMA) for losses up to \$1 million. Coverage above \$1 million and up to \$50 million is available through PERMA's membership in PRISM for excess liability coverage.

The Property Insurance program is group purchased under a master property insurance policy with accumulated values from all participants effecting lower rates and broader coverage for members. The program covers real property, business personal property, inland marine coverage for special mobile equipment and business interruption. Commercial property coverage is written on a replacement cost basis and all risk, eliminating the traditional commercial "named peril" policy.

The Auto Physical Damage program is also group purchased under a master insurance policy with accumulated values from all participants effecting lower rates for members. Auto physical damage coverage is written on an agreed amount basis.

The Cyber Liability program is also group purchased under a master insurance policy and provides coverage for information security and privacy liability, privacy notification costs, regulatory defense and penalties, website media content liability, cyber extortion, first party data protection, and business interruption losses. The program provides its insureds with access to a breach response team consisting of privacy expert attorneys, forensic specialists to determine scope of breach, notification vendors, and credit monitoring services at preferred rates.

The Crime Coverage program is also group purchased under a master insurance policy and provides coverage up to \$1,000,000 for employee theft, forgery or alteration, computer fraud and funds transfer fraud.

None of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage for the past three (3) years. There have been no reductions in pooled or insured coverage from coverage in the prior year. General fund resources would be typically used to liquidate the claims liability, should the need arise.

The claims liability is estimated based on actuarial studies of the Liability and Workers' Compensation program. The actuary used a 65% confidence level and discounted the liabilities using a 2% interest rate.



CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

Note 10: Risk Management (Continued)

	2022	2021	2020
<u>Workers' Compensation</u>			
Liability, July 1	\$2,878,475	\$ 2,370,315	\$ 1,683,201
Incurring Claims and Changes in Estimates	1,888,420	677,615	1,407,654
Claim Payments	<u>(1,672,242)</u>	<u>(169,455)</u>	<u>(720,540)</u>
Liability, June 30	<u>\$3,094,653</u>	<u>\$ 2,878,475</u>	<u>\$ 2,370,315</u>
Due Within One Year	\$ 618,931	\$ 575,695	\$ 474,063
Due in More Than One Year	<u>2,475,722</u>	<u>2,302,780</u>	<u>1,896,252</u>
	<u>\$3,094,653</u>	<u>\$ 2,878,475</u>	<u>\$ 2,370,315</u>
<u>General Liability</u>			
Liability, July 1	\$ 484,590	\$ 239,823	\$ 278,058
Incurring Claims and Changes in Estimates	918,061	1,635,798	(158)
Claim Payments	<u>(181,046)</u>	<u>(1,391,031)</u>	<u>(186,996)</u>
Liability, June 30	<u>\$1,221,605</u>	<u>\$ 484,590</u>	<u>\$ 90,904</u>
Due Within One Year	\$ 305,401	\$ 121,147	\$ 59,956
Due in More Than One Year	<u>916,204</u>	<u>363,443</u>	<u>30,948</u>
	<u>\$1,221,605</u>	<u>\$ 484,590</u>	<u>\$ 90,904</u>

Note 11: Retirement Plans

a. Summary of Pension Plan Balances

Pension related balances presented on the Statement of Net Position as of the June 30, 2022, by individual plan are described in the following table:

	Deferred Employer Contributions	Deferred Outflows- Pension	Net Pension Liability	Deferred Inflows- Pension	Pension Expense
CalPERS Cost Sharing Plan	\$ 23,404,058	\$ 4,143,835	\$ (14,864,924)	\$ (13,177,311)	\$ (345,830)
SBCERA- Barstow Fire Protection District	2,141,231	7,326,724	(8,433,660)	(10,719,675)	993,086
Total	<u>\$ 25,545,289</u>	<u>\$ 11,470,559</u>	<u>\$ (23,298,584)</u>	<u>\$ (23,896,986)</u>	<u>\$ 647,256</u>

b. CALPERS Safety and Miscellaneous Employees Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors four rate plans (two miscellaneous and two safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 11: Retirement Plans (Continued)**

Benefits Provided

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

The rate plan provisions and benefits in effect at the measurement date are summarized as follows:

	<u>Safety - Classic</u>	<u>Miscellaneous - Classic</u>
Hire Date	Prior to January 1, 2013	Prior to January 1, 2013
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payment	Monthly For Life	Monthly For Life
Retirement Age	50	55
Monthly Benefits, as a % of Annual Salary	3%	2.7%
Required Employee Contribution Rates	8.990%	7.960%
Required Employer Contribution Rates	23.710%	14.020%
Required UAL Payment	\$ 1,102,174	\$ 1,236,601
	<u>Safety - PEPRA</u>	<u>Miscellaneous - PEPRA</u>
Hire Date	On or After January 1, 2013	On or After January 1, 2013
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payment	Monthly For Life	Monthly For Life
Retirement Age	57	62
Monthly Benefits, as a % of Annual Salary	2.70%	2.00%
Required Employee Contribution Rates	13.000%	6.750%
Required Employer Contribution Rates	13.130%	7.590%
Required UAL Payment	\$ 5,847	\$ 17,010

**Contributions** – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are to be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is 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. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City's contributions to the Plan for the measurement period ended June 30, 2021, recognized as a reduction to the net pension liability were \$3,743,988.

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

As of June 30, 2022, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$14,864,924. During the 2021-2022 fiscal year, the City issued the 2022 Taxable Pension Obligation Bonds (POBs) to refund a portion of the City's obligations to the California Public Employee's Retirement System ("CalPERS") under the CalPERS contracts.

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

Note 11: Retirement Plans (Continued)

The City's net pension liability for the Plan is measured as the proportionate share of the total net pension liability of the Plan. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2021. The City's proportionate of the net pension liability was based on the City's plan liability and asset-related information where available, and proportional allocations of individual plan amounts as of the valuation date where not available.

The City's proportionate share of the net pension liability for the Plan as of the measurement dates June 30, 2020 and 2021 were as follows:

Proportion - June 30, 2020	0.26490%
Proportion - June 30, 2021	<u>0.39191%</u>
Change - Increase (Decrease)	0.12701%

For the year ended June 30, 2022, the City recognized pension expense of (\$345,830). At June 30, 2022, the City 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
Pension Contributions Subsequent to Measurement Date	\$ 23,404,058	\$ -
Changes of Assumptions	-	-
Differences Between Expected and Actual	2,207,799	-
Changes in Employer's Proportion	1,936,036	-
Differences Between the Employer's Contribution and the Employer's Proportionate Share of Contributions	-	(2,759,798)
Net Differences Between Projected and Actual Earnings on Plan Investments	-	(10,417,513)
Total	<u>\$ 27,547,893</u>	<u>\$ (13,177,311)</u>

\$23,404,058 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023.

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

Measurement Period Ending June 30:	
2022	\$ (1,825,820)
2023	(2,022,961)
2024	(2,312,205)
2025	<u>(2,872,490)</u>
Total	<u>\$ (9,033,476)</u>

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

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**Note 11: Retirement Plans (Continued)**

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2021, actuarial valuations were determined using the following actuarial assumptions:

Actuarial Cost Method	Entry - Age Normal in Accordance with the Requirements of GASB 68
Actuarial Assumptions:	
Discount Rate	7.00%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Mortality Rate Table	Derived by CalPERS Membership Data for All Funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019, valuation were based on the results of a January 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

**Change of Assumptions** - There were no changes in assumptions.

**Subsequent Events** - There were no subsequent events to the plan that would materially affect the results presented.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.00% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.00 percent discount rate is adequate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.0 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

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

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

**Note 11: Retirement Plans (Continued)**

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 rates of return are net of administrative expenses.

Asset Class <sup>1</sup>	New Strategic Allocation	Real Return Years 1 - 10(a) <sup>2</sup>	Real Return Years 11+(b) <sup>3</sup>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	-	-0.92%
Total	100.00%		

<sup>1</sup> In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

<sup>2</sup> An Expected Inflation of 2.00% Used for this Period.

<sup>3</sup> An Expected Inflation of 2.92% Used for this Period.

***Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*** – The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.00%
Net Pension Liability	\$ 33,340,343
Current Discount Rate	7.00%
Net Pension Liability	\$ 14,864,924
1% Increase	8.00%
Net Pension Liability	\$ (368,710)

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

**c. San Bernardino County Employees' Retirement Association (SBCERA)**

The District became a component of the City from November 17, 2010, and effective that date all of the employees of the District have become employees of the City. The District employees were covered under the pension plan of the San Bernardino County Employees' Retirement Association (SBCERA). Subsequent to the merger, the members of Barstow Professional Firefighters Association were enrolled in the City's retirement program through the SBCERA.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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**Note 11: Retirement Plans (Continued)**

Plan Description

The SBCERA is a cost-sharing multiple-employer defined benefit pension plan (the Plan) operating under the California County Employees' Retirement Act of 1937 (1937 Act). It provides retirement, death and disability benefits to members. Although legally established as a single employer plan, the City of Big Bear Lake, Department of Water and Power-City of Big Bear Lake, Crestline Sanitation District, California State Association of Counties, South Coast Air Quality Management District (SCAQMD), San Bernardino Associated Governments (SANBAG), Local Agency Formation Commission (LAFCO), San Bernardino County Law Library, Barstow Fire Protection District, Hesperia Recreation and Parks District, SBCERA, City of Chino Hills, Mojave Desert Air Quality Management District (MDAQMD), California Electronic Recording Transaction Network Authority (CERTNA), along with the County, and are collectively referred to as the "Participating Members." The plan is governed by the SBCERA Board of Retirement under the 1937 Act. Employees become eligible for membership on their first day of regular employment and become fully vested after 5 years. SBCERA issues a stand-alone financial report, which may be obtained by contacting the Board of Retirement, 348 W Hospitality Lane - 3rd Floor, San Bernardino, California 92415-0014.

Benefits Provided

SBCERA provides service retirement, disability, death, and survivor benefits to eligible employees. Generally, any employee of the County of San Bernardino or participating employers who is appointed to a regular position whose service is greater than fifty percent of the full standard of hours required by a participating SBCERA employer (e.g. 20 hours per week or more) must become a member of SBCERA effective on the first day of employment. There are separate retirement benefits for General and Safety member employees. Safety membership is extended to those involved in active law enforcement and fire suppression. All other members are classified as General Members.

There are currently two tiers applicable to both General and Safety members. Members with membership dates before January 1, 2013 are included in General Tier 1 or Safety Tier 1. Any new member who becomes a member on or after January 1, 2013 is designated as General Tier 2 or Safety Tier 2 and is subject to the provisions of California Public Employees' Pension Reform Act of 2013 (CalPEPRA), California Government Code 7522 et seq. and Assembly Bill (AB) 197.

General members prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 52 and have acquired five or more years of retirement service credit.

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

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**Note 11: Retirement Plans (Continued)**

Safety members prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired five or more years of retirement service credit.

The retirement benefits the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier.

General Tier 1 benefit is calculated pursuant to the provisions of California Government Code of Section 31676.15. The monthly allowance is equal to 2% of final compensation times years of accrued retirement service credit times age factor from Section 31676.15. General Tier 2 benefit is calculated pursuant to the provisions found in California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

Safety Tier 1 benefit is calculated pursuant to the provisions of California Government Code Section 31664.1. The monthly allowance is equal to 3% of final compensation times years of accrued retirement service credit times age factor from Section 31664.1. Safety Tier 2 benefit is calculated pursuant to the provisions found in California Government Code Section 7522.25(d). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.25(d).

For Tier 1 members, the maximum monthly retirement allowance is 100% of final compensation. There is no final compensation limit on the maximum retirement benefit for Tier 2 members. However, the maximum amount of compensation earnable that can be taken into account for Tier 1 members with membership dates on or after July 1, 1996 is \$265,000. The maximum amount of pensionable compensation for Tier 2 members that can be taken into account is equal to \$140,424. These limits are adjusted on an annual basis. Members are exempt from paying member contributions and employers are exempt from paying employer contributions on compensation in excess of the annual cap.

Final average compensation consists of the highest 12 consecutive months for Tier 1 members and the highest 36 consecutive months for Tier 2 members.

The member may elect an unmodified retirement allowance or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date or at least two years prior to the date of death and has attained age 55 on or prior to the date of death. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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**Note 11: Retirement Plans (Continued)**

SBCERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment based upon the Consumer Price Index for All Urban Consumers for the Los Angeles-Riverside-Orange County Area, is capped at 2.0%.

The County of San Bernardino and participating employers contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from SBCERA's actuary after the completion of the annual actuarial valuation.

All members are required to make contributions to SBCERA regardless of the retirement plan or tier in which they are included.

Fire safety members contribute the required employee share of their pension. The percentage of pay varies between 12.30% – 17.74%.

The District pays a capped percentage of the employer's pension cost per the Barstow Professional Fire Fighters Association Memorandum of Understanding. The employer's costs are capped at 46% with the employee paying the difference.

**Contributions** – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by SBCERA. The actuarially determined rate is 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. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City's contributions to the Plan for the measurement period ended June 30, 2021 were \$2,141,321.

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

As of June 30, 2022, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$8,433,660. During the 2021-2022 fiscal year, the City of Barstow issued the 2021 Lease Revenue Bonds at a fixed interest rate of 2.98% to provide funds for the Barstow Fire Protection District to refinance its payment obligation to the San Bernardino County Employees' Retirement Association. Under the bonds, the City will make lease payments from any available source of funds, and BFPD will reimburse the City. The payments under the agreement are due on July 1 and January 1 of each year and mature through July 2036.



CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

**Note 11: Retirement Plans (Continued)**

The City's net pension liability for the Plan is measured as the proportionate share of the total net pension liability of the Plan. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2021. The City's proportionate of the net pension liability was based on the City's share of all actual contributions, actuarially determined.

The City's proportionate share of the net pension liability for the Plan as of the measurement dates June 30, 2020 and 2021 were as follows:

Proportion - June 30, 2020	0.421%
Proportion - June 30, 2021	<u>0.435%</u>
Change - Increase (Decrease)	0.014%

For the year ended June 30, 2022, the City recognized pension expense of \$881,196 at June 30, 2022, the City 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
Pension Contributions Subsequent to Measurement Date	\$ 2,141,231	\$ -
Changes of Assumptions or Other Inputs	2,016,941	-
Changes in Employer's Proportion and Differences Between the Employer's Contribution and the Employer's Proportionate Share of Contributions	4,801,870	(1,851,929)
Net Differences Between Projected and Actual Earnings on Plan Investments	-	(8,817,296)
Difference Between Expected and Actual Experience in the Total Pension Liability	<u>507,913</u>	<u>(50,450)</u>
Total	<u>\$ 9,467,955</u>	<u>\$ (10,719,675)</u>

\$2,141,231 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023.

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

Measurement Period Ending June 30:	
2023	\$ (422,498)
2024	(250,503)
2025	(942,343)
2026	(2,222,876)
2027	<u>445,269</u>
Total	<u>\$ (3,392,951)</u>

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
 FOR YEAR ENDED JUNE 30, 2022

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**Note 11: Retirement Plans (Continued)**

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2021, actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry - Age Actuarial Cost Method
Actuarial Assumptions:	
Discount Rate	7.25%
Inflation	3.00%
Projected Salary Increase <sup>2</sup>	General: 4.55% to 12.75% and Safety: 4.75% to 12.25
Cost of Living Adjustments	CPI increase of 2.75% per year; retiree COLA increas
Investment Rate of Return <sup>1</sup>	7.25%
Mortality	Mortality rates are based on the Pub-2010 Amount Weighted Above-Median Mortality Table projected generationally using the two-dimensional MP-2019 projection scale. For healthy General members, the General Healthy retiree rates increased by 10% were used. For healthy Safety members, the Safety Healthy Retiree rates are used. For disabled General members, the Non-Safety Disabled Retiree rates were used. For disabled Safety members, the Safety Disabled Retiree rates were used. For beneficiaries, the General Contingent Survivor rates increased by 10% were used.

<sup>1</sup> Net of pension plan investment expenses, including inflation.

<sup>2</sup> Includes inflation at 2.75% plus real across-the-board salary increase of 0.5% plus merit and promotional increases.

**Change of Assumptions** - There were no changes in assumptions.

**Subsequent Events** - There were no subsequent events to the plan that would materially affect the results presented.

**Discount Rate** – The discount rates used to measure the Total Pension Liability was 7.25% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed employer and member contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Pension 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 of 7.25% was applied to all periods of projected benefit payments to determine the Total Pension Liability as of June 30, 2021.

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR YEAR ENDED JUNE 30, 2022**

**Note 11: Retirement Plans (Continued)**

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.

The long-term expected rate of return on pension plan investments 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 June 30, 2021, target allocations (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumption is summarized in the table on the following page.

Asset Class	Total Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Large Cap U.S. Equity	11.00%	5.42%
Small Cap U.S. Equity	2.00%	6.21%
Developed International Equity	9.00%	6.50%
Emerging Market Equity	6.00%	8.80%
U.S. Core Fixed Income	2.00%	1.13%
High Yield/ Credit Strategies	13.00%	3.40%
International Core Fixed Income	1.00%	-0.04%
Emerging Market Debt	8.00%	3.44%
Real Estate	3.00%	4.57%
Value added real estate	3.00%	6.53%
Cash & Equivalents	3.00%	-0.03%
International Credit	11.00%	5.89%
Absolute Return	7.00%	3.69%
Real Assets	5.00%	10.64%
Private Equity	16.00%	10.70%
Total	100.00%	

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR YEAR ENDED JUNE 30, 2022**

**Note 11: Retirement Plans (Continued)**

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

1% Decrease	6.25%
Net Pension Liability	\$ 15,743,811
Current Discount Rate	7.25%
Net Pension Liability	\$ 8,433,660
1% Increase	8.25%
Net Pension Liability	\$ 2,453,035

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

**Note 12: Post-Employment Healthcare Benefits****a. City of Barstow OPEB Plan**

Pension related balances presented on the Statement of Net Position as of June 30, 2022, by individual plan are described in the following table:

	Deferred Employer Contributions - OPEB	Deferred Outflows- OPEB	Net OPEB Liability	Deferred Inflows- OPEB	OPEB Expense
City of Barstow OPEB Plan	\$ 901,111	\$ 2,212,672	\$ (19,093,925)	\$ (2,077,802)	\$ 1,305,576
Barstow Fire Protection District OPEB Plan	45,608	375,326	(3,978,279)	(708,513)	651,690
Total	\$ 946,719	\$ 2,587,998	\$ (23,072,204)	\$ (2,786,315)	\$ 1,957,266

**Plan Description**

The City provides retiree medical benefits under the CalPERS health plan which provide medical insurance benefits to eligible retirees and their spouses in accordance with various labor agreements. Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office, 400 Q Street, Sacramento, California 95811. The CalPERS health plan is an agent multiple employer defined benefit plan.

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

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**Note 12: Post-Employment Healthcare Benefits (Continued)**

**Employee Covered**

Inactive plan members currently receiving benefits	116
Inactive plan members entitled to but not receiving benefits	41
Active plan members	134
Total	<u>291</u>

**Contributions**

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City must agree to make a defined monthly payment towards the cost of each retiree's coverage. The required contribution is based on projected prefunding financing requirements. For the measurement period 2020-2021, the City contributed \$901,111 which were in the form of benefit payments during the period. The City did not make additional contributions to the CERBT trust (CERBT).

CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to prefund OPEB as described in GASB Statement No. 45. The CERBT issues a publicly available financial report that included financial statements and required supplementary information for the City, not individualizing, but in aggregate with the other CERBT participants. That report may be obtained by contacting CalPERS.

**Net OPEB Liability**

The City's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry - Age Normal Cost, level percent of pay
Actuarial Assumptions:	
Discount Rate	2.18%
Inflation	2.5% per year
Salary Increases	3.0% per year
Assumed Wage Inflation	3.00%
Investment Rate of Return	6.05% <sup>1</sup>
Mortality	2017 CalPERS Experience Study
Post Retirement Benefit Increase	MacLeod Watts Scale 2022
Healthcare Trend	5.8% in 2023, fluctuates down to 3.9% by 2076

<sup>1</sup> Net of pension plan investment expenses and including inflation.

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 12: Post-Employment Healthcare Benefits (Continued)**

In March 2022, CalPERS updated the project future investment returns for CERBT Strategy 1. CalPERS determined its returns using a building block method and best-estimate ranges of expected future real rates of return for each major classes (expected returns, net of OPEB plan investment expense and inflation). The target allocation and best estimates of geometric real rates of return published by CalPERS for each major class are split for years 1-5 and years 6-20:

Asset Class	Target Allocation*	Expected Real Return Year 1-5	Expected Real Return Years 6-20
Global Equity	49.00%	4.40%	4.50%
Fixed Income	23.00%	-1.00%	2.20%
Global Real Estate (REITs)	20.00%	3.00%	3.90%
Treasury Inflation Protected Securities	5.00%	-1.80%	1.30%
Commodities	3.00%	0.80%	1.20%
Assumed Long-Term Rate of Inflation			2.50%
Assumed Long-Term Investment Expenses			N/A
Expected Long-Term Net Rate of Return, Rounded			6.05%
Discount Rate			2.18%

\*Real rates of return come from a geometric representation of returns that assume a general inflation rate of 2.5%.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 2.18 percent. The discount rate used reflects the results of a crossover test. In years where the trust is expected to have sufficient assets to pay the current year's retiree benefits, the assumed trust rate of return is applied; once the trust is no longer expected to be able to pay plan benefits, a municipal bond rate is applied for the remainder of the projects. The S&P General Obligation Municipal Bond 20 Year High Grade Index was used for the purpose of the municipal bond rate.

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

Note 12: Post-Employment Healthcare Benefits (Continued)

Changes in the net OPEB Liability

The changes in the net OPEB liability for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/Asset
<b>Balance at June 30, 2021</b>	<b>\$ 21,574,407</b>	<b>\$ 1,338,391</b>	<b>\$ 20,236,016</b>
<b>Change in the Year:</b>			
Service Cost	565,909	-	565,909
Interest	577,610	-	577,610
Differences between expected and actual experience	-	-	-
Changes in Assumptions	991,369	-	991,369
Benefit Payments	(851,272)	(851,272)	-
Contribution - Employer	-	851,272	(851,272)
Contribution - Employee	-	-	-
Net Investment Income	-	90,324	(90,324)
Plan Experience	(2,058,221)	-	(2,058,221)
Investment Experience	-	277,669	(277,669)
Administrative Expenses	-	(507)	507
Benefit Payments, Including Refunds of Employee Contributions	-	-	-
Other Expenses	-	-	-
Net Changes	(774,605)	367,486	(1,142,091)
<b>Balance at June 30, 2022</b>	<b>\$ 20,799,802</b>	<b>\$ 1,705,877</b>	<b>\$ 19,093,925</b>

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

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease 1.18%	Current Discount 2.18%	1% Increase 3.18%
Net OPEB Liability	\$ 22,133,244	\$ 19,093,925	\$ 16,625,312

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease 4.8% - 2.9%	Current Healthcare Trend Rate 5.8% - 3.9%	1% Increase 6.8% - 4.9%
Net OPEB Liability	\$ 17,810,407	\$ 19,093,925	\$ 20,973,990

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 12: Post-Employment Healthcare Benefits (Continued)**

**Recognition of Deferred Outflow and Deferred Inflows of Resources**

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net differences between projected and actual earnings on OPEB plan investments	5 years straight-line recognition
All Other Amounts	Expected average remaining service lifetime (EARSL) (6.69 years at June 30, 2021, measurement date)

**OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB**

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$1,305,576. For the fiscal year ended June 30, 2022, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement	\$ 901,111	\$ -
Differences between expected and actual experience	57,245	(1,750,565)
Changes of Assumptions	2,155,427	(131,234)
Net Difference Between Projected and Actual	-	(196,003)
Total	<u>\$ 3,113,783</u>	<u>\$ (2,077,802)</u>

The \$901,111 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021, measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ending June 30:	
2023	\$ 98,261
2024	209,867
2025	165,317
2026	(82,662)
2027	(145,875)
Thereafter	(110,038)
Total	<u>\$ 134,870</u>



**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

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**Note 12: Post-Employment Healthcare Benefits (Continued)**

**b. Barstow Fire Protection District OPEB Plan**

**Plan Description**

The Barstow Fire Protection District (BFPD) became part of the City of Barstow in November 2010 as a special revenue fund. In previous years, the Barstow Fire Professional Fire Fighters Association (BFPA) had a separate health insurance plan, Riverstone Capital, apart from City Employees. Riverstone Capital notified the City that effective February 28, 2019, the BFPD employees would be losing their Stop Loss/Reinsurance coverage. The City's/BFPD's insurance broker, Alliant/Crystal and Company, reviewed several options and it was determined that moving the BFPD employees into CalPERS medical would offer the best long-term coverage options for the employees.

CalPERS would also extend the coverage to retirees. The previous method for providing retiree coverage under BFPA's Memorandum of Understanding (MOU) required the retiree carry their own insurance coverage and submit proof of payment of the premium and a request for reimbursement on a monthly basis. Including retired firefighters in CalPERS medical coverage streamlined the process for the city and the retiree.

A meeting with BFPD members was held to advise them of the situation and staff began the process to enroll them into CalPERS health coverage effective March 1, 2019. The inclusion of the BFPD firefighters in CalPERS medical coverage also simplified the process of providing medical insurance to all City employees.

The City provides retiree medical benefits to eligible retirees and their spouses in accordance with their labor agreements.

**Employee Covered**

Inactive Employees or Beneficiaries Currently Receiving Benefits	5
Inactive Employees Entitled to but not yet Receiving Benefits	0
Active Employees	<u>22</u>
Total	<u><u>27</u></u>

**Contributions**

The contribution requirements of plan members and the District are established and may be amended by the Board of Directors. The District must agree to make a defined monthly payment towards the cost of each retiree's coverage. The required contribution is based on projected prefunding financing requirements. For the measurement period 2020-21, the District contributed \$33,966, which were in the form of benefit payments during the period. The City did not make additional contributions to the CERBT trust (CERBT).

CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to prefund OPEB as described in GASB Statement No. 45. The CERBT issues a publicly available financial report that included financial statements and required supplementary information for the City, not individualizing, but in aggregate with the other CERBT participants. That report may be obtained by contacting CalPERS.

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)**  
**FOR YEAR ENDED JUNE 30, 2022**

**Note 12: Post-Employment Healthcare Benefits (Continued)**

**Net OPEB Liability**

The District's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry - Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.20%
Inflation	2.50%
Contribution Policy	Contributes full ADC
Salary Increases	Varies by Entry Age and Service
Projected Salary Increases	3.00%
Investment Rate of Return	6.20%
Mortality	MacLeod Watts Scale 2022 applied generationally
Healthcare Trend	5.8% decreasing to 3.9% in 2076

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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the table below.

Asset Class	Target Allocation*	Expected Real Return Year 1-5	Expected Real Return Years 6-20
Global Equity	49.00%	4.40%	4.50%
Fixed Income	23.00%	-1.00%	2.20%
Global Real Estate (REITs)	20.00%	3.00%	3.90%
Treasury Inflation Protected Securities	5.00%	-1.80%	1.30%
Commodities	3.00%	0.80%	1.20%
Assumed Long-Term Rate of Inflation			2.50%
Assumed Long-Term Investment Expenses			N/A
Expected Long-Term Net Rate of Return, Rounded			6.20%
Discount Rate			2.20%

\*Real rates of return come from a geometric representation of returns that assume a general inflation rate of 2.5%.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 2.20 percent. The discount rate used reflects the results of a crossover test. In years where the trust is expected to have sufficient assets to pay the current year's retiree benefits, the assumed trust rate of return is applied; once the trust is no longer expected to be able to pay plan benefits, a municipal bond rate is applied for the remainder of the projects. The S&P General Obligation Municipal Bond 20 Year High Grade Index was used for the purpose of the municipal bond rate.

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

**Note 12: Post-Employment Healthcare Benefits (Continued)**

**Changes in the net OPEB Liability**

The changes in the net OPEB liability for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/Asset
<b>Balance at June 30, 2021</b>	<b>\$ 4,183,156</b>	<b>\$ 294,075</b>	<b>\$ 3,889,081</b>
<b>Change in the Year:</b>			
Service Cost	573,551	-	573,551
Interest on the Total OPEB Liability	127,973	-	127,973
Contribution - Employer	-	33,966	(33,966)
Benefit Payments	(33,966)	(33,966)	-
Net Investment Income	-	20,728	(20,728)
Administrative Expenses	-	(111)	111
Investment Experience	-	60,152	(60,152)
Plan Experience	(705,883)	-	(705,883)
Assumption Changes	208,292	-	208,292
Net Changes	169,967	80,769	89,198
<b>Balance at June 30, 2022</b>	<b>\$ 4,353,123</b>	<b>\$ 374,844</b>	<b>\$ 3,978,279</b>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease	Current Discount	1% Increase
	1.20%	2.20%	3.20%
Net OPEB Liability	\$ 4,937,017	\$ 3,978,279	\$ 3,251,165

**Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates**

Due to the nature of the benefit agreements of the plan, the health care cost trend rate was not considered to be a significant assumption in determining the net OPEB liability, hence the sensitivity disclosure with regard to the healthcare cost trend rate was not applicable.

**Recognition of Deferred Outflow and Deferred Inflows of Resources**

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net differences between projected and actual earnings on OPEB plan investments	5 years straight-line
All Other Amounts	Expected average remaining service lifetime (EARSL) (10.72 years at June 30, 2021)

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

**Note 12: Post-Employment Healthcare Benefits (Continued)**

**OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB**

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$651,690. For the fiscal year ended June 30, 2022, the District reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
OPEB Contributions Subsequent to Measurement	\$ 45,608	\$ -
Changes of Assumptions	289,793	(26,634)
Differences between expected and actual experience	85,533	(640,036)
Net Difference Between Projected and Actual Earnings on Plan Investments	-	(41,843)
Total	<u>\$ 420,934</u>	<u>\$ (708,513)</u>

The \$45,608 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ending June 30:	
2023	\$ (33,961)
2024	(33,482)
2025	(33,867)
2026	(35,865)
2027	(23,833)
Thereafter	(172,179)
Total	<u>\$ (333,187)</u>

**Note 13: Commitments and Contingencies**

**a. Pending Litigation**

The City is a defendant in a number of lawsuits that have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions, when finally adjudicated, will not have any material adverse effect in the financial position of the City.

**b. Construction Commitments**

<u>Project Title</u>	<u>Contract Amount</u>	<u>Expenditures to date as of June 30, 2022</u>	<u>Remaining Commitments</u>
Main St. & Barstow Road Traffic Signal - HSIP	\$ 712,900	\$ 1,845	\$ 711,055
Rimrock/Barstow Road Traffic Signal - SB1	575,000	-	575,000
Aerobic Digester Project	3,427,200	1,519,678	1,907,522

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

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**Note 14: Fund Balance**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances at June 30, 2021, for the governmental funds are non-spendable, restricted, assigned, and unassigned for the following purposes:

*Non-spendable Fund Balance* – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

*Restricted Fund Balance* – includes amounts that are restricted for specific purposes stipulated by resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

*Assigned Fund Balance* - includes amounts that are constrained by the City’s intent by its Council itself or a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes that are neither restricted nor committed. The City Council has delegated this authority to the City Manager. In June 2010, the City Council adopted Resolution No. 4548-2010 approving Policy Memorandum No 2010-15 - Fund Balance Policy. The policy aims to help reduce the negative impact on the City in times of economic uncertainty and potential losses of funding from other governmental agencies. City reserves are restricted for one-time purposes. The policy establishes minimum requirements for General Fund non-departmental reserves and provides guidelines for the use of these funds. Appropriation for contingencies is maintained at twenty percent of total General Fund net appropriations for one-time emergencies and economic uncertainties. Excess fund balance at year-end must first be used to replenish the reserve amount at the 20% level. Accordingly, at June 30, 2022, the City has assigned fund balance of \$887,681 for emergency contingency, and \$3,550,723 for working capital reserve. The Fund Balance Policy can be changed only by a resolution of the City Council.

*Unassigned Fund Balance* –The residual classification for the General Fund and includes all amounts not contained in the other classifications. Governmental funds report residual negative balances as unassigned fund balance.

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

**Note 14: Fund Balance for Governmental Funds (Continued)**

The schedule on the following page illustrates the City's fund balances as of June 30, 2022 for its governmental funds:

	Major Governmental Funds							Total Government
	General Fund	Measure I Special Revenue Fund	Barstow Fire Protection District Special Revenue Fund	Grants Special Revenue Fund	COVID-19 Grants Special Revenue Fund	City Capital Projects	Non Major Government Funds	
<b>Fund Balances</b>								
<b>Nonspendable Fund Balance:</b>								
Prepays & Inventory	\$ 134,278	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 134,278
Deposits	-	-	-	-	-	-	-	-
Advance to Other Funds	6,517,392	-	-	-	-	-	-	6,517,392
	<u>6,651,670</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,651,670</u>
<b>Restricted Fund Balance for:</b>								
Public Safety/Fire Protection	-	-	-	-	-	-	26,036	26,036
Streets & Highway	-	-	-	-	-	-	1,335,251	1,335,251
Parks and Recreation	-	-	-	-	-	-	1,836	1,836
Debt Service	-	-	-	-	-	-	2,381	2,381
Low & Moderate Income Housing	-	-	-	-	-	-	441,633	441,633
Capital Projects	-	-	-	-	-	834,430	-	834,430
Other Purposes	-	-	-	-	-	-	10,444	10,444
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>834,430</u>	<u>1,817,581</u>	<u>2,652,011</u>
<b>Assigned Fund Balance</b>								
Emergency Contingency Policy	887,681	-	-	-	-	-	-	887,681
Working Capital Reserve	3,550,723	-	-	-	-	-	-	3,550,723
	<u>4,438,404</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,438,404</u>
<b>Unassigned Fund Balance</b>								
Other	12,237,711	(667,667)	(4,993,890)	(4,629,385)	(5,324)	-	(14,933)	1,931,836
	<u>12,237,711</u>	<u>(667,667)</u>	<u>(4,993,890)</u>	<u>(4,629,385)</u>	<u>(5,324)</u>	<u>-</u>	<u>(14,933)</u>	<u>1,931,836</u>
<b>Total Fund Balances</b>	<u>\$ 23,327,785</u>	<u>\$ (667,667)</u>	<u>\$ (4,993,890)</u>	<u>\$ (4,629,385)</u>	<u>\$ (5,324)</u>	<u>\$ 834,430</u>	<u>\$ 1,802,648</u>	<u>\$ 15,668,597</u>

**Note 15: Measure Q**

In November 2018, the voters approved Measure Q which established a one-cent sales-tax, estimated to generate \$7 million in local funding for public safety and citywide services.

Funding generated from the tax is intended to:

- Maintain local fire protection and paramedic services
- Provide police services, including neighborhood police patrols, crime prevention and investigations
- Maintain streets and parks, and repair potholes
- Provide quick responses to 9-1-1 emergencies
- Help fund senior and youth programs
- Reduce gang activity and drug-related crimes

CITY OF BARSTOW

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022

**Note 15: Measure Q (Continued)**

The revenues received and expenditures relating to Measure “Q” for the current year and previous year are as follows:

	<u>Fiscal Year</u>	
	<u>2021-2022</u>	<u>2020-2021</u>
<b>Revenues:</b>		
Measure "Q" sales tax	\$ 10,072,279	\$ 8,851,984
Use of money and property	(34,124)	(3,119)
Miscellaneous income	5,305	-
Total Revenues	<u>10,043,460</u>	<u>8,848,865</u>
<b>Expenditures:</b>		
General Government	720,775	707,211
Police	2,697,974	1,739,572
Fire	4,190,633	3,903,826
Community Development	83,270	79,964
Parks	60,438	19,983
Public Works	373,721	240,749
Total expenditures	<u>8,126,811</u>	<u>6,691,305</u>
Current year excess (deficiency) of revenues over expenditures	<u>1,945,468</u>	<u>2,157,560</u>
Fund Balance, Beginning of the year	<u>6,291,473</u>	<u>4,130,794</u>
Fund Balance, End of Year	<u>\$ 8,236,941</u>	<u>\$ 6,291,473</u>

Measure Q is reported under the General Fund, and therefore, is not a separate standalone fund. For more information, please refer to the Measure Q section under Note 18.

**Note 16: Successor Agency Trust for Assets of Former Redevelopment Agency**

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Barstow that previously had reported a redevelopment agency within the reporting entity of the city as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city 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 17, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 4653-2012.

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 16: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

**Fiduciary Funds – Successor Agency Private Purpose Trust Fund**

During the year ended June 30, 2022, the following changes occurred in liabilities reported in long-term debt for Fiduciary Funds:

	Balance June 30, 2021	Additions	Deletions/ Adjustments	Balance June 30, 2022	Due Within One Year
<b>Fiduciary Funds Successor Agency Private Purpose Trust Public Offerings:</b>					
Redevelopment Tax Allocation Bonds:					
2004 Tax Allocation Bonds	\$ 1,595,000	-	\$ (780,000)	\$ 815,000	\$ 815,000
Total Fiduciary Funds	<u>\$ 1,595,000</u>	<u>-</u>	<u>\$ (780,000)</u>	<u>\$ 815,000</u>	<u>\$ 815,000</u>

**2004 Tax Allocation Bonds**

The Successor Agency's outstanding bonds from public offerings of \$2,340,000, contain a provision that if any event of default should occur, the trustee shall at the written direction of the Bond Owners of a majority in aggregate principal amount outstanding, and upon receipt of the prior written consent of the Bond Insurer, declare the principal of all of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

On July 1, 2004, the Agency issued \$8,660,000 in Tax Allocation Bonds, Series 2004, for the purpose of refunding a portion of the Agency's outstanding Central Redevelopment Project Tax Allocation Bonds, 1994 Series A, which are secured by an irrevocable pledge of the tax revenues payable to the Agency.

The 2004 Tax Allocation Bonds are secured by the Agency increment pledge of certain tax increment revenues to be derived from Project Area I and are payable from the Tax Revenues and such other funds as may become available for such purposes. The notes bear interest payable semiannually at rates ranging from 3.00% to 4.70% per annum, with maturity dates until September 1, 2022.

As of February 1, 2012, the future annual debt service requirements of the 2004 Tax Allocation Bonds were taken over by the Successor Agency to the Redevelopment Agency due to the dissolution of the Barstow Redevelopment Agency per Assembly Bill AB 1X 26 and Assembly Bill AB1484 (See Note 13).

For the current year, principal and interest paid was \$836,245. The principal amount outstanding at June 30, 2022 is \$815,000.

Tax allocation bonds debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	815,000	19,153	834,153
Total	<u>\$ 815,000</u>	<u>\$ 19,153</u>	<u>\$ 834,153</u>



**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

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**Note 16: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The last payment for the year ending June 30, 2022 is due on September 1, 2022.

Significant debt payments authorized in the Recognizable Obligations Payment Schedule (ROPS) by the State of California's Department of Finance and made in FY 2021-22 from the Redevelopment Property Tax Trust Fund (RPTTF) include the following:

2004 Bonds:	Principal	\$	780,000
	Interest		56,245

In addition, a \$37,000 administration charge was paid to the City of Barstow and other authorized payments were made for other miscellaneous fees.

**Real Property Held for Resale**

In order to improve blighted conditions in the City of Barstow, the City formed the Barstow Redevelopment Agency in 1973. Additionally, the Agency had adopted a Five-Year Implementation Plan for the Project Area I with an established goal of supporting affordable housing and promoting economic development, as well as community, commercial and institutional revitalization. To implement these programs and activities, the Agency acquired real property within the Project Area I to be redeveloped. Three parcels were held in the Land Held for Resale asset account by the Agency totaling \$2,224,905.

As of February 1, 2012, the land held for resale was taken over by the Successor Agency to the Redevelopment Agency due to the dissolution of the Barstow Redevelopment Agency per Assembly Bill AB 1X 26 and Assembly Bill AB1484.

**Note 17: Negative Fund Balance/Net Position**

The following funds have negative fund balance as of June 30, 2022:

Measure I - Special Revenue Fund (\$667,667) - On September 8, 2015, the City Council approved an interfund loan agreement in the amount of \$2 million to cover the costs of completing the Henderson / Cameron Area Road Project. The funds are scheduled to be paid back periodically over the next fiscal years. The loan balance as of June 30, 2022, is \$1,700,000.

Barstow Fire Protection District Fund (\$4,993,890) - As projected by staff and discussed with the Board, the District's expenditures exceeded revenues for the fiscal year. The District had reduced its operating expenditures to its lowest, yet sustainable limit. Salaries and benefits continued to be monitored but pension costs remained high with the San Bernardino County Employees' Retirement Association. Management was aware of ongoing fiscal issues and the Board was also aware of the increasing fund balance deficit.

Grants Fund (\$4,629,385) – The City made major progress payments for reimbursable grant projects for which it had not been reimbursed.

Harvey House Foundation (\$14,933) – The Foundation is expected to become more active in the future. It is anticipated that the Foundation will receive revenue to offset the deficit fund balance in the coming years.

COVID-19 Grants (\$5,324) – The City's Covid-19 Grants fund had negative fund balance due to grant revenues that have not been reimbursed from granting agencies. The negative fund balance is expected to be reduced through future grant revenues.

**CITY OF BARSTOW**

**NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
FOR YEAR ENDED JUNE 30, 2022**

**Note 18: Barstow Fire Protection District**

The Barstow Fire Protection District (District) continues to have a deficit fund balance in fiscal year 2022. In fiscal year 2018, the Board and management studied and reviewed a variety of options to address these concerns.

- Measure Q - In March 2018, the City Council hired a research firm to perform a general sales tax measure feasibility study. As part of this study, a survey was sent to the City of Barstow voters requesting their feedback about establishing an increase in general transaction and use (sales) tax that will fund municipal services. The result of the survey, was presented at the May 15, 2018, Council’s meeting, showing approximately 63-69% of the residents in support of the proposed transaction and use tax measure. On July 16, 2018, the City Council unanimously adopted the resolution and ordinance to put Measure Q on November 2018 ballot. The resolution called for a General Transaction and Use Tax of one percent. The measure passed with 59.28% of the vote. The City began receiving the Measure Q revenue immediately in July, for fiscal year 2020. So far, the receipts have exceeded the City’s initial estimates. These funds will be used to pay-back the loan and sustain the Fire Department, in addition to supporting police officers, maintaining streets and help fund senior and youth programs.
- Beginning in fiscal year 2015, the City began advancing funds to the District to cover operational costs. On October 1, 2018, the City Council approved the amended and restated loan agreement between the City of Barstow and the Barstow Fire Protection for \$4,153,696, with a zero percent interest rate. The City advanced an additional \$1,243,696 for fiscal year 2020 bringing the amount due the City to \$5,817,392. This action formalized the outstanding debt due the City in the event the Measure Q ballot measure was not successful. The Fire Protection district repaid \$500,000 in 2022, bringing the amount due at June 30, 2022 to \$4,817,392.
- The Board and management will continue to monitor the Barstow Fire Protection District financial situation. Management will keep the Board informed of developing highlights, and concerns regarding the District.

**Note 19: Net Investment in Capital Assets**

The breakdown for net investment in capital assets for the year ended June 30, 2022 is as follows:

	Governmental Activities	Business-Type Activities		Total Business-Type Activities
		Wastewater Reclamation Fund	Solid Waste Disposal Fund	
Capital assets, net of accumulated depreciation	\$ 86,919,753	\$ 22,251,637	\$ 298,737	\$ 22,550,374
Less:				
Bonds, notes and finance purchase agreements	(1,275,983)	-	-	-
Leases payable	(251,732)	-	-	-
Capital related, non-debt payable	-	(22,426)	-	(22,426)
Net investment in capital assets	<u>\$ 85,392,038</u>	<u>\$ 22,229,211</u>	<u>\$ 298,737</u>	<u>\$ 22,527,948</u>

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# REQUIRED SUPPLEMENTARY INFORMATION

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**1. BUDGETS AND BUDGETARY ACCOUNTING**

**a. Budgetary Control and Budgetary Accounting**

The City follows these procedures in establishing the budgets.

1. The annual budget is adopted by the City Council after the holding of a hearing and provides for the general operation of the City. The operating budget includes proposed expenditures and the means of financing them.
2. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year. This “appropriated budget” covers City expenditures in all governmental funds, except debt service and capital improvement projects carried forward from prior years.
3. The City manager is authorized to transfer budgeted amounts between departments. Actual expenditures may not exceed budgeted appropriations at the fund level.
4. Formal budgetary integration is employed as a management control device during the year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Capital projects appropriations are an automatic supplemental appropriation for next year. All others lapse unless they are encumbered at year end or re-appropriated through the formal budget process.
5. Annual budgets are adopted for the General Fund, all special revenue funds, capital projects funds, and debt service funds, on a basis substantially consistent with accounting principles generally accepted in the United States of America. Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items.

CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 17,659,154	\$ 17,659,154	\$ 17,659,154	\$ -
<b>Resources (Inflows):</b>				
Taxes	21,820,896	26,529,896	29,713,455	3,183,559
Licenses and permits	343,975	344,225	428,466	84,241
Intergovernmental	426,500	420,503	506,234	85,731
Charges for services	602,375	651,478	1,003,759	352,281
Use of money and property	312,200	256,625	160,457	(96,168)
Fines and forfeitures	130,000	100,000	163,033	63,033
Miscellaneous	170,200	179,861	231,021	51,160
Transfers in	2,035,000	19,983,274	19,453,612	(529,662)
Capital leases	-	-	421,061	421,061
<b>Amounts Available for Appropriations</b>	<b>43,500,300</b>	<b>66,125,016</b>	<b>69,740,252</b>	<b>3,615,236</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	4,872,339	16,031,440	15,844,401	187,039
Public safety	10,948,376	19,657,807	18,461,965	1,195,842
Community development	1,630,463	2,065,771	1,901,962	163,809
Parks and recreation	969,546	1,518,296	1,487,614	30,682
Public works	3,514,389	3,990,697	3,750,149	240,548
Capital outlay	-	221,590	592,784	(371,194)
Debt service:				
Principal retirement	-	-	155,368	(155,368)
Interest and fiscal charges	399,656	585,493	355,683	229,810
Transfers out	3,400,362	4,209,052	3,862,541	346,511
<b>Total Charges to Appropriations</b>	<b>25,735,131</b>	<b>48,280,146</b>	<b>46,412,467</b>	<b>1,867,679</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 17,765,169</b>	<b>\$ 17,844,870</b>	<b>\$ 23,327,785</b>	<b>\$ 5,482,915</b>

See Notes to Required Supplementary Information.

CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 MEASURE I SPECIAL REVENUE FUND  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,218,910)	\$ (1,218,910)	\$ (1,218,910)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,400,000	1,241,358	2,044,965	803,607
Use of money and property	-	-	(2,407)	(2,407)
<b>Amounts Available for Appropriations</b>	<b>181,090</b>	<b>22,448</b>	<b>823,648</b>	<b>801,200</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	-	33,963	24,911	9,052
Transfers out	900,000	3,028,697	1,466,404	1,562,293
<b>Total Charges to Appropriations</b>	<b>900,000</b>	<b>3,062,660</b>	<b>1,491,315</b>	<b>1,571,345</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ (718,910)</b>	<b>\$ (3,040,212)</b>	<b>\$ (667,667)</b>	<b>\$ 2,372,545</b>

CITY OF BARSTOW

**BUDGETARY COMPARISON SCHEDULE  
 BARSTOW FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND  
 YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (5,049,330)	\$ (5,049,330)	\$ (5,049,330)	\$ -
<b>Resources (Inflows):</b>				
Taxes	4,888,400	4,888,400	5,247,931	359,531
Licenses and permits	-	1,082	1,866	784
Intergovernmental	100,000	102,905	88,901	(14,004)
Use of money and property	30,000	5,632	10,856	5,224
Miscellaneous	-	131,329	138,239	6,910
Transfers in	3,400,362	12,036,942	11,868,580	(168,362)
Capital leases	-	-	42,851	42,851
<b>Amounts Available for Appropriations</b>	<b>3,369,432</b>	<b>12,116,960</b>	<b>12,349,894</b>	<b>232,934</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	7,605,140	17,496,997	17,085,431	411,566
Capital outlay	231,000	215,503	258,353	(42,850)
Transfers out	500,000	500,000	-	500,000
<b>Total Charges to Appropriations</b>	<b>8,336,140</b>	<b>18,212,500</b>	<b>17,343,784</b>	<b>868,716</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ (4,966,708)</b>	<b>\$ (6,095,540)</b>	<b>\$ (4,993,890)</b>	<b>\$ 1,101,650</b>

CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 GRANTS SPECIAL REVENUE FUND  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (491,369)	\$ (491,369)	\$ (491,369)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	1,995,147	1,228,361	(766,786)
Use of money and property	-	-	(1,960)	(1,960)
<b>Amounts Available for Appropriations</b>	<b>(491,369)</b>	<b>1,503,778</b>	<b>735,032</b>	<b>(768,746)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	20,000	498,500	136,089	362,411
Community development	-	49,334	36,622	12,712
Capital outlay	-	43,000	-	43,000
Transfers out	80,000	16,696,670	5,191,706	11,504,964
<b>Total Charges to Appropriations</b>	<b>100,000</b>	<b>17,287,504</b>	<b>5,364,417</b>	<b>11,923,087</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ (591,369)</b>	<b>\$ (15,783,726)</b>	<b>\$ (4,629,385)</b>	<b>\$ 11,154,341</b>



CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 COVID-19 GRANTS SPECIAL REVENUE FUND  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (10,321)	\$ (10,321)	\$ (10,321)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	2,882,559	588,106	(2,294,453)
Use of money and property	-	-	(5,325)	(5,325)
<b>Amounts Available for Appropriation</b>	<b>(10,321)</b>	<b>2,872,238</b>	<b>572,460</b>	<b>(2,299,778)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	-	316,546	215,992	100,554
Public safety	-	-	1,832	(1,832)
Capital outlay	-	795,840	350,043	445,797
Transfers out	-	15,043	9,917	5,126
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>1,127,429</b>	<b>577,784</b>	<b>549,645</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ (10,321)</b>	<b>\$ 1,744,809</b>	<b>\$ (5,324)</b>	<b>\$ (1,750,133)</b>

CITY OF BARSTOW

**CALPERS COST SHARING PLAN  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Measurement Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Proportion of the Net Pension Liability	0.39191%	0.26490%	0.24588%	0.25121%
Proportionate Share of the Net Pension Liability	\$ 14,864,924	\$ 29,751,671	\$ 26,777,913	\$ 24,207,207
Covered-Employee Payroll	\$ 9,880,472	\$ 10,266,253	\$ 9,842,257	\$ 10,816,083
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	150.45%	289.80%	272.07%	223.81%
Plan Fiduciary Net Position	\$ 123,982,203	\$ 104,679,650	\$ 102,046,037	\$ -
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.29%	77.87%	75.26%	75.26%

**Notes to Schedule:**

Benefit Changes:

There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a. Golden Handshakes). Employers that have done so may need to report this information as a separate liability in their financial statement as CalPERS considers such amounts to be separately financed employer-specific liabilities. These employers should consult with their auditors. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2019 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes of Assumptions: None

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only seven years are shown.

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<b>2018</b>	<b>2017</b>	<b>2016</b>
<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
0.24901%	0.24341%	0.20999%
\$ 24,695,340	\$ 21,062,463	\$ 14,413,454
\$ 11,891,452	\$ 10,244,777	\$ 10,085,135
207.67%	205.59%	142.92%
\$ -	\$ -	\$ -
73.31%	74.06%	79.82%

See Notes to Required Supplementary Information.

**CITY OF BARSTOW**

**CALPERS COST SHARING PLAN  
SCHEDULE OF PLAN CONTRIBUTIONS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially Determined Contribution	\$ 3,643,916	\$ 3,405,375	\$ 3,124,739
Contribution in Relation to the Actuarially Determined Contribution	<u>(23,404,058)</u>	<u>(3,405,375)</u>	<u>(3,124,739)</u>
Contribution Deficiency (Excess)	<u>\$ (19,760,142)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	9,860,498	9,880,472	10,266,253
Contributions as a Percentage of Covered-Employee Payroll	237.35%	34.47%	30.44%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only seven years are shown.

**Note to Schedule:**

Valuation Date: June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method Entry age normal cost method

Amortization method Level Percent of pay

Remaining amortization period 15 years

Assets valuation method Direct rate smoothing

Inflation 2.5% per year

Payroll Growth 2.5%

Investment rate of return 7.0% net of pension plan investment expense, including inflation

Retirement age All other actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The experience study report may be accessed on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov) under forms and publications.

Mortality The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using 90 percent of society of actuaries' scale 2016. For more details on this table, please refer to the 2017 experience study report.

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<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 2,677,140	\$ 2,533,851	\$ 2,388,566	\$ 2,051,026
(2,677,140)	(2,533,851)	(2,388,566)	(2,051,026)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
9,842,257	10,816,083	11,891,452	10,244,777
27.20%	23.43%	20.09%	20.02%

See Notes to Required Supplementary Information.

CITY OF BARSTOW

**SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (SBCERA)  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Measurement Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Proportion of the Net Pension Liability	0.435%	0.421%	0.457%	0.498%
Proportionate Share of the Net Pension Liability	\$ 8,433,660	\$ 16,891,227	\$ 12,382,040	\$ 12,626,176
Covered-Employee Payroll	\$ 2,430,284	\$ 2,045,831	\$ 1,890,826	\$ 1,816,148
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	347.02%	825.64%	654.85%	695.22%
Plan Fiduciary Net Position	\$ 45,633,022	\$ 33,270,269	\$ 33,532,575	\$ 34,034,011
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.40%	66.33%	73.03%	72.94%

**Notes to Schedule:**

Benefit Changes: None

Changes of Assumptions: None

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only seven years are shown.

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<u>2018</u>	<u>2017</u>	<u>2016</u>
6/30/2017	6/30/2016	6/30/2015
0.378%	0.518%	0.638%
\$ 9,958,070	\$ 12,781,554	\$ 12,395,608
\$ 1,776,774	\$ 2,518,304	\$ 2,036,785
560.46%	507.55%	608.59%
\$ 24,486,977	\$ 18,856,232	\$ 20,207,792
71.09%	76.86%	80.98%

See Notes to Required Supplementary Information.

**CITY OF BARSTOW**

**SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION (SBCERA)  
SCHEDULE OF PLAN CONTRIBUTIONS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Actuarially Determined Contribution	\$ 2,141,231	\$ 2,029,361	\$ 1,760,542
Contribution in Relation to the Actuarially Determined Contribution	<u>(10,276,108)</u>	<u>(2,029,361)</u>	<u>(1,760,542)</u>
Contribution Deficiency (Excess)	<u>\$ (8,134,877)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	2,550,102	2,430,284	2,045,831
Contributions as a Percentage of Covered-Employee Payroll	402.97%	83.50%	86.06%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only seven years are shown.

**Note to Schedule:**

Valuation Date: June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal cost method
Amortization method	Level Percent of pay (3.5% payroll growth assumed)
Remaining amortization period	20 years
Assets valuation method	Market value of assets less unrecognized returns from each of the last five years.
Inflation	3.00% per year
Salary Increases	3.00% inflation per year, plus real across-the-board salary increase of 0.50%, plus merit and promotion increases.
Investment rate of return	7.25% net of pension plan investment expense, including inflation
Retirement age	53 years
Mortality	Pub-2010 Amount-Weighted Above-Median Mortality Table



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<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
\$ 1,625,725	\$ 1,704,307	\$ 1,258,947	\$ 1,407,336
(1,625,725)	(1,704,307)	(1,258,947)	(1,407,336)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
1,890,826	1,816,148	1,776,774	2,518,304
85.98%	93.84%	70.86%	55.88%

See Notes to Required Supplementary Information.

## CITY OF BARSTOW

**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

Measurement Date	2022 6/30/2021	2021 6/30/2020	2020 6/30/2019	2019 6/30/2018	2018 6/30/2017
<b>Changes in Total OPEB Liability</b>					
Service cost	\$ 565,909	\$ 532,051	\$ 628,854	\$ 586,241	\$ 637,325
Interest	577,610	586,298	557,475	559,512	497,633
Differences between actual and expected experience	(2,058,221)	-	110,249	-	-
Changes in assumptions	991,369	353,512	1,857,556	365,110	(1,110,604)
Changes in benefit terms	-	-	-	-	-
Benefit payments	(851,272)	(759,312)	(741,262)	(702,823)	(628,957)
Net change in total OPEB liability	(774,605)	712,549	2,412,872	808,040	(604,603)
Total OPEB liability - beginning	21,574,407	20,861,858	18,448,986	17,640,946	18,245,549
<b>Total OPEB liability - ending (a)</b>	<b>\$ 20,799,802</b>	<b>\$ 21,574,407</b>	<b>\$ 20,861,858</b>	<b>\$ 18,448,986</b>	<b>\$ 17,640,946</b>
<b>Plan Fiduciary Net Position</b>					
Contribution - employer	\$ 851,272	\$ 759,312	\$ 741,262	\$ 702,823	\$ 628,957
Net investment income	367,993	45,704	75,207	89,989	108,069
Benefit payments	(851,272)	(759,312)	(741,262)	(702,823)	(628,957)
Administrative expense	(507)	(632)	(261)	(603)	(548)
Other expense	-	-	-	(1,496)	-
Net change in plan fiduciary net position	367,486	45,072	74,946	87,890	107,521
Plan fiduciary net position - beginning	1,338,391	1,293,319	1,218,373	1,130,483	1,022,962
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 1,705,877</b>	<b>\$ 1,338,391</b>	<b>\$ 1,293,319</b>	<b>\$ 1,218,373</b>	<b>\$ 1,130,483</b>
<b>Net OPEB Liability/(Assets) - ending (a) - (b)</b>	<b>\$ 19,093,925</b>	<b>\$ 20,236,016</b>	<b>\$ 19,568,539</b>	<b>\$ 17,230,613</b>	<b>\$ 16,510,463</b>
Plan fiduciary net position as a percentage of the total OPEB liability	8%	6%	6%	7%	6%
Covered-employee payroll	\$ 12,765,028	\$ 13,389,701	\$ 12,153,938	\$ 10,550,746	\$ 10,550,746
Net OPEB liability as a percentage of covered-employee payroll	149.58%	151.13%	161.01%	163.31%	156.49%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

## Notes to Schedule:

Changes of Assumptions: The discount rate decreased from 2.66% to 2.18% in measurement period 6/30/2021

**CITY OF BARSTOW**

**SCHEDULE OF CONTRIBUTIONS - OPEB  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Actuarially Determined Contribution	\$ 995,997	\$ 1,213,266	\$ 1,085,891	\$ 1,032,102	\$ 982,138
Contribution in Relation to the Actuarially Determined Contributions	901,111	851,272	759,312	741,262	702,823
Contribution Deficiency (Excess)	<u>\$ 94,886</u>	<u>\$ 361,994</u>	<u>\$ 326,579</u>	<u>\$ 290,840</u>	<u>\$ 279,315</u>
Covered-employee payroll	\$ 13,424,691	\$ 12,765,028	\$ 13,389,701	\$ 12,153,938	\$ 10,550,746
Contributions as a percentage of covered-employee payroll	6.71%	6.67%	5.67%	6.10%	6.66%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule:

\*Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2022 were from the June 30, 2021 actuarial valuation.

Methods and assumptions used to determine contributions:

Valuation Date	6/30/2021
Actuarial Cost Method	Entry Age Normal
Amortization Valuation Method/Period	Level percent of pay 20 year open
Asset Valuation Method	Market value
Inflation	2.50%
Investment Rate of Return	6.05%
Healthcare cost-trend rates	5.8% in 2023,
Retirement Age	50 to 75
Mortality	2017 CalPERS

BARSTOW FIRE PROTECTION DISTRICT

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

Measurement Date	2022 6/30/2021	2021 6/30/2020	2020 6/30/2019	2019 6/30/2018	2018 6/30/2017
<b>Changes in Total OPEB Liability</b>					
Service cost	\$ 573,551	\$ 544,393	\$ 90,956	\$ 86,320	\$ 90,934
Interest on the total OPEB liability	127,973	111,849	29,157	26,317	21,440
Plan experience	(705,883)	-	124,887	-	-
Changes in assumptions	208,292	72,167	52,128	13,302	(50,934)
Changes in benefit terms	-	-	2,355,457	-	-
Benefit payments	(33,966)	(19,568)	(14,200)	(12,072)	(12,099)
Net change in total OPEB liability	169,967	708,841	2,638,385	113,867	49,341
Total OPEB liability - beginning	4,183,156	3,474,315	835,930	722,063	672,722
<b>Total OPEB liability - ending (a)</b>	<b>\$ 4,353,123</b>	<b>\$ 4,183,156</b>	<b>\$ 3,474,315</b>	<b>\$ 835,930</b>	<b>\$ 722,063</b>
<b>Plan Fiduciary Net Position</b>					
Contribution - employer	\$ 33,966	\$ 19,568	\$ 14,200	\$ 12,072	\$ 12,099
Net investment income	80,880	10,045	16,415	19,778	23,752
Benefit payments	(33,966)	(19,568)	(14,200)	(12,072)	(12,099)
Administrative expense	(111)	(139)	57	(461)	(121)
Net change in plan fiduciary net position	80,769	9,906	16,472	19,317	23,631
Plan fiduciary net position - beginning	294,075	284,169	267,697	248,380	224,749
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 374,844</b>	<b>\$ 294,075</b>	<b>\$ 284,169</b>	<b>\$ 267,697</b>	<b>\$ 248,380</b>
<b>Net OPEB Liability/(Assets) - ending (a) - (b)</b>	<b>\$ 3,978,279</b>	<b>\$ 3,889,081</b>	<b>\$ 3,190,146</b>	<b>\$ 568,233</b>	<b>\$ 473,683</b>
Plan fiduciary net position as a percentage of the total OPEB liability	8.61%	7.03%	8.18%	32.02%	34.40%
Covered-employee payroll	\$ 3,624,974	\$ 2,045,831	\$ 2,758,300	\$ 2,611,101	\$ 2,537,528
Net OPEB liability as a percentage of covered-employee payroll	109.75%	190.10%	115.66%	21.76%	18.67%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule:

Changes of Assumptions: The discount rate decreased from 2.70% to 2.20% in measurement period 6/30/21

**BARSTOW FIRE PROTECTION DISTRICT PLAN**

**SCHEDULE OF CONTRIBUTIONS - OPEB  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Actuarially Determined Contribution	\$ 376,137	\$ 366,074	\$ 335,358	\$ 64,738	\$ 62,732
Contribution in Relation to the Actuarially Determined Contributions	45,608	33,966	19,568	14,200	12,072
Contribution Deficiency (Excess)	<u>\$ 330,529</u>	<u>\$ 332,108</u>	<u>\$ 315,790</u>	<u>\$ 50,538</u>	<u>\$ 50,660</u>
Covered-employee payroll	\$ 4,005,521	\$ 3,624,974	\$ 2,045,831	\$ 2,758,300	\$ 2,611,101
Contributions as a percentage of covered-employee payroll	1.14%	0.94%	0.96%	0.51%	0.46%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule:

\*Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2022 were from the June 30, 2021 actuarial valuation.

Methods and assumptions used to determine contributions:

Valuation Date	6/30/2021
Actuarial Cost Method	Entry Age Normal
Amortization Valuation Method/Period	Level percent of pay
Asset Valuation Method	Market value
Inflation	2.50%
Payroll Growth	3% per annum, in aggregate
Investment Rate of Return	6.20%
Healthcare cost-trend rates	5.8% in 2023,
Retirement Age	45 to 65 years
Mortality	SBCERA 2017

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# SUPPLEMENTARY INFORMATION

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## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUES FUNDS

**Gas Tax Special Revenue Fund** is used to account for receipts and expenditures of money apportioned under Street and Highway Code Sections 2105, 2106, 2107 and 2107.5 of the State of California.

**Asset Seizure Special Revenue Fund** is used to account for asset seizure and forfeitures resulting from police investigations and court decisions.

**Barstow Harvey House Foundation Special Revenue Fund** is used to account for the operations of the Harvey House facility. The City rents portions of the premises to various organizations.

**Redevelopment Housing Successor Special Revenue Fund** is used to account for housing income to be used to promote low and moderate income programs for residents.

**Barstow Community Services Foundation Fund** is used to account for activities of the Barstow Community Services Foundation Inc.

**Local Transportation Fund** is used to account for revenue received as allocated excess transit funds after transit needs are met.

**Flood Control Fund** is used to account for expenditures toward the construction of Kitchen Dean Wash, Laverne Avenue, and Avenue I funded by the San Bernardino County Flood Control District (District).

### DEBT SERVICE FUND

**Measure I TRIP Fund** is used to account for the reserve amount held as reserve for the Measure I TRIP Certificates of Participation, Series 2012.

CITY OF BARSTOW

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022

	Special Revenue Funds			
	Gas Tax	Asset Seizure	Barstow Harvey House Foundation	Redevelopment Housing Successor
<b>Assets:</b>				
Pooled cash and investments	\$ 1,006,242	\$ 79,165	\$ -	\$ 441,068
Receivables:				
Accounts	88,855	-	-	-
Taxes	110,366	-	-	-
Accrued interest	1,035	-	-	565
<b>Total Assets</b>	<b>\$ 1,206,498</b>	<b>\$ 79,165</b>	<b>\$ -</b>	<b>\$ 441,633</b>
<b>Liabilities, Deferred inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Unearned revenues	-	53,129	-	-
Due to other funds	-	-	14,933	-
<b>Total Liabilities</b>	<b>-</b>	<b>53,129</b>	<b>14,933</b>	<b>-</b>
<b>Fund Balances:</b>				
Restricted	1,206,498	26,036	-	441,633
Unassigned	-	-	(14,933)	-
<b>Total Fund Balances</b>	<b>1,206,498</b>	<b>26,036</b>	<b>(14,933)</b>	<b>441,633</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 1,206,498</b>	<b>\$ 79,165</b>	<b>\$ -</b>	<b>\$ 441,633</b>

CITY OF BARSTOW

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022

	Special Revenue Funds			Debt Service Fund
	Barstow Community Services	Local Transportation	Flood Control	Debt Service
<b>Assets:</b>				
Pooled cash and investments	\$ 1,834	\$ 128,619	\$ 10,431	\$ 2,381
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	2	134	13	-
<b>Total Assets</b>	<b>\$ 1,836</b>	<b>\$ 128,753</b>	<b>\$ 10,444</b>	<b>\$ 2,381</b>
<b>Liabilities, Deferred inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Restricted	1,836	128,753	10,444	2,381
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>1,836</b>	<b>128,753</b>	<b>10,444</b>	<b>2,381</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 1,836</b>	<b>\$ 128,753</b>	<b>\$ 10,444</b>	<b>\$ 2,381</b>

CITY OF BARSTOW

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2022

	<u>Total Governmental Funds</u>
<b>Assets:</b>	
Pooled cash and investments	\$ 1,669,740
Receivables:	
Accounts	88,855
Taxes	110,366
Accrued interest	<u>1,749</u>
<b>Total Assets</b>	<b><u>\$ 1,870,710</u></b>
<b>Liabilities, Deferred inflows of Resources, and Fund Balances:</b>	
<b>Liabilities:</b>	
Unearned revenues	53,129
Due to other funds	<u>14,933</u>
<b>Total Liabilities</b>	<b><u>68,062</u></b>
<b>Fund Balances:</b>	
Restricted	1,817,581
Unassigned	<u>(14,933)</u>
<b>Total Fund Balances</b>	<b><u>1,802,648</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 1,870,710</u></b>

CITY OF BARSTOW

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Gas Tax	Asset Seizure	Barstow Harvey House Foundation	Redevelopment Housing Successor
<b>Revenues:</b>				
Intergovernmental	\$ 1,076,016	\$ 5,659	\$ -	\$ -
Use of money and property	(3,197)	(304)	-	(1,195)
Miscellaneous	-	-	3	-
<b>Total Revenues</b>	<b>1,072,819</b>	<b>5,355</b>	<b>3</b>	<b>(1,195)</b>
<b>Expenditures:</b>				
Current:				
Public safety	-	1,605	-	-
Community development	-	-	-	74
Parks and recreation	-	-	325	-
Public works	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>1,605</b>	<b>325</b>	<b>74</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,072,819	3,750	(322)	(1,269)
<b>Other Financing Sources (Uses):</b>				
Transfers out	(571,342)	-	-	-
Other debt issued	-	-	-	-
Bond discount	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(571,342)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	501,477	3,750	(322)	(1,269)
Fund Balances, Beginning of Year	705,021	22,286	(14,611)	442,902
<b>Fund Balances, End of Year</b>	<b>\$ 1,206,498</b>	<b>\$ 26,036</b>	<b>\$ (14,933)</b>	<b>\$ 441,633</b>

CITY OF BARSTOW

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			Debt Service Funds
	Barstow Community Services	Local Transportation	Flood Control	Debt Service
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 58,027	\$ -	-
Use of money and property	(6)	(406)	(28)	-
Miscellaneous	1,447	-	-	-
<b>Total Revenues</b>	<b>1,441</b>	<b>57,621</b>	<b>(28)</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
Public safety	-	-	-	-
Community development	335	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	522,276
<b>Total Expenditures</b>	<b>335</b>	<b>-</b>	<b>-</b>	<b>522,276</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,106	57,621	(28)	(522,276)
<b>Other Financing Sources (Uses):</b>				
Transfers out	-	-	-	(27,891,221)
Other debt issued	-	-	-	28,415,878
Bond discount	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>524,657</b>
Net Change in Fund Balances	1,106	57,621	(28)	2,381
Fund Balances, Beginning of Year	730	71,132	10,472	-
<b>Fund Balances, End of Year</b>	<b>\$ 1,836</b>	<b>\$ 128,753</b>	<b>\$ 10,444</b>	<b>\$ 2,381</b>

CITY OF BARSTOW

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2022

	<b>Total Governmental Funds</b>
<b>Revenues:</b>	
Intergovernmental	\$ 1,139,702
Use of money and property	(5,136)
Miscellaneous	1,450
	<hr/>
<b>Total Revenues</b>	<b>1,136,016</b>
	<hr/>
<b>Expenditures:</b>	
Current:	
Public safety	1,605
Community development	409
Parks and recreation	325
Public works	-
Debt service:	
Interest and fiscal charges	522,276
	<hr/>
<b>Total Expenditures</b>	<b>524,615</b>
	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	611,401
	<hr/>
<b>Other Financing Sources (Uses):</b>	
Transfers out	(28,462,563)
Other debt issued	28,415,878
Bond discount	-
	<hr/>
<b>Total Other Financing Sources (Uses)</b>	<b>(46,685)</b>
	<hr/>
Net Change in Fund Balances	564,716
Fund Balances, Beginning of Year	1,237,932
	<hr/>
<b>Fund Balances, End of Year</b>	<b>\$ 1,802,648</b>
	<hr/> <hr/>

CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 GAS TAX  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 705,021	\$ 705,021	\$ 705,021	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,030,000	944,686	1,076,016	131,330
Use of money and property	-	-	(3,197)	(3,197)
<b>Amounts Available for Appropriations</b>	<b>1,735,021</b>	<b>1,649,707</b>	<b>1,777,840</b>	<b>128,133</b>
<b>Charges to Appropriation (Outflow):</b>				
Transfers out	1,005,000	1,646,463	571,342	1,075,121
<b>Total Charges to Appropriations</b>	<b>1,005,000</b>	<b>1,646,463</b>	<b>571,342</b>	<b>1,075,121</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 730,021</b>	<b>\$ 3,244</b>	<b>\$ 1,206,498</b>	<b>\$ 1,203,254</b>



CITY OF BARSTOW

**BUDGETARY COMPARISON SCHEDULE  
ASSET SEIZURE  
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 22,286	\$ 22,286	\$ 22,286	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	5,547	5,659	112
Use of money and property	-	-	(304)	(304)
<b>Amounts Available for Appropriations</b>	<b>22,286</b>	<b>27,833</b>	<b>27,641</b>	<b>(192)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	-	2,000	1,605	395
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>2,000</b>	<b>1,605</b>	<b>395</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 22,286</b>	<b>\$ 25,833</b>	<b>\$ 26,036</b>	<b>\$ 203</b>

CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 BARSTOW HARVEY HOUSE FOUNDATION  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (14,611)	\$ (14,611)	\$ (14,611)	\$ -
<b>Resources (Inflows):</b>				
Miscellaneous	-	-	3	3
<b>Amounts Available for Appropriation</b>	<b>(14,611)</b>	<b>(14,611)</b>	<b>(14,608)</b>	<b>3</b>
<b>Charges to Appropriation (Outflow):</b>				
Parks and recreation	600	600	325	275
<b>Total Charges to Appropriations</b>	<b>600</b>	<b>600</b>	<b>325</b>	<b>275</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ (15,211)</b>	<b>\$ (15,211)</b>	<b>\$ (14,933)</b>	<b>\$ 278</b>

CITY OF BARSTOW

**BUDGETARY COMPARISON SCHEDULE  
REDEVELOPMENT HOUSING SUCCESSOR  
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 442,902	\$ 442,902	\$ 442,902	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	-	-	(1,195)	(1,195)
<b>Amounts Available for Appropriations</b>	<b>442,902</b>	<b>442,902</b>	<b>441,707</b>	<b>(1,195)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	-	-	74	(74)
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>(74)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 442,902</b>	<b>\$ 442,902</b>	<b>\$ 441,633</b>	<b>\$ (1,269)</b>

CITY OF BARSTOW

**BUDGETARY COMPARISON SCHEDULE  
BARSTOW COMMUNITY SERVICE  
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 730	\$ 730	\$ 730	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	-	-	(6)	(6)
Miscellaneous	-	1,447	1,447	-
<b>Amounts Available for Appropriations</b>	<b>730</b>	<b>2,177</b>	<b>2,171</b>	<b>(6)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	300	335	335	-
<b>Total Charges to Appropriations</b>	<b>300</b>	<b>335</b>	<b>335</b>	<b>-</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 430</b>	<b>\$ 1,842</b>	<b>\$ 1,836</b>	<b>\$ (6)</b>

CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 LOCAL TRANSPORTATION  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 71,132	\$ 71,132	\$ 71,132	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	58,027	58,027	-
Use of money and property	-	-	(406)	(406)
<b>Amounts Available for Appropriations</b>	<b>71,132</b>	<b>129,159</b>	<b>128,753</b>	<b>(406)</b>
<b>Charges to Appropriation (Outflow):</b>				
Transfers out	-	59,905	-	59,905
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>59,905</b>	<b>-</b>	<b>59,905</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 71,132</b>	<b>\$ 69,254</b>	<b>\$ 128,753</b>	<b>\$ 59,499</b>

CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 FLOOD CONTROL  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,472	\$ 10,472	\$ 10,472	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	-	-	(28)	(28)
<b>Amounts Available for Appropriations</b>	<b>10,472</b>	<b>10,472</b>	<b>10,444</b>	<b>(28)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 10,472</b>	<b>\$ 10,472</b>	<b>\$ 10,444</b>	<b>\$ (28)</b>

CITY OF BARSTOW

BUDGETARY COMPARISON SCHEDULE  
 DEBT SERVICE FUND  
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Other debts issued	-	28,413,497	28,415,878	2,381
<b>Amounts Available for Appropriation</b>	-	<b>28,413,497</b>	<b>28,415,878</b>	<b>2,381</b>
<b>Charges to Appropriation (Outflow):</b>				
Debt service:				
Interest and fiscal charges	-	522,276	522,276	-
Transfers out	-	27,891,221	27,891,221	-
<b>Total Charges to Appropriations</b>	-	<b>28,413,497</b>	<b>28,413,497</b>	-
<b>Budgetary Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,381</b>	<b>\$ 2,381</b>

CITY OF BARSTOW

**BUDGETARY COMPARISON SCHEDULE  
CITY CAPITAL PROJECTS  
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 807,489	\$ 807,489	\$ 807,489	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	24,601	29,276	4,675
Use of money and property	-	-	(2,331)	(2,331)
Transfers in	-	24,165,954	7,412,546	(16,753,408)
<b>Amounts Available for Appropriations</b>	<b>807,489</b>	<b>24,998,044</b>	<b>8,246,980</b>	<b>(16,751,064)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	-	15,043	9,917	5,126
Community development	-	329,739	42,883	286,856
Public works	-	4,486,358	1,717,182	2,769,176
Capital outlay	-	19,334,814	5,642,568	13,692,246
Transfers out	-	250,201	-	250,201
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>24,416,155</b>	<b>7,412,550</b>	<b>17,003,605</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 807,489</b>	<b>\$ 581,889</b>	<b>\$ 834,430</b>	<b>\$ 252,541</b>



## **CUSTODIAL FUNDS**

***Public Improvement District 91-1*** accounts for the receipt of assessments relating to Public Improvement District 91-1 and the disposition of the assessments under the terms of the agreement.

***Landscape Assessment District*** accounts for the receipt of assessment relating to the Landscape District and the disposition of the assessments under the terms of the agreements.

CITY OF BARSTOW

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 ALL CUSTODIAL FUNDS  
 JUNE 30, 2022

	Public Improvement District 91-1	Landscape Assessment District	Totals
<b>Assets:</b>			
Cash and investments	\$ 96,212	\$ 87,601	\$ 183,813
Receivables:			
Accounts	-	75	75
Accrued interest receivable	123	100	223
<b>Total Assets</b>	<b>96,335</b>	<b>87,776</b>	<b>184,111</b>
<b>Liabilities:</b>			
Accounts payable	-	1,412	1,412
<b>Total Liabilities</b>	<b>-</b>	<b>1,412</b>	<b>1,412</b>
<b>Net Position:</b>			
Restricted for other purposes	96,335	86,364	182,699
<b>Total Net Position</b>	<b>\$ 96,335</b>	<b>\$ 86,364</b>	<b>\$ 182,699</b>

CITY OF BARSTOW

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 ALL CUSTODIAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2022

	Public Improvement District 91-1	Landscape Assessment District	Totals
<b>Additions:</b>			
Investment earnings:			
Interest	\$ (261)	\$ (259)	\$ (520)
Net investment earnings	(261)	(259)	(520)
Collections for assessment districts	-	22,328	22,328
<b>Total Additions</b>	<b>(261)</b>	<b>22,069</b>	<b>21,808</b>
<b>Deductions:</b>			
Administrative expenses	-	990	990
Contractual services	-	6,640	6,640
<b>Total Deductions</b>	<b>-</b>	<b>7,630</b>	<b>7,630</b>
Net Increase (Decrease) in Fiduciary Net Position	(261)	14,439	14,178
Net Position - Beginning	96,596	71,925	168,521
<b>Net Position - End of the Year</b>	<b>\$ 96,335</b>	<b>\$ 86,364</b>	<b>\$ 182,699</b>

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# STATISTICAL SECTION

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# STATISTICAL SECTION

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This part of the City of Barstow’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City.

<b>Index</b>	<b>Page</b>
<b>Financial Trends</b>	145
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	150
These schedules contain information to help the reader assess the City’s most significant local revenues sources, property tax and sales tax.	
<b>Debt Capacity</b>	158
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability issues additional debt in the future.	
<b>Demographic and Economic Information</b>	163
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<b>Operating Information</b>	165
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	

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**CITY OF BARSTOW**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental Activities:</b>										
Net investment in capital assets	\$ 76,148,543	\$ 73,335,444	\$ 76,362,833	\$ 80,392,246	\$ 81,895,762	\$ 82,945,793	\$ 83,892,867	\$ 83,177,722	\$ 83,193,605	\$ 85,392,038
Restricted	4,937,538	6,079,590	2,245,332	1,912,180	2,122,953	2,815,993	4,321,280	4,856,154	2,060,032	2,652,011
Unrestricted	23,982,795	1,591,292	777,665	(4,892,883)	(15,011,733)	(36,244,461)	(40,010,751)	(48,226,357)	(47,612,389)	(49,033,863)
<b>Total Governmental Activities Net Position</b>	<b>\$ 105,068,876</b>	<b>\$ 81,006,326</b>	<b>\$ 79,385,830</b>	<b>\$ 77,411,543</b>	<b>\$ 69,006,982</b>	<b>\$ 49,517,325</b>	<b>\$ 48,203,396</b>	<b>\$ 39,807,519</b>	<b>\$ 37,641,248</b>	<b>\$ 39,010,186</b>
<b>Business-type Activities:</b>										
Net investment in capital assets	\$ 15,734,425	\$ 23,983,537	\$ 28,045,832	\$ 22,332,269	\$ 22,376,249	\$ 22,036,073	\$ 22,493,982	\$ 22,443,932	\$ 21,922,426	\$ 22,527,948
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	(5,850,933)	(10,547,818)	(14,863,742)	(12,179,023)	(10,757,834)	(9,598,849)	(8,538,249)	(7,598,760)	(5,702,487)	(2,791,649)
<b>Total Business-type Activities Net Position</b>	<b>\$ 9,883,492</b>	<b>\$ 13,435,719</b>	<b>\$ 13,182,090</b>	<b>\$ 10,153,246</b>	<b>\$ 11,618,415</b>	<b>\$ 12,437,224</b>	<b>\$ 13,955,733</b>	<b>\$ 14,845,172</b>	<b>\$ 16,219,939</b>	<b>\$ 19,736,299</b>
<b>Primary Government:</b>										
Net investment in capital assets	\$ 91,882,968	\$ 97,318,981	\$ 104,408,665	\$ 102,724,515	\$ 104,272,011	\$ 104,981,866	\$ 106,386,849	\$ 105,621,654	\$ 105,116,031	\$ 107,919,986
Restricted	4,937,538	6,079,590	2,245,332	1,912,180	2,122,953	2,815,993	4,321,280	4,856,154	2,060,032	2,652,011
Unrestricted	18,131,862	(8,956,526)	(14,086,077)	(17,071,906)	(25,769,567)	(45,843,310)	(48,549,000)	(55,825,117)	(53,314,876)	(51,825,512)
<b>Total Primary Government Net Position</b>	<b>\$ 114,952,368</b>	<b>\$ 94,442,045</b>	<b>\$ 92,567,920</b>	<b>\$ 87,564,789</b>	<b>\$ 80,625,397</b>	<b>\$ 61,954,549</b>	<b>\$ 62,159,129</b>	<b>\$ 54,652,691</b>	<b>\$ 53,861,187</b>	<b>\$ 58,746,485</b>

**CITY OF BARSTOW**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 3,979,122	\$ 3,040,319	\$ 2,340,584	\$ 3,453,207	\$ 4,243,537	\$ 3,407,933	\$ 3,195,349	\$ 4,539,158	\$ 7,178,050	\$ 11,261,122
Public safety	14,781,347	13,263,509	13,655,432	14,618,441	16,507,044	16,367,119	18,968,397	23,887,685	22,274,486	20,727,916
Community development	2,646,525	2,068,450	2,458,665	2,567,843	3,328,046	2,868,473	2,522,157	2,959,442	1,835,249	2,114,693
Recreation	1,980,078	2,647,726	2,777,589	2,840,457	3,221,250	3,097,501	2,573,335	2,548,681	1,413,896	1,892,705
Public works	5,928,990	11,353,600	6,882,670	7,863,741	7,603,005	6,911,603	6,937,058	7,842,090	9,115,346	8,246,181
Interest on long-term debt	132,321	260,017	239,143	188,887	143,333	100,036	55,104	85	51,162	1,178,331
Unallocated depreciation	-	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities Expenses</b>	<b>29,448,383</b>	<b>32,633,621</b>	<b>28,354,083</b>	<b>31,532,576</b>	<b>35,046,215</b>	<b>32,752,665</b>	<b>34,251,400</b>	<b>41,777,141</b>	<b>41,868,189</b>	<b>45,420,948</b>
Business-type Activities:										
Wastewater	3,479,553	3,933,499	5,217,340	5,183,363	3,991,004	4,077,582	3,928,331	5,093,118	4,626,634	2,572,697
Solid Waste	4,095,682	4,605,465	4,350,342	4,588,155	2,376,686	2,526,901	2,216,662	1,575,575	3,901,112	5,088,339
Transit Services	2,714,135	2,916,096	2,685,773	127,671	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Other Enterprise Funds	324,043	382,573	473,911	391,844	-	-	-	-	-	-
<b>Total Business-type Activities Expenses</b>	<b>10,613,413</b>	<b>11,837,633</b>	<b>12,727,366</b>	<b>10,291,033</b>	<b>6,367,690</b>	<b>6,604,483</b>	<b>6,144,993</b>	<b>6,668,693</b>	<b>8,527,746</b>	<b>7,661,036</b>
<b>Total Primary Government Expenses</b>	<b>40,061,796</b>	<b>44,471,254</b>	<b>41,081,449</b>	<b>41,823,609</b>	<b>41,413,905</b>	<b>39,357,148</b>	<b>40,396,393</b>	<b>48,445,834</b>	<b>50,395,935</b>	<b>53,081,984</b>
<b>Program revenues:</b>										
Governmental activities:										
Charges for services:										
General government	1,543,686	1,430,544	1,490,257	1,569,444	1,702,142	1,488,493	2,318,518	1,327,757	1,236,136	1,830,004
Operating grants and contributions	436,434	861,484	1,702,084	1,045,110	638,283	847,091	1,002,010	859,437	757,387	305,735
Capital grants and contributions	3,297,685	7,793,386	3,978,333	5,488,502	4,365,660	6,145,461	5,670,702	3,526,055	4,994,774	9,450,259
<b>Total governmental activities</b>	<b>5,277,805</b>	<b>10,085,414</b>	<b>7,170,674</b>	<b>8,103,056</b>	<b>6,706,085</b>	<b>8,481,045</b>	<b>8,991,230</b>	<b>5,713,249</b>	<b>6,988,297</b>	<b>11,585,998</b>
Business-type activities:										
Charges for services:										
Wastewater	4,297,624	4,930,118	5,530,122	5,514,969	5,382,396	5,395,851	5,691,682	5,541,935	5,564,001	5,204,267
Solid Waste	3,785,422	4,040,347	4,023,189	4,121,294	1,926,405	2,027,441	1,971,820	1,988,453	4,208,547	5,733,905
Transit Services	186,984	610,918	169,247	129,803	-	-	-	-	-	-
Other business-type activities	94,831	75,831	69,973	58,451	-	-	-	-	-	-
<b>Total business-type activities</b>	<b>8,364,861</b>	<b>9,766,214</b>	<b>10,732,531</b>	<b>10,263,517</b>	<b>7,308,801</b>	<b>7,423,292</b>	<b>7,663,502</b>	<b>7,530,388</b>	<b>9,772,548</b>	<b>10,938,172</b>
<b>Total primary government</b>	<b>10,746,399</b>	<b>16,286,628</b>	<b>12,473,737</b>	<b>10,043,555</b>	<b>7,832,859</b>	<b>7,423,292</b>	<b>7,663,502</b>	<b>7,530,388</b>	<b>9,772,548</b>	<b>10,938,172</b>
<b>program revenues</b>	<b>16,024,204</b>	<b>26,372,042</b>	<b>19,644,411</b>	<b>18,146,611</b>	<b>14,538,944</b>	<b>15,904,337</b>	<b>16,654,732</b>	<b>13,243,637</b>	<b>16,760,845</b>	<b>22,524,170</b>

(Continued)

**CITY OF BARSTOW**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net revenues (expenses):										
Governmental activities	\$ (24,170,578)	\$ (22,548,207)	\$ (21,183,409)	\$ (23,429,520)	\$ (28,340,130)	\$ (25,103,932)	\$ (25,260,170)	\$ (36,063,892)	\$ (34,879,892)	\$ (33,834,950)
Business-type activities	132,986	4,448,995	(253,629)	(247,478)	1,465,169	818,809	1,518,509	861,695	1,244,802	3,277,136
Total net revenues (expenses)	(24,037,592)	(18,099,212)	(21,437,038)	(23,676,998)	(26,874,961)	(24,285,123)	(23,741,661)	(35,202,197)	(33,635,090)	(30,557,814)
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes:										
Property taxes	8,750,763	7,288,665	7,398,978	7,441,119	7,970,015	9,108,160	8,774,293	9,252,006	9,796,572	10,448,051
Transient occupancy taxes	2,649,694	2,748,763	2,892,232	2,857,509	3,056,078	3,147,207	3,320,952	2,855,796	3,436,464	4,318,551
Sales taxes	7,346,732	7,532,540	7,259,449	7,670,993	7,166,274	7,239,830	9,690,333	13,527,079	16,387,048	18,622,825
Franchise taxes	N/A	N/A	N/A	N/A	N/A	N/A	1,023,994	1,077,373	1,175,996	1,212,053
Business License taxes	N/A	N/A	N/A	N/A	N/A	N/A	233,526	220,930	222,605	228,316
Other taxes	1,126,099	1,178,629	1,211,911	1,265,262	1,264,374	1,308,951	59,958	64,808	55,188	144,161
Motor vehicle in lieu, unrestricted	-	-	-	-	-	-	-	-	-	-
Use of money and property	328,226	693,341	471,980	482,812	278,153	202,328	242,147	318,440	1,048,338	117,614
Other general revenues	109,885	141,895	328,363	199,570	200,675	269,350	601,038	352,124	721,375	370,710
Gain (loss) on sale of assets	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	1,537,968	-	-	-	-	-	(258,393)
Special item - merger of fire district	-	-	-	-	-	-	-	-	-	-
Extraordinary item - gain due to dissolution of RDA	-	-	-	-	-	-	-	-	-	-
Inventory Adjustment for Capital Assets	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	20,311,399	19,583,833	19,562,913	21,455,233	19,935,569	21,275,826	23,946,241	27,668,555	32,843,585	35,203,888
Business-type activities:										
Investment Income	-	-	-	-	-	-	-	-	-	-
Use of money and property	-	-	-	-	-	-	-	-	-	(3,498)
Other revenue	-	-	-	-	-	-	-	27,744	129,965	39,202
Gain (loss) on sale of assets	-	-	-	-	-	-	-	-	-	(54,873)
Transfers	-	-	-	(2,781,366)	-	-	-	-	-	258,393
Total Business-type Activities	-	-	-	(2,781,366)	-	-	-	27,744	129,965	239,224
Total Primary Government	20,311,399	19,583,833	19,562,913	18,673,867	19,935,569	21,275,826	23,946,241	27,696,299	32,973,551	35,443,112
Changes in Net Position:										
Governmental activities	(3,859,179)	(2,964,374)	(1,620,496)	(1,974,287)	(8,404,561)	(3,828,106)	(1,313,929)	(8,395,337)	(2,166,271)	1,368,938
Business-type activities	132,986	4,448,995	(253,629)	(3,028,844)	1,465,169	818,809	1,518,509	889,439	1,374,767	3,516,360
Total Primary Government	\$ (3,726,193)	\$ 1,484,621	\$ (1,874,125)	\$ (5,003,131)	\$ (6,939,392)	\$ (3,009,297)	\$ 204,580	\$ (7,505,898)	\$ (791,504)	\$ 4,885,298

**CITY OF BARSTOW**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Reserved										
Nonspendable*	\$ 5,819,857	\$ 5,391,889	\$ 10,843,398	\$ 8,680,778	\$ 7,619,282	\$ 5,183,492	\$ 8,111,586	\$ 9,955,211	\$ 8,002,559	\$ 6,651,670
Restricted*	-	-	-	-	-	-	-	-	-	-
Assigned*	-	-	-	-	-	-	-	4,406,560	4,438,404	4,438,404
Unreserved/Unassigned*	22,749,055	21,445,217	14,466,701	12,063,100	9,222,550	9,163,739	5,843,014	(479,717)	5,218,191	12,237,711
<b>Total General Fund</b>	<b>\$28,568,912</b>	<b>\$26,837,106</b>	<b>\$25,310,099</b>	<b>\$20,743,878</b>	<b>\$16,841,832</b>	<b>\$14,347,231</b>	<b>\$13,954,600</b>	<b>\$13,882,054</b>	<b>\$17,659,154</b>	<b>\$23,327,785</b>
All Other Governmental Funds:										
Reserved										
Nonspendable*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted*	15,283,195	6,266,281	2,269,521	1,941,169	2,122,945	2,232,689	4,376,375	4,856,154	2,060,032	2,652,011
Assigned*	-	-	-	-	-	-	-	-	-	-
Unreserved/Unassigned*, reported in:										
Special revenue funds	(229,905)	(4,178,949)	(1,203,369)	(3,645,638)	(4,363,879)	(5,509,987)	(8,192,534)	(8,168,382)	(6,784,541)	(10,311,199)
Debt Service	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$15,053,290</b>	<b>\$ 2,087,332</b>	<b>\$ 1,066,152</b>	<b>\$ (1,704,469)</b>	<b>\$ (2,240,934)</b>	<b>\$ (3,277,298)</b>	<b>\$ (3,816,159)</b>	<b>\$ (3,312,228)</b>	<b>\$ (4,724,509)</b>	<b>\$ (7,659,188)</b>

Source: Barstow Finance Department

\* FY11 Implementation of GASB 54 Fund Balance Classifications.

\*\*The Hospital Fund for FY09 & FY10 was not included with the General Fund balances but shown as a separate special revenue fund. For comparison purposes, the Hospital Fund (now labeled General Fund II), is combined with the General Fund.

**CITY OF BARSTOW**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues:</b>										
Taxes	\$ 19,873,288	\$ 18,558,246	\$ 18,540,422	\$ 19,035,503	\$ 19,265,710	\$ 20,748,728	\$ 22,592,237	\$ 26,994,270	\$ 31,071,466	\$ 34,961,386
Licenses and permits	204,981	472,222	429,256	509,323	574,297	561,068	490,306	442,883	536,798	430,332
Fines and forfeitures	104,690	142,409	125,915	140,692	216,117	78,862	114,564	132,885	89,923	163,033
Rental income	-	-	-	-	-	-	-	-	-	-
From other agencies	3,907,154	5,075,232	9,278,029	6,713,437	5,161,172	7,365,874	6,051,941	5,818,278	5,535,566	5,625,545
Charges for services	1,099,480	750,382	1,281,351	808,528	712,690	655,742	1,053,338	444,041	328,465	1,003,759
Use of Money and Property	328,226	768,427	586,238	579,736	430,896	350,328	924,400	354,439	1,084,648	154,154
Other	71,385	82,362	115,621	80,491	68,327	136,635	472,340	352,124	592,683	370,710
<b>Total Revenues</b>	<b>25,589,204</b>	<b>25,849,280</b>	<b>30,356,832</b>	<b>27,867,710</b>	<b>26,429,209</b>	<b>29,897,237</b>	<b>31,699,126</b>	<b>34,538,920</b>	<b>39,239,549</b>	<b>42,708,919</b>
<b>Expenditures</b>										
<b>Current:</b>										
General government	3,061,475	2,882,514	2,934,731	3,350,641	3,633,918	3,197,895	3,964,134	3,271,395	5,750,679	16,070,310
Public safety	13,427,720	13,473,842	14,493,181	14,032,923	14,419,752	15,862,429	17,253,463	18,655,220	18,784,049	35,711,833
Public works	3,481,396	3,108,045	3,050,005	3,274,837	3,418,593	3,321,773	3,162,077	3,854,666	5,042,790	5,467,331
Recreation	1,520,643	2,333,991	2,380,982	2,541,381	2,575,293	2,628,551	2,429,324	2,188,673	1,007,100	1,487,939
Community development	2,552,355	2,147,003	2,427,110	2,573,815	2,839,218	2,609,936	2,555,676	2,626,193	1,605,860	1,981,876
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal retirement	-	1,070,000	1,100,000	1,145,000	1,190,000	1,249,026	1,290,000	1,826,578	2,114,295	155,368
Interest and fiscal charges	447,390	386,172	356,970	311,543	262,775	212,818	167,854	112,835	165,912	877,959
Capital Outlay	7,233,394	15,212,059	6,162,422	6,929,898	2,652,301	4,176,662	3,372,692	1,890,389	2,532,983	6,843,748
<b>Total Expenditures</b>	<b>31,724,373</b>	<b>40,613,626</b>	<b>32,905,401</b>	<b>34,160,038</b>	<b>30,991,850</b>	<b>33,259,090</b>	<b>34,195,220</b>	<b>34,425,949</b>	<b>37,001,668</b>	<b>68,596,364</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(6,135,169)</b>	<b>(14,764,346)</b>	<b>(2,548,569)</b>	<b>(6,292,328)</b>	<b>(4,562,641)</b>	<b>(3,361,853)</b>	<b>(2,496,094)</b>	<b>112,971</b>	<b>2,237,881</b>	<b>(25,887,445)</b>
<b>Other financing sources (uses):</b>										
Transfers in	5,596,067	13,715,655	5,401,533	7,939,085	3,486,269	4,950,785	4,645,038	4,667,368	8,189,791	38,734,738
Transfers out	(5,596,067)	(13,715,655)	(5,401,533)	(9,288,600)	(3,486,269)	(4,950,785)	(4,645,038)	(4,667,368)	(8,189,791)	(38,993,131)
Proceeds from sale of assets	23,296	33,374	382	24,332	-	32,306	720,188	318,414	126,938	-
Capital leases	651,548	33,208	-	-	124,130	642,996	-	-	-	-
Issuance of bonds	9,770,000	-	-	-	-	-	-	-	-	28,415,878
Issuance premium	901,999	-	-	-	-	-	-	-	-	-
Proceeds from leases	-	-	-	-	-	-	-	-	-	-
Extraordinary loss on dissolution of RDA	-	-	-	-	-	-	-	-	-	463,912
Transfer of residual equity due to termination	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing</b>	<b>11,346,843</b>	<b>66,582</b>	<b>382</b>	<b>(1,044,514)</b>	<b>124,130</b>	<b>675,302</b>	<b>720,188</b>	<b>318,414</b>	<b>126,938</b>	<b>28,621,397</b>
<b>Sources (Uses)</b>	<b>\$ 5,211,674</b>	<b>#####</b>	<b>\$ (2,548,187)</b>	<b>\$ (7,336,842)</b>	<b>\$ (4,438,511)</b>	<b>\$ (2,686,551)</b>	<b>\$ (1,775,906)</b>	<b>\$ 431,385</b>	<b>\$ 2,364,819</b>	<b>\$ 2,733,952</b>
<b>Net Change in Fund Balances</b>										
Debt service as a percentage of noncapital expenditures	0.7%	5.7%	5.4%	5.3%	5.1%	5.0%	4.7%	6.0%	6.6%	1.7%

**CITY OF BARSTOW**  
**Assessed Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	City of Barstow				
	Secured	Unsecured	SBE Nonunitary	City Net Value	% Change
2013	\$ 1,092,408,332	\$ 104,914,213	\$ 2,165,193	\$1,199,487,738	-1.11%
2014	1,039,983,380	102,817,129	677,094	1,143,477,603	-4.67%
2015	1,051,514,240	103,609,217	562,232	1,155,685,689	1.07%
2016	1,075,574,231	100,176,764	1,091,097	1,176,842,092	1.83%
2017	1,179,227,750	92,848,517	1,090,047	1,273,166,314	8.18%
2018	1,199,023,057	87,038,753	1,174,083	1,287,235,893	1.11%
2019	1,277,320,622	97,633,037	1,100,258	1,376,053,917	6.90%
2020	1,364,148,974	96,231,522	1,041,131	1,461,421,627	6.20%
2021	1,406,623,300	99,619,193	986,567	1,507,229,060	3.13%
2022	1,519,793,070	97,859,589	891,005	1,618,543,664	7.39%

Source: HdL Coren & Cone/San Bernardino Co Assessor 2012/13-2021/22 Combined Tax Rolls

\*Exempt values are not included in Total Assessed Value.

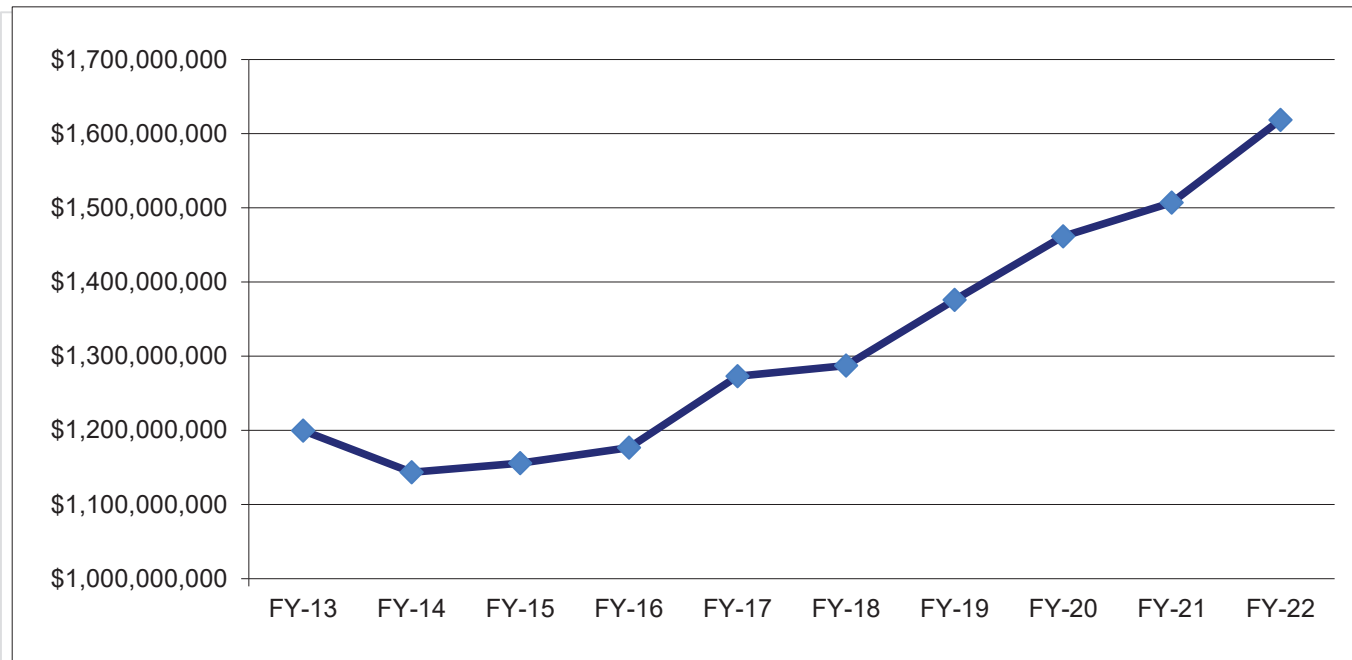
**CITY OF BARSTOW**  
**Assessed Value of Taxable Property by Class**  
**Last Ten Fiscal Years**

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Vacant Land	SBE Non Unitary	Unsecured	Other	Total Taxable Assessed Value (a)	Total Direct Tax Rate
2012-13	\$520,704,582	\$ 354,140,448	\$ 30,209,573	\$ 173,103,339	\$ 2,165,193	\$104,914,213	\$ 14,250,390	\$ 1,199,487,738	0.404%
2013-14	504,674,199	342,399,149	29,304,358	150,618,871	677,094	102,817,129	12,986,803	1,143,477,603	0.150%
2014-15	525,855,023	344,691,557	29,536,256	99,024,673	562,232	103,609,217	52,406,731	1,155,685,689	0.150%
2015-16	541,740,544	352,020,034	28,283,445	100,095,186	1,091,097	100,176,764	53,435,022	1,176,842,092	0.150%
2016-17	558,991,827	436,522,540	28,978,583	100,797,408	1,090,047	92,848,517	53,937,392	1,273,166,314	0.150%
2017-18	572,637,923	442,244,817	29,637,912	101,055,206	1,174,083	87,038,753	53,447,196	1,287,235,890	0.150%
2018-19	601,437,825	489,871,146	29,041,847	103,502,172	1,100,258	97,633,037	53,467,632	1,376,053,917	0.150%
2019-20	651,254,179	512,323,358	30,132,457	115,105,159	1,041,131	96,231,522	55,333,821	1,461,421,627	0.180%
2020-21	675,586,704	541,992,444	28,785,991	104,526,446	986,567	99,619,193	55,731,715	1,507,229,060	0.179%
2021-22	708,405,523	562,837,351	34,196,759	101,079,158	891,005	97,859,589	113,274,279	1,618,543,664	0.179%

Source: HdL Coren & Cone/San Bernardino Co Assessor 2012/13-2021/22 Combined Tax Rolls

Notes:

(a) Exempt values are not included in Total Assessed Value.



**CITY OF BARSTOW**

**Direct and Overlapping Property Tax Rates**  
(Rate per \$100 of assessed value)  
Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Direct &amp; Overlapping (2) Tax Rates</b>										
Basic Levy (1)	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Barstow Unified School Bond	0.0393	0.0370	0.0474	0.0329	0.0394	0.0308	0.1245	0.0451	0.0844	0.0705
Mojave Water Agency	0.1675	0.1675	0.1675	0.1675	0.1675	0.1675	0.1675	0.1675	0.1675	0.1675
<b>Total Direct &amp; Overlapping Rates</b>	<u>\$ 1.20680</u>	<u>\$ 1.20450</u>	<u>\$ 1.21490</u>	<u>\$ 1.20040</u>	<u>\$ 1.20690</u>	<u>\$ 1.19830</u>	<u>\$ 1.29200</u>	<u>\$ 1.21260</u>	<u>\$ 1.25190</u>	<u>\$ 1.23800</u>
City's Share of 1% Levy Per Prop 13 (3)	0.14974	0.14974	0.14974	0.14974	0.14974	0.14974	0.14974	0.14974	0.14974	0.14974
<b>General Obligation Debt Rate</b>										
Redevelopment Rate (4)	1.0000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Direct Rate (5)</b>	0.40408	0.14996	0.14998	0.15012	0.15012	0.15015	0.15016	0.18054	0.17982	0.17928

Source: San Bernardino County Assessor/Hdl, Coren & Cone

NOTE:

(1) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values of any voter approved bonds.

(2) Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

(3) City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.

(4) Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

(5) Total Direct Rate is the weighted average of all individual direct rates applied to the City. Beginning in 2013/2014 the Total Direct Rate no longer includes revenue generated from teh former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. for the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.



**CITY OF BARSTOW**  
**Largest 2021-22 Local Taxpayers**

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2021-22 Assessed Valuation</u>	<u>% of Total (1)</u>
1	FRO2MO Barstow LLC	Shopping Center	\$ 121,173,524	7.49%
2	Golden State Water Company	Utility Company	59,635,346	3.68%
3	Hospital of Barstow	Hospital	49,535,457	3.06%
4	Walmart Inc.	Commercial Store	31,802,014	1.96%
5	TVL Properties LLC	Supermarket	13,592,402	0.84%
6	Pilot Travel Centers LLC	Travel Center	12,937,138	0.80%
7	Lee Family Irrevocable Trust	Hotelier	12,862,853	0.79%
8	Fred and Robin Rosenberg Family LP	Commercial Properties	12,589,109	0.78%
9	Global Resorts	Hotelier	12,134,910	0.75%
10	Desert Heights LP	Apartments	12,020,864	0.74%
			<u>\$338,283,617</u>	<u>20.90%</u>

(1) 2020-21 Local Secured Assessed Valuation: \$1,618,543,664

*Source: San Bernardino County Assessor/Hdl, Coren & Cone*



**City of Barstow**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collected in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percentage of Levy
2013	\$ 4,587,850	\$ 4,415,853	96%	\$ 182,397	\$ 4,598,250	100%
2014	4,511,674	4,410,513	98%	167,577	4,578,090	101%
2015	4,598,336	4,506,775	98%	103,403	4,610,178	100%
2016	4,730,324	4,634,977	98%	72,106	4,707,083	100%
2017	4,806,434	4,729,391	98%	72,314	4,801,705	100%
2018	4,812,206	4,753,763	99%	57,650	4,811,413	100%
2019	4,980,727	4,901,322	98%	50,063	4,951,385	99%
2020	5,241,332	5,145,125	98%	55,887	5,201,012	99%
2021	5,365,780	5,355,407	100%	45,036	5,400,443	101%
2022	5,528,046	5,491,897	99%	-	5,491,897	99%

*Source: San Bernardino Auditor-Controller Recorder*

Includes Barstow Park & Recreation and Barstow Fire Protection District

**CITY OF BARSTOW**  
**Top 25 Sales Tax Producers (Alphabetically)**  
**For the Fiscal Year 2022**

<u>Business Name</u>	<u>Business Category</u>
7 Eleven	Service Stations
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Barstow 76	Service Stations
Chevron	Service Stations
Circle K	Service Stations
Coach	Women's Apparel
Del Taco	Quick-Service Restaurants
Food 4 Less	Grocery Stores
Home Depot	Building Materials
In N Out Burger	Quick-Service Restaurants
Lenwood Arco	Service Stations
Loves Travel Stop 374	Service Stations
Marshalls	Family Apparel
McDonalds	Quick-Service Restaurants
Mobil	Service Stations
Mojave Ford/Nissan of Barstow	New Motor Vehicle Dealers
Mojave Toyota Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers
Nike	Shoe Stores
Pilot Travel Center	Service Stations
Shell	Service Stations
Stater Bros	Grocery Stores
Terrible Herbst	Service Stations
Travelcenters of America	Service Stations
Walmart	Discount Dept Stores

Percent of Fiscal Year Total Paid by Top 25 Accounts = 68.35%

Period: July 2021 Through June 2022

*Source: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies*

**CITY OF BARSTOW**  
**Top 25 Sales Tax Producers (Alphabetically)**  
**For the Fiscal Year 2013**

<u>Business Name</u>	<u>Business Category</u>
Arco	Service Stations
Arco AM PM	Service Stations
Barstow Shell	Service Stations
Calvin Klein	Family Apparel
Calvin Klein	Family Apparel
Chevron	Service Stations
Circle K	Service Stations
Coach	Women's Apparel
Food 4 Less	Grocery Stores
Home Depot	Building Materials
In N Out Burgers	Quick-Service Restaurants
Loves Travel Stop	Service Stations
McDonalds	Quick-Service Restaurants
Michael Kors	Family Apparel
Pilot Travel Center	Service Stations
Ralph Lauren	Family Apparel
Shell	Service Stations
Soutar's Chrysler Dodge Jeep Ram & Toyota	New Motor Vehicle Dealers
Soutar's Ford/Nissan	New Motor Vehicle Dealers
Terrible Herbst	Service Stations
Travelcenters of America	Service Stations
Union 76	Service Stations
Valero	Service Stations
Valmont Newmark	Heavy Industrial
Walmart	Discount Dept Stores

Percent of Fiscal Year Total Paid by Top 25 Accounts = 69.34%  
 Period: July 2012 thru June 2013

*Source: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies*

**CITY OF BARSTOW**  
**Taxable Sales by Category**  
**Last Ten Calendar Years (in thousands of dollars)**  
**Adjusted for Economic Data**

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Apparel Stores	\$ 136,098	\$ 133,682	\$ 132,209	\$ 130,388	\$ 131,088	\$ 126,811	\$ 121,533	\$ 107,173	\$ 57,128	\$ 69,274
Food Stores	11,696	18,756	27,229	25,860	25,047	25,129	27,425	26,153	23,631	24,351
Eating & Drinking Places	74,615	73,539	78,985	81,755	86,384	88,812	89,813	93,163	81,758	108,477
Auto Dealers & Supplies	30,721	27,340	27,153	36,460	41,143	38,711	35,987	35,918	36,184	44,714
Service Stations	285,795	292,409	301,169	262,870	251,792	251,447	273,462	260,683	201,183	279,849
Other Retail Stores	101,423	101,714	103,093	102,123	100,869	107,020	110,750	112,212	131,828	150,468
All Other Outlets	95,203	86,319	86,873	80,763	83,181	88,364	93,587	100,384	120,087	130,257
<b>Total</b>	<b>\$ 735,551</b>	<b>\$ 733,759</b>	<b>\$ 756,711</b>	<b>\$ 720,219</b>	<b>\$ 719,504</b>	<b>\$ 726,294</b>	<b>\$ 752,557</b>	<b>\$ 735,686</b>	<b>\$ 651,799</b>	<b>\$ 807,390</b>

Source: State of California Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office and The Hill Companies

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternate information regarding the sources of the City's revenues.

**CITY OF BARSTOW**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Governmental Activities					Business-type					Percentage of Personal Income <sup>1</sup>	Debt Per Capita <sup>1</sup>
	Pension Obligation Bonds	Lease Revenue Bonds	Measure I TRIP	Financing Agreements	Total Governmental Activities	Wastewater Certificates of Participation	Wastewater Financing Agreements	Total Business-type Activities	Total Primary Government			
2013	\$ -	\$ -	\$ 10,671,999	\$ 3,337,511	\$ 14,009,510	\$ 1,766,808	\$ 1,968,975	\$ 3,735,783	\$ 17,745,293	3.76%	\$ 766	
2014	-	-	9,849,249	2,874,809	12,724,058	1,500,766	1,757,803	3,258,569	15,982,627	3.58%	686	
2015	-	-	8,276,499	2,574,443	10,850,942	1,225,279	1,544,289	2,769,568	13,620,510	2.99%	585	
2016	-	-	7,018,749	2,092,667	9,111,416	935,472	1,312,813	2,248,285	11,359,701	2.61%	466	
2017	-	-	5,715,999	1,625,443	7,341,442	636,157	1,096,638	1,732,795	9,074,237	2.14%	374	
2018	-	-	4,363,249	1,825,131	6,188,380	327,402	887,323	1,214,725	7,403,105	1.87%	303	
2019	-	-	2,960,499	1,195,399	4,155,898	-	598,645	598,645	4,754,543	1.10%	197	
2020	-	-	1,507,749	1,027,235	2,534,984	-	349,491	349,491	2,884,475	0.62%	119	
2021	-	-	-	1,594,224	1,594,224	-	47,057	47,057	1,641,281	0.35%	68	
2022	20,170,000	8,245,878	-	1,275,983	29,691,861	-	-	-	29,691,861	6.05%	1,178	

<sup>1</sup> These ratios are calculated using personal income and population for the prior calendar year

**CITY OF BARSTOW**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	General Obligation Bonds	Percent of Assessed Value <sup>1</sup>	Per Capita
2013	-	0.00%	-
2014	-	0.00%	-
2015	-	0.00%	-
2016	-	0.00%	-
2017	-	0.00%	-
2018	-	0.00%	-
2019	-	0.00%	-
2020	-	0.00%	-
2021	-	0.00%	-
2022	-	0.00%	-

*Source: Barstow Finance Department*

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

<sup>1</sup> Assessed value has been used because the actual value of taxable property is not readily available in the State of California. 2022 Net Assessed Value is \$1,618,543,664.

<sup>2</sup> The 2021 population of the City of Barstow is 25,202



**CITY OF BARSTOW**  
**Direct & Overlapping Governmental Activities Debt**  
**As of June 30, 2022**

2021-22 Assessed Valuation: \$1,618,543,664

	Total Debt		City's Share of
	<u>6/30/22</u>	<u>% Applicable (1)</u>	<u>Debt 6/30/22</u>
<b><u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u></b>			
Barstow Unified School District	\$39,348,776	66.871%	\$26,312,920
Mojave Water Agency	1,685,000	3.836	64,637
<b>City of Barstow</b>	<b>0</b>	<b>100.</b>	<b>0</b>
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b><u>\$26,377,557</u></b>
<b><u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u></b>			
San Bernardino County General Fund Obligations	\$188,035,000	0.608%	<u>\$ 1,143,253</u>
San Bernardino County Pension Obligation Bonds	119,835,000	0.608	728,597
San Bernardino County Flood Control District General Fund Obligations	44,780,000	0.608	272,262
Barstow Unified School District Certificates of Participation	14,385,000	66.871	9,619,393
<b>City of Barstow Pension Obligation Bonds</b>	<b>28,415,878</b>	<b>100.</b>	<b><u>28,415,878</u></b>
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b><u>\$40,179,383</u></b>
<b><u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u></b>	<b>\$815,000</b>	<b>100. %</b>	<b>\$815,000</b>
<b>TOTAL DIRECT DEBT</b>			<b><u>\$28,415,878</u></b>
<b>TOTAL OVERLAPPING DEBT</b>			<b><u>\$38,956,062</u></b>
<b>COMBINED TOTAL DEBT</b>			<b><u>\$67,371,940 (2)</u></b>

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2021-22 Assessed Valuation:

<b>Total Direct Debt (\$28,415,878)</b> .....	<b>1.76%</b>
Total Direct and Overlapping Tax and Assessment Debt .....	1.63%
Combined Total Debt .....	4.16%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$700,958,962):

Total Overlapping Tax Increment Debt .....	0.12%
--	-------

Source: Avenu Insights & Analytics  
California Municipal Statistics, Inc.

**CITY OF BARSTOW**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed valuation	\$1,199,487,738	\$1,143,477,603	\$1,155,685,689	\$1,176,842,092	\$1,273,166,314	\$1,287,235,890	\$1,376,053,917	\$1,461,421,627	\$1,507,229,060	\$1,618,543,664
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation	299,871,935	285,869,401	288,921,422	294,210,523	318,291,579	321,808,973	344,013,479	365,355,407	376,807,265	404,635,916
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	44,980,790	42,880,410	43,338,213	44,131,578	47,743,737	48,271,346	51,602,022	54,803,311	56,521,090	60,695,387
Total net debt applicable to limit:										
Legal debt margin	\$ 44,980,790	\$ 42,880,410	\$ 43,338,213	\$ 44,131,578	\$ 47,743,737	\$ 48,271,346	\$ 51,602,022	\$ 54,803,311	\$ 56,521,090	\$ 60,695,387
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Barstow Department of Finance  
County Tax Assessor's Office

**CITY OF BARSTOW**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

Fiscal Year Ended	Tax Allocation Bonds		
	Tax	Debt Service (1)	Coverage
	Increment (1)	Principal and Interest	
June 30			
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	-	-	-
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	-	-	-

*Source: Barstow Finance Department*

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

(1) Amounts have been rounded to the nearest thousand.

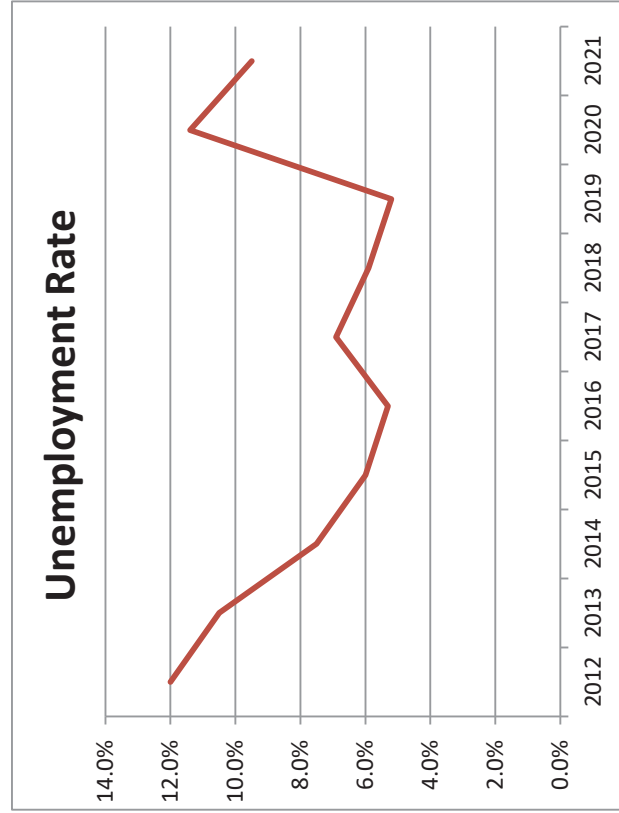
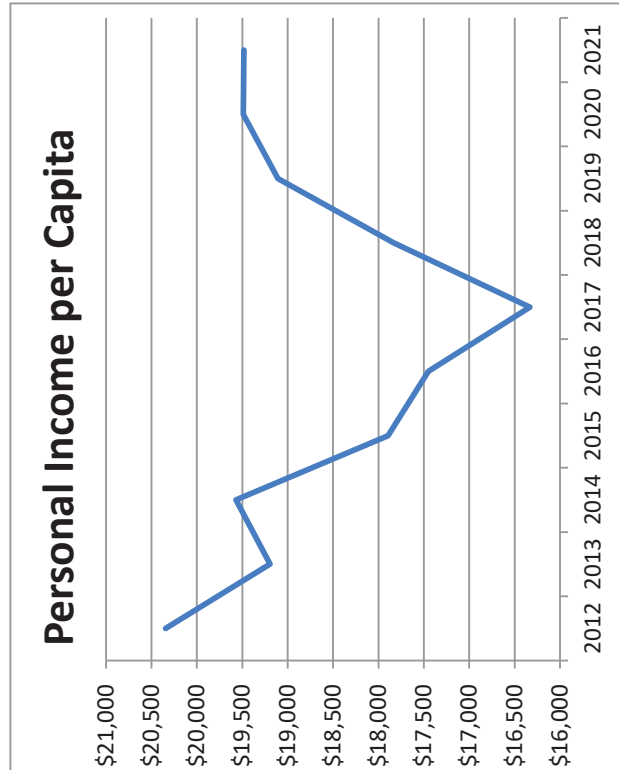
**CITY OF BARSTOW**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

Calendar Year	Population (1)	Personal Income (in thousands)	Per Capita Income	Unemployment Rate (2)	Median Age	% of Pop 25+ with	
						School Degree	Bachelor's Degree
2012	\$ 23,168	\$ 471,330	\$ 20,344	12.0%	33.3	81.0%	9.2%
2013	\$ 23,292	\$ 447,043	\$ 19,193	10.5%	32.9	79.8%	9.7%
2014	\$ 23,265	\$ 455,250	\$ 19,568	7.5%	33.7	82.4%	10.6%
2015	\$ 24,360	\$ 435,931	\$ 17,895	6.0%	31.2	80.3%	11.8%
2016	\$ 24,248	\$ 423,134	\$ 17,450	5.3%	30.2	79.8%	11.5%
2017	\$ 24,411	\$ 396,041	\$ 16,332	6.9%	29.3	77.3%	11.7%
2018	\$ 24,150	\$ 430,713	\$ 17,834	5.9%	30.0	78.4%	11.7%
2019	\$ 24,268	\$ 463,700	\$ 19,107	5.2%	29.8	79.3%	11.3%
2020	\$ 24,205	\$ 471,728	\$ 19,488	11.4%	30.1	78.2%	9.2%
2021	\$ 25,202	\$ 490,979	\$ 19,481	9.5%	30.3	81.4%	10.5%

Sources: *HdlL, Coren & Cone*

(1) *Population: California State Department of Finance*

(2) *Unemployment Data: California Employment Development Department*



# City of Barstow

## Principal Employers Last Fiscal Year and Nine Years Ago

Business Name	2022		2013	
	Employees	% of Total Employment	Employees	% of Total Employment
<b>Ft. Irwin National Training Center*</b>	8,900	86.41%	5,972	27.60%
BNSF Railroad	1,000	9.71%	1,000	4.90%
Marine Corps Logistics Base**	942	9.15%	2,047	7.80%
Barstow Unified School District	666	6.47%	609	4.10%
Outlets at Barstow	498	4.83%		
<b>Vertex (formerly Raytheon Technical Services)</b>	400	3.88%	550	2.40%
Barstow Community Hospital	382	3.71%	300	2.00%
Barstow Community College	358	3.48%		
Walmart Supercenter	323	3.14%		
Silver Valley School District	300	2.91%		
<b>Northrup Grumman (Vernell till 2002)*</b>			849	5.80%
High Desert Support Services			300	2.00%
<b>IAP World Services*</b>				
Tanger Outlet Stores			600	4.10%
San Bernardino County			410	2.80%
<b>Total Top Employers</b>	<b>13,769</b>	<b>133.68%</b>	<b>12,637</b>	<b>63.50%</b>
<b>Total City Labor Force (1)</b>	<b>10,300</b>			

Source: MuniServices, LLC, / Avenu Insights & Analytics

Source: 2013, previously published ACFR

Results based on direct correspondence with city's local businesses.

**\*Employers outside of City Limits**

\*\* Total civilian employee headcount includes Marine Corps Logistics Base, Barstow (MCLBB),

(1) Total City Labor Force is provided by EDD Labor Force Data.

**CITY OF BARSTOW**  
**Full-Time and Part-Time City Employees**  
**by Function**  
**Last Ten Fiscal Years**

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government*	21	13	15	17	16	16	16	26.5	24.5	24.5
<b>Police Safety</b>										
Sworn	41	37	37	38	38	37	38	46	46	46
Non-Sworn	13	17	16	19	19	18	18	20	20	20
<b>Fire Safety**</b>										
Sworn	23	23	23	28	20	20	20	27	28	28
Non-Sworn	1	1	1	1	1	1	1	1	2	2
Recreation	18	16	14	17	17	17	17	11	2.5	2.5
Community Service	31	36	33	26	21	21	24	23	29	29
Community Development	10	10	12	10	16	15	10	11	7	7
Solid Waste	2	2	3	1	1	1	1	1	1	1
Wastewater	9	8	9	11	11	11	10	11	11	11
Transit	1	1	-	-	-	-	-	-	-	-
<b>Total</b>	<b>170</b>	<b>164</b>	<b>163</b>	<b>167</b>	<b>160</b>	<b>157</b>	<b>155</b>	<b>177.5</b>	<b>171</b>	<b>171</b>

\* Includes 7 Elected Officials

\*\*Fire District added November 17, 2010

Source: City of Barstow Adopted Budget-Authorized Positions

**CITY OF BARSTOW**  
**Operating Indicators**  
**by Function**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Police:</b>										
Arrests	2,672	2,959	2,911	2,762	2,625	2463	2410	2235	2198	1937
Parking citations issued	266	489	522	286	501	408	299	1110	579	1191
<b>Fire Services:</b>										
Fire Calls	140	199	222**	242	311	212	340	576	499	426
Medical Aid Calls	3,636	3,452	4,079**	4,597	5,380	4031	5165	5351	5118	5112
<b>Parks and recreation:</b>										
Number of recreation classes	14	14	14	14	14	10	10	6	13	19
Number of facility rentals	139	68	99	85	64	52	50	6	27	60
<b>Sewer:</b>										
New connections	30	4	2	5	4	4	5	8	6	5
Average/Millions of Gallons Sewage Treatment	2.11	2.11	2.11	1.98	2.03	2.06	2.13	2.15	2.19	2.23
<b>Building Department:</b>										
Permits	870	533	879	720	1,106	905	710	657	686	780
<b>Fire Permits</b>										
Fire Permits	*	*	61	-	-	-	-	-	-	-
Construction Fire Permits#				88	99	94	93	97	78	73
Annual Permit to Operate#				323	347	335	323	287	313	323

Source: City of Barstow

\* Data not available

\*\*The City of Barstow assumed dispatching services from County of San Bernardino. Incident tracking has changed due to enhanced software.

# Permits now processed and tracked through the Building & Planning Department of the City of Barstow.

**CITY OF BARSTOW**  
**Capital Asset Statistics**  
**by Function**  
**Last Ten Fiscal Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Fire District **										
Stations	3	3	3	3	3	3	3	3	3	3
Public Works:										
Streets (miles)	91	91	91	91	91	91	91	91	104.4	104.4
Streetlights	1,081	1,081	1,081	1,081	1,081	1,081	1,081	1,053	1,053	1,053
Traffic signals	21	22	22	22	22	22	22	22	22	22
Parks and Recreation:										
Parks	10	10	10	10	10	10	10	10	10	10
Community pools	1	1	1	1	1	1	1	1	1	1
Community centers	3	3	3	3	3	3	3	3	3	3
Wastewater:										
Sanitary sewers (miles)	117	117	113	113	113	113	113	123	123	123
Storm sewers (miles)	15	16	16	16	16	16	16	16	16	16
Maximum daily treatment capacity (millions of gallons per day)	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5

*Source: City of Barstow*

\* Data not available

\*\*Fire District added November 17, 2010