CITY OF
BIG BEAR LAKE *California*

2025 ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025

CITY OF BIG BEAR LAKE, CALIFORNIA

Annual Comprehensive Financial Report

For the Year Ended June 30, 2025

Prepared by:

Finance Division

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For the Year Ended June 30, 2025

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CITY OF BIG BEAR LAKE California

December 18, 2025

Honorable Mayor, Members of the City Council, and Citizens of the City of Big Bear Lake:

The Annual Comprehensive Financial Report (ACFR) of the City of Big Bear Lake (City) is hereby submitted for the fiscal year ended June 30, 2025. This report is a comprehensive document regarding the City's fiscal condition and has been prepared in accordance with generally accepted accounting principles (GAAP).

Management is responsible for the City's internal control environment, compliance matters, as well as the reliability and accuracy of the information presented. The costs of internal controls should not exceed the benefits to be derived, so the objective of internal controls is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. The public accounting firm LSL, LLP, has conducted an independent audit of the City's financial statements to render an opinion on the financial information presented. This *Independent Auditor's Report* is the opening document to the Financial Section of the ACFR.

Management's Discussion and Analysis (MD&A) is presented following the *Independent Auditors' Report*. This analysis has been prepared by the City, in accordance with GAAP, to provide an overview of the basic financial statements included in the ACFR and an analysis of the financial data. The objective of the MD&A is to enhance the readers' understanding of the information presented.

City Profile

The City was incorporated as a Charter City on November 28, 1980, and operates under the Council-Manager form of government. All five Councilmembers are elected by district for overlapping terms of four years. The Mayor is chosen on an annual basis amongst the five Councilmembers. The Council serves as the policy-making body and is responsible for selecting the City Manager. The City Manager oversees a full-time staff of approximately seventy employees and is responsible for carrying out the policies of the Council, overseeing daily operations and appointing management personnel to administer and direct the affairs of the various departments.

The City is located in Southern California and is a popular four-season resort community nestled in the heart of the San Bernardino National Forest at an elevation of 6,752' only a couple of hours away from major metropolitan cities such as Los Angeles and San Diego. The City's jurisdictional boundaries cover a 6.95 square mile area on Big Bear Lake's south shore. The City's year-round population is approximately 5,000, but the community welcomes between 20,000 and 100,000 weekend and holiday visitors depending upon the season and special events schedule. As a popular tourist destination, major revenues (Property Taxes, Sales Taxes and Transient Occupancy Taxes) not only support the services and infrastructure needed for our businesses, residents and second homeowners but also the influx of visitors throughout the year. For additional information on the City's demographics refer to the statistical section at the back of this document.

The City's financial statements provide a comprehensive report on the fiscal activities for all departments including the Big Bear Lake Fire Protection District (FPD) and the City's water utility, Department of Water and Power (DWP). The FPD is a special district of the City established for the purpose of providing fire and ambulance services. Additional financial information regarding the FPD is also available in a special district financial report on the fire department's website: www.bigbearfire.org. The DWP is the City's only enterprise fund. Fiscal and operational activities are administered by the DWP. Additional information regarding the DWP can be found on the water utility's website: www.bbldwp.com.

Economic Outlook

The City of Big Bear Lake's economy continues to be primarily tourism-driven, supported by seasonal recreation, special events, and its reputation as a four-season destination. Signature events such as the Independence Day fireworks over the lake, Oktoberfest, and winter sports activities remain central to the local economy. Visit Big Bear's marketing efforts and event calendar (available on their website at www.bigbear.com), help sustain visitor interest year-round, while recent enhancements to the Moonridge Corridor have created opportunities for additional events and expanded dining and shopping experiences.

On a global scale according to the International Monetary Fund, economic growth in 2025 is projected to slow to approximately 3.2%, reflecting trade tensions and inflationary pressures. In the United States, GDP growth is expected to moderate to around 2.0%, with inflation gradually declining but remaining above pre-pandemic norms. The labor market remains relatively tight, with unemployment projected near 4.4 - 4.5%. These factors contribute to cautious consumer spending and investment behavior, which may influence discretionary travel and tourism spending.

Tourism remains a cornerstone of California's economy, but according to Visit California 2025 marks the first projected decline in statewide visitation since the pandemic. Total trips are expected to fall by about 1% to 268 million, with international travel down more than 9% due to a strong U.S. dollar and global uncertainty. Domestic travel remains stable, though growth is flattening. Visitor spending reached a record $157.3 billion in 2024, but is expected to level off in 2025. These statewide trends align with local patterns, as Big Bear Lake has begun to experience a normalization of visitation compared to pandemic-era highs.

Locally, the City's Transient Occupancy Tax (TOT) remains a critical and the primary revenue source, which recently increased from 9% to 10% effective January 1, 2025. The majority of this revenue, 8%, supports public safety, snow removal, and other essential services during peak visitation periods, while a portion, 2%, is dedicated to infrastructure improvements such as the Moonridge Corridor project. Sales tax revenues are the second highest source of funds and it remains resilient, supported by visitor spending and local consumption, and are not dependent on any single market segment, which helps moderate fluctuations in consumer behavior. Property tax rounds out the main revenues and it continues to provide stability, with assessed values well above pre-recession levels. While the housing market has shown signs of normalization, Q1 2025 saw a median sale price of $459,000, down 11.5% year-over-year. Nevertheless, long-term forecasts predict continued appreciation of approximately 11% over the next five years. Inventory growth and longer days on market indicate a more balanced environment compared to the rapid turnover seen during the pandemic.

Looking ahead, the City is adopting a conservative approach to revenue forecasting for FY 2025-26. Factors influencing this outlook include global and national economic uncertainty, a statewide tourism slowdown, and local housing market adjustments. Despite these challenges, Big Bear Lake remains well-positioned due to its proximity to Southern California's urban centers, its appeal as a year-round destination, and ongoing investments in infrastructure and amenities. Excess revenues from prior years will continue to be reinvested into community improvements, public safety, and projects that strengthen Big Bear Lake's position as a premier mountain destination.

Additional information can be found in the MD&A following the *Independent Auditor's Report*.

Financial Policies

The City's budget document serves as the financial plan, or operations guide. It establishes spending authority, describes the City's goals and objectives, and indicates how resources are to be allocated. The City's principal fiscal strategy is to present a balanced operating budget wherein recurring revenues exceed recurring expenditures. To accomplish this, recurring revenues are projected using economic indicators, input from professional advisors, analysis of historical trend data, and conservative application of revenue growth projections to avoid overstating available resources. The objective is to then budget recurring expenditures below revenue projections and limit expenditure growth to avoid excessive spending. The baseline expenditure budget is set at the prior year adopted budget and is adjusted to incorporate the needs of the organization, potential changes in economic factors, and goals established by the City Council.

The budget document must be adopted by the City Council after conducting a public hearing and prior to the start of the fiscal year. In preparation for this hearing, the budget undergoes a series of reviews and discussions with the City Manager, key staff members, and the City Council. One of the key components to developing this comprehensive workplan is ensuring that the work effort and appropriations support the City Council's strategic priorities. As we plan for our future, it is essential that we look beyond what is immediately on the horizon to ensure we have a fiscally sustainable plan. The City Council has formally adopted a 5-Year Capital Improvement Plan (CIP) which is incorporated into the operating budget and is updated annually. Including the CIP in the City's budget process ensures fiscally responsible planning and sustainability. As we progress through the year, it may become necessary to amend the adopted budget as estimates become more refined and circumstances change. Changes to the adopted total budgeted appropriations require the approval of the City Council.

In conjunction with the City's budget preparation and adoption, the annual Gann (Appropriations) Limit is also calculated and adopted. The Appropriations Limit is a cap on the amount of proceeds from taxes that may be allocated during a fiscal year. This calculation is the result of the 1979 voter approved Proposition 4 known as the *Gann Initiative* to limit government spending. The City's appropriations for Fiscal Year 2024-25 are well below the established limit of $51,816,817.

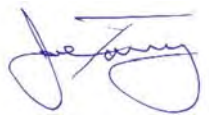
Awards and Acknowledgements

The City's budget document has been recognized by both the California Society of Municipal Finance Officers (CSMFO) and the Government Finance Officers Association (GFOA). These awards programs evaluate budget documents against specified criteria which are considered essential to present a policy document that not only serves as a financial plan and operations guide but also as a communication tool. To receive this recognition, the budget document underwent a significant upgrade in 2015 and received the *Distinguished Budget Presentation Award* from the GFOA and the *Operating Budget Excellence Award* from CSMFO. Since that time, the city continued to produce a budget document conforming to these standards and received the awards up until resource limitation during the pandemic prevented us from presenting our document for review. We fully intend to resume those efforts once resource limitations are resolved and look forward to demonstrating the value of our budgeting process and the quality of our work product.

In our pursuit of excellence, we strive to provide the community with fiscal information that is both informative and compliant. In doing so, several updates were made to the annual financial report in Fiscal Year 2017-18. That document was submitted for the first time to the GFOA and was awarded the *Certificate of Achievement for Excellence in Financial Reporting.* Every year since that time, the City has received this award and will continue to strive to reach this level of achievement.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department staff. Through conservative budgeting, continual process improvements, and a dedicated workforce, the city has developed a strong foundation for success and fiscal sustainability. I would also like to thank the City Manager, Mayor, and members of the City Council for their support in planning and conducting the operations of the City in a responsible and progressive manner.

Sincerely,



Joseph Toney
Interim Director of Finance

CITY OF BIG BEAR LAKE California

PRINCIPAL OFFICIALS

June 30, 2025

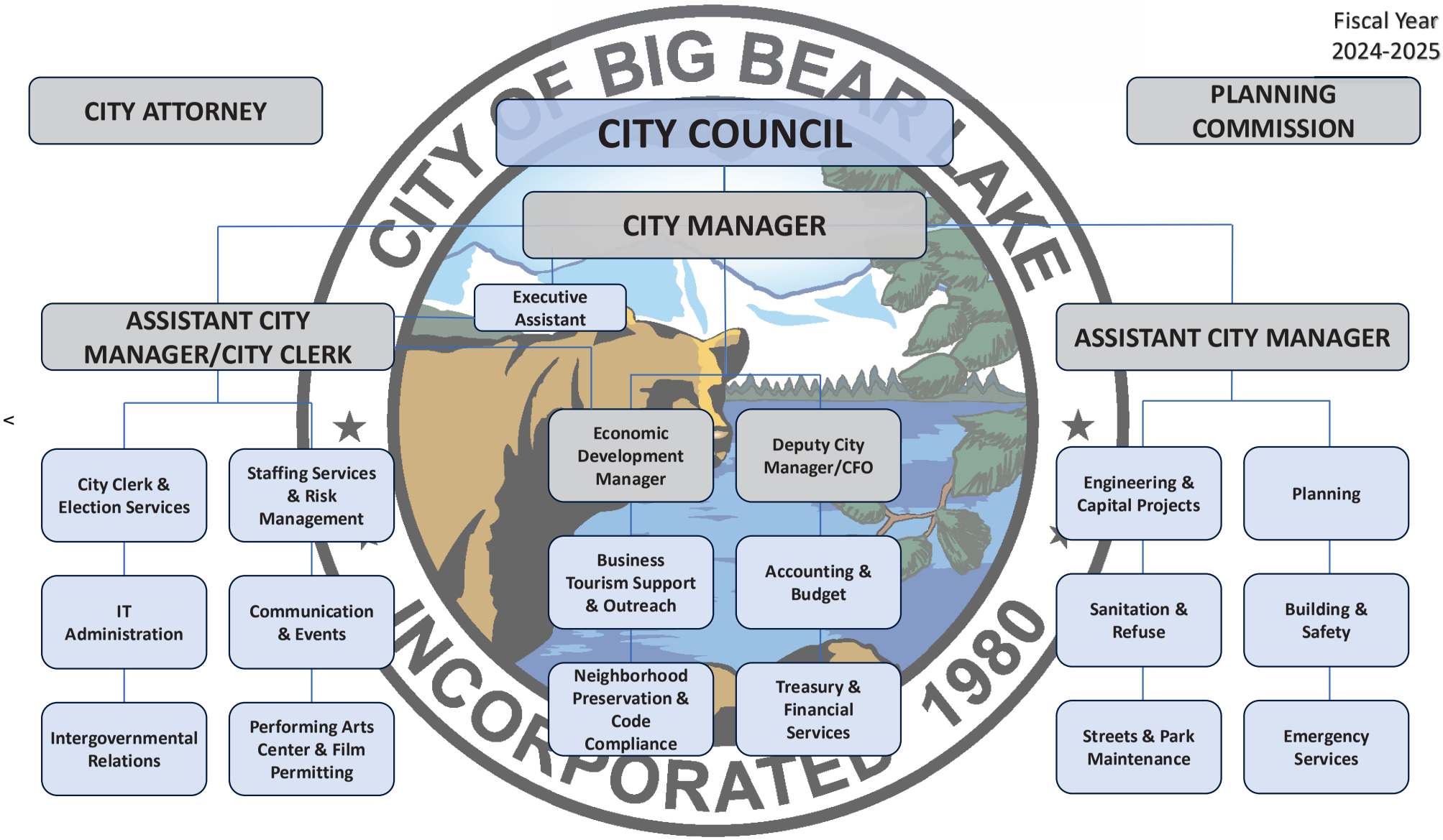
CITY COUNCIL

Mayor	Perri Melnick
Mayor Pro Tem	Kendi Segovia
Councilmember	Charles Hicks, Jr.
Councilmember	Randall Putz
Councilmember	Rick Herrick

ADMINISTRATION AND DEPARTMENT HEADS

City Manager	Erik Sund
Assistant City Manager/City Clerk	Erica Stephenson
Assistant City Manager	Sean Sullivan

Fiscal Year
2024-2025



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Big Bear Lake
California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Executive Director/CEO

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Big Bear Lake, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Big Bear Lake, California, (hereafter, the City) as of and for the year ended June 30, 2025, 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 as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and required pension schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

To the Honorable Mayor and Members of the City Council
City of Big Bear Lake, California

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 accompanying combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with 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 and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2025, 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 City's internal control over financial reporting and compliance.

LSL, LLP

Irvine, California
December 18, 2025

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City of Big Bear Lake, California
Management's Discussion and Analysis

As management of the City of Big Bear Lake (City), we offer readers of the City financial report this narrative overview and analysis of the fiscal activities of the City for the year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements.

Financial Highlights

- The City's governmental-type activities net position increased by $10,776,660, or 9.6%. This increase is primarily due to Measure I funding for transportation improvements and the City's investment in land and capital projects underway.
- Net position of the business-type activities increased by $144,710, or 0.3% as a result of water infrastructure investments.
- The City's Governmental Funds operating revenue fell short of operating expenses by $202,219, or 0.4%, due to an increase in the investment in capital and infrastructure projects.
- In the City's Proprietary Fund (water utility), operating revenue fell short of operating expenses by $1,079,742 or 6.7% primarily due to an increase in administration and general expenses.
- General Fund revenues came in $613,885, or 2.7% ahead of budget due to strong performance in cash investments while expenditures came in $1,885,208, or 8.4%, over the final approved budget primarily due to vacancy savings and underutilization of contract services.

Overview of Financial Report

This discussion and analysis are intended to serve as an introduction to the City's financial report. This report contains an Introductory Section which includes a Letter of Transmittal providing a summary level narrative and various other overview information about the city. The Financial Section includes the Independent Auditors' Report, this discussion and analysis, the City's Basic Financial Statements, including the Notes to Financial Statements. The Required Supplementary Information as well as Combining and Individual Fund Schedules follow the Financial Section. At the back of the document is a Statistical Section which includes historical data over a ten-year period to provide a broader perspective and enhance the reader's understanding of the City's financial trends, revenue capacity, demographics and economic indicators, and other operating information.

The Basic Financial Statements include both the Government-Wide Financial Statements and the Fund Financial Statements. The Government-Wide Financial Statements report on the activities of the City as a whole. The Fund Financial Statements provide more detailed reporting of the City's operations.

Government-Wide Financial Statements

The Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. The Statement of Net Position presents information on the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The City's net position is similar to the retained earnings of a private-sector balance sheet. It is determined by adding the assets and deferred outflows of resources and subtracting the liabilities and deferred inflows of resources. The net position is comprised of the City's net investment in capital assets, the portion of net position restricted for specific purposes, and the unrestricted assets of the city. 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.

The information presented in the Statement of Activities shows 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 (full accrual basis). Thus, some revenues and expenses reported in this statement will result in cash flow transactions in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Readers of financial statements often ask whether the City is better or worse off from a fiscal standpoint because of the current year's activity. The Statement of Net Position and Statement of Activities provide information in a manner that answers this question. In addition to the financial information reported in these statements, economic factors (non-financial indicators) should also be considered in interpreting the fiscal health of the government (e.g., changes in the economy affecting consumer spending result in changes in the net position and activities of the City).

Both of the Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental-type 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 basic services of the city are reported under the category of governmental-type activities. They include services such as general administration, police and fire protection, public works, engineering, code compliance, and community development. These services are supported primarily by property tax, sales tax, transient occupancy tax, user fees, and franchise fees. The services to customers that are supported directly through user fees and charges are reported as Business-Type Activities. The City's water utility is reported in this category.

Fund Financial Statements

Fund Financial Statements provide detailed information about the City's funds (groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives). The City, like other local government entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements (e.g., State law, bond covenants). In addition, some funds have been established to help control and manage the use of money collected for a particular purpose. All the funds of the City are included in governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental-type activities in the Government-Wide Financial Statements. However, unlike the Government-Wide Financial Statements, Fund Financial Statements are reported on a modified accrual basis. Under modified accrual accounting, revenues are recognized when measurable and available whereas expenses are recorded using the full accrual methodology to record the cost in the expense in the period in which it was incurred (when goods or services were received). The focus is on near-term uses and the fiscal year-end balance of spendable resources. Such information may be useful in evaluating a government's short-term financial requirements.

Because the focus of Fund Financial Statements is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. This comparison is provided in the Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position and the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities. These reconciliations are presented as part of the Fund Financial Statements.

Separate statements are used to report on the activities of proprietary and fiduciary funds. Proprietary funds are used to account for essentially the same functions reported as business-type activities in the Government-Wide Financial Statements. The City's enterprise fund includes the activities of the water utility and is reported in the Fund Financial Statements as a proprietary fund. The City has only one

fiduciary fund which is the Successor Agency to the former Big Bear Lake Improvement Agency. In 2012, legislation was enacted which resulted in the elimination of redevelopment agencies statewide. The city is responsible for winding up the affairs of the former Big Bear Lake Improvement Agency. The City is not the beneficiary, and the assets are not part of the City's financial reporting entity. The assets of this fund are held in trust for the purpose of winding up redevelopment obligations.

Notes to Financial Statements

Notes to Financial Statements are presented following the Fund Financial Statements. The notes provide additional information essential to understanding the reported financial data including significant accounting policies, cash, and investments, interfund transactions, liabilities, and other disclosures. Readers are encouraged to reference the notes for an enhanced understanding of the information provided in the financial report.

Required Supplementary Information

Immediately following the Notes to the Financial Statements is information that is required to accompany the Basic Financial Statements to add context to the data presented. In particular, budgetary comparison schedules are provided for all major governmental funds to offer a perspective as to how well the budgetary process and budget amendments relate to the actual activity at the close of the reporting period. Additional pension related disclosures are also included as Required Supplementary Information ("RSI") showing historical data related to net pension liability, funding levels, and plan contributions.

Combining and Individual Fund Schedules

The Combining and Individual Fund Schedules are presented following the Notes to the Required Supplementary Information. These schedules supplement the information presented in the Fund Financial Statements by showing the components which are reported in the aggregate (nonmajor funds) as Total Nonmajor Funds in the Basic Financial Statements and by disclosing funds for which the City has a responsibility to account for the flow of assets separate from other assets of the City (e.g., special revenue funds restricted for a specific purpose).

Statistical Section

This Statistical Section contains additional data for analyzing financial trends, revenue, and debt capacity, as well as demographic, economic, and operational information. The tables presented provide information over a ten-year period which can be useful for assessing the government's overall financial health.

Analysis of Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. The Statement of Net Position reports the net position for governmental and business-type activities as well as the combined total net position which is determined by calculating the difference between total assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. The net position is summarized in the Statement of Net Position in three basic categories (net investment in capital assets, restricted and unrestricted) which helps readers better understand the availability of resources. The Statement of Activities shows program revenues and expenses as well as general revenues for both governmental and business-type activities which provides a perspective on the activities resulting in the change in net position for each type and in the aggregate.

The table below summarizes the net position of the governmental and business-type activities compared to the prior year. The total combined net position increased over the prior year by $10,921,370, or 6.9%. This is predominantly the result of revenue growth from transient occupancy taxes and property taxes as

well as investments in capital assets. The activities of the primary government reported increases in net position of $10,776,660, or 9.6%, for the governmental activities and $144,710, or 0.3%, for the business-type activities.

Table 1. Statement of Net Position
Summary Comparison by Activity Type as of June 30

	Governmental		Business-type		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$42,113,660	$36,993,100	$8,576,544	$9,717,194	$50,690,204	$46,710,294
Capital Assets	90,342,823	85,247,899	64,926,562	63,977,637	155,269,385	149,225,536
Total assets	132,456,483	122,240,999	73,503,106	73,694,831	205,959,589	195,935,830
Total deferred outflows of resources	3,403,004	3,745,911	2,295,095	2,603,117	5,698,099	6,349,028
Liabilities						
Long-term liabilities outstanding	7,183,514	8,148,300	25,315,038	26,333,218	32,498,552	34,481,518
Other liabilities	4,434,324	2,444,320	2,528,542	1,934,369	6,962,866	4,378,689
Total liabilities	$11,617,838	$10,592,620	$27,843,580	$28,267,587	$39,461,418	$38,860,207
Total deferred inflows of resources	1,964,070	3,893,371	933,041	1,153,491	2,897,111	5,046,862
Net position:						
Net investment in capital assets	$90,334,751	$85,173,845	$43,442,244	$42,035,906	$133,776,995	$127,209,751
Restricted	13,530,273	14,891,447	1,109,452	1,062,958	14,639,725	15,954,405
Unrestricted	18,412,555	11,435,627	2,469,884	3,778,006	20,882,439	15,213,633
Total net position	$122,277,579	$111,500,919	$47,021,580	$46,876,870	$169,299,159	$158,377,789
Change in net position	$10,776,660		$144,710		$10,921,370	
Percentage change	9.6%		0.3%		6.9%	

While this summary level comparison of the components of net position by type provides a valuable perspective on the changes in net position, certain elements are worthy of more discussion. Pension-related items and net pension liability have been included in the government-wide financial statements since fiscal year ending June 30, 2015, with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB Statement No. 87, *Leases,* was implemented for fiscal year ending June 30, 2022, and GASB Statement No. 96, *Subscription-based Information Technology Arrangements*, was implemented for fiscal year ending June 30, 2023. Two new GASB Statements have been implemented this fiscal year: GASB Statement No. 101, Compensated Absences, and GASB Statement No. 102, Certain Risk Disclosures.

Pensions:
The pension related items include deferred outflows and inflows in the amount of $5,698,099 and $2,002,278, respectively. The portion of deferred outflows related to contributions made by the City after the measurement date will be recognized as a reduction of the net pension liability next fiscal year. The contributions made after the measurement date are $3,224,332. The remaining deferred outflows and inflows resulting from changes in proportion and differences between employer contributions and proportionate share contributions, changes in actuarial assumptions, differences in projected and actual pension plan investments, and differences between expected and actual experience in total pension liability will be amortized and recognized as pension expense in the year ending June 30, 2025, and thereafter.

The aggregate net pension liability/(asset) represents total pension liability (the present value of projected benefit payments to be provided through the plan to current active and inactive employees that is attributed to those employees' years of service) less the amount of the pension plan's fiduciary net position. In the aggregate, the City's net pension liability as of June 30, 2025, is $11,423,495, a 12.2% decrease over the prior year.

The city participates in two pension plans: the San Bernardino County Employees' Retirement Association (SBCERA) pension plan and the Public Agency Retirement System (PARS) retirement

enhancement plan. The table below shows the breakdown of net pension liability by plan. All employees of the City eligible for retirement benefits are non-safety (General) members.

Table 2. Net Pension Liability/(Asset) by Plan Type

As of June 30, 2025

	SBCERA	PARS	Aggregate
Governmental Activities	$ 6,535,153	$ 648,361	$ 7,183,514
Business-Type Activities	4,239,981	-	4,239,981
Net Pension Liability	**$ 10,775,134**	**$ 648,361**	**$ 11,423,495**

The impact of these pension-related items is a net reduction of unrestricted fund balances in the amount of $7,727,674. For additional information regarding the pension plan, please refer to Note 6 to the financial statements and the additional supplementary information following the Budget to Actual schedules.

Leases:
The lease of real property by the City is recognized as a receivable in the Statement of Net Position. The value of the lease receivable on June 30, 2025, was $923,565 and the deferred inflows of resources related to these leases was $894,833. Recognition of the leases receivable and related deferred inflow of resources results in a net increase in net position of $28,732. For additional information on properties leased by the City, refer to Note 4, *Lease Receivables*.

For leases wherein the city is the lessee, the value of the lease payable is recognized in the Statement of Net Position. As of June 30, 2025, the value of the lease payable was $15,650 and the current portion of the lease liability, portion due within one year, was $5,285. GASB Statement No. 87 requires the recognition of a lease asset, or intangible right-to-use asset. The value of this intangible asset, net of amortization on June 30, 2025, was $14,673, related to the business-type activities. Additional information regarding lease assets can be found in Note 4, *Lease Receivables*, Note 8 A, *Leases Payable*, and Note 9 B, *Change in Long-term Liabilities*.

Subscriptions:
Like the accounting treatment for lease assets described above, GASB Statement No. 96 recognizes a payable for subscription-based information technology arrangements (SBITAs) which results in the recognition of a subscription liability and an intangible right-to-use subscription asset. As of June 30, 2025, the value of the subscription liability was $8,072 and the right-to-use subscription asset was $27,298 related to the governmental activities. Refer to Note 8 B, *Subscription-Based Information Technology Arrangements* and Note 9 B, *Change in Long-term Liabilities*, for additional information.

Changes in the net position are a function of the activities which generate revenue and expenses as reported in the Statement of Activities. Although this statement includes the revenues and expenses for the Primary Government (Governmental-Activities and Business-Type Activities combined), separate tables are provided below to summarize the activities by type and to provide a year-over-year comparison. To help readers understand the impact of changes in net position, program revenues are reported separately from general revenues. Program revenues are collected to support a particular program or function (e.g., fee for service, capital contributions, grants). General revenues support the government as a whole and are not specific to in use (e.g., taxes). The Primary Government generated $71,917,473 in revenues and expended $60,621,443 resulting in an increase in net position of $11,196,030, or 41.6%. The change in net position of the Primary Government is due to an increase in program revenues of 10.8%, or $3,816,442, and an increase in general revenues of 7.1%, or $4,788,759, offset by expenses of $1,501,143.

The table below is a summary of the Governmental-Activities. Program revenues increased by $3,619,740, or 15.7%. This change is due to an increase in charges for services of $3,295,538, or 15.7%,

which is driven by the volume of permits issued, and an increase in operating and capital contributions of $287,005 which fluctuate based on the timing of reimbursements for capital outlays and other one-time expenses. General revenues increased by 3.9%, or $1,200,123, over the prior year. This is mainly due to the continuation of increased tourism and growth in property values resulting from changes in ownership at higher sales prices. Expenses decreased by $63,534, or 0.1% due to similar spending in the prior fiscal year. The end result was an increase in net position from Governmental-Activities of $11,051,320, or 9.9%. The growth in program revenue and decline in expenses of the Governmental-Activities are the primary reason for the changes reported for the Primary Government.

Table 3. Summary Statement of Governmental Activities

Changes in Net Position As of June 30

	Total Activities	
	2025	**2024**
Revenues		
Program Revenues:		
Charges for Services	$ 24,238,474	$ 20,942,936
Operating Contributions	972,946	935,749
Capital Contributions and Grants	1,450,229	1,163,224
	$ 26,661,649	$ 23,041,909
General Revenues:		
Taxes:		
Property Taxes	$ 13,990,605	$ 13,288,597
Sales Taxes	3,325,536	3,466,025
Transient Occupancy Taxes	11,312,531	10,613,392
Franchise Taxes	1,047,076	996,683
Other Taxes	996,236	1,360,534
Use of Money and Property	1,651,292	1,396,955
Other	-	967
	$ 32,323,276	$ 31,123,153
Total Revenues	**$ 58,984,544**	**$ 54,165,062**
Expenses		
General Government	$ 5,874,739	$ 5,581,445
Public Safety	14,641,809	14,026,711
Community Development	8,256,752	8,446,427
Culture and Leisure	1,078,993	1,160,481
Public Works	6,833,049	8,567,869
Health & Sanitation	11,247,231	10,212,392
Interest on Long-term Debt	651	1,433
Total Expenses	**$ 47,933,224**	**$ 47,996,758**
Net Position at Beginning of Year	$111,500,919	$105,332,615
Restatement	(274,660)	-
Net Position as restated	$111,226,259	$105,332,615
Increase (Decrease) in Net Position	**11,051,320**	**6,168,304**
Net Position at End of Year	$122,277,579	$111,500,919

The table below is a summary of the Business-type Activities which is the City's water utility. Program revenues increased by $196,702, or 1.6%. This change is the result of an increase in charges for services of $169,369, or 1.6%, and an increase in capital contributions and grants of $27,333, or 1.9%, indicative of the ongoing investment in the water infrastructure. General revenues decreased $227,806, or 40.1%, over the prior year primarily due to a decrease in investment earnings. When factoring in the decrease in expenses of $1,564,296, or 14.1%, the Business-type Activities reported an increase in net position of $144,710, or 0.3%.

Table 4. Summary Statement of Business-Type Activities

Changes in Net Position As of June 30

	Total Activities	
	2025	**2024**
Revenues		
Program Revenues:		
Charges for Services	$11,050,933	$10,881,564
Operating Contributions	-	-
Capital Contributions and Grants	1,441,125	1,413,792
	$12,492,058	$12,295,356
General Revenues:		
Use of Money and Property	283,679	425,360
Other	57,192	143,317
	$ 340,871	$ 568,677
Total Revenues	**$12,832,929**	**$12,864,033**
Expenses		
Water Utility	12,688,219	11,123,923
Total Expenses	**$12,688,219**	**$11,123,923**
Net Position at Beginning of Year	$46,876,870	$45,136,760
Restatement	-	-
Net Position as restated	$46,876,870	$45,136,760
Increase (Decrease) in Net Position	**144,710**	**1,740,110**
Net Position at End of Year	$47,021,580	$46,876,870

As described above, program revenues are collected to support a particular program or function (e.g., fee for service, capital contributions, grants). In the Statement of Activities, revenues are reported by functional classification so that a reader can better understand the costs associated with the collection of program revenues and whether these programs require a subsidy from genera revenues. The functional classifications are: General Government, Public Safety, Community Development, Culture and Leisure, Public Works, and Health and Sanitation. For additional information on what is included in each of these classifications, refer to Note 1 D 3 *Functional Classifications*.

The table on the following page summarizes the Primary Government net cost of services for each functional program of the Governmental and Business-type Activities. Program revenues include charges for services, operating contributions, as well as capital contributions and grants. The $21,468,117 net cost of services represents the portion of funding provided by general revenues. The only functions that are not supported by general revenues are Health and Sanitation, which collects assessments of the services provided, and the Water Utility, which is primarily supported by user fees collected for services provided.

Table 5. Net Cost of Primary Government Activities

	2025	2024	Change	
General government	$ (3,462,005)	$ (2,812,819)	$ (649,186)	23.1%
Public safety	$ (14,199,853)	(13,395,014)	$ (804,839)	6.0%
Community development	$ 281,155	(2,549,846)	$ 2,831,001	-111.0%
Culture and leisure	$ 235,093	(284,379)	$ 519,472	-182.7%
Public works	$ (5,831,719)	(7,443,643)	$ 1,611,924	-21.7%
Health and sanitation	$ 1,706,024	1,532,615	$ 173,409	11.3%
Interest on long-term debt	$ (651)	(1,763)	$ 1,112	-63.1%
Government Activities	$ (21,271,956)	$ (24,954,849)	$ 3,682,893	-14.8%
Water Utility Business-Type Activities	$ (196,161)	$ 1,171,433	$ (1,367,594)	-116.7%
Total	$ (21,468,117)	$ (23,783,416)	$ 2,315,299	-9.7%

Analysis of Fund Financial Statements

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City 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 financial requirements.

The Balance Sheet for governmental funds is like that of a private enterprise in that assets less liabilities and deferred inflows of resources equal the funds available for use. In the private sector, this balance is referred to as retained earnings, whereas governmental fund financial statements maintain a Fund Balance. The Fund Balance serves as a measure of a city's available resources.

The Fund Balance is separated into categories, indicating the availability of funds and purpose. These designations are prescribed in GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions* and include the following classifications: Nonspendable, Restricted, Committed, or Unassigned. Nonspendable Fund Balances cannot be spent because they are either not in a spendable form (e.g., reserve for inventories) or are legally or contractually required to remain intact. Restricted Fund Balances are limited in use by externally imposed constraints (e.g., debt covenants, constitutional provisions or enabling legislation). Committed Fund Balances are typically limited by the action of the governing body (e.g., replacement reserves). The Unassigned Fund Balances represents the resources available for general purposes.

The fund balances can be found in the governmental funds Balance Sheet. The fund balances for each of the major funds are shown in the Balance Sheet at the fund level whereas fund balances for the nonmajor funds are reported in the aggregate. The breakdown of the fund balances of the nonmajor funds can be found in the Combining Balance Sheet Nonmajor Governmental Funds statement following the Required Supplementary Information section of this document. The fund balances for the major funds represent $29,049,916 of the total $34,132,009 in fund balance across all funds. During the year, the total fund balances increased $436,934, or 1.3%. This increase is primarily attributable to the General Fund.

The table on the following page is a summary of the Governmental Fund Balances shown in the aggregate for both the major and nonmajor funds. As shown, the fund balances of the nonmajor funds decreased by $803,911, or 13.7% and the major funds increased $620,037, or 2.2%.

Table 6. Major and Nonmajor Fund Bal,ances
Governmental Fund Balances
As of June 30, 2025

	Major Funds	Nonmajor Funds	Total
Nonspendable	$ 173,733	$ -	$ 173,733
Restricted	7,629,111	5,901,162	13,530,273
Committed	6,338,574	100,000	6,438,574
Unassigned	14,287,690	(919,069)	13,368,621
Ending Balance	$28,429,108	$5,082,093	$33,511,201
Beginning Balance	$27,809,071	$5,886,004	$33,695,075
Restatement	-	-	-
Beginning, restated	$27,809,071	$5,886,004	$33,695,075
Change	$ 620,037	$ (803,911)	$ 436,934
	2.2%	-13.7%	1.3%

Major funds are determined based on the fiscal activity generated. For Fiscal Year 2024-25, the following funds have been classified as major funds: General Fund, Sanitation Fund, Measure Y Transient Occupancy Tax (TOT), Measure I Major Local Highway Program (MLHP), Fire District, General Capital Projects Fund, and the Street Improvement Capital Projects Fund.

The table presented below shows the fund balances associated with each of the Fiscal Year 2024-25 major funds. Capital expenditures are directly offset by funding contributions from identified funding sources detailed in the Capital Improvement Plan (CIP). As a result, the capital project funds do not maintain a fund balance and are not presented on the table below.

Table 7. General and Special Revenue Fund Balances

As of June 30, 2025		Special Revenue			
	General	Sanitation	Measure Y TOT	Measure I MLHP	Total
Nonspendable	$ 173,733	$ -	$ -	$ -	$ 173,733
Restricted	-	2,450,109	5,179,002	-	7,629,111
Committed	3,147,694	3,190,880	-	-	6,338,574
Unassigned	17,487,690	-	-	(3,200,000)	14,287,690
Ending Balance	$20,809,117	$5,640,989	$ 5,179,002	$(3,200,000)	$28,429,108
Beginning Balance	$18,898,408	$5,101,676	$ 7,008,987	$(3,200,000)	$27,809,071
Change	$ 1,910,709	$ 539,313	$ (1,829,985)	$ -	$ 620,037
	10.1%	10.6%	-26.1%	0.0%	2.2%

Total major fund balances have increased over the prior year by $620,037, or 2.2%. A one-time transfer from the General Fund to the Village Streetscape Maintenance fund in the amount of $245,415 was made during the year pursuant to a request from the City Council as part of the budget adoption. The Village Streetscape Maintenance fund had been carrying a deficit fund balance which represents City Council authorized annual appropriations in excess of assessments and matching fund contributions to maintain the downtown shopping and dining area. In 2021, the City Council adopted a phased five-year rate adjustment to ultimately eliminate the need for supplemental contributions from the General Fund on an ongoing basis. The transfer of funds settles the balance and reflects the contributions made by the General Fund over the years to support Village maintenance efforts.

Factoring out the transfer of funds to the Village Streetscape Maintenance fund, the Fiscal Year 2024-25 General Fund activities would have reported an increase in the fund balance of $2,156,124. This increase is indicative of the solid performance in transient occupancy tax and property tax revenues offset by the City's investment in capital and infrastructure enhancements.

The Sanitation Fund is supported by charges for services which fund operations and the continued investment in the sewer infrastructure. Total revenues exceeded expenditures during the year by $1,313,073. This fund contributed $773,760 during the year to infrastructure enhancements and maintenance utilizing revenue within the current year. Overall, the Sanitation Fund had an increase in fund balance of $539,313, or 10.6%.

The Measure Y TOT fund is a set aside of 2% of the transient occupancy taxes collected. These funds are available for capital improvements. During the year, $2,665,984 was deposited into this fund, and $4,495,969 was invested in capital improvement projects resulting in a reduction of fund balance of $1,829,985, or 26.1%.

The total unassigned fund balance of $13,638,621 is available for general purpose uses. This balance is the available balance in the General Fund net of a Measure I Major Local Highway Program (MLHP) receivable of $3.2 million. The Measure I receivable is for the Moonridge Corridor Improvement Project which was previously completed and was awarded funding from the San Bernardino County Transportation Authority (SBCTA). The City will be reimbursed the $3.2 million pursuant to an advance expenditure agreement with SBCTA.

A reconciliation between the fund balances of the governmental funds and the net position reported in the government-wide financial statements is presented following the Balance Sheet. A second reconciliation is presented after the Statement of Revenues Expenditures and Changes in Fund Balances which focuses on the differences between the changes in fund balances and those impacting the net position. These reconciliations outline the variations in accounting treatment for the governmental funds and the government-wide financials. The business-type activities reported in the government-wide financial statements pertain to the City's water utility. Unlike the governmental-type activities, reporting for the business-type activities of an enterprise fund focuses on the net position and changes in net position as opposed fund balance; therefore, a reconciliation between the government-wide financial statements and the proprietary fund financial statements is not necessary.

Proprietary Fund financial statements consist of a Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position as well as a Statement of Cash Flows. Within the Statement of Cash Flows is a reconciliation of the operating income reported in the Statement of Revenues, Expenses, and Changes in Net Position to the cash provided by operating activities as reported in the Statement of Cash Flows. Operating activities provided $1,590,695 in net cash and investing activities generated approximately $308,557. Activities related to capital and financing activities used cash of $2,640,272 indicative of the continued investments in the water infrastructure. The end result was a net decrease in cash and cash equivalents of $741,020.

The Fiduciary Funds basic financial statements consist of a Statement of Fiduciary Net Position which summarizes the total assets and liabilities reported in the Statement of Changes in Fiduciary Net Position of the Fiduciary Funds. The City has only one Fiduciary Fund. This fund was established to wind down the affairs of the City's improvement agency as required by the statewide elimination of redevelopment agencies. Once the enforceable obligations of the Successor Agency have been dissolved this Fiduciary fund will be eliminated.

The former improvement agency issued a promissory note in the amount of $5,394,914 for the construction of The Crossings at Big Bear Lake, a 42-unit affordable housing development. The note bears interest at 3% per year and is due and payable on the 55th anniversary of completion. As part of the dissolution process, the note receivable was transferred to the Successor Agency. As of June 30, 2025, the balance due, including unpaid interest is $7,704,055.

As tax increment is generated in the former improvement agency project areas, taxes are deposited into the state Redevelopment Property Tax Trust Fund (RPTTF). Successor Agencies are required to report to the State annually the enforceable obligations due each year (e.g., debt service payments) to request a funding allocation from the RPTTF to pay these obligations. Allocations from RPTTF are received by the Successor Agency twice per year to fund obligations due every six months from July 1 to December 31 (Period A) and January 1 to June 30 (Period B). These allocations are reported as additions in the Statement of Changes in Net Position and the outgoing payments are reported as deductions. The Successor Agency has two bond obligations. The final debt service payment is scheduled to be made August 1, 2029.

As of June 30, 2025, the Successor Agency has a net position of $7,256,358. Total assets include cash and investments of $1,451,269 and a note receivable of $7,704,055 related to a developer agreement which resulted in the construction of a low to moderate income housing project in 2009. The Successor Agency has two outstanding bond obligations. The remaining liability for those bonds is $1,860,000 of which $850,000 is due in one year and will be paid with RPTTF.

Major Component Unit Budgetary Comparisons

Required Supplementary Information follows the notes to the basic financial statements. This includes budgetary comparison schedules for the major component units presented in those statements. These schedules report the original adopted budget and final budget as well as a comparison of the final budget to the actual amounts reported in the financial statements. During the year, with recommendations from City staff, the City Council may revise the City's budget. Adjustments to the adopted budget would be made on an as needed basis to accommodate additional appropriations including carryover appropriations from the previous fiscal year. All amendments that result in an increase or decrease in the total budgeted appropriations are approved by the City Council.

General Fund Budgetary Highlights

During the year, the City Council authorized amendments to the adopted budget. The General Fund Revenue budget remained flat. The General Fund Expenditure budget decreased by $54,015 due to carryover appropriations for commitments initiated in the previous fiscal year. The General Fund budget for Other Financing Sources and Uses increased during the year by $331,022 as a result of capital project carryover appropriations.

The City maintains conservative budgeting practices to ensure recurring revenues are sufficient to fund ongoing expenditures. General Fund revenues exceeded budget by $613,885, or 2.7%, primarily due to investments exceeding conservative budget projections by $465,088, or 140%. Interest rates are expected to remain higher than anticipated in the coming year; as a result, budget projections assume Use of Property and Money revenues will continue to increase in the coming year.

The City's General Fund expenditure came in $1,885,208, or 8.4%, under the final budget. To ensure a conservative budget, the budget assumes that there are no staffing vacancies during the year and that contributions to reserves will be set aside from budgeted revenues. Due to staffing vacancies, General Fund expenditures came in approximately $899,000 under budget. The remaining budgetary savings are

due to the budget for contributions to reserves in the amount of $825,000 for future vehicle and equipment replacements, snow removal contingency, and the general plan amendment. When reserve contributions are made, available funds are set aside in a separate account to be used for a designated purpose, similar to a transfer of funds from a checking account to a savings account. This activity is not a payment to a third party and is not recorded as an expenditure.

Capital Asset Activity

At the close of the fiscal year, the city had $155,269,385 in capital assets as shown in the table below. This amount represents an increase in capital assets of $6,043,849, or 4.1%. This increase is primarily due to City land acquisition and construction in process for both the Governmental and Business activities. For additional information regarding capital assets refer to Note 5 of the financial statements.

Table 8. Capital Assets (Net of Depreciation)
As of June 30, 2025

	Governmental Activities	Business-type Activities	Total
Land	$12,161,377	$ 1,343,188	$ 13,504,565
Construction-in-progress	2,338,497	5,717,333	8,055,830
Intangibles	-	227,585	227,585
Right to use lease assets	-	14,673	14,673
Right to use subscription assets	27,298	-	27,298
Structures & improvements	21,172,605	12,272,639	33,445,244
Machinery & equipment	3,838,168	1,290,225	5,128,393
Infrastructure	50,804,878	44,060,919	94,865,797
Current Year	**$90,342,823**	**$ 64,926,562**	**$155,269,385**
Prior Year	85,247,899	63,977,637	149,225,536
Increase in Capital Assets	**$ 5,094,924**	**$ 948,925**	**$ 6,043,849**
	6.0%	1.5%	4.1%

Long-term Debt Activity

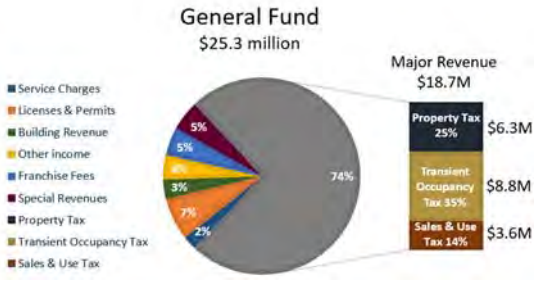
At the close of the fiscal year, the city had long-term debt obligations of $21,831,390, mostly in the form of loans from direct borrowings to finance water utility pipeline improvement projects. The loans are the only debt obligations of the city. Of this amount, $1,025,880 is payable within one year. For additional information regarding these debt service obligations refer to Note 9 of the financial statements.

Considerations, Plans and Projections for Next Fiscal Year

As of the close of Fiscal Year 2024-25, the city remains financially stable with appropriate levels of resources to support operations and planned investments. Looking ahead to next fiscal year, the city remains conservative when forecasting and budgeting to ensure resources are sufficient to support operations and invest in the City Council's strategic priorities. As part of the budgeting process, the city takes into account external influences such as inflation, consumer spending, and the ever-changing regulatory environment. The discussion that follows will provide insight as to the forecast.

Future Outlook

The City's operating fund, the General Fund, is supported by a variety of resources. The three major sources of revenue are Property Taxes, Transient Occupancy Taxes (TOT), and Sales and Use Taxes which are the primary resources for the provision of general administration, police protection, code compliance, public works, and community development. These resources continue to be, reliable funding sources for City operations.



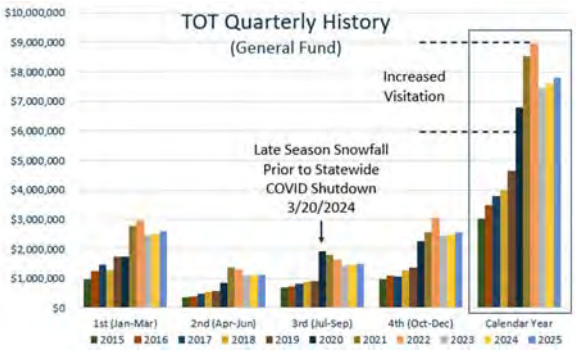
As described previously, the City utilizes conservative budgeting to ensure fiscal sustainability and to fund capital and infrastructure projects. As economic forecasts and trends for the area fluctuate, revenue projections are adjusted accordingly. Budgeted expenditures are carefully planned to ensure cost control measures remain in place and to ensure operating costs are funded with recurring revenues. This approach enables the City to maintain reasonable fund balances and invest in capital improvements / replacements.

While the coronavirus pandemic generated an influx of visitors and growth in tourism related revenues, visitation is not anticipated to remain at such high levels; therefore, we continue to conservatively budget tourism related revenues based on pre-pandemic data adjusted using historical growth trends. Sales tax revenues are projected based on trend data, economic indicators specific to our jurisdiction, and the anticipated allocation of state and county pooled transactions. Property tax revenues are dependent upon assessed valuations which have been on the rise due to changes in ownership at increased sales prices.

In summary, major General Fund revenues for Fiscal Year 2024-25 came in 2.7%, or $614k, over the conservatively adopted budget. Next year, major revenues are projected to increase 4.4% over what was collected in the prior year. An overview of each of these revenues is in the discussion that follows.

Transient Occupancy Tax

Transient Occupancy Tax (TOT) is the tax collected on gross rents paid to lodging facilities, private home rental agencies, and residential rental property owners for overnight accommodations. At the November 2022 election, voters passed Measure O increasing the City's TOT rate from 8% to 9% effective January 1, 2024, and from 9% to 10% effective January 1, 2025. Two percent of the TOT collected is set aside for capital improvements and visitor serving amenities. As a four seasons resort located in the heart of the San Bernardino National Forest of Southern California, tourism is a primary industry. For Big Bear Lake, tourism is at its peak during the snow season; however, the popularity of this outdoor recreational destination has been steadily attracting more off-season visitors and generating additional TOT revenue which has enabled construction of various capital improvements without requiring debt financing.



As a destination with ample short-term accommodations and significant outdoor recreational opportunities, Big Bear Lake quickly became a much sought-after location for those escaping the confines of their homes during the coronavirus pandemic. As a result, TOT significantly increased during the pandemic. The return to pre-pandemic visitation levels has occurred at a much slower rate than anticipated; therefore, the budget approach for this revenue source remains very conservative. As expected from the rate increase, Fiscal Year 2024-25, TOT revenue increased over the prior year by $699,139, or 6.6%.

Property Tax Revenue

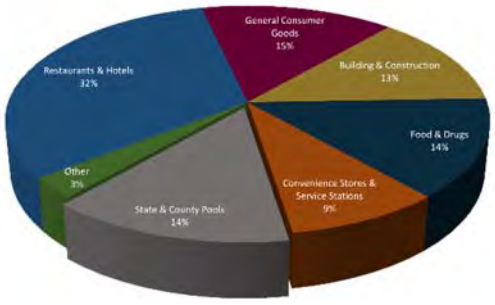
Revenue from property taxes is the City's second largest source of operating funds. Each December, the San Bernardino County Assessor's Office establishes assessed valuations for each property in the county. That value then determines the amount of tax the County will collect. For example, the values established at the close of the calendar year 2024 will be collected in Fiscal Year 2025-26. The City's share of the tax levied is approximately 10%.

Big Bear Lake has a large inventory of high-end custom homes and second homes. The value of these homes remains relatively stable over time and has been credited with limiting the City's exposure during difficult economic times as was the case during the Great Recession.

Following the recession, median sales began to rise and peaked as much of the impact from the coronavirus pandemic subsided. As mentioned in the discussion of TOT, Big Bear Lake became a much sought after location during the pandemic. During that time, the volume of properties changing hands increased significantly along with higher median sales prices. The market is seeing sales prices and the volume of transactions decline – the number of homes sold decreased by 5.3% over the prior year and median sales price decreased by 11.5%.

Looking ahead to Fiscal Year 2025-26, taxes will be levied based on 2024 assessed valuations which are established by the San Bernardino County Assessor's Office in December each year. Property taxes are projected to increase by 6.87% due to growth primarily in property transfers. It is anticipated that 2024 assessed values will generate approximately $6.3 million in Fiscal Year 2025-26.

Sales Tax Revenue



Sales tax revenue is based on spending patterns and is largely influenced by economic indicators and environmental factors. The City's primary sales tax revenue is generated through local sales activity (point-of-sale transactions). The projection for Fiscal Year 2025-26 is in line with the prior year and is anticipated to produce approximately $3.6 million. Inflation is anticipated to impact consumer spending habits keeping this revenue source relatively flat.

The City receives sales tax revenue from a variety of industry segments and is not dependent upon any one market segment, which is why this is a stable resource. As a resort destination, tourism-related businesses are the largest contributors to the City's sales tax revenue, which is why the Restaurants and Hotels market segment produces nearly one-third of the sales tax revenue. All other market segments are evenly distributed.

The General Consumer Goods and Food & Drugs market segments are good examples of market segments that generate revenue from all consumers. These segments are likely continuing to benefit from similar spending patterns and be less impacted by inflationary factors. Whereas the Building and Construction segment fluctuates based on the cost of building materials and deliveries. When prices increase, consumption typically decreases. As with all consumer goods, fuel prices impact the delivery of services and drive the cost of goods up. Fuel prices are expected to continue to fluctuate but remain on the higher side. This means the cost of goods will likely remain high and revenue generated by the Convenience Stores and Service Stations will continue to generate sales tax revenue in line with the previous year.

The city received 14.3% of its sales tax revenue last year from State and County pooled revenues. The pools have experienced growth from online consumer spending and used car sales. Local jurisdictions receive a proportionate share of the pools based on the amount of local sales tax revenue generated each quarter compared to that of all jurisdictions combined. In 2022, the nation's largest online retailer restructured which shifted revenue out of the pools and into point-of-sale transactions. Those jurisdictions with online warehouses now receive a larger share of the pools; therefore, it is anticipated that the City's share of pools may decrease in the future.

Summary Outlook

While national and local economic commentary increasingly centers on the resurgence of tariffs and geopolitical tension, the City's financial position remains resilient. Recent consumer surveys indicate rising economic anxiety, nearly 70% of Americans expect a recession within 12 months, and many report income pressures. Nevertheless, consumer spending continues holding steady, backed by a still-strong labor market. Inflation has cooled to near pre-pandemic levels, but policy uncertainty and trade policy shifts, including recent tariff announcements, have tempered both consumer and business confidence. In this context, Big Bear Lake's proximity to urban centers and appeal as a nearby getaway remain key assets. While tourism is an essential economic driver, we continue to take a prudent budgeting approach, anticipating modest shifts in visitor demand and consumer behavior in response to broader economic headwinds.

The adopted budget for Fiscal Year 2025-26 anticipates revenues sufficient to cover ongoing operations, funding for public safety, continued prioritization of the quality of life in our residential communities, the ongoing investment in the City's Capital Improvement and Maintenance Projects, providing economic development support to the City's business community, advancing the City's communications, and the ongoing implementation of technology improvements to provide more efficient services. This budget maintains a fund balance across all funds of approximately $23.8 million.

Beyond Fiscal Year 2025-26, projections indicate sustainable fund balances for continuity of operations and a future investment in capital and replacement projects through Fiscal Year 2029-30 of approximately $31.9 million. As we continue to explore and evaluate additional opportunities for the betterment of our community, it is foreseeable that additional projects will be programmed into the 5-Year Capital Improvement Plan during the annual update.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance/Treasury Services Department, at the City of Big Bear Lake, P.O. Box 10000, Big Bear Lake, California 92315, (909) 866-5831.

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CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	**Business-Type Activities**	**Total**
ASSETS			
Cash and investments	$ 33,862,504	$ 4,518,714	$ 38,381,218
Receivables (net of uncollectibles):			
Accounts	1,150,646	1,797,183	2,947,829
Accrued interest	359,386	14,860	374,246
Due from other governments	5,822,771	85,350	5,908,121
Notes and loans	1,180	-	1,180
Leases	744,620	178,945	923,565
Restricted assets:			
Cash with fiscal agent	-	1,109,452	1,109,452
Inventories	-	864,870	864,870
Prepaid costs	172,553	7,170	179,723
Capital assets (not being depreciated)	14,499,874	7,060,521	21,560,395
Capital assets (net of accumulated depreciation/amortization)	75,842,949	57,866,041	133,708,990
Total assets	**132,456,483**	**73,503,106**	**205,959,589**
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related	3,403,004	2,295,095	5,698,099
Total deferred outflows of resources	**3,403,004**	**2,295,095**	**5,698,099**
LIABILITIES			
Accounts payable	1,555,221	660,704	2,215,925
Due to other governments	1,024,651	-	1,024,651
Accrued liabilities	787,910	314,940	1,102,850
Accrued interest	-	167,000	167,000
Deposits payable	41,780	13,500	55,280
Unearned revenue	-	354,590	354,590
Noncurrent liabilities:			
Due within one year: bonds, notes, leases, subscriptions, and compensated absences	1,024,762	1,017,808	2,042,570
Due in more than one year:			
Net pension liability	7,183,514	4,239,981	11,423,495
Bonds, loans, leases, subscriptions, and compensated absences	-	21,075,057	21,075,057
Total liabilities	**11,617,838**	**27,843,580**	**39,461,418**
DEFERRED INFLOWS OF RESOURCES			
Pension-related	1,248,182	754,096	2,002,278
Lease-related	715,888	178,945	894,833
Total deferred inflows of resources	**1,964,070**	**933,041**	**2,897,111**
NET POSITION			
Net investment in capital assets	90,334,751	43,442,244	133,776,995
Restricted:			
General government	516,877	-	516,877
Public safety	531,552	-	531,552
Community development	234,007	-	234,007
Public works	8,297,329	-	8,297,329
Debt service	-	1,109,452	1,109,452
Health and sanitation	3,950,508	-	3,950,508
Unrestricted	18,412,555	2,469,884	20,882,439
Total net position	**$ 122,277,579**	**$ 47,021,580**	**$ 169,299,159**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Contributions and Grants	Program Revenues: Capital Contributions and Grants
Primary government:				
Governmental activities:				
General government	$ 5,874,739	$ 2,380,101	$ 32,633	$ -
Public safety	14,641,809	242,874	199,082	-
Community development	8,256,752	8,329,903	208,004	-
Culture and leisure	1,078,993	1,421	-	1,312,665
Public works	6,833,049	342,075	521,691	137,564
Health and sanitation	11,247,231	12,941,719	11,536	-
Interest on long-term debt	651	-	-	-
Total governmental activities	**47,933,224**	**24,238,093**	**972,946**	**1,450,229**
Business-type activities:				
Water Utility	12,688,219	11,050,933	-	1,441,125
Total business-type activities	**12,688,219**	**11,050,933**	**-**	**1,441,125**
Total primary government	**$ 60,621,443**	**$ 35,289,026**	**$ 972,946**	**$ 2,891,354**
General revenues and transfers:				
General revenues:				
Property taxes				
Sales taxes				
Transient occupancy taxes				
Franchise taxes				
Other taxes				
Use of money and property				
Other				
Total general revenues				
Change in net position				
Net position-beginning				
Restatement-change in accounting principle				
Net position-beginning, as restated				
Net position-ending				

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (3,462,005)	$ -	$ (3,462,005)
(14,199,853)	-	(14,199,853)
281,155	-	281,155
235,093	-	235,093
(5,831,719)	-	(5,831,719)
1,706,024	-	1,706,024
(651)	-	(651)
(21,271,956)	**-**	**(21,271,956)**
-	(196,161)	(196,161)
-	**(196,161)**	**(196,161)**
(21,271,956)	**(196,161)**	**(21,468,117)**
13,990,605	-	13,990,605
3,325,536	-	3,325,536
11,312,531	-	11,312,531
1,047,076	-	1,047,076
996,236	-	996,236
1,651,292	283,679	1,934,971
-	57,192	57,192
32,323,276	**340,871**	**32,664,147**
11,051,320	**144,710**	**11,196,030**
111,500,919	46,876,870	158,377,789
(274,660)	-	(274,660)
111,226,259	46,876,870	158,103,129
$ 122,277,579	**$ 47,021,580**	**$ 169,299,159**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Balance Sheet
Governmental Funds
June 30, 2025

		Special Revenue Funds		
	General	Sanitation	Measure Y	Measure I MLHP
ASSETS				
Cash and investments	$ 16,723,467	$ 5,606,142	$ 4,957,697	$ -
Receivables (net of allowance for uncollectible):				
Accounts	696,640	3,288	170,894	-
Accrued interest	182,570	60,746	54,257	-
Due from other governments	1,008,212	187,973	-	3,200,000
Notes and loans	1,180	-	-	-
Leases	744,620	-	-	-
Due from other funds	4,277,260	-	-	-
Prepaid costs	172,553	-	-	-
Total assets	**$ 23,806,502**	**$ 5,858,149**	**$ 5,182,848**	**$ 3,200,000**
LIABILITIES				
Accounts payable	$ 546,519	$ 115,175	$ -	$ -
Due to other governments	843,271	15,305	-	-
Accrued liabilities	651,469	83,391	-	-
Deposits payable	41,230	-	-	-
Due to other funds	-	-	-	3,200,000
Total liabilities	**2,082,489**	**213,871**	**-**	**3,200,000**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	199,008	3,289	3,846	3,200,000
Lease-related	715,888	-	-	-
Total deferred inflows of resources	**914,896**	**3,289**	**3,846**	**3,200,000**
FUND BALANCES (DEFICITS)				
Nonspendable	173,733	-	-	-
Restricted	-	2,450,109	5,179,002	-
Committed	3,147,694	3,190,880	-	-
Unassigned	17,487,690	-	-	(3,200,000)
Total fund balances (deficits)	**20,809,117**	**5,640,989**	**5,179,002**	**(3,200,000)**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 23,806,502**	**$ 5,858,149**	**$ 5,182,848**	**$ 3,200,000**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Balance Sheet
Governmental Funds
June 30, 2025

	Special Revenue Funds	Capital Projects Funds		
	Fire District	General Capital Projects	Street Improvements	Total Nonmajor Funds
ASSETS				
Cash and investments	$ -	$ 555,880	$ 272,264	$ 5,747,054
Receivables (net of allowance for uncollectible):				
Accounts	-	13,500	-	266,324
Accrued interest	-	-	-	61,813
Due from other governments	-	-	-	1,426,586
Notes and loans	-	-	-	-
Leases	-	-	-	-
Due from other funds	-	-	-	-
Prepaid costs	-	-	-	-
Total assets	**$ -**	**$ 569,380**	**$ 272,264**	**$ 7,501,777**
LIABILITIES				
Accounts payable	$ -	$ 569,380	$ 113,096	$ 211,051
Due to other governments	-	-	159,168	6,907
Accrued liabilities	-	-	-	53,050
Deposits payable	-	-	-	550
Due to other funds	-	-	-	1,077,260
Total liabilities	**-**	**569,380**	**272,264**	**1,348,818**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	1,070,866
Lease-related	-	-	-	-
Total deferred inflows of resources	**-**	**-**	**-**	**1,070,866**
FUND BALANCES (DEFICITS)				
Nonspendable	-	-	-	-
Restricted	-	-	-	5,901,162
Committed	-	-	-	100,000
Unassigned	-	-	-	(919,069)
Total fund balances (deficits)	**-**	**-**	**-**	**5,082,093**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ -**	**$ 569,380**	**$ 272,264**	**$ 7,501,777**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Balance Sheet
Governmental Funds
June 30, 2025

	Total Governmental Funds
ASSETS	
Cash and investments	$ 33,862,504
Receivables (net of allowance for uncollectible):	
Accounts	1,150,646
Accrued interest	359,386
Due from other governments	5,822,771
Notes and loans	1,180
Leases	744,620
Due from other funds	4,277,260
Prepaid costs	172,553
Total assets	**$ 46,390,920**
LIABILITIES	
Accounts payable	$ 1,555,221
Due to other governments	1,024,651
Accrued liabilities	787,910
Deposits payable	41,780
Due to other funds	4,277,260
Total liabilities	**7,686,822**
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues	4,477,009
Lease-related	715,888
Total deferred inflows of resources	**5,192,897**
FUND BALANCES (DEFICITS)	
Nonspendable	173,733
Restricted	13,530,273
Committed	6,438,574
Unassigned	13,368,621
Total fund balances (deficits)	**33,511,201**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 46,390,920**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds		$ 33,511,201
Capital assets, net of accumulated depreciation/amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		90,342,823
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings, and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.		
Deferred outflows-pension related	3,403,004	
Deferred inflows-pension related	(1,248,182)	
Total deferred outflows and inflows related to postemployment benefits		2,154,822
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either labeled unavailable or not reported in the funds.		4,477,009
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Leases and subscriptions payable	(8,072)	
Compensated absences	(1,016,690)	
Net pension liability	(7,183,514)	
Total long-term liabilities		(8,208,276)
Net position of governmental activities		**$ 122,277,579**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

		Special Revenue Funds		
	General	**Sanitation**	**Measure Y**	**Measure I MLHP**
REVENUES				
Taxes	$ 19,508,783	$ -	$ 2,392,694	$ -
Assessments	-	-	-	-
Licenses and permits	2,046,185	24,705	-	-
Intergovernmental	206,533	-	-	-
Charges for services	946,554	7,866,140	-	-
Use of money and property	797,488	263,399	273,290	-
Fines and forefeitures	13,550	-	-	-
Developer participation	-	-	-	-
Miscellaneous	25,892	-	-	-
Total revenues	**23,544,985**	**8,154,244**	**2,665,984**	**-**
EXPENDITURES				
Current:				
General government	5,537,514	-	-	-
Public safety	6,567,319	-	-	-
Community development	3,281,489	-	-	-
Culture and leisure	774,851	-	-	-
Public works	4,178,334	-	-	-
Health and sanitation	-	6,841,171	-	-
Capital outlay	228,491	-	-	-
Debt service:	-	-	-	-
Principal	84,328	-	-	-
Interest and fiscal charges	651	-	-	-
Total expenditures	**20,652,977**	**6,841,171**	**-**	**-**
Excess (deficiency) of revenues over (under) expenditures	**2,892,008**	**1,313,073**	**2,665,984**	**-**
OTHER FINANCING SOURCES (USES)				
Transfers in	1,570,765	-	-	-
Transfers out	(2,570,409)	(773,760)	(4,495,969)	-
Subscriptions	18,345	-	-	-
Total other financing sources (uses)	**(981,299)**	**(773,760)**	**(4,495,969)**	**-**
Net change in fund balances	**1,910,709**	**539,313**	**(1,829,985)**	**-**
Fund balances (deficit)-beginning	18,898,408	5,101,676	7,008,987	(3,200,000)
Fund balances (deficit)-ending	**$ 20,809,117**	**$ 5,640,989**	**$ 5,179,002**	**$ (3,200,000)**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds	Capital Projects Funds		
	Fire District	General Capital Projects	Street Improvements	Total Nonmajor Funds
REVENUES				
Taxes	$ 7,958,043	$ -	$ -	$ 812,464
Assessments	-	-	-	4,512,162
Licenses and permits	-	-	-	171,073
Intergovernmental	-	-	-	1,714,154
Charges for services	-	-	-	5,223,311
Use of money and property	-	-	-	317,115
Fines and forefeitures	-	-	-	-
Developer participation	-	-	-	299,948
Miscellaneous	-	-	-	-
Total revenues	**7,958,043**	**-**	**-**	**13,050,227**
EXPENDITURES				
Current:				
General government	-	378,791	-	-
Public safety	7,958,043	-	-	-
Community development	-	-	-	4,968,369
Culture and leisure	-	-	-	171,602
Public works	-	-	-	917,852
Health and sanitation	-	-	-	4,842,153
Capital outlay	-	5,449,923	3,302,340	92,481
Debt service:	-	-	-	
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	**7,958,043**	**5,828,714**	**3,302,340**	**10,992,457**
Excess (deficiency) of revenues over (under) expenditures	**-**	**(5,828,714)**	**(3,302,340)**	**2,057,770**
OTHER FINANCING SOURCES (USES)				
Transfers in	-	5,828,714	3,302,340	931,087
Transfers out	-	-	-	(3,792,768)
Subscriptions	-	-	-	-
Total other financing sources (uses)	**-**	**5,828,714**	**3,302,340**	**(2,861,681)**
Net change in fund balances	**-**	**-**	**-**	**(803,911)**
Fund balances (deficit)-beginning	-	-	-	5,886,004
Fund balances (deficit)-ending	**$ -**	**$ -**	**$ -**	**$ 5,082,093**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Total Governmental Funds
REVENUES	
Taxes	$ 30,671,984
Assessments	4,512,162
Licenses and permits	2,241,963
Intergovernmental	1,920,687
Charges for services	14,036,005
Use of money and property	1,651,292
Fines and forefeitures	13,550
Developer participation	299,948
Miscellaneous	25,892
Total revenues	**55,373,483**
EXPENDITURES	
Current:	
General government	5,916,305
Public safety	14,525,362
Community development	8,249,858
Culture and leisure	946,453
Public works	5,096,186
Health and sanitation	11,683,324
Capital outlay	9,073,235
Debt service:	
Principal	84,328
Interest and fiscal charges	651
Total expenditures	**55,575,702**
Excess (deficiency) of revenues over (under) expenditures	**(202,219)**
OTHER FINANCING SOURCES (USES)	
Transfers in	11,632,906
Transfers out	(11,632,906)
Subscriptions	18,345
Total other financing sources (uses)	**18,345**
Net change in fund balances	**(183,874)**
Fund balances (deficit)-beginning	33,695,075
Fund balances (deficit)-ending	**$ 33,511,201**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Reconciliation of the Statement of Revenues, Expenses and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

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

Net change in fund balances - total governmental funds:		$ (183,874)
Governmental funds report capital outlays are expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.		
Capital outlay	8,609,763	
Depreciation/amortization expense	(3,514,839)	
Total adjustment		5,094,924
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		3,611,061
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Subscriptions issued	(18,345)	
Principal payments	84,327	
Total adjustment		65,982
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.		
Compensated absences	(44,088)	
Changes in pension liabilities and related deferred outflows and inflows of resources	2,507,315	
Total adjustment		2,463,227
Change in net position of governmental activities		**$ 11,051,320**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities Water Utility
ASSETS	
Current assets:	
Cash and investments	$ 4,518,714
Receivables (net of uncollectibles):	
Accounts	1,797,183
Accrued interest	14,860
Leases	31,549
Prepaid costs	7,170
Due from other governments	85,350
Inventories	864,870
Total current assets	7,319,696
Noncurrent:	
Restricted cash with fiscal agent	1,109,452
Leases	147,396
Capital assets, net	64,926,562
Total noncurrent assets	66,183,410
Total assets	**73,503,106**
DEFERRED OUTFLOWS OF RESOURCES	
Pension-related	2,295,095
Total deferred outflows of resources	**2,295,095**
LIABILITIES	
Current liabilities:	
Accounts	549,704
Accrued liabilities	314,940
Accrued interest	167,000
Unearned revenues	354,590
Retainage payable	111,000
Deposits payable	13,500
Compensated absences	450,971
Bonds, loans, leases, and subscriptions	566,837
Total current liabilities	2,528,542
Noncurrent liabilities:	
Compensated absences	268,576
Bonds, loans, leases, and subscriptions	20,806,481
Net pension liability	4,239,981
Total noncurrent liabilities	25,315,038
Total liabilities	**27,843,580**
DEFERRED INFLOWS OF RESOURCES	
Pension-related	754,096
Lease-related	178,945
Total deferred inflows of resources	**933,041**
NET POSITION	
Net investment in capital assets	43,442,244
Restricted for debt service	1,109,452
Unrestricted	2,469,884
Total net position	**$ 47,021,580**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities
	Water Utility
OPERATING REVENUES	
Sales and service charges	$ 11,050,933
Miscellaneous	5,558
Total operating revenues	**11,056,491**
OPERATING EXPENSES	
Administration and general	4,297,889
Source of supply	1,501,666
Transmission and distribution	2,532,411
Water systems operations	1,203,431
Depreciation/amortization	2,600,836
Total operating expenses	**12,136,233**
Operating income (loss)	**(1,079,742)**
NONOPERATING REVENUES (EXPENSES)	
Other revenue	26,514
Interest revenue	282,550
Interest expense	(511,272)
Change in fair value of investments	1,130
Contributions to other governments	(9,095)
Rental income	25,120
Gain (losses) on disposal of assets	(31,620)
Total nonoperating revenues (expenses)	**(216,673)**
Income (loss) before capital contributions	**(1,296,415)**
Capital contributions	1,441,125
Change in net position	**144,710**
Net position-beginning	46,876,870
Net position-ending	**$ 47,021,580**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2025

	Business-Type Activities
	Water Utility
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 11,108,539
Payments to suppliers and service providers	(9,173,787)
Payments to employees for salaries and benefits	(344,057)
Net cash provided by (used for) operating activities	**1,590,695**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital contributions	1,467,639
Acquisition and construction of capital assets	(3,478,681)
Principal paid on capital debt	(568,413)
Interest paid on capital debt	(515,072)
Contributions to other governments	(9,095)
Capital grant	455,050
Proceeds from sales of assets	8,300
Net cash provided by (used for) capital and related financing activities	**(2,640,272)**
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	283,438
Leasing activities	25,120
Net cash provided by (used for) investing activities	**308,558**
Net increase (decrease) in cash and cash equivalents	**(741,019)**
Cash and cash equivalents-beginning	6,369,185
Cash and cash equivalents-ending	**$ 5,628,166**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2025

	Business-Type Activities Water Utility
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION	
Cash and investments	$ 4,518,714
Restricted cash and investments	1,109,452
Total cash and cash equivalents	**$ 5,628,166**
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	
Operating income (loss)	$ (1,079,742)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation/amortization expense	2,600,836
(Increase) decrease in accounts receivable	50,048
(Increase) decrease in inventories	(303,154)
(Increase) decrease in prepaid items	172,810
Increase (decrease) in accounts payable	275,404
Increase (decrease) in accrued liabilities	(62,236)
Increase (decrease) in deposits payable	218,550
Increase (decrease) in compensated absences	240,677
Increase (decrease) in net pension liability	(522,498)
Total adjustments	2,670,437
Net cash provided by (used for) operating activities	**$ 1,590,695**
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES	
Capital assets purchased on account	$ 111,000

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Private Purpose Trust Fund
ASSETS	
Cash and cash equivalents	$ 369,865
Cash and cash equivalents held with fiscal agents	1,081,404
Receivables:	
Notes and loans	7,704,055
Total assets	**9,155,324**
LIABILITIES	
Accrued Interest	38,966
Long-term liabilities:	
Due in one year	850,000
Due in more than one year	1,010,000
Total liabilities	**1,898,966**
NET POSITION	
Restricted for:	
Former redevelopment agency dissolution	7,256,358
Total net position	**$ 7,256,358**

See Notes to Financial Statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2025

	Private Purpose Trust Fund
ADDITIONS	
Interest and change in fair value	211,177
Property tax distribution	554,776
Total additions	**765,953**
DEDUCTIONS	
Administrative expenses	250,000
Interest expense	99,615
Total deductions	**349,615**
Net increase (decrease) in fiduciary net position	**416,338**
Net position-beginning	6,840,020
Net position-ending	**$ 7,256,358**

See Notes to Financial Statements.

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Entity

The reporting entity is a municipal corporation governed by an elected five-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Big Bear Lake, California (the City) and its component units, entities for which the City is considered financially accountable.

The City was incorporated on November 28, 1980, under the general laws of the State of California. The City became a Charter City on November 8, 1983, and operates under a council/manager form of government.

The reporting entity, the “City of Big Bear Lake" includes the accounts of the City of Big Bear Lake (the City), the Big Bear Lake Fire Protection District (the District), and the Big Bear Lake Public Financing Authority (the Financing Authority).

The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement Nos. 14, 39, 61, and 84. The City of Big Bear Lake is the primary governmental unit. Component units are those entities which are financially accountable to the primary governmental unit, either because the City appoints a voting majority of the component unit's Board, or because the component unit will provide financial benefit or impose a financial burden on the City. The City has accounted for the District and the Financing Authority as "blended" component units. Despite being legally separate, these units are so intertwined with the City that they are, in substance, part of the City's operations. Accordingly, the balances and transactions of the District and Financing Authority are included in the City's financial statements in the General Fund, Debt Service Funds, and Special Revenue Funds. The following specific criteria were used in determining that the District and the Financing Authority were component units:

- The members of the City Council also function as the governing body of the District and the Financing Authority.
- The Financing Authority is managed by employees of the City.
- The District manages the City’s share of the structural fire fund of the property taxes levied for fire safety, as such, these revenues should be reported in the City’s financial statements.

1. Big Bear Lake Fire Protection District

The Big Bear Lake Fire Protection District was formed on September 6, 1927, under the laws of the State of California to provide fire protection and prevention in the Big Bear Lake area of San Bernardino County. Separate financial statements for the District are available at Big Bear Fire Department.

2. Big Bear Lake Public Financing Authority

The Big Bear Lake Public Financing Authority is a joint powers authority organized pursuant to a Joint Exercise of Powers Agreement dated as of November 28, 1990, (the "Joint Powers Agreement") by and between the City and the then-existing Improvement Agency in accordance with Government Code Section 6500 of the State of California. The Financing Authority is a separate entity constituting a public instrumentality of the State of California and was formed for the public purpose of assisting the City and Agency in financing and refinancing their projects and activities. The Financing Authority is governed by a board of directors consisting of members of the City Council. Separate financial statements for the Financing Authority are not issued.

Since the City Council serves as the governing board for these component units, all the City's component units are blended component units. Blended component units, although legally separate entities, are in substance, part of the City's operations and so data from these units are reported with the primary government.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other governmental agencies providing service either to the City in its entirety or to a portion thereof are:

- State of California
- County of San Bernardino (the "County")
- Big Bear Municipal Water District
- Big Bear Area Regional Wastewater Agency
- Big Bear Airport District
- Bear Valley Community Healthcare District
- Bear Valley Unified School District
- Big Bear Valley Recreation and Park District
- Big Bear Fire Authority

The City does not exercise oversight responsibility over any of the above entities. Consequently, financial information for these agencies is not included within the scope of this financial report.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City's fiduciary funds consist of a private purpose trust fund. Private purpose trust fund funds are accounted for using the *"economic resources"* measurement focus and the accrual basis of accounting. 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.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

- The Sanitation Fund accounts for sewer service charges, licenses and permits received by the City. These funds may be used for the operation and maintenance of the sewer system.

- The Measure Y Fund accounts for transient occupancy tax revenues in the City. The TOT revenues can be used to account for City's capital projects and Street Improvements.

- The Measure I MLHP Fund accounts for revenues received from federal funding. The Measure I Major Local Highway Program revenues are used for street improvement projects.

- The Fire District Fund accounts for revenues from property taxes levied in San Bernardino County. Expenditures can be used for emergency medical aid, rescue, fire suppression, fire prevention, public education and disaster preparedness services.

- The General Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays related to capital projects around the City.

- The Street Improvements Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays related to street improvement projects around the City.

The City reports the following major proprietary fund:

- The Water Utility Enterprise Fund accounts for the operation and maintenance of the City's water distribution system.

Additionally, the City reports the following fund types:

- The private-purpose trust fund is used to account for the assets and liabilities of the former redevelopment agency and the allocated revenue to pay estimated installment payments of enforceable obligations until the obligations of the former redevelopment agency are paid in full and assets have been liquidated.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary fund's function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

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

D. Assets, Deferred Inflows, Liabilities and Deferred Outflows, Net Position or Equity

1. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both restricted and unrestricted cash and investments in the Proprietary Funds.

Investments for the City, as well as for its component units, are reported at fair value. The City's policy is generally to hold investments until maturity or until fair values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate State laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. 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." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for estimated uncollectible accounts.

3. Functional Classifications

Expenditures of the Governmental Funds are classified by function. Functional classifications are defined as follows:

- General Government includes legislative activities that have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities that provide management or support services across more than one functional area.

- Public Safety includes those activities that involve the protection of people and property.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Community Development includes those activities that involve enhancing the general quality of life.

- Culture and Leisure includes those activities that involve the performing arts center and parks and recreation activities.

- Public Works includes those activities that involve the maintenance and improvement of City streets, roads and park department development and maintenance.

- Health and Sanitation includes the activities of the Sanitation Fund and Refuse Fund.

4. Inventories and Prepaid Costs

The inventory consists of water meters, pipes, and other parts required to provide services to water customers and are recorded in the proprietary fund. The water pipe, meters and long-term items are removed from inventory and capitalized as capital assets and depreciated upon installation. The remaining items are recorded as expenses when used in accordance with the consumption method. Inventories are recorded at the lower of cost or market on an average cost basis.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as expenses when used in accordance with the consumption method.

5. Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, funds have been restricted for future capital improvements by City resolution.

6. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $7,500 (amount not rounded) and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date of acquisition.

In accordance with GASB Statement No. 34, the City has reported general infrastructure assets acquired from 1999 to the present. Infrastructure assets acquired prior to 1999 have been retroactively included. The amount reported for infrastructure includes the value of easements.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment of the primary government, as well as the component units are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20
Source of supply	7 – 30
Pumping plant	15 – 30
Water treatment plant	15 – 30
Transmission lines	15 – 50
General plant and equipment	5 – 50
Buildings	50
Improvements other than buildings	7 – 50
Machinery and equipment	5 – 30
Infrastructure	5 – 65
Lease assets	5 – 30
Subscription assets	5 – 30

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports 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. The government reports deferred outflows of resources for pension contributions made after the actuarial measurement date, for actuarial adjustments due to the proportionate share of the contributions made to the pension liability, for changes in pension assumptions and other inputs, for the net difference between the projected and actual earnings on pension plan investments, and for the difference between expected and actual experience in the total pension liability.

In addition to liabilities, the statement of financial position reports 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. In the government-wide statement of net position, the government reports deferred inflows of resources for pension related items due to changes in pension assumptions and other inputs, for changes in proportion and differences between contributions and proportionate share of contributions, for the net difference between the projected and actual earnings on pension plan investments, and for the difference between expected and actual experience in total pension liability. The City also reports deferred inflows related to leases. This item represents future lease revenues associated with the lease receivable. The deferred inflow related to leases will be recognized as revenue using a systematic, straight-line methodology over the terms of the leasing arrangements.

The governmental fund balance sheet also reports one item under deferred inflows of resources, which arises only under the modified accrual basis of accounting. The item, unavailable revenue from grant reimbursements is reported only in the governmental funds balance sheet and will be recognized as an inflow of resources in the period when the amounts become available.

8. Compensated Absences

The City has Personnel Rules and Regulations and a memorandum of understanding setting maximum carryovers and vesting levels for vacation, sick, and other time off. The vested portion of sick pay benefits, as well as an estimate of non-vested sick leave which will be used in the next year, is reflected as a liability.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The general City employees receive 10 to 20 days of vacation each year depending upon length of continuous service. Vacation can be accumulated up to an annual maximum of 40 days depending upon length of continuous service. Employees are eligible to cash-out their accrued leave balances up to the maximum number of hours accrued by the employee per fiscal year. General City employees also receive 11 days of sick leave each year with no maximum accumulation. Unused sick leave may be cashed in upon termination or retirement at a payment percentage of up to 25% determined by length of continuous service.

The current memorandum for the City's general bargaining unit is in effect through June 30, 2026. The liability for compensated absences will be funded, when required, from future City operations.

The Department of Water and Power (DWP) employees also receive 10 to 20 days of vacation each year depending on length of continuous service. Vacation may be accumulated up to an annual maximum of 40 days depending on length of continuous service. Upon separation from DWP, employees will receive 100% payout for unused vacation leave. Employees also receive 11 days of sick leave each year with no maximum accumulation. DWP provides 25% payoff of unused sick leave upon separation from DWP after five years of continuous service.

9 Post-Employment Health Care Benefits

Retiree Benefits: The City has no obligation to provide post-employment health care benefits for retirees. COBRA Benefits: Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium plus a 2% administration fee is paid in full by the insured on or before the tenth day of the month for the actual month covered. This program is offered for a duration of 18 months after termination date. There is no cost to the City under this program.

10. Pensions

For purposes of measuring the net pension liability, deferred outflows and inflows of resources, and pension expense, information about the fiduciary net position of the San Bernardino County Employees' Retirement Association (SBCERA) and PARS (PARS) retirement enhancement plan and additions to/deductions from SBCERA and PARS's fiduciary net position have been determined on the same basis as they are reported by SBCERA and PARS. For this purpose, employer and employee contributions are recognized in the period the related salaries are earned and become measurable pursuant to formal commitments, statutory or contractual requirements, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, and investments are reported at fair value.

11. Long-Term Obligations

In the government-wide financial statements, and proprietary 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 proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether withheld from the actual debt proceeds received, are reported as debt service expenses when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

12. Net Position Flow Assumption

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

13. Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

14. Fund Equity

In the fund financial statements, government funds report the following fund balance classifications:

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

- Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

- Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a minute action or a resolution.

- Assigned include amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The Director of Administrative Services is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

- Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted amounts to be used first, then unrestricted. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, they are considered to be spent in the order as follows: committed, assigned and then unassigned.

15. Leases

Lessee: The City is a lessee for a noncancellable lease of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of $7,500 or more.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

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

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

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.

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

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

16. Subscription-Based Information Technology Arrangements

The City is a subscriber to a noncancellable subscription of information technology services. The City recognizes subscription liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of $7,500 or more.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

At the commencement of a subscription, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscriptions include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) lease term, and (3) subscription payments.

- The City uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.

- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments that the City is reasonably certain to exercise.

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

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

17. Property Tax

Property tax revenue is recognized on the modified accrual basis, that is, in the fiscal year for which the taxes have been levied providing they become available. Available means then due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The County of San Bernardino collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property, as exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1st; the second installment is due February 1st. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on March 1st of each year and are delinquent, if unpaid, on August 31st.

E. Budgetary Information

1. Budgetary Basis of Accounting

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

- The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them.

- The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year. This "appropriated budget" covers City expenditures in the General, Special Revenue, Debt Service and Capital Projects Funds, except for debt service on bond issues, and special assessment capital improvement projects. Actual expenditures may not exceed budgeted appropriations at the department level, which is the legal level of control. Department heads are authorized to transfer budgeted amounts within their departments, within the same fund, with the approval of the City Manager. Transfers of appropriations between funds may be made only by authorization of the City Council.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Formal budgetary integration is employed as a management control device. Commitments or materials and services, such as purchase orders and contracts, are recorded during the year as encumbrances to assist in controlling expenditures. Appropriations that are encumbered at year-end lapse, and then are added to the following year's budgeted appropriations.

- Budgets for the General, Special Revenue, and Capital Projects Funds (for which annual budgets were adopted) are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. No budgetary comparison is presented for the Proprietary Fund, as GAAP does not require a budgetary presentation for this type of fund.

- Capital improvement projects are budgeted through the Capital Projects Funds. Appropriations for capital projects authorized, but not constructed or completed during the year, lapse at year end, and are then included as part of appropriations in the following year's annual budget.

- Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2025, based on calculations by City management, proceeds of taxes did not exceed related appropriations. Further, the City's fund balance policy allows the City to commit a portion of fund balance for general contingencies, to be used in future years without limitation.

- The Measure I-MHLP fund did not adopt a budget for FY2024-25 and therefore budgetary information is not presented.

2. Excess of Expenditures over Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations in the following departments:

Fund	Department	Appropriations	Expenditures	Excess
General	Public safety	$ 6,381,853	$ 6,567,319	$ 185,466
General	Principal	-	84,328	84,328
General	Interest	-	651	651
Fire District	Public safety	7,869,033	7,958,043	89,010
Gas Tax	Transfers out	659,360	772,529	113,169
Supplemental Law Enforcement	Transfers out	110,000	227,973	117,973

F. New GASB Pronouncements Effective during Fiscal Year

The following Government Accounting Standards Board (GASB) pronouncements were effective for and/or early implemented for the fiscal year ended June 30, 2025:

1. GASB Statement No. 101, Compensated Absences

The requirements of this Statement will improve financial reporting by implementing a unified recognition and measurement model that will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. Establishing the unified model will result in consistent application to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. This Statement will also result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The impact of the implementation of this Statement on the fund balance and net position of the City was not significant to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. GASB Statement No. 102, Certain Risk Disclosures

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The impact of the implementation of this Statement on the fund balance and net position of the City was not significant to the financial statements.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Compliance with Budgetary Limitations

Note 1.E.2 *Excess of Expenditures over Appropriations*, describes budgetary violations that occurred for the year ended June 30, 2025.

B. Deficit Fund Equity

At June 30, 2025, the City reported deficit fund equities in the following funds:

Fund Name	Fund Type	Deficit	Cause
Measure I - MLHP	Special Revenue Fund	$ 3,200,000	(a)
Grant Funding	Special Revenue Fund	919,069	(b)

(a) Deficit due to timing differences between capital funding contributions and disbursements, and is expected to be eliminated through reimbursement pursuant to an Advance Expenditure Agreement with San Bernardino County Transportation Authority (SBCTA).

(b) Deficit due to timing differences between grant receipts and disbursements, and is expected to be eliminated through future grant revenues.

NOTE 3: CASH AND INVESTMENTS

As of June 30, 2025, cash and investments were reported in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	$ 38,381,218
Restricted:	
Cash with fiscal agent	1,109,452
Statement of Fiduciary Net Position	
Cash and cash equivalents	369,865
Cash and cash equivalents held with fiscal agents	1,081,404
Total cash and investments	$ 40,941,939
Cash on hand	$ 2,225
Deposits with financial institutions	3,898,843
Investments	37,040,871
Total cash and investments	$ 40,941,939

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 quarterly to the various funds based on monthly cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

A. Deposits

At June 30, 2025, the carrying amount of the City's deposits was $3,898,843 and the bank balance was $2,345,633 The $1,553,210 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure a City's deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to $250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

B. Investments

Under provision of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Securities of the U.S. Government, or its agencies
- Certificates of deposit, placed with commercial banks and S&L's
- Commercial paper
- Medium term corporate notes
- Repurchase agreements
- Passbook savings account demand deposits
- Money market mutual funds
- Government sponsored pools and/or mutual funds

As a matter of practice, the City favors the California State Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP). Common stocks are not authorized for investment.

C. Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

D. Investments in External Investment Pools

1. 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 fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based on the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals in LAIF are made on the basis of $1 and not fair value. Accordingly, the City's investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

2. California Asset Management Program

The California Asset Management Program (CAMP) is a public joint powers authority which provides California Public Agencies with investment management services for surplus funds and comprehensive investment management, accounting and arbitrage rebate calculation services for proceeds of tax-exempt financings. The CAMP currently offers the Cash Reserve Portfolio, a short-term investment portfolio, as a means for Public Agencies to invest these funds. Public Agencies that invest in the Pool (Participants) purchase shares of beneficial interest. Participants may also establish individual, professionally managed investment accounts (Individual Portfolios) by separate agreement with the Investment Advisor.

Investments in the Pools and Individual Portfolios are made only in investments in which Public Agencies generally are permitted by California statute. The CAMP may reject any investment and may limit the size of a Participant's account. The Pool seeks to maintain, but does not guarantee, a constant net asset value of $1 per share. A Participant may withdraw funds from its Pool accounts at any time by check or wire transfers. Requests for same-day wire transfers must be made by 11:00 a.m. that day. Fair determined by the fair value per share of the Pool's underlying portfolio. Accordingly, the City's investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

3. California Cooperative Liquid Assets Securities System

The California Cooperative Liquid Assets Security System (CLASS) is a public joint powers authority which provides California Public Agencies with investment management services for surplus funds and comprehensive investment management, accounting and arbitrage rebate calculation services for proceeds of tax-exempt financings. The CLASS currently offers the Cash Reserve Portfolio, a short-term investment portfolio, as a means for Public Agencies to invest these funds. Public Agencies that invest in the Pool (Participants) purchase shares of beneficial interest. Participants may also establish individual, professionally managed investment accounts (Individual Portfolios) by separate agreement with the Investment Advisor.

Investments in the Pools and Individual Portfolios are made only in investments in which Public Agencies generally are permitted by California statute. The CLASS may reject any investment and may limit the size of a Participant's account. The Pool seeks to maintain, but does not guarantee, a constant net asset value of $1 per share. A Participant may withdraw funds from its Pool accounts at any time by check or wire transfers. Requests for same-day wire transfers must be made by 11:00 a.m. that day. Fair determined by the fair value per share of the Pool's underlying portfolio. Accordingly, the City's investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

E. Concentration of Credit Risk

The City diversifies its investments by security type and institution. With the exceptions of LAIF and CAMP, no more than 5% of the City's total investment portfolio will be invested in a single security type or with a single financial institution. The City has not invested more than 5% of the total investment value with any one issuer.

F. Credit Risk

Investments in U.S. government securities are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2025, the City's investments in external investment pools are unrated.

G. Custodial Credit Risk

The 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 deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As of June 30, 2025, the City had no investments considered to be exposed to custodial credit risk. The City does not have a policy related to custodial credit risk.

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

H. Interest Rate Risk

The City's investment policy states that they will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of purchase. With City Council approval, reserve funds may be invested in securities exceeding five years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2025, the fair value of the City's investments was $37,040,871, with $33,095,439 in LAIF, $2,013,338 in CAMP and the remaining in $1,932,094 in CLASS. All investments held by the City had a maturity of less than one year.

I. Fair Value Measurements

GASB Statement No. 72, *Fair Value Measurement and Application* establishes general principles for measuring fair value and standards of accounting and financial reporting for assets and liabilities measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. 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. With the exceptions of LAIF and CAMP, which are uncategorized, all the City's investments are valued using Level 1 inputs.

NOTE 4: LEASE RECEIVABLES

The City leases real property to various companies. The terms by lease type are listed in the table below. Some leases have four five-year extension options which automatically take effect. An initial lease receivable was recorded in the amount of $1,478,961. As of June 30, 2025, the value of the lease receivable is $923,565. The value of the deferred inflow of resources as of June 30, 2025, was $894,833, and the amortization of the deferred inflow during the year totaled $61,785. The City recognized lease revenue of $61,785 during the fiscal year which included $60,919 related to the amortization of the deferred inflow and $866 for variable and other payments, including short term leases not included in the measurement of the lease receivable.

Lease Type	Term Range	Lease Receivable	Lease Revenue	Lease Interest
Governmental Activities				
Verizon/American Tower	25 years	$ 378,676	$ 17,549	$ 451
Cingular Wireless	25 years	365,944	18,199	389
Subtotal - Governmental Activities		744,620	35,748	840
Business-Type Activities				
Verizon	15 years	178,945	26,037	917
Subtotal - Busines-type Activities		178,945	26,037	917
		$ 923,565	$ 61,785	$ 1,757

NOTE 5: CAPITAL ASSETS

A. Governmental Activities

Governmental activities' capital assets for the year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Governmental activities:					
Capital assets, not being depreciated/amortized					
Land	$ 10,737,580	$ 1,423,797	$ -	$ -	$ 12,161,377
Construction-in-progress	308,636	2,068,635	-	(38,774)	2,338,497
Total capital assets, not being depreciated/amortized	11,046,216	3,492,432	-	(38,774)	14,499,874
Capital assets, being depreciated/amortized					
Buildings	17,969,456	-	-	-	17,969,456
Machinery, equipment, and vehicles	10,316,813	606,366	-	-	10,923,179
Leases					
Equipment	70,325	-	-	-	70,325
Subscriptions					
Software	154,387	18,345	(131,721)	-	41,011
Improvements other than building	20,830,595	1,068,895	-	18,000	21,917,490
Infrastructure	94,266,655	3,423,725	-	20,774	97,711,154
Total capital assets, being depreciated/amortized	143,608,231	5,117,331	(131,721)	38,774	148,632,615
Less accumulated depreciation/amortization					
Buildings	(9,067,443)	(380,190)	-	-	(9,447,633)
Machinery, equipment, and vehicles	(6,683,730)	(401,281)	-	-	(7,085,011)
Leases					
Equipment	(52,743)	(17,582)	-	-	(70,325)
Subscriptions					
Software	(83,015)	(62,419)	131,721	-	(13,713)
Improvements other than building	(8,339,629)	(927,079)	-	-	(9,266,708)
Infrastructure	(45,179,988)	(1,726,288)	-	-	(46,906,276)
Total accumulated depreciation/amortization	(69,406,548)	(3,514,839)	131,721	-	(72,789,666)
Total capital assets, being depreciated/amortized, net	74,201,683	1,602,492	-	38,774	75,842,949
Total governmental activities capital assets	$ 85,247,899	$ 5,094,924	$ -	$ -	$ 90,342,823

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

General government	$ 506,430
Public safety	122,425
Public works	644,826
Health and sanitation	136,904
Public works infrastructure	1,831,868
Culture and leisure	272,386
Total depreciation/amortization expense	$ 3,514,839

NOTE 5: CAPITAL ASSETS (CONTINUED)

B. Business-type Activities

Business-type activities' capital assets for the year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Business-type activities:					
Capital assets, not being depreciated/amortized					
Land	$ 1,333,188	$ 10,000	$ -	$ -	$ 1,343,188
Construction-in-progress	2,175,410	3,541,923	-	-	5,717,333
Total capital assets, not being depreciated/amortized	3,508,598	3,551,923	-	-	7,060,521
Capital assets, being depreciated/amortized					
Intangibles	1,087,531	-	-	-	1,087,531
Subscriptions					
Software	504,415	-	-	-	504,415
Land Improvements	1,569,181	-	-	-	1,569,181
Leases					
Equipment	44,307	-	(18,242)	-	26,065
Source of Supply	16,667,590	-	(65,559)	-	16,602,031
Transmission and Lines	75,242,519	-	(305,652)	-	74,936,867
Pumping Plant	10,382,162	-	(16,120)	-	10,366,042
Water Treatment Plant	950,950	-	(4,285)	-	946,665
General Plant and Equipment	3,141,804	37,758	(126,228)	-	3,053,334
Total capital assets, being depreciated/amortized	109,590,459	37,758	(536,086)	-	109,092,131
Less accumulated depreciation/amortization					
Intangibles	(760,020)	(99,926)	-	-	(859,946)
Subscriptions					
Software	(446,091)	(58,324)	-	-	(504,415)
Land Improvements	(1,381,319)	(11,188)	-	-	(1,392,507)
Leases					
Equipment	(19,257)	(10,377)	18,242	-	(11,392)
Source of Supply	(9,626,425)	(421,530)	64,877	-	(9,983,078)
Transmission and Lines	(29,741,508)	(1,434,208)	299,768	-	(30,875,948)
Pumping Plant	(5,014,548)	(375,211)	10,110	-	(5,379,649)
Water Treatment Plant	(432,252)	(28,079)	4,285	-	(456,046)
General Plant and Equipment	(1,700,000)	(161,993)	98,884	-	(1,763,109)
Total accumulated depreciation/amortization	49,121,420	(2,600,836)	496,166	-	(51,226,090)
Total capital assets, being depreciated/amortized, net	60,469,039	(2,563,078)	(39,920)	-	57,866,041
Total business-type activities capital assets	$ 63,977,637	$ 988,845	$ (39,920)	$ -	$ 64,926,562

The depreciation/amortization expense of $2,600,836 was fully attributable to the Water Utility enterprise fund.

NOTE 6: PENSION PLANS

The City participates in two pension plans, the San Bernardino County Employees' Retirement Association (SBCERA) pension plan, a cost-sharing, multiple-employer defined benefit pension plan, and the Public Agency Retirement System (PARS) retirement enhancement plan, a single-employer defined benefit pension plan. These two plans are presented in aggregate on the government-wide statement of net position. The schedule below summarizes the components of the information presented on the government-wide statement broken out by each plan and in aggregate:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Credit)
City SBCERA Plan	$ 6,535,153	$ 3,385,859	$ 1,210,766	$ 2,530,681
DWP SBCERA Plan	4,239,981	2,295,095	754,096	(1,376,357)
City PARS Plan	648,361	17,145	37,416	23,368
Total pension plans	$ 11,423,495	$ 5,698,099	$ 2,002,278	$ 1,177,692

A. SBCERA Pension Plan

1. Plan Description

The San Bernardino County Employees' Retirement Association (SBCERA) was established by the County of San Bernardino in 1945. SBCERA is governed by the County Employees' Retirement Law of 1937 (California Government Code Section 31450 et. seq), the California Public Employees' Pension Reform Act of 2013 (CalPEPRA), and the regulations, procedures, and policies adopted by SBCERA's Board of Retirement. SBCERA is a cost-sharing multiple employer defined benefit public employee Retirement Association whose main function is to provide service retirement, disability, death and survivor benefits to the General and Safety members employed by the County of San Bernardino. SBCERA also provides retirement benefits to the employee members for 17 other employers who are members of SBCERA.

The Plan operates under the provisions of the California County Employees' Retirement Law of 1937 (CERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by SBCERA's Board of Retirement (Board). The Plan's authority to establish and amend the benefit terms are set by the CERL and PEPRA and may be amended by the California state legislature and in some cases require approval by the County of San Bernardino Board of Supervisors and/or the SBCERA Board. SBCERA is a tax qualified plan under Section 401 (a) of the Internal Revenue Code.

The City of Big Bear Lake and the Department of Water and Power (DWP) are two separate employers in SBCERA pension plan. The net pension liability and related pension activities for DWP are recorded in the Water Utility Fund on the City's Annual Comprehensive Financial Report.

SBCERA is a legally separate entity from the City and DWP, not a component unit, and there is no financial interdependency with the County of San Bernardino. For these reasons, the City's Annual Comprehensive Financial Report excludes the SBCERA pension plan as of June 30, 2025. SBCERA publishes its own comprehensive annual financial report that includes its financial statements and required supplementary information, that can be obtained by writing SBCERA at, 348 W. Hospitality Lane, Third Floor, San Bernardino, California 92415-0014 or visiting the website at: www.SBCERA.org.

NOTE 6: PENSION PLANS (CONTINUED)

2. Benefits Provided

SBCERA provides retirement, disability, death and survivor benefits. The CERL and PEPRA establish benefit terms. Retirement benefits are calculated based on age, average final compensation and service credit as follows:

	General - Tier 1	General - Tier 2
Final Average Compensation	Highest 12 months	Highest 36 months
Normal Retirement Age	Age 55	Age 67
Early Retirement: Years of service required and/or age eligible for	Age 70 any years	Age 70 any years
	10 years age 50	5 years age 52
	30 years any age	N/A
Benefit percent per year of service for normal retirement age	2% per year of final average compensation for every year of service credit	2.5% per year of final average three years compensation for every year of service credit
Benefit adjustments	Reduce before age 55	Reduce before age 67
Final Average Compensation Limitation	Internal Revenue Code section 401(a)(17)	Government Code 7522.10

An automatic cost of living adjustment is provided to benefit recipients based on changes in the local region Consumer Price Index (CPI) up to a maximum of 2% per year. Any increase greater than 2% is banked and may be used in years where the CPI is less than 2%. There is a one-time 7% increase at retirement for members hired before August 19, 1975. The Plan also provides disability and death benefits to eligible members and their beneficiaries, respectively. For retired members, the death benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to benefits based on the members years of service or if the death was caused by employment. General members are also eligible for survivor benefits which are payable upon a member's death.

3. Contributions

Participating employers and active members are required by statute to contribute a percentage of covered salary to the Plan. This requirement is pursuant to Government Code sections 31453.5 and 31454, for participating employers and Government Code sections 31621.6, 31639.25 and 7522.30 for active members.

The contribution requirements are established and may be amended by the SBCERA Board pursuant to Article 1 of the CERL, which is consistent with the Plan's actuarial funding policy. The contribution rates are adopted yearly, based on an annual actuarial valuation, conducted by an independent actuary, which requires actuarial assumptions regarding mortality, expected future service (including age at entry into the Plan, if applicable and tier), and compensation increases of the members and beneficiaries. The combined active member and employer contribution rates are expected to finance the costs of benefits for employees that are allocated during the year, with an additional amount to finance any unfunded accrued liability.

Participating employers may pay a portion of the active members' contributions through negotiations and bargaining agreements.

NOTE 6: PENSION PLANS (CONTINUED)

Employee contribution rates for the fiscal year ended June 30, 2025, were from 8.76.% to 14.65% for Tier 1 members, and 8.61% for Tier 2 members. Employer contribution rates for the year ended June 30, 2025, were from 29.80% for Tier 1 members and 34.98% for Tier 2 members.

The required employer contributions and the amount paid to SBCERA by the City and DWP for the year ended June 30, 2025, were $1,957,053 and $1,267,279 respectively, for a total contribution of $3,224,332. The employer contributions were equal to the required employer contributions for the year ended June 30, 2025.

4. Pension Liability, Pension Expense (Credit), and Deferred Outflows/Inflows of Resources

At June 30, 2025, the City and DWP reported a net pension liability of $6,535,153 and $4,239,981, respectively, for a combined total of $10,775,134 for their combined proportionate shares of the SBCERA's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The SBCERA's publicly available financial report provides details on the change in the net pension liability.

The City's and DWP's proportions of the net pension liability were based on the City's and DWP's contributions received by SBCERA during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023, relative to the total employer contributions received from all SBCERA's participating employers. At June 30, 2024, the City's proportion was 0.308% and the DWP's proportion was 0.200%, which were decreases of 0.003% and 0.005%, respectively, from the beginning of the measurement period.

For the year ended June 30, 2025, the City and DWP recognized $2,530,681 and $(1,376,357) respectively, for a combined pension expense of $1,154,324 for their proportionate shares of SBCERA's pension credit.

At June 30, 2025, the City and DWP reported their proportionate shares of deferred outflows of resources and deferred inflows of resources related to pensions, from the following sources:

	City Plan		DWP Plan		Total Plans	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 1,957,053	$ -	$ 1,267,279	$ -	$ 3,224,332	$ -
Difference between actual contribution and proportionate share of contribution	462,089	728,582	400,614	441,257	862,703	1,169,839
Changes of assumptions	137,403	229,617	89,147	148,974	226,550	378,591
Differences between expected and actual experience	829,314	85,708	538,055	55,607	1,367,369	141,315
Net difference between projected and actual earnings on pension plan investments	-	166,859	-	108,258	-	275,117
Total	$ 3,385,859	$ 1,210,766	$ 2,295,095	$ 754,096	$ 5,680,954	$ 1,964,862

NOTE 6: PENSION PLANS (CONTINUED)

The $3,224,332 reported as deferred outflows of resources related to pensions resulting from combined City and DWP contributions to SBCERA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SBCERA pensions will be recognized in pension expense as follows:

	City Plan	DWP Plan	Total Plans
Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources	Deferred Outflows/(Inflows) of Resources	Deferred Outflows/(Inflows) of Resources
2026	$ (761,464)	$ (412,656)	$ (1,174,120)
2027	830,898	586,908	1,417,806
2028	146,667	111,074	257,741
2029	1,939	(11,606)	(9,667)
Total	$ 218,040	$ 273,720	$ 491,760

5. Actuarial Methods and Assumptions

The significant actuarial assumptions and methods used to measure the total pension liability are as follows:

Inflation:	2.50%
Salary Increases:	4.55% to 12.75% varying by service, including inflation
Investment rate of return:	7.25%, net of pension plan investment expense, including inflation
Consumer Price Index (CPI) and Cost of Living Adjustments (COLA):	CPI increases of 2.00% per year Retiree COLA increases of 2.00% per year
Administrative expenses:	0.90% of payroll allocated to both the employer and member based on components of the total contribution rate (before expenses) for the employer and member
Mortality:	Mortality rates are based on the Pub-2010 Amount-Weighted Above-Median Mortality Table projected generationally with the two-dimensional MP-2021 projection scale. For healthy members, the General Healthy Retiree rates increased by 10% were used. For disabled members, the Non-Safety Disabled Retiree rates decreased by 5% were used. For beneficiaries, the General Contingent Survivor rates increased by 5% for males and 15% for females were used.
Other assumptions:	Same as those used in the June 30, 2024 and June 30, 2023 funding valuation. These assumptions were developed in the actuarial experience study for the period July 1, 2019 through June 30, 2022.

NOTE 6: PENSION PLANS (CONTINUED)

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 target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, are shown in the following tables. This information was used in the derivation of the long-term expected investment rate of return assumption in the June 30, 2024, actuarial valuation. This information will change every three years based on the actuarial experience study.

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Large Cap Equity	14.50%	6.00%
Small Cap Equity	2.50%	6.65%
International Developed Equity	7.00%	7.01%
Emerging Markets Equity	6.00%	8.80%
Core Bonds	2.00%	1.97%
Emerging Market Debt	6.00%	4.76%
Real Estate	2.50%	3.86%
Cash	2.00%	0.63%
Private Equity	18.00%	9.84%
High Yield Bonds	13.00%	6.48%
Absolute Return	7.00%	7.10%
Value Added Real Estate	2.50%	5.40%
Real Assets	6.00%	10.10%
International Credit	11.00%	7.10%

6. Discount Rate

The discount rate used to measure the total pension liability was 7.25% for the year ended June 30, 2025. The projection of cash flows used to determine the discount rate assumed that contributions are made at the actuarially determined contribution rates. For this purpose, only contributions that are intended to fund benefits of current members and their beneficiaries are included. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on Plan investments of 7.25% was applied to all periods of projected benefit payments to determine the TPL as of June 30, 2025.

NOTE 6: PENSION PLANS (CONTINUED)

7. Sensitivity of Net Pension Liability to Changes in Discount Rate

The table presented below presents the net pension liability calculated using the discount rate of 7.25% as of June 30, 2025, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower or higher than the current rate.

	Discount Rate -1% -6.25%	Current Discount Rate -7.25%	Discount Rate +1% -8.25%
Proportionate share of net pension liability (City)	$ 13,968,261	$ 6,535,153	$ 460,815
Proportionate share of net pension liability (DWP)	9,044,380	4,239,981	313,825
Total	$ 23,012,641	$ 10,775,134	$ 774,640

8. Pension Plan Fiduciary Net Position

Detailed information about the SBCERA's fiduciary net position is available in a separately issued SBCERA Annual Comprehensive Financial Report. That report may be obtained on the Internet at www.SBCERA.org; by writing to SBCERA at 348 W. Hospitality Lane, Suite 100, San Bernardino, California 92408; or by calling (909) 885-7980 or (877) 722-3721.

B. PARS Retirement Enhancement Plan

1. Plan Description

The PARS retirement enhancement plan, a single employer defined benefit plan, provides a supplemental benefit to miscellaneous employees hired on or before December 31, 2012, and classified as General or Non-Represented. The supplemental benefit enhances the San Bernardino County Employee's Retirement Association (SBCERA) formula age factors by adding an incremental percentage to make the total benefit a constant 2.70% factor at every age from age 55 and older or until SBCERA's benefit percentage is equal to or greater than 2.70% and the net PARS benefit is zero. As a result of the recent PEPRA Amendments, the City decided to close the plan to all individuals hired on or after January 1, 2013.

2. Benefits Provided

Eligibility for an immediate benefit is defined as reaching age 55, completing 5 years of continuous service as a regular employee covered by SBCERA (with approved leaves of absence not considered interruptions in continuous service), and retiring concurrently from both SBCERA and the PARS plan. Employees will only receive a supplemental retirement benefit from this plan if they retire between the ages of 55 and 60. Furthermore, the earlier they retire, the larger their supplemental benefit will be. If the employee retires past the age at which he or she would receive any benefit from the plan, he or she will receive a lump sum payment equal to the balance of his or her employee contributions with 3.00% interest per annum.

NOTE 6: PENSION PLANS (CONTINUED)

The plan provides a pre-retirement death benefit to spouses or registered domestic partners of employees who have met the age and service eligibility conditions for retirement (but failed to meet the concurrent retirement provision with SBCERA) under the plan on the date of their death prior to retirement. The benefit shall be equal to the employee's supplemental retirement benefit assuming the employee had retired on the date of death and elected a 100% joint-and-survivor annuity. If there is no eligible beneficiary, a lump sum payment equal to the balance of his or her employee contributions with 3.00% interest per annum will be paid to his or her estate. If the employee dies past the age at which he or she would receive any benefit from the plan, his or her beneficiary will receive a lump sum payment equal to the balance of his or her employee contributions with 3.00% interest per annum.

Employees who terminate employment with the City prior to retirement will receive a refund of their employee contributions with 3.00% interest per annum. As of the actuarial valuation date of June 30, 2025, plan membership consisted of the following:

Inactive members currently receiving benefits	14
Inactive members entitled to but not yet receiving benefits	8
Active members	12
Total	34

3. Contributions

Commencing on July 2, 2010, eligible General and Non-Represented employees are required to make employee contributions equal to 2.87% of compensation. Employee contributions shall cease for any participant under the Plan at the time the participant's SBCERA benefit factor is equal to or greater than 2.70%. The mandatory contributions are picked up by the City. The City contributed $120,095 for the fiscal year ended June 30, 2025.

4. Net Pension Liability

Net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The Plan's net pension liability is measured as of June 30, 2025, using an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2025, using standard update procedures. A summary of components of the Plan's net pension liability as of June 30, 2025, is shown below, followed by principal assumptions and methods used to determine the net pension liability.

Total pension liability	$	2,641,736
Plan fiduciary net position		1,993,375
Net pension liability	$	648,361
Plan fiduciary net position as a % of total pension liability		75.5%

NOTE 6: PENSION PLANS (CONTINUED)

5. Actuarial Assumptions and Methods

The following actuarial methods and assumptions were used in the June 30, 2024, funding valuation:

Actuarial Cost Method	Entry Age Normal
Amortization Method	
Level percent or level dollar	Level dollar
Closed, open, or layered periods	Closed
Amortization period at 6/30/2021	14 years
Amortization growth rate	0.00%
Asset Valuation Method	
Smoothing period	None
Recognition method	None
Corridor	None
Inflation	2.75%
Salary Increases	Consistent with the rates used to value General Employees in the San Bernardino County Employees' Retirement Association (SBCERA) Plan.
Investment Rate of Return	6.50%
Payroll Growth	3.25%
Cost of Living Adjustments	2.00%
Mortality	Consistent with the pre and post retirement mortality rates used to value General Employees in SBCERA Plan

6. Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return, net of investment expenses.

The money-weighted rate of return considers the changing amounts invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. External cash flows are determined monthly and are assumed to occur at the end of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

The money-weighted rate of return for the fiscal year ended June 30, 2025, was 10.05%.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of June 30, 2025.

NOTE 6: PENSION PLANS (CONTINUED)

Asset Class	Index	Target Allocation	Long-Term Expected Rate of Return
US Cash	BAML 3-Mon Tbill	4.80%	0.83%
US Core Fixed Income	Barclays Aggregate	46.82%	2.35%
US Broad Equity Market	Russell 3000 TR	36.96%	5.48%
Foreign Developed Equity	MSCI EAFE NR	6.83%	6.61%
Emerging Markets Equity	MSCI Emerging Markets NR	2.48%	8.78%
US REITs	FTSE Nareit Equity REIT	2.11%	6.71%

7. Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2024	$ 2,525,925	$ 1,773,794	$ 752,131
Changes recognized for the measurement period:			
Service cost	48,368	-	48,368
Interest on total pension liability	164,233	-	164,233
Economic effect/ demographic gains or losses	-	-	-
Contributions-employer	-	120,095	(120,095)
Contributions-employee	-	29,411	(29,411)
Net investment income	-	177,500	(177,500)
Benefit payments, including refunds of employee contributions	(96,790)	(96,790)	-
Administrative expense	-	(10,635)	10,635
Net changes during 2024-2025	115,811	219,581	(103,770)
Balance at June 30, 2025	$ 2,641,736	$ 1,993,375	$ 648,361

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

The following presents the net pension liability, calculated using the discount rate of 6.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	Discount Rate -1% (5.50%)	Current Discount Rate (6.50%)	Discount Rate +1% (7.50%)
Plan's net pension liability/(asset)	$ 972,638	$ 648,361	$ 378,668

NOTE 6: PENSION PLANS (CONTINUED)

9. Pension Plan Fiduciary Net Position

The pension plan fiduciary net position at June 30, 2025, was as follows:

Assets		
Cash and cash equivalents	$	95,574
Investments:		
Fixed Income		933,294
Stocks		922,355
Real Estate		42,152
Total assets	$	1,993,375
Fiduciary Net Position		
Restricted for postemployment benefits other than pensions		1,993,375
Total net position	$	1,993,375

10. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the City recognized pension expense of $23,368. At June 30, 2025, 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
Difference between expected and actual experience	$ 17,145	$ -
Net difference between projected and actual earnings	-	37,416
Total	$ 17,145	$ 37,416

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

Year ended June 30:	Deferred Outflows/(Inflows) of Resources
2026	$ 54,487
2027	(33,088)
2028	(29,102)
2029	(12,568)
	$ (20,271)

NOTE 7: RISK MANAGEMENT

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the California Joint Powers Insurance Authority (CJPIA). The CJPIA is composed of 126 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the CJPIA is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The CJPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Primary Self-Insurance Programs of the CJPIA

Each member pays an annual contribution at the beginning of the coverage period. The total funding requirement for primary self-insurance programs is based on payroll and claim history, relative to other members of the risk sharing pool.

1. Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $100,000 to $500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $500,000 to $50 million are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is $50 million per occurrence. Subsidence losses also have a $50 million per occurrence limit. The coverage structure is comprised of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the CJPIA's website: https://cjpia.org/coverage/risk-sharing-pools/.

2. Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to $75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from $75,000 to $200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from $200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2023-24 the CJPIA's pooled retention is $1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to $1 million. Coverage from $1 million to $5 million is purchased through reinsurance policies, and Employer's Liability losses from $5 million to $10 million are pooled among members.

Purchased Insurance

- Pollution Legal Liability Insurance. The City participates in the pollution legal liability insurance program which is available through the CJPIA. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a $250,000 deductible. The CJPIA has an aggregate limit of $20 million.

NOTE 7: RISK MANAGEMENT (CONTINUED)

- Property Insurance. The City participates in the all-risk property protection program of the CJPIA. This insurance protection is underwritten by several insurance companies. City property is currently insured according to a schedule of covered property submitted by the City to the CJPIA. City property currently has all-risk property insurance protection in the amount of $400,846. There is a $10,000 deductible per occurrence except for non-emergency vehicle insurance which has a $5,000 deductible.

- Crime Insurance. The City purchases crime insurance coverage in the amount of $1,239 with a $2,500 deductible. The fidelity coverage is provided through the CJPIA.

- Special Event Tenant User Liability Insurance. The City further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on City property. The insurance premium is paid by the tenant user and is paid to the City according to a schedule. The City then pays for the insurance. The insurance is facilitated by the Authority.

3. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2024-25.

NOTE 8: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

A. Leases Payable

The City has entered into various lease agreements as lessee for the acquisition and use of equipment. The terms of these leasing arrangements range from 3 to 5 years. As of June 30, 2025, the total value of the lease liability was $15,650. The City is required to make monthly principal and interest payments ranging from $501 to $1,500. The leases have interest rates ranging from 0.69% to 2.41% Information on the lease assets as of June 30, 2025, are as follows:

Governmental Activities

Lease Type	Major Class of Underlying Asset	Amount of Lease Assets	Accumulated Amortization
Copiers	Equipment	$ 70,325	$ 70,325
Subtotal - governmental activities		70,325	70,325

Business-type Activities

Lease Type	Major Class of Underlying Asset	Amount of Lease Assets	Accumulated Amortization
Copier systems	Equipment	26,065	11,392
Subtotal - business-type activities		26,065	11,392
Total		$ 96,390	$ 81,717

NOTE 8: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

There were no variable and other payments, including short term leases not included in the measurement of the lease liability. The future principal and interest lease payments as of June 30, 2025, were as follows:

	Business-type Activities	
Fiscal Year Ending June 30,	Principal	Interest
2026	$ 5,285	$ 1,096
2027	5,739	642
2028	4,626	161
Totals	$ 15,650	$ 1,899

The Lease liability for governmental activities has matured as of June 30, 2025.

B. Subscription-Based Information Technology Arrangements

The City has entered into various SBITAs as the subscriber for the use of various software. The terms of these subscriptions range from 3 to 5 years. As of June 30, 2025, the total value of the subscription liability was $8,072. The City is required to make annual principal and interest payments ranging from $3,750 to $27,000. The subscriptions have an interest rate of 4%. Information on the subscription assets as of June 30, 2025, are as follows:

Governmental Activities		
Subscription Type	Amount of Subscription Assets	Accumulated Amortization
Software as a service	$ 41,011	$ 13,713
Subtotal - governmental activities	41,011	13,713

Business-type Activities		
Subscription Type	Amount of Subscription Assets	Accumulated Amortization
Software as a service	504,415	504,415
Subtotal - business-type activities	504,415	504,415
Total	$ 545,426	$ 518,128

NOTE 8: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

There were no variable and other payments, including short term subscriptions not included in the measurement of the subscription liability. The future principal and interest subscription payments as of June 30, 2025, were as follows:

	Governmental Activities	
Fiscal Year Ending June 30,	Principal	Interest
2026	$ 8,072	$ 278

The SBITA's associated with the Water District Business-Type Activities are fully matured as of June 30, 2025.

NOTE 9: LONG-TERM LIABILITIES

A. Loans Payable

The City has received loans to provide funds for the acquisition and construction of major capital facilities. These loans are reported in business-type activities. These loans are direct obligations and pledge the full faith and credit of the City. The loans generally repay principal and interest semiannually. Loans payable outstanding at June 30, 2025, are as follows:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-End
Business-type activities				
Loans payable				
2010 USDA Loan	$ 3,628,000	2.375%	2049	$ 2,686,000
2012 USDA Loan	5,000,000	2.750%	2052	3,921,000
2013 USDA Loan	3,157,000	2.750%	2053	2,596,000
Ibank CLEEN Loan #17-002	1,050,000	12.000%	2046	846,199
CEC Loan	771,879	1.000%	2029	317,069
2019 USDA Loan	12,000,000	2.125%	2059	10,991,400
Total loans payable				$ 21,357,668

NOTE 9: LONG-TERM LIABILITIES (CONTINUED)

B. Change in Long-Term Liabilities

Changes in the City's long-term liabilities for the year ended June 30, 2025, are as follows:

	Balance July 1, 2024 as restated	Additions	Deletions	Balance June 30, 2025	Amount Due Within One Year
Governmental activities					
Leases payable	$ 17,881	$ -	$ 17,881	$ -	$ -
Subscriptions payable	56,173	18,345	66,446	8,072	8,072
Compensated absences*	972,602	44,088	-	1,016,690	1,016,690
Total governmental activities	$ 1,046,656	$ 62,433	$ 84,327	$ 1,024,762	$ 1,024,762
Business-type activities					
Loans from Direct Borrowings					
2010 USDA Loan	$ 2,764,000	$ -	$ 78,000	$ 2,686,000	$ 80,000
2012 USDA Loan	4,018,000	-	97,000	3,921,000	100,000
2013 USDA Loan	2,654,000	-	58,000	2,596,000	60,000
Ibank CLEEN Loan #17-002	874,112	-	27,913	846,199	28,666
CEC Loan	394,380	-	77,311	317,069	78,086
2019 USDA Loan	11,201,700	-	210,300	10,991,400	214,800
Total loans payable	21,906,192	-	548,524	21,357,668	561,552
Leases payable	27,185	-	11,535	15,650	5,285
Subscriptions payable	8,354	-	8,354	-	-
Compensated absences*	478,870	240,677	-	719,547	450,971
Total business-type activities	$ 22,420,601	$ 240,677	$ 568,413	$ 22,092,865	$ 1,017,808

* Compensated absences additions are presented as net additions and deletions

The loans payable will be liquidated from the water utility enterprise fund. Compensated absences represent the amount of accumulated vacation, which is expected to be liquidated with future resources. There is no fixed payment schedule for unpaid compensated absences; see Note 1 for additional information. The net pension liabilities are liquidated from the general fund and water utility enterprise fund.

The debt service requirements for the City's loans payable are as follows:

	Business-Type Activities	
	Loans from Direct Borrowings	
June 30	Principal	Interest
2026	$ 561,552	$ 497,957
2027	573,609	485,440
2028	586,891	472,625
2029	599,310	459,494
2030	531,490	446,276
2031-2035	2,852,342	2,031,322
2036-2040	3,215,268	1,666,731
2041-2045	3,623,706	1,255,071
2046-2050	3,925,300	796,762
2051-2055	2,782,400	369,975
2056-2060	2,105,800	113,766
Totals	$ 21,357,668	$ 8,595,419

NOTE 10: FUND BALANCE CLASSIFICATIONS

At June 30, 2025, the governmental funds report the following fund balance classifications:

	General	Sanitation	Measure Y	Measure I MLHP	Total Nonmajor Funds	Total Governmental Funds
Nonspendable						
Notes and loans receivable	$ 1,180	$ -	$ -	$ -	$ -	$ 1,180
Prepaid costs	172,553	-	-	-	-	172,553
Total nonspendable	173,733	-	-	-	-	173,733
Restricted						
General government	-	-	-	-	47,038	47,038
Public safety	-	-	-	-	606,477	606,477
Community development	-	-	-	-	732,904	732,904
Public works	-	-	5,179,002	-	3,014,344	8,193,346
Health and sanitation	-	2,450,109	-	-	1,500,399	3,950,508
Total restricted	-	2,450,109	5,179,002	-	5,901,162	13,530,273
Committed						
Contingency reserve-disaster	442,609	1,220,000	-	-	100,000	1,762,609
Contingency reserve-snow	800,000	-	-	-	-	800,000
General Plan Set-aside	1,000,000	-	-	-	-	1,000,000
Replacement reserve-vehicles and equipment	300,002	561,411	-	-	-	861,413
System replacement reserve	605,083	1,409,469	-	-	-	2,014,552
Total committed	3,147,694	3,190,880	-	-	100,000	6,438,574
Unassigned	17,487,690	-	-	(3,200,000)	(919,069)	13,368,621
Total fund balances (deficits)	$ 20,809,117	$ 5,640,989	$ 5,179,002	$ (3,200,000)	$ 5,082,093	$ 33,511,201

NOTE 11: INTERFUND ACTIVITIES

A. Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2025, is as follows:

Receivable Fund	Payable Fund	Amount
General fund	Measure I MLHP	$ 3,200,000
General fund	Nonmajor governmental funds	1,077,260
	Total	$ 4,277,260

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These amounts also include balances of working capital loans made to several nonmajor governmental funds, which the general fund expects to collect in the subsequent year.

NOTE 11: INTERFUND ACTIVITIES (CONTINUED)

B. Interfund Transfers

The composition of interfund transfers for the year ended June 30, 2025, is as follows:

	Transfers Out				
Transfers In	General	Sanitation	Measure Y	Other Governmental Funds	Total
General	$ -	$ 150,000	$ -	$ 1,420,765	$ 1,570,765
General Capital Projects	1,489,008	396,760	2,472,810	1,470,136	5,828,714
Street Improvements	835,986	227,000	1,341,749	897,605	3,302,340
Other Governmental Funds	245,415	-	681,410	4,262	931,087
Total	$ 2,570,409	$ 773,760	$ 4,495,969	$ 3,792,768	$ 11,632,906

During the year ended June 30, 2025, the City made the following one-time transfers:

1) A transfer of $150,000 from the Sanitation fund was made to fund eligible expenditures incurred by the General Fund to provide funding to construction various street and capital projects.

2) Other governmental funds made a transfer of $1,420,765 to fund eligible expenditures incurred by the General Fund.

NOTE 12: LITIGATION, COMMITMENTS, AND CONTINGENT LIABILITIES

At June 30, 2025, the City was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of City management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the City.

NOTE 13: JOINT VENTURE ORGANIZATIONS

A. Big Bear Fire Authority

The City is a member of the Big Bear Fire Authority (Authority). The Authority was formed in 2012 under the California Joint Exercise of Powers Act to merge the City of Big Bear Lake and Big Bear City fire agencies under one umbrella to provide fire protection and prevention services in the Big Bear Valley area of San Bernardino County.

The Board consists of ten directors, including the elected or appointed members of the boards of directors of the participating agencies. The term of office of each director shall be concurrent with that director's term of office on the participating agency's board of directors.

The City of Big Bear Lake does not have an equity interest in the Authority. However, the City does have an ongoing financial interest because the City is able to influence the operations of the Authority so that the Authority uses its resources on behalf of the City. Also, ongoing fiscal responsibility exists because the Authority is dependent on continued funding from the City.

Separate financial statements of the Authority are available from its offices at the Big Bear Fire Department located at 41090 Big Bear Blvd., Big Bear Lake, California 92315.

NOTE 14: RESTATEMENTS

For fiscal year ended June 30, 2025, the City implemented GASB Statement No. 101, *Compensated Absences,* which updated the recognition and measurement guidance for compensated absences, to align recognition and measurement under a single unified model to better meet the needs of financial statement users; refer to note 1. The effect of the implementation of the change in accounting principle is shown in the table below.

	June 30, 2024 As Previously Reported	Changes in Accounting Principle	June 30, 2024 As Restated
Governmental Activities	$ 111,500,919	$ (274,660)	$ 111,226,259

NOTE 15: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE 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 Big Bear Lake 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 9, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill.

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

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

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

The Successor Agency to the Former Improvement Agency is reported as a fiduciary fund (private purpose trust fund).

A. Cash and Investments

Cash and investments reported in the Successor Agency in the accompanying financial statements consisted of the following:

Cash and cash equivalents	$	369,865
Cash and cash equivalents held with fiscal agents		1,081,404
	$	1,451,269

The Successor Agency's funds are pooled with the City of Big Bear Lake's cash and investments to generate optimum interest income. See Note 3 for information required by GASB Statement No. 40 related to authorized investments, credit risk, etc.

NOTE 15: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVELOPMENT AGENCY (CONTINUED)

B. Notes Receivable

In 2009, the Agency issued a promissory note with Big Bear Lake, L.P. in the amount of $5,394,914 to be distributed in five installments. The note bears interest at 3% per year. Repayment of principal and interest will be made to the Agency commencing on May 1 in the year following the completion of project based on a calculation of 50% of residual receipts as defined in the Agreement. Any outstanding principal amount and unpaid interest shall be due and payable on the 55th anniversary of completion. This asset was transferred to the Successor Agency upon dissolution. As of June 30, 2025, the notes receivable balance, including unpaid interest is $7,704,055.

C. Long-term Debt

A summary of long-term bonds outstanding at year-end is as follows:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-End
Fiduciary activities				
Bonds payable				
Housing Set-Aside Revenue Bonds, Series 1999	$ 4,245,000	3.500% - 5.375%	2029	$ 1,230,000
Tax Allocation Refunding Bonds	8,875,000	3.000% - 4.500%	2025	630,000
Total bonds payable				$ 1,860,000

Long-term liability activity for the fiscal year ended June 30, 2025, was as follows:

	Beginning July 1, 2024	Additions	Deletions	Ending June 30, 2024	Due Within One Year
Bonds Payable:					
Housing Set-Aside Revenues Bonds, Series 1999	$ 1,440,000	$ -	$ 210,000	$ 1,230,000	$ 220,000
2005 Tax Allocation Refunding Revenue Bonds	1,230,000	-	600,000	630,000	630,000
Unamortized Bond Premium (2005 Bonds)	2,362	-	2,362	-	-
Total	$ 2,672,362	$ -	$ 812,362	$ 1,860,000	$ 850,000

The annual debt service requirements as of June 30, 2025, including interest, are as follows:

June 30	Principal	Interest
2026	$ 850,000	$ 73,903
2027	235,000	47,972
2028	245,000	35,072
2029	260,000	21,500
2030	270,000	7,256
Totals	$ 1,860,000	$ 185,703

D. Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Successor Agency, a portion of tax increment revenue (including Low- and Moderate-Income Housing set-aside and pass-through allocations) that it receives. The bonds issued were to provide financing for various capital projects and accomplish Low- and Moderate-Income Housing projects. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is $2,045,703 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was $554,776 and the debt service obligation on the bonds was $922,061.

NOTE 15: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVELOPMENT AGENCY (CONTINUED)

E. Insurance

The Successor Agency is covered under the City's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be obtained by contacting the City.

NOTE 16: SUBSEQUENT EVENTS

The City evaluated subsequent events for recognition and disclosure through December 18, 2025, the date on which these financial statements were available to be issued.

On November 12, 2025, the City Council approved an amendment to an Affordable Housing Agreement. Pursuant to this amendment, on December 16, 2025, the City issued a promissory note in the amount of $3.5 million in exchange for rental credits for seventy-four affordable, low- and moderate-income units through 2035. The note was funded from the General Fund's unassigned fund balance. All associated documents have been executed, and the City disbursed the $3.5 million.

Management concluded that no other material subsequent events have occurred since June 30, 2025, that required recognition or disclosure in these financial statements.

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CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Fund
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 19,434,800	$ 19,434,800	$ 19,508,783	$ 73,983
Licenses and permits	2,090,000	2,090,000	2,046,185	(43,815)
Intergovernmental	111,000	111,000	206,533	95,533
Charges for services	936,900	936,900	946,554	9,654
Use of money and property	332,400	332,400	797,488	465,088
Fines and forefeitures	10,000	10,000	13,550	3,550
Miscellaneous	16,000	16,000	25,892	9,892
Total revenues	**22,931,100**	**22,931,100**	**23,544,985**	**613,885**
EXPENDITURES				
Current:				
General government	6,269,700	6,239,902	5,537,514	702,388
Public safety	6,392,600	6,381,853	6,567,319	(185,466)
Community development	4,296,800	4,121,800	3,281,489	840,311
Culture and recreation	1,016,200	1,016,200	774,851	241,349
Public works	4,411,900	4,527,830	4,178,334	349,496
Capital outlay	205,000	250,600	228,491	22,109
Debt service:				
Principal	-	-	84,328	(84,328)
Interest and fiscal charges	-	-	651	(651)
Total expenditures	**22,592,200**	**22,538,185**	**20,652,977**	**1,885,208**
Excess (deficiency) of revenues over (under) expenditures	**338,900**	**392,915**	**2,892,008**	**2,499,093**
OTHER FINANCING SOURCES (USES)				
Transfers in	1,324,360	1,396,210	1,570,765	174,555
Transfers out	(2,224,522)	(2,627,394)	(2,570,409)	56,985
Subscriptions	-	-	18,345	18,345
Total other financing sources (uses)	**(900,162)**	**(1,231,184)**	**(981,299)**	**249,885**
Net change in fund balances	**$ (561,262)**	**$ (838,269)**	**1,910,709**	**$ 2,748,978**
Fund balances-beginning			18,898,408	
Fund balances-ending			**$ 20,809,117**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Sanitation
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses and permits	$ 16,500	$ 16,500	$ 24,705	$ 8,205
Charges for services	8,002,100	8,002,100	7,866,140	(135,960)
Use of money and property	100,000	100,000	263,399	163,399
Total revenues	**8,118,600**	**8,118,600**	**8,154,244**	**35,644**
EXPENDITURES				
Current:				
Health and sanitation	7,050,840	7,050,841	6,841,171	209,670
Total expenditures	**7,050,840**	**7,050,841**	**6,841,171**	**209,670**
Excess (deficiency) of revenues over (under) expenditures	**1,067,760**	**1,067,759**	**1,313,073**	**245,314**
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,427,000)	(773,760)	(773,760)	-
Total other financing sources (uses)	**(1,427,000)**	**(773,760)**	**(773,760)**	**-**
Net change in fund balances	**$ (359,240)**	**$ 293,999**	**539,313**	**$ 245,314**
Fund balances-beginning			5,101,676	
Fund balances-ending			**$ 5,640,989**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Measure Y
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 2,338,000	$ 2,338,000	$ 2,392,694	$ 54,694
Use of money and property	130,000	130,000	273,290	143,290
Total revenues	**2,468,000**	**2,468,000**	**2,665,984**	**197,984**
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,088,140)	(4,629,880)	(4,495,969)	133,911
Total other financing sources (uses)	**(2,088,140)**	**(4,629,880)**	**(4,495,969)**	**133,911**
Net change in fund balances	**$ 379,860**	**$ (2,161,880)**	**(1,829,985)**	**$ 331,895**
Fund balances-beginning			7,008,987	
Fund balances-ending			**$ 5,179,002**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Fire District
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 7,869,033	$ 7,869,033	$ 7,958,043	$ 89,010
Total revenues	**7,869,033**	**7,869,033**	**7,958,043**	**89,010**
EXPENDITURES				
Current:				
Public safety	7,869,033	7,869,033	7,958,043	(89,010)
Total expenditures	**7,869,033**	**7,869,033**	**7,958,043**	**(89,010)**
Net change in fund balances	**$ -**	**$ -**	**-**	**$ -**
Fund balances-beginning			-	
Fund balances-ending			**$ -**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedules of Proportionate Share of Net Pension Liability
As of June 30, for the Last Ten Fiscal Years

Reporting Date [1] as of June 30,	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a % of Covered Payroll	Plan's Fiduciary Net Position as a % of the Total Pension Liability
		City of Big Bear Lake Plan			
2025	0.3080%	$ 6,535,153	$ 5,891,601	110.9%	87.8%
2024	0.3110%	7,388,098	4,825,625	153.1%	84.5%
2023	0.3060%	7,112,007	4,786,637	148.6%	83.1%
2022	0.3680%	4,852,890	4,766,299	101.8%	88.2%
2021	0.3450%	13,823,466	4,653,262	297.1%	66.5%
2020	0.3920%	10,624,065	4,600,534	230.9%	71.2%
2019	0.8180%	20,730,712	5,987,695	346.2%	72.0%
2018	0.7080%	18,653,622	5,887,446	316.8%	70.0%
2017	0.7170%	17,695,050	5,553,599	318.6%	64.9%
2016	0.7520%	14,607,397	5,655,229	258.3%	68.4%
		Big Bear Lake DWP Plan			
2025	0.2000%	$ 4,239,981	$ 3,869,918	109.6%	87.8%
2024	0.2050%	4,875,170	3,277,690	148.7%	84.5%
2023	0.1960%	4,565,171	3,064,745	149.0%	83.0%
2022	0.2310%	3,044,270	3,164,297	96.2%	88.2%
2021	0.2100%	8,399,717	3,105,284	270.5%	66.6%
2020	0.2460%	6,671,491	2,858,339	233.4%	71.2%
2019	0.2480%	6,277,538	2,522,357	248.9%	71.1%
2018	0.2280%	6,020,247	2,466,731	244.1%	69.2%
2017	0.2250%	5,549,574	2,799,460	198.2%	68.0%
2016	0.2530%	4,923,166	2,409,126	204.4%	71.8%

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

Benefit Changes : None

Changes of Assumptions : None

1 The proportions and proportionate share of the net pension liability are measured as of one year behind the reporting date. Refer to notes to basic financial statements.

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Changes in Net Pension Liability and Related Ratios
Retirement Enhancement Plan
As of June 30, for the Last Ten Fiscal Years

	2025	2024	2023	2022
Measurement Date	6/30/2024	6/30/2023	6/30/2022	6/30/2021
TOTAL PENSION LIABILITY				
Service cost	$ 48,368	$ 46,846	$ 59,361	$ 58,015
Interest on total pension liability	164,233	153,628	148,677	117,402
Effect of liability gains or losses	-	-	-	-
Changes of assumptions	-	-	-	32,278
Effect of economic/demographic gains or losses	-	66,133	-	375,777
Benefit payments, including refunds of employee contributions	(96,790)	(112,891)	(125,641)	(82,356)
Net change in total pension liability	**115,811**	**153,716**	**82,397**	**501,116**
Total pension liability-beginning	2,525,925	2,372,209	2,289,812	1,788,696
Total pension liability-ending (a)	**2,641,736**	**2,525,925**	**2,372,209**	**2,289,812**
PLAN FIDUCIARY NET POSITION				
Contributions-employer	120,095	58,946	58,167	37,434
Contributions-employee	29,411	30,337	29,548	33,658
Net investment income	177,500	187,282	119,013	(235,536)
Benefit payments, including refunds of employee contributions	(96,790)	(112,891)	(125,641)	(82,356)
Net plan to plan resource movement	-	-	-	-
Administrative expense	(10,635)	(9,592)	(8,843)	(10,548)
Other miscellaneous income/(expense)	-	-	-	-
Net change in fiduciary net position	**219,581**	**154,082**	**72,244**	**(257,348)**
Plan fiduciary net position-beginning	1,773,794	1,619,712	1,547,468	1,804,816
Plan fiduciary net position-ending (b)	**1,993,375**	**1,773,794**	**1,619,712**	**1,547,468**
Net pension liability/(asset) (a) - (b)	**$ 648,361**	**$ 752,131**	**$ 752,497**	**$ 742,344**
Plan fiduciary net position as a percentage of the total pension liability	**75.5%**	**70.2%**	**68.3%**	**67.6%**
Covered payroll	$ 1,024,787	$ 984,611	$ 1,029,546	$ 1,523,994
Plan net pension liability/(asset) as a percentage of covered payroll	**63.3%**	**76.4%**	**73.1%**	**48.7%**

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

Benefit Changes : None

Changes of Assumptions : None.

2021	2020	2019	2018	2017	2016
6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
$ 71,014	$ 68,613	$ 79,718	$ 77,022	$ 82,232	$ 79,260
110,994	113,518	105,010	114,010	106,259	96,330
-	-	-	-	-	41,425
-	-	-	(2,907)	104,146	14,610
-	(171,207)	-	(280,570)	-	-
(58,885)	(45,607)	(39,948)	(62,962)	(34,439)	(38,934)
123,123	**(34,683)**	**144,780**	**(155,407)**	**258,198**	**192,691**
1,665,573	1,700,256	1,555,476	1,710,883	1,452,685	1,259,994
1,788,696	**1,665,573**	**1,700,256**	**1,555,476**	**1,710,883**	**1,452,685**
56,596	67,377	81,886	80,526	81,788	72,286
46,547	50,205	50,606	54,237	56,455	59,474
334,232	51,832	81,187	69,341	92,432	3,790
(58,885)	(45,607)	(39,948)	(62,962)	(34,439)	(38,934)
-	-	-	-	-	-
(9,375)	(7,876)	(7,053)	(5,931)	(4,313)	(3,533)
-	-	-	-	-	-
369,115	**115,931**	**166,678**	**135,211**	**191,923**	**93,083**
1,435,701	1,319,770	1,153,092	1,017,881	825,958	732,875
1,804,816	**1,435,701**	**1,319,770**	**1,153,092**	**1,017,881**	**825,958**
$ (16,120)	**$ 229,872**	**$ 380,486**	**$ 402,384**	**$ 693,002**	**$ 626,727**
100.9%	**86.2%**	**77.6%**	**74.1%**	**59.5%**	**56.9%**
$ 1,483,206	$ 1,737,784	$ 1,738,547	$ 2,038,315	$ 2,218,290	$ 2,148,465
-1.1%	**13.2%**	**21.9%**	**19.7%**	**31.2%**	**29.2%**

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Investment Returns
Retirement Enhancement Plan
As of June 30, for the Last Ten Fiscal Years

Fiscal Year Ending June 30,	Net Money-Weighted Rate of Return
2025	10.05%
2024	11.65%
2023	7.73%
2022	-13.10%
2021	22.96%
2020	3.82%
2019	6.73%
2018	6.49%
2017	10.46%
2016	0.49%

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedules of Plan Contributions
As of June 30, for the Last Ten Fiscal Years

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered/ Covered-Employee Payroll	Contribution as a % of Covered/ Covered Employee Payroll
City of Big Bear Lake City Cost-Sharing, Multiple-Employer Pension Plan					
2025	$ 1,932,685	$ 1,957,053	$ (24,368)	$ 5,891,601	33.2%
2024	1,803,590	1,803,590	-	4,825,625	37.4%
2023	2,084,601	2,084,601	-	4,786,637	43.6%
2022	1,942,838	1,942,838	-	4,766,299	40.8%
2021	1,792,978	1,792,978	-	4,653,262	38.5%
2020	1,816,142	1,816,142	-	4,600,534	39.5%
2019	1,639,155	1,639,155	-	5,987,695	27.4%
2018	2,410,122	2,410,122	-	5,887,446	40.9%
2017	2,639,711	2,639,711	-	5,553,599	47.5%
2016	2,501,350	2,501,350	-	5,655,229	44.2%
Big Bear Lake DWP Cost-Sharing, Multiple-Employer Pension Plan					
2025	$ 1,249,275	$ 1,267,279	$ (18,004)	$ 3,869,918	32.7%
2024	1,248,004	1,248,004	-	3,277,690	38.1%
2023	1,355,553	1,355,553	-	3,064,745	44.2%
2022	1,288,140	1,288,140	-	3,164,297	40.7%
2021	1,159,105	1,159,105	-	3,105,284	37.3%
2020	1,175,252	1,175,252	-	2,858,339	41.1%
2019	1,092,203	1,092,203	-	2,522,357	43.3%
2018	963,613	963,613	-	2,466,731	39.1%
2017	875,584	875,584	-	2,799,460	31.3%
2016	905,480	905,480	-	2,409,126	37.6%
Single-Employer, Retirement Enhancement Plan					
2025	$ 120,095	$ 120,095	$ -	$ 1,024,787	11.7%
2024	56,679	58,946	(2,267)	984,611	6.0%
2023	58,063	58,167	(104)	1,029,546	5.6%
2022	46,197	37,437	8,760	1,523,994	2.5%
2021	53,350	56,596	(3,246)	1,483,206	3.8%
2020	66,894	67,377	(483)	1,737,784	3.9%
2019	74,887	81,886	(6,999)	1,738,547	4.7%
2018	82,613	80,526	2,087	2,038,315	4.0%
2017	86,779	81,788	4,991	2,218,290	3.7%
2016	59,225	72,286	(13,061)	2,148,465	3.4%

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NOTE 1: NOTES TO SCHEDULE OF PLAN CONTRIBUTIONS

SBCERA Plans

The methods and assumptions used to establish "actuarially determined contribution" rates are as follows:

Valuation Date:	June 30, 2024
Actuarial Cost Method:	Entry Age Actuarial Cost Method
Amortization Method:	Level percent of payroll
Remaining Amortization Period:	20 years for all UAAL prior to June 30, 2002. Any changes in UAAL after June 30, 2002 are amortized over a 20-year closed period effective with each valuation. Effective June 30, 2012, any changes in UAAL due to actuarial gains or losses or due to changes in actuarial assumptions or methods will be amortized over a 20-year closed period effective with each valuation. Any change in unfunded actuarial accrued liability that arises due to plan amendments is amortized over its own declining 15-year period (with exception of a change due to retirement incentives, which is amortized over a declining period of up to 5 years).
Asset Valuation Method:	Market value of assets less unrecognized returns from each of the last five years. Unrecognized returns are equal to the difference between the actual market return and the expected return on a market value basis and are recognized over a five-year period. The actuarial value of assets is reduced by the value of the non-valuation reserves.
Investment Rate of Return:	7.25%, net of pension plan investmetn expenses, including inflation
Inflation Rate:	2.50%
Real Across-the-Board Salary Increase:	0.50%
Projected Salary Increases:	4.55% to 12.75%
Administrative Expenses:	0.85% of payroll allocated to both the employer and member based on the components of the total contribution rate (before expenses) for the employer and member.
Cost of Living Adjustments:	2.00% (actual increases contingent upon CPI increases with a 2% maximum)
Other Assumptions:	Same as those used in the June 30, 2022 funding actuarial valuation

PARS Plan

The methods and assumptions used to establish "actuarially determined contribution" rates are as follows:

Valuation Date:	June 30, 2023
Actuarial Cost Method:	Entry Age Actuarial Cost Method
Amortization Method:	Level dollar closed
Remaining Amortization Period:	14 years
Asset Valuation Method:	The asset valuation method did not use a smoothing period, recognition method or corridor method.
Investment Rate of Return:	6.50%
Inflation Rate:	2.75%
Projected Salary Increases:	Consistent with the rates used to value General Employees in the San Bernardino County Employees' Retirement Association (SBCERA) Plan.
Cost of Living Adjustments:	2.00% (actual increases contingent upon CPI increases with a 2% maximum)
Other Assumptions:	Consistent with those used to value the SBCERA plan.

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Traffic Safety	**Gas Tax**	**Measure I**	**Mobile Source Air Pollution Reduction**
ASSETS				
Cash and investments	$ -	$ -	$ 217,371	$ 25,062
Receivables (net of allowance for uncollectible):				
Accounts	16,017	-	-	-
Accrued interest	-	-	1,911	247
Due from other governments	2,713	12,431	214,886	1,726
Total assets	**$ 18,730**	**$ 12,431**	**$ 434,168**	**$ 27,035**
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Due to other governments	-	-	-	-
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	5,391	2,577	-	-
Total liabilities	**5,391**	**2,577**	**-**	**-**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	68,342	1,726
Total deferred inflows of resources	**-**	**-**	**68,342**	**1,726**
FUND BALANCES (DEFICITS)				
Restricted	13,339	9,854	365,826	25,309
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	**13,339**	**9,854**	**365,826**	**25,309**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 18,730**	**$ 12,431**	**$ 434,168**	**$ 27,035**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025 **(Continued)**

	Special Revenue Funds			
	Village Streetscape Maintenance	Refuse	Supplemental Law Enforcement	Pass-Through Fees
ASSETS				
Cash and investments	$ 19,914	$ 1,489,086	$ 280,834	$ 41,880
Receivables (net of allowance for uncollectible):				
Accounts	-	6,386	-	-
Accrued interest	-	20,109	4,120	-
Due from other governments	2,280	114,003	-	-
Total assets	**$ 22,194**	**$ 1,629,584**	**$ 284,954**	**$ 41,880**
LIABILITIES				
Accounts payable	$ 3,950	$ 12,009	$ -	$ 8
Due to other governments	2,219	-	-	4,688
Accrued liabilities	16,025	36,130	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	**22,194**	**48,139**	**-**	**4,696**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	6,355	-	-
Total deferred inflows of resources	**-**	**6,355**	**-**	**-**
FUND BALANCES (DEFICITS)				
Restricted	-	1,475,090	284,954	37,184
Committed	-	100,000	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	**-**	**1,575,090**	**284,954**	**37,184**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 22,194**	**$ 1,629,584**	**$ 284,954**	**$ 41,880**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	PEG Acces Fund	Developer Impact-General Facilities	Developer Impact-Circulation	Developer Impact-Drainage
ASSETS				
Cash and investments	$ 484,867	$ 1,150,196	$ 646,091	$ 807,606
Receivables (net of allowance for uncollectible):				
Accounts	9,231	-	-	-
Accrued interest	4,961	11,730	6,627	8,288
Due from other governments	-	-	-	-
Total assets	**$ 499,059**	**$ 1,161,926**	**$ 652,718**	**$ 815,894**
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Due to other governments	-	-	-	-
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	**-**	**-**	**-**	**-**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	**-**	**-**	**-**	**-**
FUND BALANCES (DEFICITS)				
Restricted	499,059	1,161,926	652,718	815,894
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	**499,059**	**1,161,926**	**652,718**	**815,894**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 499,059**	**$ 1,161,926**	**$ 652,718**	**$ 815,894**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025 **(Continued)**

	Special Revenue Funds			
	Developer Impact-Fire Suppression	RMRA	CDBG	TBID
ASSETS				
Cash and investments	$ 305,062	$ -	$ -	$ 211,298
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	224,621
Accrued interest	3,122	-	-	-
Due from other governments	-	24,242	-	-
Total assets	**$ 308,184**	**$ 24,242**	**$ -**	**$ 435,919**
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ 195,084
Due to other governments	-	-	-	-
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	9,584	-	-
Total liabilities	**-**	**9,584**	**-**	**195,084**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	6,990
Total deferred inflows of resources	**-**	**-**	**-**	**6,990**
FUND BALANCES (DEFICITS)				
Restricted	308,184	14,658	-	233,845
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficits)	**308,184**	**14,658**	**-**	**233,845**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 308,184**	**$ 24,242**	**$ -**	**$ 435,919**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Mountain Transit (MTA)	Grant Funding	Property Lease Gen Operations	SB1383
ASSETS				
Cash and investments	$ -	$ -	$ -	$ 67,787
Receivables (net of allowance for uncollectible):				
Accounts	-	-	10,069	-
Accrued interest	-	-	-	698
Due from other governments	-	1,054,305	-	-
Total assets	**$ -**	**$ 1,054,305**	**$ 10,069**	**$ 68,485**
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Due to other governments	-	-	-	-
Accrued liabilities	-	-	895	-
Deposits payable	-	-	550	-
Due to other funds	-	1,051,084	8,624	-
Total liabilities	**-**	**1,051,084**	**10,069**	**-**
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	922,290	-	65,163
Total deferred inflows of resources	**-**	**922,290**	**-**	**65,163**
FUND BALANCES (DEFICITS)				
Restricted	-	-	-	3,322
Committed	-	-	-	-
Unassigned	-	(919,069)	-	-
Total fund balances (deficits)	**-**	**(919,069)**	**-**	**3,322**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ -**	**$ 1,054,305**	**$ 10,069**	**$ 68,485**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Total Nonmajor Funds
ASSETS	
Cash and investments	$ 5,747,054
Receivables (net of allowance for uncollectible):	
Accounts	266,324
Accrued interest	61,813
Due from other governments	1,426,586
Total assets	**$ 7,501,777**
LIABILITIES	
Accounts payable	$ 211,051
Due to other governments	6,907
Accrued liabilities	53,050
Deposits payable	550
Due to other funds	1,077,260
Total liabilities	**1,348,818**
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues	1,070,866
Total deferred inflows of resources	**1,070,866**
FUND BALANCES (DEFICITS)	
Restricted	5,901,162
Committed	100,000
Unassigned	(919,069)
Total fund balances (deficits)	**5,082,093**
Total liabilities, deferred inflows of resources, and fund balances (deficits)	**$ 7,501,777**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Traffic Safety	**Gas Tax**	**Measure I**	**Mobile Source Air Pollution Reduction**
REVENUES				
Taxes	$ -	$ 772,529	$ -	$ -
Assessments	-	-	-	-
Licenses and permits	166,634	-	-	-
Intergovernmental	-	-	521,691	6,536
Charges for services	-	-	-	-
Use of money and property	-	-	8,556	992
Developer participation	-	-	-	-
Total revenues	**166,634**	**772,529**	**530,247**	**7,528**
EXPENDITURES				
Current:				
Community development	-	-	-	-
Culture and leisure	-	-	-	-
Public works	-	-	-	-
Health and sanitation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	**-**	**-**	**-**	**-**
Excess (deficiency) of revenues over (under) expenditures	**166,634**	**772,529**	**530,247**	**7,528**
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(166,634)	(772,529)	(845,255)	-
Total other financing sources (uses)	**(166,634)**	**(772,529)**	**(845,255)**	**-**
Net change in fund balances	**-**	**-**	**(315,008)**	**7,528**
Fund balances (deficit)-beginning	13,339	9,854	680,834	17,781
Fund balances (deficit)-ending	**$ 13,339**	**$ 9,854**	**$ 365,826**	**$ 25,309**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025 **(Continued)**

	Special Revenue Funds			
	Village Streetscape Maintenance	Refuse	Supplemental Law Enforcement	Pass-Through Fees
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	4,439
Intergovernmental	-	5,000	194,820	-
Charges for services	172,437	5,050,874	-	-
Use of money and property	-	55,119	19,026	-
Developer participation	-	-	-	-
Total revenues	**172,437**	**5,110,993**	**213,846**	**4,439**
EXPENDITURES				
Current:				
Community development	-	-	-	-
Culture and leisure	-	-	-	-
Public works	417,852	-	-	-
Health and sanitation	-	4,842,153	-	-
Capital outlay	-	-	-	-
Total expenditures	**417,852**	**4,842,153**	**-**	**-**
Excess (deficiency) of revenues over (under) expenditures	**(245,415)**	**268,840**	**213,846**	**4,439**
OTHER FINANCING SOURCES (USES)				
Transfers in	245,415	4,262	-	-
Transfers out	-	(105,000)	(227,973)	-
Total other financing sources (uses)	**245,415**	**(100,738)**	**(227,973)**	**-**
Net change in fund balances	**-**	**168,102**	**(14,127)**	**4,439**
Fund balances (deficit)-beginning	-	1,406,988	299,081	32,745
Fund balances (deficit)-ending	**$ -**	**$ 1,575,090**	**$ 284,954**	**$ 37,184**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	PEG Acces Fund	**Developer Impact-General Facilities**	**Developer Impact-Circulation**	**Developer Impact-Drainage**
REVENUES				
Taxes	$ 39,935	$ -	$ -	$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	20,229	51,119	28,167	35,839
Developer participation	-	106,223	65,931	65,104
Total revenues	**60,164**	**157,342**	**94,098**	**100,943**
EXPENDITURES				
Current:				
Community development	-	-	-	-
Culture and leisure	-	-	-	-
Public works	-	-	-	-
Health and sanitation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	**-**	**-**	**-**	**-**
Excess (deficiency) of revenues over (under) expenditures	**60,164**	**157,342**	**94,098**	**100,943**
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	**-**	**-**	**-**	**-**
Net change in fund balances	**60,164**	**157,342**	**94,098**	**100,943**
Fund balances (deficit)-beginning	438,895	1,004,584	558,620	714,951
Fund balances (deficit)-ending	**$ 499,059**	**$ 1,161,926**	**$ 652,718**	**$ 815,894**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025 **(Continued)**

	Special Revenue Funds			
	Developer Impact-Fire Suppression	**RMRA**	**CDBG**	**TBID**
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Assessments	-	-	-	4,512,162
Licenses and permits	-	-	-	-
Intergovernmental	-	137,564	208,004	-
Charges for services	-	-	-	-
Use of money and property	12,235	-	-	-
Developer participation	62,690	-	-	-
Total revenues	**74,925**	**137,564**	**208,004**	**4,512,162**
EXPENDITURES				
Current:				
Community development	-	-	-	4,968,369
Culture and leisure	-	-	-	-
Public works	-	-	-	-
Health and sanitation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	**-**	**-**	**-**	**4,968,369**
Excess (deficiency) of revenues over (under) expenditures	**74,925**	**137,564**	**208,004**	**(456,207)**
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(132,350)	(169,056)	-
Total other financing sources (uses)	**-**	**(132,350)**	**(169,056)**	**-**
Net change in fund balances	**74,925**	**5,214**	**38,948**	**(456,207)**
Fund balances (deficit)-beginning	233,259	9,444	(38,948)	690,052
Fund balances (deficit)-ending	**$ 308,184**	**$ 14,658**	**$ -**	**$ 233,845**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Mountain Transit (MTA)	**Grant Funding**	**Property Lease Gen Operations**	**SB1383**
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	636,277	-	4,262
Charges for services	-	-	-	-
Use of money and property	-	-	82,673	3,160
Developer participation	-	-	-	-
Total revenues	**-**	**636,277**	**82,673**	**7,422**
EXPENDITURES				
Current:				
Community development	-	-	-	-
Culture and leisure	-	-	171,602	-
Public works	500,000	-	-	-
Health and sanitation	-	-	-	-
Capital outlay	-	-	92,481	-
Total expenditures	**500,000**	**-**	**264,083**	**-**
Excess (deficiency) of revenues over (under) expenditures	**(500,000)**	**636,277**	**(181,410)**	**7,422**
OTHER FINANCING SOURCES (USES)				
Transfers in	500,000	-	181,410	-
Transfers out	-	(1,369,709)	-	(4,262)
Total other financing sources (uses)	**500,000**	**(1,369,709)**	**181,410**	**(4,262)**
Net change in fund balances	**-**	**(733,432)**	**-**	**3,160**
Fund balances (deficit)-beginning	-	(185,637)	-	162
Fund balances (deficit)-ending	**$ -**	**$ (919,069)**	**$ -**	**$ 3,322**

CITY OF BIG BEAR LAKE, CALIFORNIA
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Total Nonmajor Funds
REVENUES	
Taxes	$ 812,464
Assessments	4,512,162
Licenses and permits	171,073
Intergovernmental	1,714,154
Charges for services	5,223,311
Use of money and property	317,115
Developer participation	299,948
Total revenues	**13,050,227**
EXPENDITURES	
Current:	
Community development	4,968,369
Culture and leisure	171,602
Public works	917,852
Health and sanitation	4,842,153
Capital outlay	92,481
Total expenditures	**10,992,457**
Excess (deficiency) of revenues over (under) expenditures	**2,057,770**
OTHER FINANCING SOURCES (USES)	
Transfers in	931,087
Transfers out	(3,792,768)
Total other financing sources (uses)	**(2,861,681)**
Net change in fund balances	**(803,911)**
Fund balances (deficit)-beginning	5,886,004
Fund balances (deficit)-ending	**$ 5,082,093**

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Traffic Safety
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses and permits	$ 220,000	$ 220,000	$ 166,634	$ (53,366)
Total revenues	**220,000**	**220,000**	**166,634**	**(53,366)**
OTHER FINANCING SOURCES (USES)				
Transfers out	(220,000)	(220,000)	(166,634)	53,366
Total other financing sources (uses)	**(220,000)**	**(220,000)**	**(166,634)**	**53,366**
Net change in fund balances	**$ -**	**$ -**	**-**	**$ -**
Fund balances-beginning			13,339	
Fund balances-ending			**$ 13,339**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Gas Tax
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 659,360	$ 659,360	$ 772,529	$ 113,169
Total revenues	**659,360**	**659,360**	**772,529**	**113,169**
Excess (deficiency) of revenues over (under) expenditures	**659,360**	**659,360**	**772,529**	**113,169**
OTHER FINANCING SOURCES (USES)				
Transfers out	(659,360)	(659,360)	(772,529)	(113,169)
Total other financing sources (uses)	**(659,360)**	**(659,360)**	**(772,529)**	**(113,169)**
Net change in fund balances	**$ -**	**$ -**	**-**	**$ -**
Fund balances-beginning			9,854	
Fund balances-ending			**$ 9,854**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Measure I
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 567,500	$ 567,500	$ 521,691	$ (45,809)
Use of money and property	7,500	7,500	8,556	1,056
Total revenues	**575,000**	**575,000**	**530,247**	**(44,753)**
OTHER FINANCING SOURCES (USES)				
Transfers out	(823,528)	(845,255)	(845,255)	-
Total other financing sources (uses)	**(823,528)**	**(845,255)**	**(845,255)**	**-**
Net change in fund balances	**$ (248,528)**	**$ (270,255)**	**(315,008)**	**$ (44,753)**
Fund balances-beginning			680,834	
Fund balances-ending			**$ 365,826**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Mobile Source Air Pollution Reduction
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 5,000	$ 5,000	$ 6,536	$ 1,536
Use of money and property	200	200	992	792
Total revenues	**5,200**	**5,200**	**7,528**	**2,328**
Net change in fund balances	**$ 5,200**	**$ 5,200**	**7,528**	**$ 2,328**
Fund balances-beginning			17,781	
Fund balances-ending			**$ 25,309**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Village Streetscape Maintenance
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for services	$ 195,400	$ 195,400	$ 172,437	$ (22,963)
Total revenues	**195,400**	**195,400**	**172,437**	**(22,963)**
EXPENDITURES				
Current:				
Public works	497,800	490,188	417,852	72,336
Total expenditures	**497,800**	**490,188**	**417,852**	**72,336**
Excess (deficiency) of revenues over (under) expenditures	**(302,400)**	**(294,788)**	**(245,415)**	**49,373**
OTHER FINANCING SOURCES (USES)				
Transfers in	302,400	302,400	245,415	(56,985)
Total other financing sources (uses)	**302,400**	**302,400**	**245,415**	**(56,985)**
Net change in fund balances	**$ -**	**$ 7,612**	**-**	**$ (7,612)**
Fund balances-beginning			-	
Fund balances-ending			**$ -**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Refuse
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 5,000	$ 5,000	$ 5,000	$ -
Charges for services	5,158,000	5,158,000	5,050,874	(107,126)
Use of money and property	15,000	15,000	55,119	40,119
Total revenues	**5,178,000**	**5,178,000**	**5,110,993**	**(67,007)**
EXPENDITURES				
Current:				
Health and sanitation	5,036,550	4,998,494	4,842,153	156,341
Total expenditures	**5,076,550**	**5,038,494**	**4,842,153**	**196,341**
Excess (deficiency) of revenues over (under) expenditures	**101,450**	**139,506**	**268,840**	**129,334**
OTHER FINANCING SOURCES (USES)				
Transfers in	75,000	75,000	4,262	(70,738)
Transfers out	(105,000)	(105,000)	(105,000)	-
Total other financing sources (uses)	**(30,000)**	**(30,000)**	**(100,738)**	**(70,738)**
Net change in fund balances	**$ 71,450**	**$ 109,506**	**168,102**	**$ 58,596**
Fund balances-beginning			1,406,988	
Fund balances-ending			**$ 1,575,090**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Supplemental Law Enforcement
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 143,200	$ 143,200	$ 194,820	$ 51,620
Use of money and property	7,500	7,500	19,026	11,526
Total revenues	**150,700**	**150,700**	**213,846**	**63,146**
Excess (deficiency) of revenues over (under) expenditures	**150,700**	**150,700**	**213,846**	**63,146**
OTHER FINANCING SOURCES (USES)				
Transfers out	(110,000)	(110,000)	(227,973)	(117,973)
Total other financing sources (uses)	**(110,000)**	**(110,000)**	**(227,973)**	**(117,973)**
Net change in fund balances	**$ 40,700**	**$ 40,700**	**(14,127)**	**$ (54,827)**
Fund balances-beginning			299,081	
Fund balances-ending			**$ 284,954**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Pass-Through Fees
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses and permits	$ 4,840	$ 4,840	$ 4,439	$ (401)
Total revenues	**4,840**	**4,840**	**4,439**	**(401)**
Net change in fund balances	**$ 4,840**	**$ 4,840**	**4,439**	**$ (401)**
Fund balances-beginning			32,745	
Fund balances-ending			**$ 37,184**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
PEG Access Fund
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	$ 55,000	$ 55,000	$ 39,935	$ (15,065)
Use of money and property	7,500	7,500	20,229	12,729
Total revenues	**62,500**	**62,500**	**60,164**	**(2,336)**
EXPENDITURES				
Capital outlay	40,000	40,000	-	40,000
Total expenditures	**40,000**	**40,000**	**-**	**40,000**
Net change in fund balances	**$ 22,500**	**$ 22,500**	**60,164**	**$ 37,664**
Fund balances-beginning			438,895	
Fund balances-ending			**$ 499,059**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Developer Impact-General Facilities
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money and property	$ 18,700	$ 18,700	$ 51,119	$ 32,419
Developer participation	142,000	142,000	106,223	(35,777)
Total revenues	**160,700**	**160,700**	**157,342**	**(3,358)**
Net change in fund balances	**$ 160,700**	**$ 160,700**	**157,342**	**$ (3,358)**
Fund balances-beginning			1,004,584	
Fund balances-ending			**$ 1,161,926**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Developer Impact-Circulation
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money and property	$ 7,500	$ 7,500	$ 28,167	$ 20,667
Developer participation	60,000	60,000	65,931	5,931
Total revenues	**67,500**	**67,500**	**94,098**	**26,598**
Net change in fund balances	**$ 67,500**	**$ 67,500**	**94,098**	**$ 26,598**
Fund balances-beginning			558,620	
Fund balances-ending			**$ 652,718**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Developer Impact-Drainage
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money and property	$ 15,000	$ 15,000	$ 35,839	$ 20,839
Developer participation	50,000	50,000	65,104	15,104
Total revenues	**65,000**	**65,000**	**100,943**	**35,943**
Net change in fund balances	**$ 65,000**	**$ 65,000**	**100,943**	**$ 35,943**
Fund balances-beginning			714,951	
Fund balances-ending			**$ 815,894**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Developer Impact-Fire Suppression
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money and property	$ 7,500	$ 7,500	$ 12,235	$ 4,735
Capital contributions	25,000	25,000	62,690	37,690
Total revenues	**32,500**	**32,500**	**74,925**	**42,425**
Net change in fund balances	**$ 32,500**	**$ 32,500**	**74,925**	**$ 42,425**
Fund balances-beginning			233,259	
Fund balances-ending			**$ 308,184**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
RMRA
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 130,720	$ 130,720	$ 137,564	$ 6,844
Total revenues	**130,720**	**130,720**	**137,564**	**6,844**
Excess (deficiency) of revenues over (under) expenditures	**130,720**	**130,720**	**137,564**	**6,844**
OTHER FINANCING SOURCES (USES)				
Transfers out	(132,350)	(132,350)	(132,350)	-
Total other financing sources (uses)	**(132,350)**	**(132,350)**	**(132,350)**	**-**
Net change in fund balances	**$ (1,630)**	**$ (1,630)**	**5,214**	**$ 6,844**
Fund balances-beginning			9,444	
Fund balances-ending			**$ 14,658**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
CDBG
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 35,900	$ 208,004	$ 208,004	$ -
Total revenues	**35,900**	**208,004**	**208,004**	**-**
Excess (deficiency) of revenues over (under) expenditures	**35,900**	**208,004**	**208,004**	**-**
OTHER FINANCING SOURCES (USES)				
Transfers out	(35,900)	(169,056)	(169,056)	-
Total other financing sources (uses)	**(35,900)**	**(169,056)**	**(169,056)**	**-**
Net change in fund balances	**$ -**	**$ 38,948**	**38,948**	**$ -**
Fund deficit-beginning			(38,948)	
Fund balances-ending			**$ -**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
TBID
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Assessments	$ 5,096,100	$ 5,096,100	$ 4,512,162	$ (583,938)
Total revenues	**5,096,100**	**5,096,100**	**4,512,162**	**(583,938)**
EXPENDITURES				
Current:				
Community development	5,096,100	5,096,100	4,968,369	127,731
Total expenditures	**5,096,100**	**5,096,100**	**4,968,369**	**127,731**
Excess (deficiency) of revenues over (under) expenditures	**-**	**-**	**(456,207)**	**(456,207)**
Net change in fund balances	**$ -**	**$ -**	**(456,207)**	**$ (456,207)**
Fund balances-beginning			690,052	
Fund balances-ending			**$ 233,845**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Mountain Transit (MTA)
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
EXPENDITURES				
Current:				
Public works	$ 500,000	$ 500,000	$ 500,000	$ -
Total expenditures	**500,000**	**500,000**	**500,000**	**-**
Excess (deficiency) of revenues over (under) expenditures	**(500,000)**	**(500,000)**	**(500,000)**	**-**
OTHER FINANCING SOURCES (USES)				
Transfers in	500,000	500,000	500,000	-
Total other financing sources (uses)	**500,000**	**500,000**	**500,000**	**-**
Net change in fund balances	**$ -**	**$ -**	**-**	**$ -**
Fund balances-beginning			-	
Fund balances-ending			**$ -**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Grant Funding
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ 75,000	$ 636,277	$ 636,277	$ -
Total revenues	**75,000**	**636,277**	**636,277**	**-**
Excess (deficiency) of revenues over (under) expenditures	**75,000**	**636,277**	**636,277**	**-**
OTHER FINANCING SOURCES (USES)				
Transfers out	(75,000)	(1,372,930)	(1,369,709)	3,221
Total other financing sources (uses)	**(75,000)**	**(1,372,930)**	**(1,369,709)**	**3,221**
Net change in fund balances	**$ -**	**$ (736,653)**	**(733,432)**	**$ 3,221**
Fund deficit-beginning			(185,637)	
Fund deficit-ending			**$ (919,069)**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Property Lease Gen Operations
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Use of money and property	$ 77,600	$ 77,600	$ 82,673	$ 5,073
Total revenues	**77,600**	**77,600**	**82,673**	**5,073**
EXPENDITURES				
Current:				
Culture and leisure	261,640	261,640	171,602	90,038
Capital outlay	100,000	118,330	92,481	25,849
Total expenditures	**361,640**	**379,970**	**264,083**	**115,887**
Excess (deficiency) of revenues over (under) expenditures	**(284,040)**	**(302,370)**	**(181,410)**	**120,960**
OTHER FINANCING SOURCES (USES)				
Transfers in	284,040	315,321	181,410	(133,911)
Total other financing sources (uses)	**284,040**	**315,321**	**181,410**	**(133,911)**
Net change in fund balances	**$ -**	**$ 12,951**	**-**	**$ (12,951)**
Fund balances-beginning			-	
Fund balances-ending			**$ -**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
SB1383
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ 75,000	$ 4,262	$ (70,738)
Use of money and property	-	-	3,160	3,160
Total revenues	**-**	**75,000**	**7,422**	**(67,578)**
Excess (deficiency) of revenues over (under) expenditures	**-**	**75,000**	**7,422**	**(67,578)**
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(75,000)	(4,262)	70,738
Total other financing sources (uses)	**-**	**(75,000)**	**(4,262)**	**70,738**
Net change in fund balances	**$ -**	**$ -**	**3,160**	**$ 3,160**
Fund balances-beginning			162	
Fund balances-ending			**$ 3,322**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
General Capital Projects
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
EXPENDITURES				
Current:				
General government	$ -	$ 378,791	$ 378,791	$ -
Capital outlay	2,590,000	5,449,923	5,449,923	-
Total expenditures	**2,590,000**	**5,828,714**	**5,828,714**	**-**
Excess (deficiency) of revenues over (under) expenditures	**(2,590,000)**	**(5,828,714)**	**(5,828,714)**	**-**
OTHER FINANCING SOURCES (USES)				
Transfers in	2,590,000	5,828,714	5,828,714	-
Total other financing sources (uses)	**2,590,000**	**5,828,714**	**5,828,714**	**-**
Net change in fund balances	**$ -**	**$ -**	**-**	**$ -**
Fund balances-beginning			-	
Fund balances-ending			**$ -**	

CITY OF BIG BEAR LAKE, CALIFORNIA
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual
Street Improvements
For the Year Ended June 30, 2025

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
EXPENDITURES				
Capital outlay	$ 2,825,000	$ 3,302,340	$ 3,302,340	$ -
Total expenditures	**2,825,000**	**3,302,340**	**3,302,340**	**-**
Excess (deficiency) of revenues over (under) expenditures	**(2,825,000)**	**(3,302,340)**	**(3,302,340)**	**-**
OTHER FINANCING SOURCES (USES)				
Transfers in	2,825,000	3,302,340	3,302,340	-
Total other financing sources (uses)	**2,825,000**	**3,302,340**	**3,302,340**	**-**
Net change in fund balances	**$ -**	**$ -**	**-**	**$ -**
Fund balances-beginning			-	
Fund balances-ending			**$ -**	

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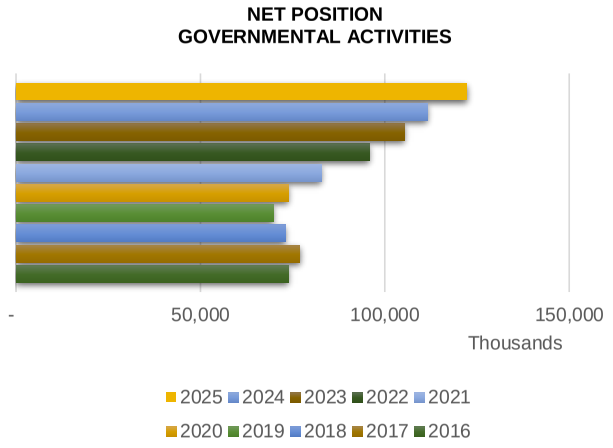
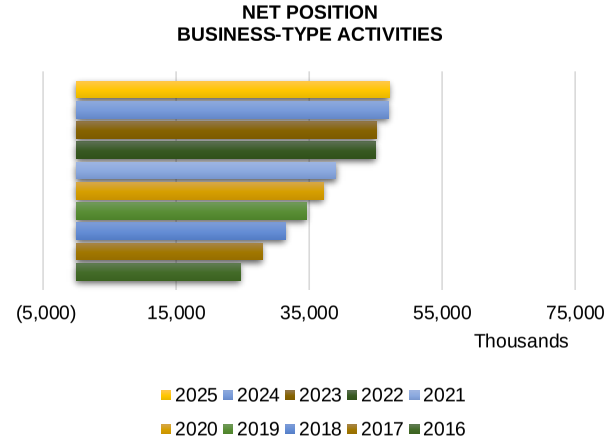
CITY OF BIG BEAR LAKE, CALIFORNIA
Net Position by Component
Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,					Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	$ 71,522,291	$ 73,443,079	$ 74,125,631	$ 72,657,487	$ 73,185,887	$ 72,929,979	$ 75,328,767	$ 82,643,643	$ 85,173,845	$ 90,334,751
Restricted	11,547,085	8,256,299	10,526,235	6,189,184	7,583,150	11,220,415	12,290,519	14,901,335	14,891,447	13,530,273
Unrestricted	(9,286,146)	(4,713,230)	(11,560,155)	(8,935,483)	(6,794,501)	(1,393,667)	8,192,842	7,787,637	11,435,627	18,412,555
Total Governmental Activities Net Position	73,783,230	76,986,148	73,091,711	69,911,188	73,974,536	82,756,727	95,812,128	105,332,615	111,500,919	122,277,579
Business-Type Activities										
Net investment in capital assets	16,741,459	19,749,890	20,723,526	25,094,315	28,894,873	33,962,850	35,602,675	37,108,667	42,035,906	43,442,244
Restricted	5,093,032	5,202,297	5,272,003	5,401,428	6,402,454	2,004,017	1,431,287	2,350,440	1,062,958	1,109,452
Unrestricted	2,859,614	3,015,031	5,457,300	4,087,383	1,864,451	3,068,200	7,994,056	5,677,653	3,778,006	2,469,884
Total Business-Type Activities Net Position	24,694,105	27,967,218	31,452,829	34,583,126	37,161,778	39,035,067	45,028,018	45,136,760	46,876,870	47,021,580
Primary Government										
Net investment in capital assets	88,263,750	93,192,969	94,849,157	97,751,802	102,080,760	106,892,829	110,931,442	119,752,310	127,209,751	133,776,995
Restricted	16,640,117	13,458,596	15,798,238	11,590,612	13,985,604	13,224,432	13,721,806	17,251,775	15,954,405	14,639,725
Unrestricted	(6,426,532)	(1,698,199)	(6,102,855)	(4,848,100)	(4,930,050)	1,674,533	16,186,898	13,465,290	15,213,633	20,882,439
Total Primary Government Net Position	98,477,335	104,953,366	104,544,540	104,494,314	111,136,314	121,791,794	140,840,146	150,469,375	158,377,789	169,299,159





CITY OF BIG BEAR LAKE, CALIFORNIA
Changes in Net Position
Ten Fiscal Years
(Modified Accrual Basis of Accounting) (Continued)

	Fiscal Year Ended June 30,					Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
General government	$ 2,585,489	$ 3,964,855	$ 4,053,729	$ 7,248,359	$ 4,441,025	$ 4,249,386	$ 3,685,030	$ 5,150,773	$ 5,581,445	$ 5,874,739
Public safety	9,585,638	9,143,404	16,198,216	10,621,501	11,201,267	10,768,157	12,007,541	12,802,160	14,026,711	14,641,809
Community development	2,103,774	2,082,360	2,334,302	3,217,371	5,854,949	8,220,531	8,420,169	8,574,738	8,446,427	8,256,752
Culture and leisure	585,755	701,307	711,220	906,427	720,158	605,564	669,950	955,646	1,160,481	1,078,993
Public works	5,781,564	6,220,188	5,830,101	6,758,037	5,169,513	5,854,536	5,771,807	6,612,188	8,567,869	6,833,049
Health and sanitation	6,990,662	7,139,646	7,296,368	7,870,018	7,415,883	7,744,304	7,685,522	8,779,384	10,212,392	11,247,231
Interest on long-term debt	20,329	1,322	454,978	9,832	2,895	3,662	-	17,489	1,433	651
Total governmental activities	27,653,211	29,253,082	36,878,914	36,631,545	34,805,690	37,446,140	38,240,019	42,892,378	47,996,758	47,933,224
Business-type activities										
Water Utility	8,545,928	8,756,893	9,117,331	10,083,860	10,222,105	10,872,111	9,443,674	11,364,299	11,123,923	12,688,219
Total business-type activities	8,545,928	8,756,893	9,117,331	10,083,860	10,222,105	10,872,111	9,443,674	11,364,299	11,123,923	12,688,219
Total Expenses	36,199,139	38,009,975	45,996,245	46,715,405	45,027,795	48,318,251	47,683,693	54,256,677	59,120,681	60,621,443
Program Revenues										
Governmental Activities										
Charges for services										
General government	1,474,475	1,391,423	1,125,144	1,227,007	1,851,881	1,821,449	2,947,711	2,705,911	2,737,162	2,380,101
Public safety	1,113,862	99,827	130,400	201,727	161,906	224,336	391,153	476,251	407,904	242,874
Community development	513,600	595,182	785,673	485,989	4,070,891	5,966,457	6,471,948	6,561,864	5,896,581	8,329,903
Culture and leisure	7,310	6,280	5,285	5,419	3,103	-	700	5,848	3,121	1,421
Public works	39,980	308,800	59,646	198,516	178,541	197,991	216,192	433,957	164,799	342,075
Health and sanitation	7,994,574	8,218,301	8,543,151	8,780,839	8,995,708	9,333,058	9,691,559	10,336,789	11,733,369	12,941,719
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Operating contributions and grants	1,423,222	3,237,508	3,148,757	1,010,980	804,523	1,134,974	2,583,924	1,270,795	935,749	972,946
Capital contributions and grants	2,165	-	42,138	192,745	86,732	746,361	690,294	1,386,422	1,163,224	1,450,229
Total Governmental Activities Program Revenues	12,569,188	13,857,321	13,840,194	12,103,222	16,153,285	19,424,626	22,993,481	23,177,837	23,041,909	26,661,268
Business-type Activities										
Water charges for services	11,205,073	11,594,208	12,119,123	11,818,649	12,205,269	12,424,943	12,176,086	10,152,666	10,881,564	11,050,933
Operating contributions and grants	-	-	-	-	-	-	-	-	-	-
Capital contributions and grants	256,126	399,311	269,139	1,053,815	329,883	315,366	3,366,159	947,394	1,413,792	1,441,125
Total Business-type Activities Program Revenues	11,461,199	11,993,519	12,388,262	12,872,464	12,535,152	12,740,309	15,542,245	11,100,060	12,295,356	12,492,058
Total Program Revenues	24,030,387	25,850,840	26,228,456	24,975,686	28,688,437	32,164,935	38,535,726	34,277,897	35,337,265	39,153,326
Net (Expense)/Revenue:										
Governmental Activities	(15,084,023)	(15,395,761)	(23,038,720)	(24,528,323)	(18,652,405)	(18,021,514)	(15,246,538)	(19,714,541)	(24,954,849)	(21,271,956)
Business-type Activities	2,915,271	3,236,626	3,270,931	2,788,604	2,313,047	1,868,198	6,098,571	(264,239)	1,171,433	(196,161)
Total Net (Expense)/Revenue	(12,168,752)	(12,159,135)	(19,767,789)	(21,739,719)	(16,339,358)	(16,153,316)	(9,147,967)	(19,978,780)	(23,783,416)	(21,468,117)
General Revenues, Contributions, Special Items, and Transfers										
Governmental Activities										
Taxes										
Property taxes	8,673,171	9,059,302	9,434,864	10,633,116	10,938,681	10,337,184	10,966,366	12,117,527	13,288,597	13,990,605
Sales taxes	4,582,280	5,246,026	5,350,348	6,286,095	6,703,012	11,164,837	11,521,842	3,578,941	3,466,025	3,325,536
Transient occupancy taxes	2,041,794	2,316,965	2,279,260	2,643,586	2,545,676	3,341,084	3,653,841	11,045,574	10,613,392	11,312,531
Franchise taxes	795,024	834,056	830,971	820,673	888,274	852,737	877,315	925,465	996,683	1,047,076
Business licenses taxes	-	-	-	-	-	-	-	-	-	-
Other taxes	509,429	661,587	963,636	547,376	846,067	982,269	1,120,102	770,892	1,360,534	996,236
Motor vehicle in lieu	-	-	-	-	-	-	-	-	-	-
Use of money and property	131,415	156,546	234,898	421,320	400,592	118,870	41,705	788,858	1,396,955	1,651,292
Other	88,157	232,044	42,506	145,292	59,207	6,724	21,850	-	967	-
Gain (loss) on sale of capital assets	-	92,153	7,800	-	-	-	-	-	-	-
Extraordinary gain/(loss)	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities General Revenues	16,821,270	18,598,679	19,144,283	21,497,458	22,381,509	26,803,705	28,203,021	29,227,257	31,123,153	32,323,276
Business-type activities										
Use of money and property	41,097	57,611	157,459	341,693	265,605	5,091	(105,620)	339,844	425,360	283,679
Other	-	-	57,221	-	-	-	-	66,439	143,317	57,192
Gain (loss) on sale of capital assets	-	(21,124)	-	-	-	-	-	-	-	-
Total Business-type Activities General Revenues	41,097	36,487	214,680	341,693	265,605	5,091	(105,620)	406,283	568,677	340,871
Total Primary Government	16,862,367	18,635,166	19,358,963	21,839,151	22,647,114	26,808,796	28,097,401	29,633,540	31,691,830	32,664,147
Governmental Activities Special Item (Note 14)	-	-	-	(149,658)	(74,181)	-	-	-	-	-
Change in Net Position										
Governmental activities	1,737,247	3,202,918	(3,894,437)	(3,180,523)	3,654,923	8,782,191	12,956,483	9,512,716	6,168,304	11,051,320
Business-type activities	2,956,368	3,273,113	3,485,611	3,130,297	2,578,652	1,873,289	5,992,951	142,044	1,740,110	144,710
Total Change in Net Position	4,693,615	6,476,031	(408,826)	(50,226)	6,233,575	10,655,480	18,949,434	9,654,760	7,908,414	11,196,030

CITY OF BIG BEAR LAKE, CALIFORNIA
Fund Balances of Governmental Funds
Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020
General Fund					
Nonspendable	$ 23,959	$ 12,058	$ 14,948	$ 18,060	$ 86,135
Restricted	-	-	-	-	6,818
Committed	4,416,846	4,757,861	5,396,017	2,048,421	1,548,004
Assigned	-	-	-	-	-
Unassigned	2,143,959	1,696,454	1,990,853	3,158,383	4,036,623
Total General Fund	6,584,764	6,466,373	7,401,818	5,224,864	5,677,580
All Other Governmental Funds					
Nonspendable	23,174	950,431	-	-	-
Restricted	11,547,085	8,256,299	10,526,235	6,104,227	7,422,261
Committed	-	2,777,883	2,992,863	3,408,904	3,886,814
Assigned	-	-	-	-	-
Unassigned	(401,824)	(297,243)	(455,466)	(831,161)	(857,753)
Total All Other Governmental Funds	11,168,435	11,687,370	13,063,632	8,681,970	10,451,322
Total Governmental Funds	17,753,199	18,153,743	20,465,450	13,906,834	16,128,902

	Fiscal Year Ended June 30,				
General Fund	2021	2022	2023	2024	2025
Nonspendable					
Restricted	$ 82,379	$ 133,775	$ 121,163	$ 132,061	$ 173,733
Committed	6,823	6,729	-	-	-
Assigned	1,426,184	1,260,620	1,517,694	2,282,694	3,147,694
Unassigned	-	-	-	-	-
Total General Fund	9,403,940	16,100,211	16,673,412	16,483,653	17,487,690
	10,919,326	17,501,335	18,312,269	18,898,408	20,809,117
All Other Governmental Funds					
Nonspendable	-	-	-	-	-
Restricted	10,442,367	12,283,790	14,910,964	14,891,424	13,530,273
Committed	3,886,814	3,340,880	3,290,880	3,290,880	3,290,880
Assigned	-	-	-	-	-
Unassigned	(1,748,093)	(1,238,574)	(4,853,652)	(3,385,637)	(4,119,069)
Total All Other Governmental Funds	$ 12,581,088	$ 14,386,096	$ 13,348,192	$ 14,796,667	$ 12,702,084
Total Governmental Funds	$ 23,500,414	$ 31,887,431	$ 31,660,461	$ 33,695,075	$ 33,511,201

CITY OF BIG BEAR LAKE, CALIFORNIA
Changes in Fund Balance of Governmental Funds
Ten Fiscal Years
(Modified Accrual Basis of Accounting) (Continued)

	Fiscal Year Ended June 30,						Fiscal Year Ended June 30,			
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	16,621,049	18,117,936	18,859,079	20,930,846	21,921,710	26,678,111	28,139,466	28,438,399	29,725,231	30,671,984
Assessments	-	-	-	-	3,528,052	5,370,208	5,492,380	5,475,476	4,910,366	4,512,162
Licenses and permits	728,112	880,435	869,513	962,426	1,141,488	1,321,067	2,444,759	2,667,023	2,726,607	2,241,963
Intergovernmental	2,931,716	1,405,903	2,326,225	858,344	1,114,158	1,028,405	4,027,496	2,571,810	2,095,672	1,920,687
Charges for services	10,077,428	9,399,695	9,583,369	9,916,193	10,136,261	10,352,746	10,744,105	11,724,379	12,964,308	14,036,005
Use of money and property	131,415	156,546	234,898	421,320	400,592	118,870	41,705	788,858	1,396,955	1,651,292
Contributions	308,739	1,192,294	1,297,149	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	8,150	8,650	5,100	11,850	13,300	13,550
Developer participation	258,231	327,663	336,595	255,609	315,572	306,541	685,045	323,171	318,108	299,948
Miscellaneous	145,397	232,072	71,110	89,713	98,390	95,618	270,761	5,678	29,842	25,892
Total Revenues	31,202,087	31,712,544	33,577,938	33,434,451	38,664,373	45,280,216	51,850,817	52,006,644	54,180,389	55,373,483
Expenditures										
Current:										
General government	3,051,148	3,535,068	3,705,218	6,434,586	4,396,931	3,985,833	3,843,271	5,036,470	5,386,697	5,916,305
Public safety	9,892,174	9,229,951	16,324,258	10,426,092	11,037,740	10,625,396	11,886,568	12,685,043	13,908,514	14,525,362
Community development	2,093,273	2,094,647	2,317,379	2,373,931	5,707,222	7,934,871	8,707,399	8,543,578	8,286,499	8,249,858
Culture and leisure	443,125	470,709	516,530	623,503	593,398	449,463	609,096	840,784	1,015,376	946,453
Public works	2,631,581	3,423,955	2,752,064	3,575,884	3,260,516	3,618,377	3,560,857	5,363,328	5,089,379	5,096,186
Health and sanitation	6,889,591	7,125,270	7,148,166	7,344,377	7,645,237	7,865,967	8,262,219	9,130,896	10,444,499	11,683,324
Capital outlay	3,325,849	5,623,509	4,676,586	2,554,310	3,982,486	3,493,399	6,745,636	10,684,054	7,964,966	9,073,235
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal	450,824	41,881	299,877	140,092	144,649	102,965	17,319	64,202	82,889	84,328
Interest and fiscal charges	24,428	4,510	446,988	12,918	8,370	3,662	678	1,129	1,763	651
Total Expenditures	28,801,993	31,549,500	38,187,066	33,485,693	36,776,549	38,079,933	43,633,043	52,349,484	52,180,582	55,575,702
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,400,094	163,044	(4,609,128)	(51,242)	1,887,824	7,200,283	8,217,774	(342,840)	1,999,807	(202,219)
Other Financing Sources (Uses):										
Transfers in	3,722,791	6,580,410	5,528,197	3,516,290	5,763,981	4,621,818	8,638,416	13,129,442	13,052,355	11,632,906
Transfers out	(3,722,791)	(6,580,410)	(5,528,197)	(3,516,290)	(5,763,981)	(4,621,818)	(8,638,416)	(13,129,442)	(13,052,355)	(11,632,906)
Capital leases	214,969	-	405,035	-	-	-	70,325	-	-	-
Subscriptions	-	-	-	-	-	-	-	108,099	34,807	18,345
Notes and loans issued	-	-	6,508,000	-	-	-	-	-	-	-
Proceeds from sale of capital asset	12,000	237,500	7,800	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	226,969	237,500	6,920,835	-	-	-	70,325	108,099	34,807	18,345
Extraordinary gain/(loss) on dissolution of Improvement Agency	-	-	-	-	-	-	-	-	-	-
Special Item (a)	-	-	-	(6,507,374)	(74,181)	-	-	-	-	-
Net Change in fund balances	$ 2,627,063	$ 400,544	$ 2,311,707	$ (6,558,616)	$ 1,813,643	$ 7,200,283	$ 8,288,099	$ (234,741)	$ 2,034,614	$ (183,874)
Debt Service as a percentage of non-capital expenditures	1.90%	0.18%	2.28%	0.50%	0.47%	0.31%	0.05%	0.16%	0.19%	0.18%

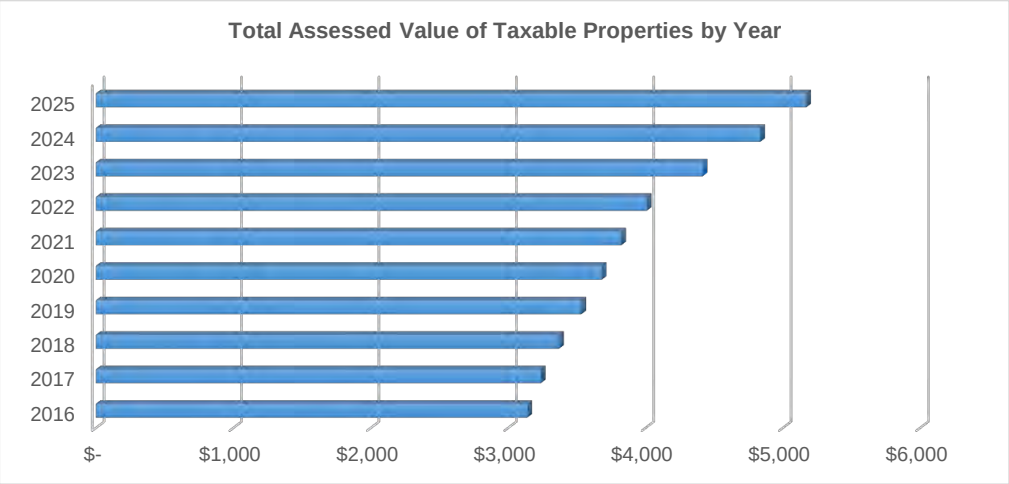
Notes and Data Sources:

(a) As part of the formation of the Big Bear Fire Authority ("Authority"), reporting entries to show assets and liabilities of the Fire Protection District (FPD) within the joint fire department entity resulted in reductions in fund balance. For additional information regarding these Special Items, refer to Note 14 to the audited financial statements for the years ended June 30, 2019 and 2020.

CITY OF BIG BEAR LAKE, CALIFORNIA

Assessed Value of Taxable Property and Estimated Actual[1]
Value of Taxable Property
Ten Fiscal Years (Continued)

	Fiscal Year Ended June 30,									
Category	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Residential	$ 2,626.2	$ 2,729.1	$ 2,852.1	$ 2,995.0	$ 3,132.3	$ 3,259.7	$ 3,434.5	$ 3,810.7	$ 4,160.4	$ 4,411.9
Commercial	255.9	261.0	269.2	285.3	291.1	302.0	312.3	325.6	363.5	404.6
Industrial	3.7	3.7	3.8	3.9	4.0	4.0	4.1	5.6	5.4	5.5
Dry Farm	0.6	0.6	0.7	0.7	0.1	0.1	0.1	0.1	0.1	0.1
Government Owned	1.5	0.7	1.7	1.7	1.8	1.8	1.8	1.9	1.9	1.9
Institutional	0.1	0.1	0.7	0.1	0.1	0.1	0.7	0.7	0.1	10.6
Miscellaneous	20.2	24.5	18.8	16.2	19.7	19.1	18.3	18.7	18.8	17.5
Recreational	35.3	34.9	27.1	32.0	32.6	34.0	35.2	36.7	40.5	57.9
Vacant	144.9	140.5	145.1	144.3	146.1	149.0	144.3	151.5	180.1	168.6
SBE Nonunitary	0.8	0.8	0.8	0.8	0.6	0.6	0.6	0.6	0.6	0.6
Unsecured	50.2	42.8	51.0	52.9	53.2	53.1	57.5	64.2	65.3	92.0
Total Assessed Value of Taxable Property	$ 3,139	$ 3,239	$ 3,371	$ 3,533	$ 3,682	$ 3,824	$ 4,009	$ 4,416	$ 4,837	$ 5,171
Total Direct Tax Rate	0.10187	0.10176	0.10186	0.10186	0.10684	0.10657	0.10652	0.10637	0.10564	0.10499



Notes and Data Sources:
Data provided by HdL, Coren & Cone

[1] The City does not have a reasonable basis for estimating actual values of taxable property within city limits, thus Estimated Actual Value information is not provided on this

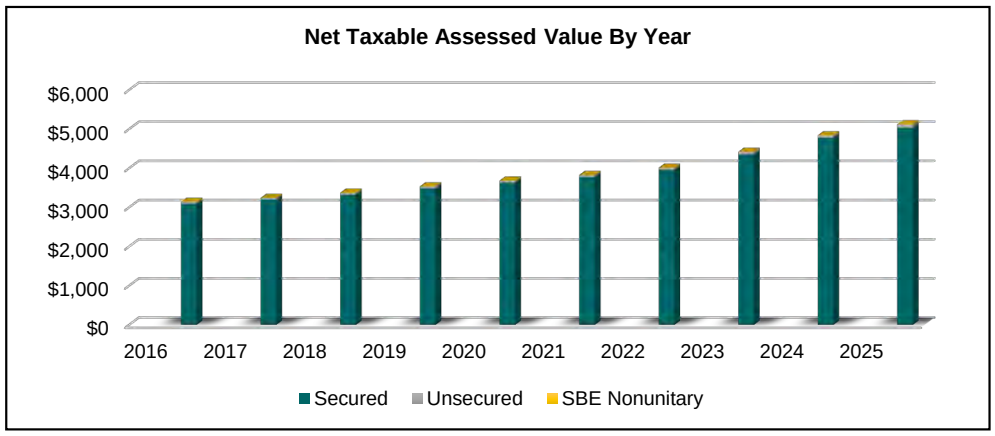
Exempt values are not included in total.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At this point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitation described above.

Data Source: San Bernardino County Assessor 2024/25 Combined Tax Rolls

CITY OF BIG BEAR LAKE, CALIFORNIA
Net Taxable Assessed Value History
Ten Fiscal Years
(amounts in Millions)

	Fiscal Year Ended June 30,									
Category	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Secured	$ 3,088.4	$ 3,195.0	$ 3,319.2	$ 3,479.3	$ 3,627.8	$ 3,769.9	$ 3,951.4	$ 4,351.4	$ 4,770.8	$ 5,025.6
Unsecured	50.2	42.8	51.0	52.9	53.2	53.1	57.5	64.2	65.3	91.9
SBE Nonunitary	0.8	0.8	0.8	0.8	0.6	0.6	0.6	0.6	0.6	0.6
Net Total Assessed Value	$ 3,139.4	$ 3,238.7	$ 3,371.0	$ 3,533.0	$ 3,681.7	$ 3,823.7	$ 4,009.4	$ 4,416.3	$ 4,836.7	$ 5,118.1
Percent Change		3.16%	4.09%	4.80%	4.21%	3.86%	4.86%	10.15%	9.52%	5.82%



Notes and Data Sources:
Data provided by HdL, Coren & Cone

Data Source: San Bernardino County Assessor 2023/24 Combined Tax Rolls

CITY OF BIG BEAR LAKE, CALIFORNIA
Property Tax Levies and Collections
Ten Fiscal Years

Fiscal Year	Secured Property Tax Levied and Collected	Unsecured Property Tax Levied and Collected	Total Property Tax Levied and Collected	Percent of Total Tax Collections to Tax Levy
2016	$ 2,508,674	$ 101,029	$ 2,609,703	100%
2017	2,608,278	104,878	2,713,156	100%
2018	2,725,053	98,650	2,823,703	100%
2019	2,837,839	106,120	2,943,959	100%
2020	2,961,037	108,246	3,069,283	100%
2021	3,088,927	117,552	3,206,479	100%
2022	3,241,488	116,149	3,357,637	100%
2023	3,589,422	131,282	3,720,704	100%
2024	3,898,158	149,544	4,047,702	100%
2025	4,104,748	157,964	4,262,712	100%

Notes and Data Sources:
Data provided by City of Big Bear Lake Finance/Treasury Services Department

The City of Big Bear Lake is on the Teeter plan with the County of San Bernardino; therefore, the amount of property tax levied is the amount of property tax collected.

CITY OF BIG BEAR LAKE, CALIFORNIA
Direct and Overlapping Property Tax Rates (Rate per $100 of Taxable Value)
Ten Fiscal Years

Agency	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Basic Levy[1]	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Bear Valley Unified School Bond	0.03480	0.03200	0.03130	0.03020	0.03010	0.02910	0.00520	0.00740	0.00730	0.00660
San Bernardino Community College Bond	0.04030	0.03500	0.03760	0.04070	0.05620	0.06510	0.05340	0.04500	0.04520	0.03700
Total Direct & Overlapping[2] **Tax Rates**	**1.07510**	**1.06700**	**1.06890**	**1.07090**	**1.08630**	**1.09420**	**1.05860**	**1.05240**	**1.05250**	**1.04360**
City's Share of 1% Levy Per Prop 13[3]	0.10187	0.10187	0.10187	0.10187	0.10187	0.10187	0.10187	0.10187	0.10187	0.10187
Voter Approved City Debt Rate										
Redevelopment Rate[4]										
Total Direct Rate[5]	0.10187	0.10176	0.10186	0.10186	0.10684	0.10657	0.10652	0.10637	0.10564	0.10499

Notes and Data Sources:
Data provided by HdL, Coren & Cone

[1] In 1978, California voters passed Proposition 13 which set 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 for the payment 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 the 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 by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the 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/Agency in the same proportions as general fund revenue.

Data Source: San Bernardino County Assessor 2015/16 - 2024/25 Tax Rate Table

CITY OF BIG BEAR LAKE, CALIFORNIA
Principal Property Tax Payers
Current Year and Nine Years Ago

		2024-25		
Tax Payer	**Land Use**	**Taxable Assessed Value**	**Rank**	**% of Total Assessed Value**
Snow Summit Ski Corporation	Recreational	$ 78,138,418	1	1.53%
Greens Big Bear LLC	Commercial	24,112,012	2	0.47%
Worldmark the Club	Residential	18,643,123	3	0.36%
Pacific Snow Valley Resort LLC	Commercial	14,607,530	4	0.29%
Bluegreen Vacations Unlimited Inc	Residential	14,052,510	5	0.27%
BB Hotel LLC	Commercial	12,012,983	6	0.23%
Marina Resort Investors LP	Commercial	10,993,992	7	0.21%
R L R Investments LLC	Commercial	10,605,874	8	0.21%
Plaza Freeway LP	Commercial	10,561,937	9	0.21%
Eitan And Alison Cohen Family Trust	Residential	8,869,273	10	0.17%
Total		$ 202,597,652		3.96%

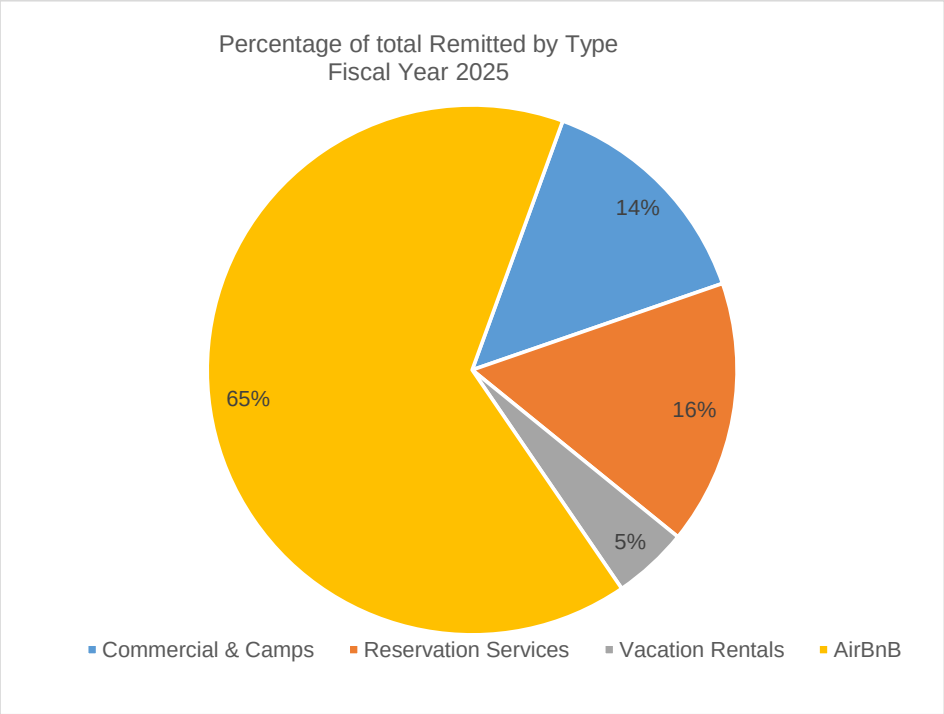
		2015-16		
Tax Payer	**Land Use**	**Taxable Assessed Value**	**Rank**	**% of Total Assessed Value**
Snow Summit Ski Corporation	Recreational	$ 34,666,976	1	1.15%
Worldmark The Club	Residential	15,074,075	2	0.50%
Pacific Snow Valley Resort LLC	Commercial	11,029,815	3	0.37%
Seven Oaks Inc	Commercial	10,770,356	4	0.36%
R L R Investments LLC	Commercial	9,108,680	5	0.30%
Plaza Freeway LP	Commercial	8,966,488	6	0.30%
Burbank Manor LLC	Vacant	7,666,124	7	0.25%
Seritage Kmt Finance LLC	Commercial	7,542,738	8	0.25%
David M Le Roy	Vacant	7,118,492	9	0.24%
Red Hat Properties-Big Bear LP	Commercial	6,800,000	10	0.23%
Total		$ 118,743,744		3.95%

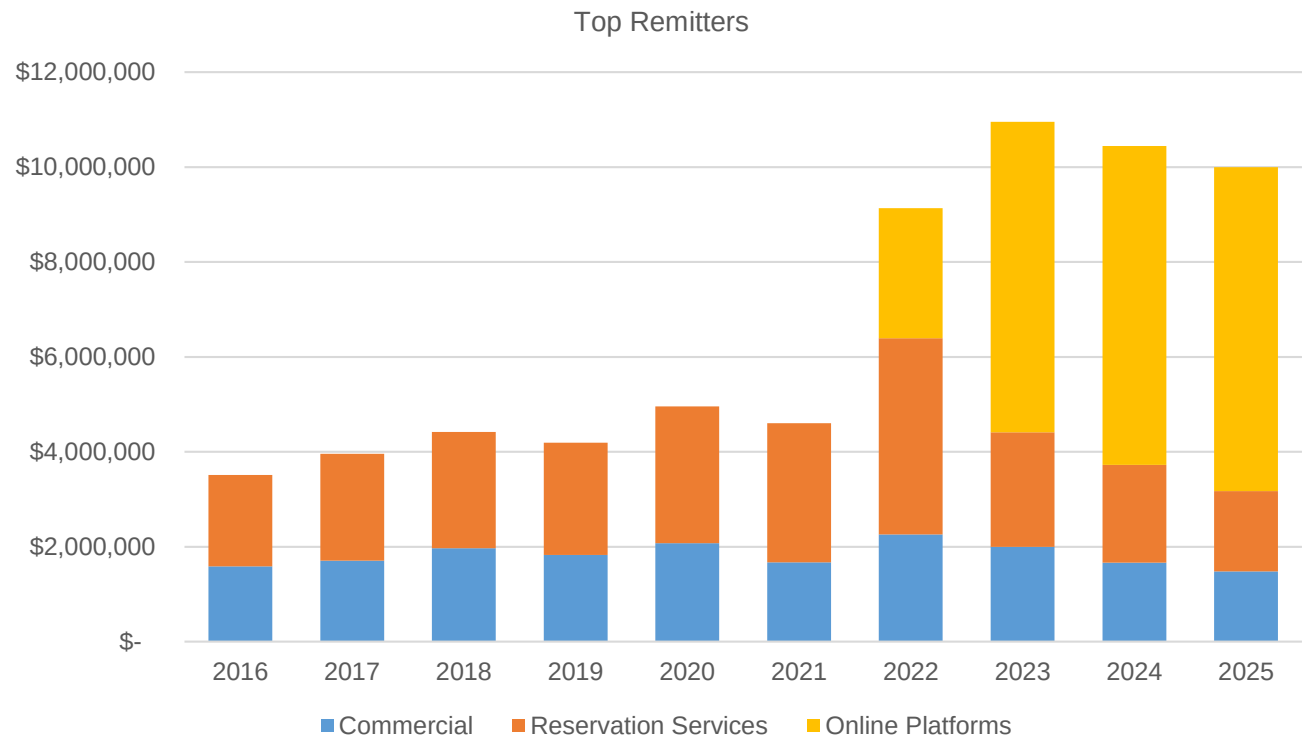
Notes and Data Sources:
Data provided by HdL, Coren & Cone
(*) Pending Appeals on Parcels
Data Source: San Bernardino County Assessor 2014/15 Combined Tax Rolls and the SBE Non Unitary Tax Roll

CITY OF BIG BEAR LAKE, CALIFORNIA
Transient Occupancy Tax (TOT) By Type
Ten Fiscal Years

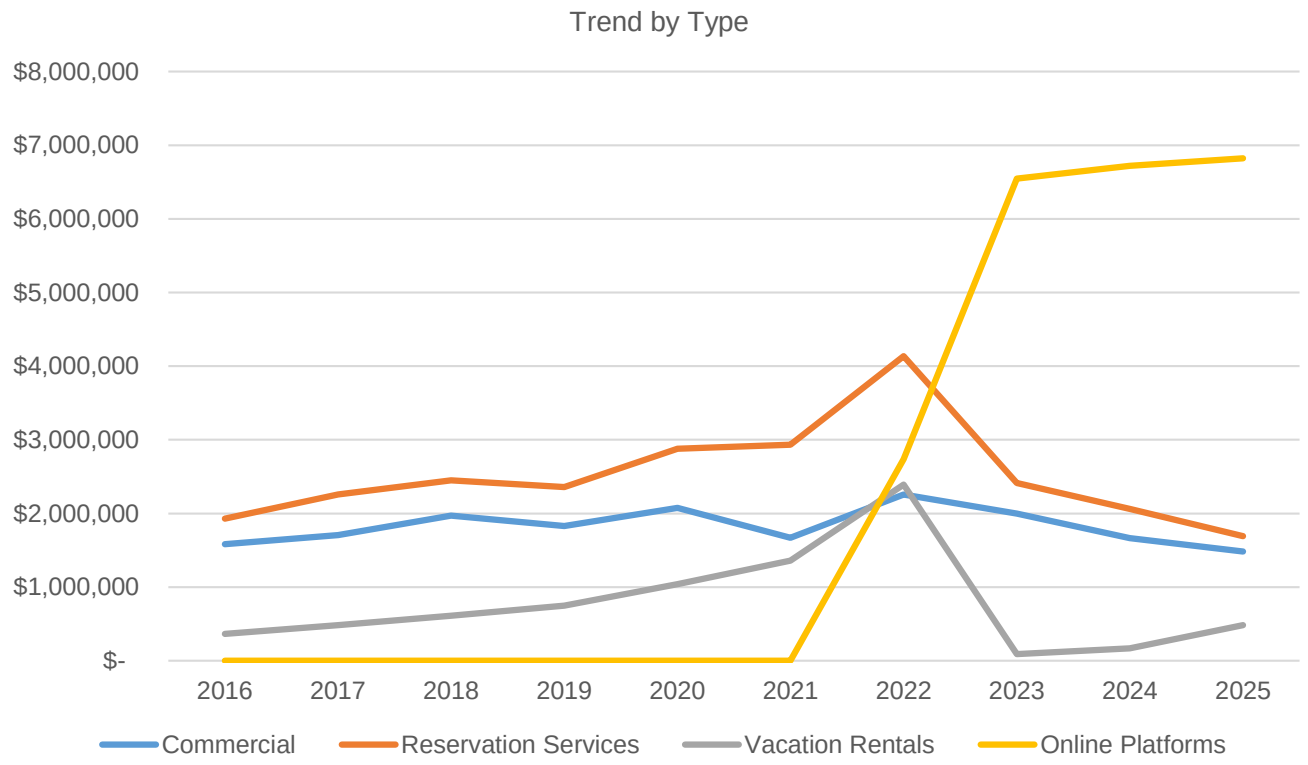
	Fiscal Year Ended June 30, (amounts in thousands)									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Transient Occupancy Tax										
Commercial & Camps	$ 1,583	$ 1,705	$ 1,970	$ 1,829	$ 2,076	$ 1,669	$ 2,257	$ 1,996	$ 1,665	$ 1,483
Reservation Services	1,928	2,257	2,450	2,360	2,878	2,935	4,135	2,413	2,061	1,691
Vacation Rentals	362	485	610	746	1,042	1,357	2,391	90	169	482
AirBnB	-	-	-	-	-	-	2,565	5,996	6,310	6,822
HomeAway/ VRBO/Evolve	-	-	-	-	-	-	173	551	408	-
Prior Period	79	136	217	415	291	755	-	-	-	-
Total TOT (*)	$ 3,953	$ 4,582	$ 5,246	$ 5,350	$ 6,286	$ 6,716	$ 11,522	$ 11,046	$ 10,613	$ 10,478

(*) Effective January 1, 2022, online reporting platforms began remitting TOT on behalf of owners. Market segment information not available for 2022.





2021 growth due to surge in visitors during the coronavirus pandemic.
2022 online reporting platforms began remitting TOT on behalf of owners.



2022 online reporting platforms began remitting TOT on behalf of owners.

CITY OF BIG BEAR LAKE, CALIFORNIA
Taxable Sales by Category
Ten Calendar Years
(in thousands of dollars)
Adjusted for Economic Data

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Apparel Stores	$ 6,099	$ 7,234	$ 6,821	$ 6,767	$ 7,393	$ 9,362	$ 11,980	$ 10,866	$ 9,891	$ 11,580
Food Stores	19,901	21,697	22,568	23,845	25,165	31,219	31,219	30,663	31,038	31,511
Eating and Drinking Places	59,606	62,991	67,108	72,930	79,530	75,422	103,842	110,458	110,650	108,888
Building Materials	23,695	25,212	27,630	29,346	29,778	37,618	41,978	44,802	41,323	35,601
Auto Dealers and Supplies	2,476	2,742	2,523	2,485	2,659	2,293	2,515	4,376	4,673	4,424
Service Stations	19,599	17,990	18,683	22,502	22,636	18,923	26,637	33,088	29,433	24,689
Other Retail Stores	50,004	52,582	52,981	54,861	54,860	60,803	65,283	61,328	56,118	53,391
All Other Outlets	29,980	31,707	35,267	37,527	44,166	62,309	63,307	66,426	61,221	61,412
Total	$ 211,360	$ 222,155	$ 233,581	$ 250,263	$ 266,187	$ 297,949	$ 346,761	$ 362,007	$ 344,347	$ 331,496

Notes and Data Sources:

Data provided by HdL, Coren & Cone

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

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

CITY OF BIG BEAR LAKE, CALIFORNIA
Top 25 Sales Tax Producers

FOR CALENDAR YEAR 2015		FOR CALENDAR YEAR 2024	
Business Name	**Business Category**	**Business Name**	**Business Category**
572 Social Kitchen & Lounge	Casual Dining	572 Social Kitchen & Lounge	Casual Dining
7 Eleven	Service Stations	7 Eleven	Service Stations
7 Eleven	Convenience Stores/Liquor	7 Eleven	Convenience Stores/Liquor
Big 5 Sporting Goods	Sporting Goods/Bike Stores	AutoZone	Automotive Supply Stores
Big Bear Arco AM PM	Service Stations	Big 5 Sporting Goods	Sporting Goods/Bike Stores
Big Bear Lake Brewing Company	Casual Dining	Big Bear Arco	Service Stations
Butchers Block & Bldg Materials	Building Materials	Big Bear Paint Center	Paint/Glass/Wallpaper
Carl's Jr	Quick-Service Restaurants	Blauer Ski Rentals	Sporting Goods/Bike Stores
CVS Pharmacy	Drug Stores	Butchers Block & Bldg Materials	Building Materials
DIY Home Center	Building Materials	CVS Pharmacy	Drug Stores
Dollar Tree	Variety Stores	DIY Home Center	Building Materials
Geiger Supply	Plumbing/Electrical Supplies	Geiger Supply	Plumbing/Electrical Supplies
Hacienda Grill	Casual Dining	Hacienda Grill	Casual Dining
Interiors On Fox Farm Road	Home Furnishings	Marshalls	Family Apparel
Kmart	Discount Dept Stores	McDonald's	Quick-Service Restaurants
Kmart	Discount Dept Stores	Moonridge Fuel	Service Stations
McDonald's	Quick-Service Restaurants	North Pole Fudge & Ice Cream Co	Candy/Nut Stores
Moonridge Fuel	Service Stations	Oakside Restaurant & Bar	Casual Dining
Nicks Auto Center	Service Stations	Shell	Service Stations
Peppercorn Grille	Casual Dining	Shirt Shanty	Family Apparel
Shell	Service Stations	Snow Summit	Quick-Service Restaurants
Snow Summit	Quick-Service Restaurants	Snow Summit	Quick-Service Restaurants
Stater Bros	Grocery Stores	Stater Bros	Grocery Stores
Vons	Grocery Stores	Vons	Grocery Stores
Walgreens	Drug Stores	Walgreens	Drug Stores
Percent of Total Paid by Top 25	**56.72%**	**Percent of Total Paid by Top 25**	**54.85%**

Notes and Data Sources:
Data provided by HdL, Coren & Cone
Sources: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies
Firms listed alphabetically

CITY OF BIG BEAR LAKE, CALIFORNIA
Ratios of Outstanding Debt by Type
Ten Fiscal Years (continued)

	Governmental Activities						Business-type Activities							
Fiscal Year	Cert. of Part.	Capital Lease Payable	Loans & Notes Payable	Leases Payable	Subscr. Payable	Comp. Absences Payable	Refunding Revenue Bonds	Loans Payable	Leases Payable	Subscr. Payable	Comp. Absences Payable	Total Primary Government	Per Capita	Ratio of Total O/S to Total Personal Income
2015	$ 410,000	$ -	$ -	$ -	$ -	$ -	19,583,768	11,285,000	$ -	$ -	$ -	$ 31,278,768	$ 6,115	24.67%
2016	-	174,145	-	-	-	-	17,235,373	11,101,000	-	-	-	28,510,518	5,812	18.55%
2017	-	132,264	-	-	-	-	14,751,976	10,911,000	-	-	-	25,795,240	5,111	15.71%
[1] 2018	-	387,706	6,357,716	-	-	-	11,790,000	11,742,836	-	-	-	30,278,258	5,493	18.39%
[2] 2019	-	247,614	-	-	-	-	9,340,182	11,520,047	-	-	-	21,107,843	3,865	13.13%
2020	-	102,965	-	-	-	-	6,396,785	14,413,439	-	-	-	20,913,189	4,017	12.09%
[3] 2021	-	-	-	-	-	-	-	21,409,433	-	-	-	21,409,433	4,126	12.06%
[4] 2022	-	-	-	52,328	-	-	-	22,968,650	22,008	-	-	23,042,986	4,571	12.84%
[5] 2023	-	-	-	35,549	61,354	733,382	-	22,443,803	37,729	53,568	406,274	23,771,659	4,838	10.96%
2024	-	-	-	17,881	56,173	697,942	-	21,906,192	27,185	8,354	478,870	23,192,597	4,678	9.93%
2025	-	-	-	-	8,072	1,016,690	-	21,357,668	15,650	-	719,547	23,117,627	4,663	9.90%

[1] Debt obligations increased in 2018 due primarily to the Big Bear Lake Fire Protection District entering into a loan agreement with San Bernardino County Public Employees' Association (SBCERA) and the water utility entering into a loan financing arrangement for a pipeline project.

[2] Debt obligations decreased in 2019 due primarily to the Big Bear Fire Authority acquiring the San Bernardino County Public Employees' Association (SBCERA) loan from the Big Bear Lake Fire Protection District.

[3] Refunding Revenue Bonds were defeased in 2021.

[4] Fiscal year 2022 was the first years of GASB Statement No. 87 (Leases) implementation; therefore only three years are shown.

[5] Fiscal year 2023 was the first year of GASB Statement No. 96 (Subscription Based Information Technology Agreements) and GASB Statement No. 101 (Compensated Absences) implementation; therefore only two years are shown.

CITY OF BIG BEAR LAKE, CALIFORNIA
Direct or Overlapping Debt

2024-25 Assessed Valuation: $5,118,077,854

Overlapping Tax and Assessment Debt:	Total Debt 6/30/25	% Applicable (1)	City's Share of Debt 6/30/25
San Bernardino Valley Community College District	$ 880,363,439	4.706%	41,429,903
Bear Valley Unified School District	5,205,000	53.219%	2,770,049
Total Overlapping Tax and Assessment Debt			44,199,953
Direct and Overlapping General Fund Debt:			
San Bernardino County Certificates of Participation	100,765,000	1.498%	1,509,460
San Bernardino County Flood Control District General Fund Obligations	37,295,000	1.498%	558,679
Big Bear Lake Municipal Water District General Fund Obligations	2,133,000	53.905%	1,149,794
Bear Valley Unified School District Certificates of Participation	6,194,347	53.219%	3,296,570
City of Big Bear Lake	**-**	**100.000%**	-
Total Overlapping General Fund Debt			6,514,503
Overlapping Tax Increment Debt (Successor Agency):	1,860,000	100.000%	1,860,000
Total Direct Debt			-
Total Overlapping Debt			52,574,455
Combined Total Debt			**52,574,455 (2)**

(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 2024-25 Assessed Valuation:	
Total Overlapping Tax and Assessment Debt	0.86%
Total Direct Debt	0.00%
Combined Total Debt	**1.03%**

Ratios to Redevelopment Successor Agency Incremental Valuation ($1,017,544,468):	
Total Overlapping Tax Increment Debt	0.18%

Source: MuniServices, LLC / Neumo
California Municipal Statistics, Inc.

CITY OF BIG BEAR LAKE, CALIFORNIA
Bonded Debt Pledged-Revenue Coverage
Last Ten Fiscal Years (Continued)

	Fiscal Year Ended June 30,				
Pledged Revenues	**2016**	**2017**	**2018**	**2019**	**2020**
Water Utility Revenues	$ 11,246,170	$ 11,651,819	$ 12,276,582	$ 12,160,342	$ 12,470,874
Capacity Charges Available for Debt Service *	281,138	281,138	281,138	281,138	557,752
Less Maintenance and Operating Costs	(5,234,719)	(5,614,267)	(5,882,574)	(6,472,929)	(6,938,163)
Revenues Available for Debt Service	**6,292,589**	**6,318,690**	**6,675,146**	**5,968,551**	**6,090,463**
Debt Service - Parity Bonds (1)					
1996 Water Revenue Refunding Bonds (2)	3,435,683	3,432,758	3,431,583	3,472,058	3,470,058
2010 Water Revenue Refunding Bonds (USDA-RD Loan Security)	142,367	142,835	142,273	143,074	142,447
2012 Water Revenue Refunding Bonds (USDA-RD Loan Security)	206,017	206,994	207,768	207,098	207,843
2013 Water Revenue Refunding Bonds (USDA-RD Loan Security)	130,659	130,373	130,060	130,056	130,681
Installment Sale Agreement Ibank CLEEN Loan #17-002)	-	13,500	50,828	51,193	51,184
2019 Water Revenue Refunding Bonds (USDA-RD Loan Security)	-	-	-	-	13,930
Total Debt Service	**$ 3,914,726**	**$ 3,926,460**	**$ 3,962,512**	**$ 4,003,479**	**$ 4,016,142**

	Fiscal Year Ended June 30,				
Debt Coverage Test	**2016**	**2017**	**2018**	**2019**	**2020**
Maximum Annual Debt Service					
Debt Service - Parity Bonds					
1996 Water Revenue Refunding Bonds	$ 3,409,840	$ 3,409,840	$ 3,409,840	$ 3,409,840	$ 3,409,840
2010 Water Revenue Refunding Bonds (USDA-RD Loan Security)	143,225	143,225	143,225	143,225	143,225
2012 Water Revenue Refunding Bonds (USDA-RD Loan Security)	208,383	208,383	208,383	208,383	208,383
2013 Water Revenue Refunding Bonds (USDA-RD Loan Security)	130,975	130,975	130,975	130,975	130,975
Installment Sale Agreement Ibank CLEEN Loan #17-002)	-	55,926	55,926	55,926	55,926
2019 Water Revenue Refunding Bonds (USDA-RD Loan Security)	-	-	-	-	446,308
Maximum Annual Debt Service	**$ 3,892,422**	**$ 3,948,349**	**$ 3,948,349**	**$ 3,948,349**	**$ 4,394,657**
Debt Coverage Requirement - 120% of Maximum Annual Debt	**4,670,907**	**4,738,018**	**4,738,018**	**4,738,018**	**5,273,588**
Debt Coverage Test	**162%**	**160%**	**169%**	**151%**	**139%**

* DWP collects development impact fees (capacity charges) for new development. These charges are restricted to system capacity increase costs. A certain portion of each USDA bond issuance represents system capacity increases. As such, capacity charges are available to pay debt service in proportion to the capacity increase portion of the projects funded with the bonds. DWP has opted to add this item to this disclosure since it is representative of actual debt service payments and considered part of debt coverage requirements.

(1) Debt reserve bank accounts equal to one year of service payments are maintained for all parity debt

(2) Includes principal, interest and amortized costs

(3) Loan balance was prepaid in October 2014 using debt reserve bank account balance established at loan origination

Notes and Data Sources:
Data provided by the Department of Water and Power

CITY OF BIG BEAR LAKE, CALIFORNIA
Bonded Debt Pledged-Revenue Coverage
Last Ten Fiscal Years (Continued)

	Fiscal Year Ended June 30,				
Pledged Revenues	**2021**	**2022**	**2023**	**2024**	**2025**
Water Utility Revenues	$ 12,430,034	$ 12,176,086	$ 11,116,757	$ 10,888,929	$ 11,056,491
Capacity Charges Available for Debt Service *	557,752	557,752	557,752	557,752	557,752
Less Maintenance and Operating Costs	(7,144,681)	(8,150,330)	(8,160,166)	(7,984,530)	(9,535,397)
Revenues Available for Debt Service	**5,843,105**	**4,583,508**	**3,514,343**	**3,462,151**	**2,078,846**
Debt Service - Parity Bonds (1)					
1996 Water Revenue Refunding Bonds (2)	3,452,294	-	-	-	-
2010 Water Revenue Refunding Bonds (USDA-RD Loan Security)	142,784	141,000	141,889	140,573	143,218
2012 Water Revenue Refunding Bonds (USDA-RD Loan Security)	207,505	207,658	207,005	208,108	206,745
2013 Water Revenue Refunding Bonds (USDA-RD Loan Security)	130,265	130,808	129,931	128,769	130,587
Installment Sale Agreement Ibank CLEEN Loan #17-002)	51,175	51,166	50,858	53,851	51,450
2019 Water Revenue Refunding Bonds (USDA-RD Loan Security)	291,696	410,076	443,872	446,123	447,940
Total Debt Service	**$ 4,275,718**	**$ 940,708**	**$ 973,555**	**$ 977,424**	**$ 979,940**

	Fiscal Year Ended June 30,				
Debt Coverage Test	**2021**	**2022**	**2023**	**2024**	**2025**
Maximum Annual Debt Service					
Debt Service - Parity Bonds					
1996 Water Revenue Refunding Bonds	$ 3,409,840	$ -	$ -	$ -	$ -
2010 Water Revenue Refunding Bonds (USDA-RD Loan Security)	143,225	143,225	143,225	143,225	143,225
2012 Water Revenue Refunding Bonds (USDA-RD Loan Security)	208,383	208,383	208,383	208,383	208,383
2013 Water Revenue Refunding Bonds (USDA-RD Loan Security)	130,975	130,975	130,975	130,975	130,975
Installment Sale Agreement Ibank CLEEN Loan #17-002)	55,926	55,926	55,926	55,926	55,926
2019 Water Revenue Refunding Bonds (USDA-RD Loan Security)	446,308	446,308	446,308	446,308	446,308
Maximum Annual Debt Service	**$ 4,394,657**	**$ 984,817**	**$ 984,817**	**$ 984,817**	**$ 984,817**
Debt Coverage Requirement - 120% of Maximum Annual Debt	**5,273,588**	**1,181,780**	**1,181,780**	**1,181,780**	**1,181,780**
Debt Coverage Test	**133%**	**465%**	**357%**	**352%**	**211%**

* DWP collects development impact fees (capacity charges) for new development. These charges are restricted to system capacity increase costs. A certain portion of each USDA bond issuance represents system capacity increases. As such, capacity charges are available to pay debt service in proportion to the capacity increase portion of the projects funded with the bonds. DWP has opted to add this item to this disclosure since it is representative of actual debt service payments and considered part of debt coverage requirements.

(1) Debt reserve bank accounts equal to one year of service payments are maintained for all parity debt

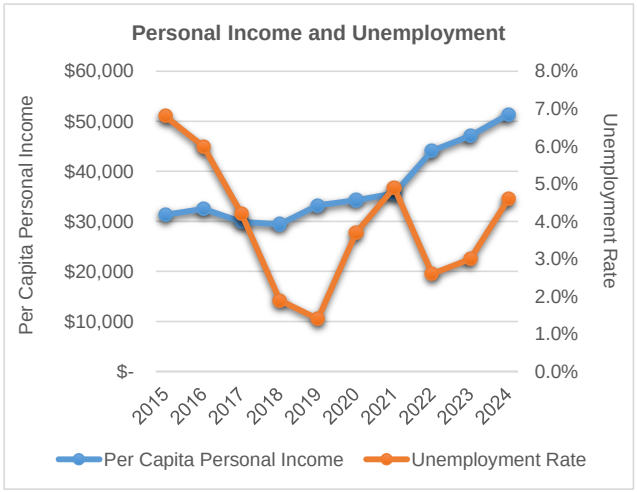
(2) Includes principal, interest and amortized costs

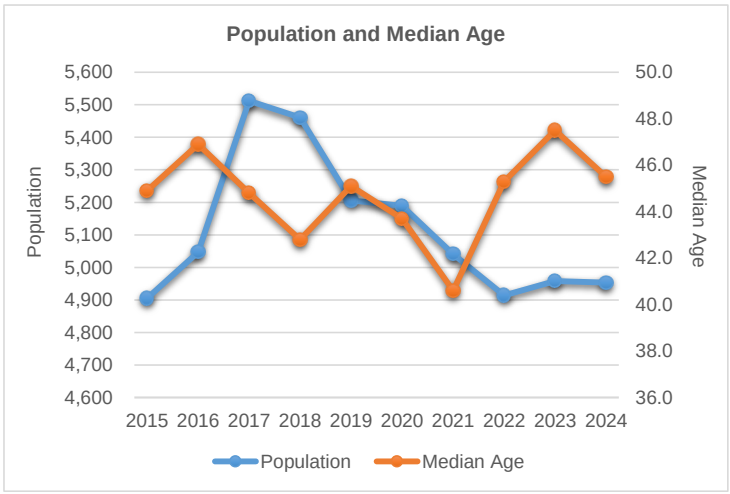
(3) Loan balance was prepaid in October 2014 using debt reserve bank account balance established at loan origination

Notes and Data Sources:
Data provided by the Department of Water and Power

CITY OF BIG BEAR LAKE, CALIFORNIA
Demographic and Economic Statistics
Ten Calendar Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Population	4,905	5,047	5,512	5,461	5,206	5,189	5,041	4,914	4,958	4,953
Personal Income (in Thousands)	$ 153,705	$ 164,145	$ 164,667	$ 160,724	$ 172,911	$ 177,597	$ 179,414	$ 216,806	$ 233,455	$ 254,450
Per Capita Personal Income	$ 31,336	$ 32,523	$ 29,874	$ 29,431	$ 33,213	$ 34,225	$ 35,590	$ 44,120	$ 47,086	$ 51,372
Unemployment Rate	6.8%	6.0%	4.2%	1.9%	1.4%	3.7%	4.9%	2.6%	3.0%	4.6%
Median Age	44.9	46.9	44.8	42.8	45.1	43.7	40.6	45.3	47.5	45.5
% of Population 25+ with High School Degree	87.7%	88.6%	90.2%	89.6%	91.2%	89.2%	91.0%	89.8%	91.0%	91.3%
% of Population 25+ with Bachelor's Degree	21.4%	24.4%	25.5%	23.1%	25.9%	28.3%	31.5%	31.9%	34.0%	34.9%





Notes and Data Sources:
Data provided by HdL, Coren & Cone
Population: California State Department of Finance. Unemployment Data: California Employment Development Department

2000-2009 Income, Age, and Education Data: ESRI - Demographic Estimates are based on the last available Census. Projections are developed by incorporating all of the prior census data released to date.
Demographic Data is totaled from Census Block Groups that overlap the City's boundaries
2010 and later Income, Age, and Education Data - US Census Bureau, most recent American Community Survey

CITY OF BIG BEAR LAKE, CALIFORNIA
Principal Employers

Last Fiscal Year and Eight Years Ago

	2025		2018	
Business Name	**Number of Employees**	**Percent of Total Employment (%)**	**Number of Employees**	**Percent of Total Employment (%)**
Big Bear Mountain Resorts (a)	377	14.50%	228	10.36%
Bear Valley Unified School District	375	14.42%	427	19.41%
Big Bear Valley Community Hospital	217	8.35%		0.00%
Vons	128	4.92%	115	5.23%
Stater Bros Markets	110	4.23%	99	4.50%
City of Big Bear Lake (b)	72	2.77%	104	4.73%
Mountain Transit	70	2.69%	43	1.95%
Big Bear Fire Authority	68	2.62%		0.00%
Worldmark Big Bear (Hotel)	67	2.58%	80	3.64%
Big Bear Municipal Water District	33	1.27%		0.00%
Kmart			87	3.95%
Holiday Inn Resort-Lodge			67	3.05%
Lagonita Lodge			40	1.82%
Total Top 10 Employers	1,517	58.35%	1,290	56.82%
Total City Labor Force (1)	2,600		2,200	

Source: MuniServices, LLC / Neumo

Source: FY2018, City of Big Bear Lake -- ACFR Publication. Historical data unavailable.

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

Notes:

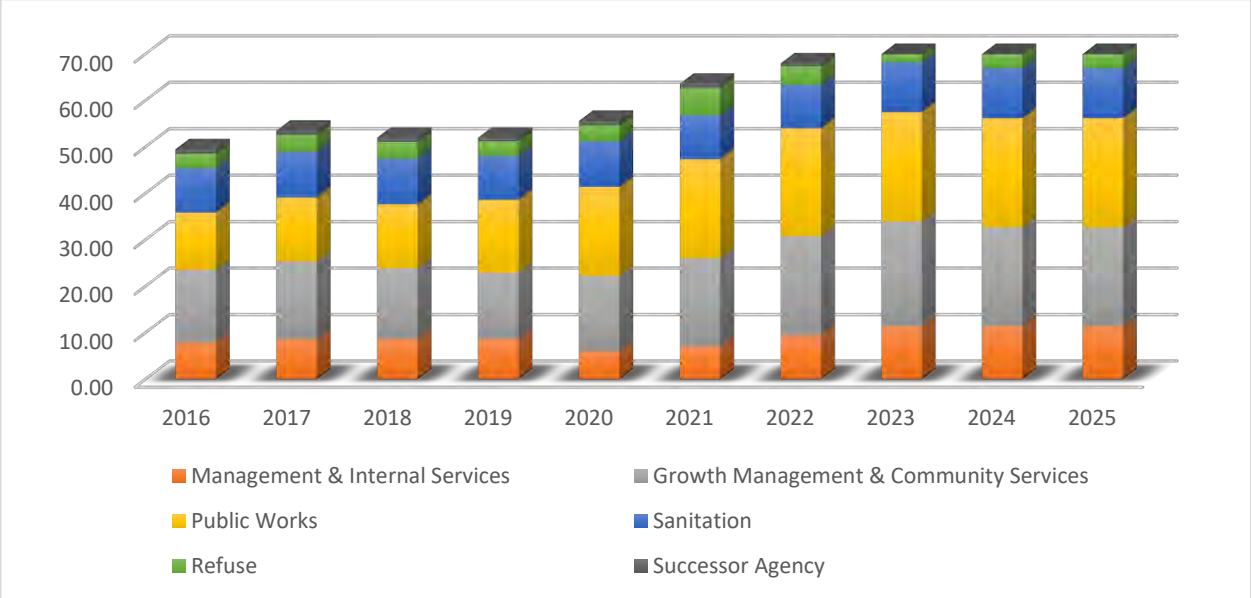
Results based on direct correspondence with city's local businesses.

(a) Includes FTE, PTE, and seasonal employees.

(b) FY 2024-25 Adopted Budget Publication, 2024-25 FTE.

CITY OF BIG BEAR LAKE, CALIFORNIA
Full-Time Equivalent City Government Employees by Function
Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function										
Management & Internal Services	7.95	8.60	8.60	8.65	6.10	7.10	9.50	11.40	11.45	11.45
Growth Management & Community Services	15.60	16.75	15.25	14.35	16.20	18.95	21.35	22.55	21.25	21.25
Public Works	12.35	13.80	13.80	15.65	19.10	21.35	23.20	23.55	23.50	23.50
Sanitation	9.50	9.85	9.85	9.45	9.80	9.45	9.35	10.80	10.80	10.80
Refuse	3.20	3.60	3.60	3.15	3.50	5.85	4.00	4.10	4.25	4.25
Successor Agency	0.90	0.90	0.90	0.75	0.90	0.90	0.60	0.60	0.75	0.75
Total FTE City Staff	49.50	53.50	52.00	52.00	55.60	63.60	68.00	73.00	72.00	72.00



Source: FY 2024-25 Adopted Budget, 2024-25 FTE.

CITY OF BIG BEAR LAKE, CALIFORNIA
Operating Indicators by Function/Program
Ten Fiscal Years

Function	Fiscal Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Management & Internal Services										
[1] Community Event Grants	17	17	11	10	4	0	0	0	0	0
[2] Signature Events Sponsored	4	3	4	4	4	1	5	4	6	6
Public Works										
# of Streets Rehabilitated	7	5	6	24	7	9	21	23	24	1
Growth Management & Community Services										
Building Permits Issued	605	586	616	537	602	540	604	610	768	597
[3]Theater Performances Booked	30	27	27	27	15	1	7	22	19	22
Sanitation										
New Sewer Connections	28	32	33	24	26	24	30	18	20	18

[1] Due to the COVID-19 pandemic, community events were canceled during 2020 and 2021. Beginning 2022, Visit Big Bear took responsibility for community events.

[1] Signature sponsored events were canceled during the COVID-19 pandemic and resumed in 2022.

[3] Theater performances were canceled during the COVID-19 pandemic.

CITY OF BIG BEAR LAKE, CALIFORNIA
Capital Asset Statistics by Function/Program
Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Function										
Public Works										
Streets (center miles)	88.4	88.4	88.4	88.4	88.4	88.4	88.4	88.4	88.4	88.4
Number of Park Sites	3	3	3	3	3	3	3	3	3	3
Number of Public Trails	1	2	3	3	3	3	3	4	4	4
Number of Public Parking Lots	2	5	5	5	5	5	5	6	6	6
Sanitation										
Sewer Lines (miles)	250	250	250	250	250	250	250	250	250	250