CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

(A Component Unit of the State of California)

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

IBank

California Infrastructure and Economic Development Bank

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CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

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INTRODUCTORY SECTION

IBank

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August 28, 2023

To the Board of Directors:

I am pleased to submit for the fiscal year ended June 30, 2022, the Annual Comprehensive Financial Report (ACFR) of the California Infrastructure and Economic Development Bank (IBank), a component unit of the State of California.

The ACFR includes the financial activities of the following IBank funds and related programs:

- California Infrastructure and Economic Development Bank Fund (CIEDB Fund)
  - Infrastructure State Revolving Fund (ISRF) Program
    - Including California Lending for Energy and Environmental Needs (CLEEN) Center Program
  - Bond Financing Program
- California Infrastructure Guarantee Trust Fund (Guarantee Trust Fund)
- California Small Business Expansion Fund (Expansion Fund) in the Small Business Finance Center (SBFC)
  - California Small Business Loan Guarantee (SBLG) Program
  - Farm Loan Program
  - Jump Start Loan Program
  - Disaster Relief Loan Guarantee Program
  - Small Business Loan Catalyst Program (program created to participate in the California Rebuild Fund)
- Climate Catalyst Revolving Loan Fund (Climate Catalyst Fund)
  - Forest Resilience

The continuing disclosure agreements related to IBank's revenue bonds that provided funding for the ISRF Program (ISRF Program Bonds) require annual audited financial statements and this ACFR fulfills that requirement.

The net position of IBank was $627,927,474 as of June 30, 2022 all of which was restricted. Net position increased by $108,784,636 over the previous fiscal year as a result of positive earnings from operating activities. $70 million of this increase is attributable to State General Fund allocations for the purpose of increasing capital access to small businesses as the economy recovers from the COVID-19 pandemic. $49 million of this increase is attributable to State General Fund allocations providing the first capitalization of the Climate Catalyst Fund, with the funds dedicated to supporting projects that support forest resilience. The volume of ISRF Program financings continue to increase.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

CliftonLarsonAllen LLP has issued an unmodified ("clean") opinion on IBank's basic financial statements for the fiscal year ended June 30, 2022. The independent auditors' report is located at the front of the financial section of this report. The Management's Discussion and Analysis (MD&A) follows this letter of transmittal and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of IBank

IBank was created in 1994 pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act contained in the California Government Code section 63000 *et seq*. to finance public infrastructure and private development that promote economic revitalization and public improvements necessary to maintain and create employment within the State. IBank is a component unit of the State of California located within the Governor's Office of Business and Economic Development (GO-Biz) and is governed by a five-member Board of Directors, consisting of the Director of GO-Biz, the State Treasurer, the Secretary of State Transportation Agency, the Director of the Department of Finance, or their respective designees, and an appointee of the Governor.

IBank has broad authority to provide a wide array of financings, including issuing tax-exempt and taxable revenue bonds, providing direct financing to public agencies and certain tax-exempt nonprofit organizations that are sponsored by public agencies, providing credit enhancements (including guarantees), acquiring or leasing facilities, and leveraging State and Federal funds. IBank's current programs consist of the ISRF Program, including the CLEEN Center, which is a sub-program of the ISRF Program, the Bond Financing program, the Climate Catalyst Revolving Loan Fund Program (Climate Catalyst) and the SBFC's Programs, including the SBLG Program, the Farm Loan Program, the Jump Start Loan Program, the Disaster Relief Loan Guarantee Program, and the California Rebuilding Fund. IBank issues tax-exempt and taxable revenue bonds, loans under the Bond Financing Program, including direct revenue bonds for IBank, 501(c)(3) revenue bonds, industrial development revenue bonds, exempt facility revenue bonds, and public agency revenue bonds. The SBFC was established within IBank during the 2013-2014 fiscal year and the Expansion Fund in the SBFC is included in this ACFR.

IBank funds are generally continuously appropriated for IBank's programs without regard to fiscal years. However, funds for administrative costs in the CIEDB Fund and funds for administrative costs or from federal appropriations in the Climate Catalyst Fund are not continuously appropriated.

Continuous appropriation authority means that no further appropriations are necessary to expend funds held in either the CIEDB Fund, the Guarantee Trust Fund, the Expansion Fund, or the Climate Catalyst Fund.

Economic Condition

In a year over year comparison (July 2021 – July 2022), as of September 6, 2022, nonfarm payroll employment in California increased by 740,000 jobs (a 4.4 percent increase). The number of unemployed Californians was 758,700 in July 2022, a decrease of 46,800 persons over June 2022, and down by 648,000 compared with July of last year. All eleven of the California industry sectors increased jobs over the year.

The largest gains were in leisure and hospitality, up 172,600 jobs; professional and business services, up 138,700 jobs; and trade, transportation, and utilities, up 117,200 jobs.

The 2022 Budget Act continues building reserves, eliminating budgetary debt, reducing retirement liabilities, and focusing on one-time spending over ongoing investments to maintain structurally balanced budgets over the long term. Given the record high inflationary conditions facing the country, the Budget includes an added inflation adjustment beginning in 2023-24 to reflect that state services are likely to cost more than currently estimated. The Budget also continues to focus on allocating the vast majority of the discretionary surplus to one-time investments that can be adjusted in future years, if needed. The Budget is projected to be structurally balanced in 2025-26, the last year in the multi-year forecast.

The Budget includes $37.2 billion in budgetary reserves. These reserves include: $23.3 billion in the Proposition 2 Budget Stabilization Account (Rainy Day Fund) for fiscal emergencies; $9.5 billion in the Public School System Stabilization Account; $900 million in the Safety Net Reserve; and $3.5 billion in the state's operating reserve. The Rainy Day Fund is now at its constitutional maximum (10 percent of General Fund revenues) requiring $465 million to be dedicated for infrastructure investments in 2022-23. Over the multi-year forecast period, the Budget reflects $8 billion in supplemental deposits split evenly between the Rainy Day Fund and the Safety Net Reserve. These deposits are above what is constitutionally required.

To further build budget resiliency, the Budget includes a $4.9 billion multi-year plan to prepay callable general obligation bonds, with a focus on variable rate bonds, and to shift lease revenue bond-financed projects to cash. The Budget also estimates supplemental payments to reduce state retirement liabilities of $3.4 billion in 2022-23 and an additional $7.5 billion projected over the next three years.

IBank experienced an increase in demand for the ISRF program with inquiries totaling over $710 million in infrastructure, economic development, clean energy, water, and environmental projects in fiscal year 2021-2022, versus $598 million in fiscal year 2020-2021. We anticipate continued uncertainty for IBank's various programs as the State's economy adjusts to current economic conditions. In fiscal year 2021-22, the federal government passed two significant funding measures related to infrastructure and climate change (Infrastructure Investments and Jobs Act and the Inflation Reduction Act of 2022). Prospective borrowers will assess their needs arising from the evolving circumstances, but will continue to seek to finance public infrastructure, clean energy, water, environmental, and private development projects through IBank's low-cost programs.

All required repayments were made by the borrowers on ISRF Program Loans, including all CLEEN Center Loans, during the fiscal year and continued timely repayments are expected.

In December 2020, IBANK issued ISRF Bonds, Series 2020A (Series 2020A Bonds) in the amount of $324,340,000 to advance refund and defease all of the outstanding ISRF Revenue Bonds Series 2014A, Series 2015A, and Series 2016A. The Series 2020A Bonds bear interest at rates ranging from 0.178% to 2.786% and mature through October 2043.

The 2020A ISRF Bonds have the top rating from Standard & Poor's Rating Services (S&P) ("AAA"), and Fitch Ratings (Fitch) ("AAA"), and were not rated by Moody's Investors Service (Moody's). As explained by S&P, its strong ratings reflect the ISRF Program's extremely strong financial risk score and very strong enterprise risk score. S&P and Fitch cited pool diversity, sound program management, financial policies, and market position, among other factors, as support for the ratings.

Long-term Financial Planning

IBank's priorities for the upcoming years include, but are not limited to, the following: providing funding to infrastructure, climate-enhancement, water, environmental, and economic development projects; creating and implementing sector-specific financing instruments and funds, such as the Climate Catalyst Revolving Loan Fund; implementing the recapitalized State Small Business Credit Initiative; and facilitating state-wide outreach to potential customers for all of IBank's programs. These priorities will provide access to more affordable funds for California infrastructure, clean energy, water, environmental, and economic development projects, while maintaining IBank's positive net position.

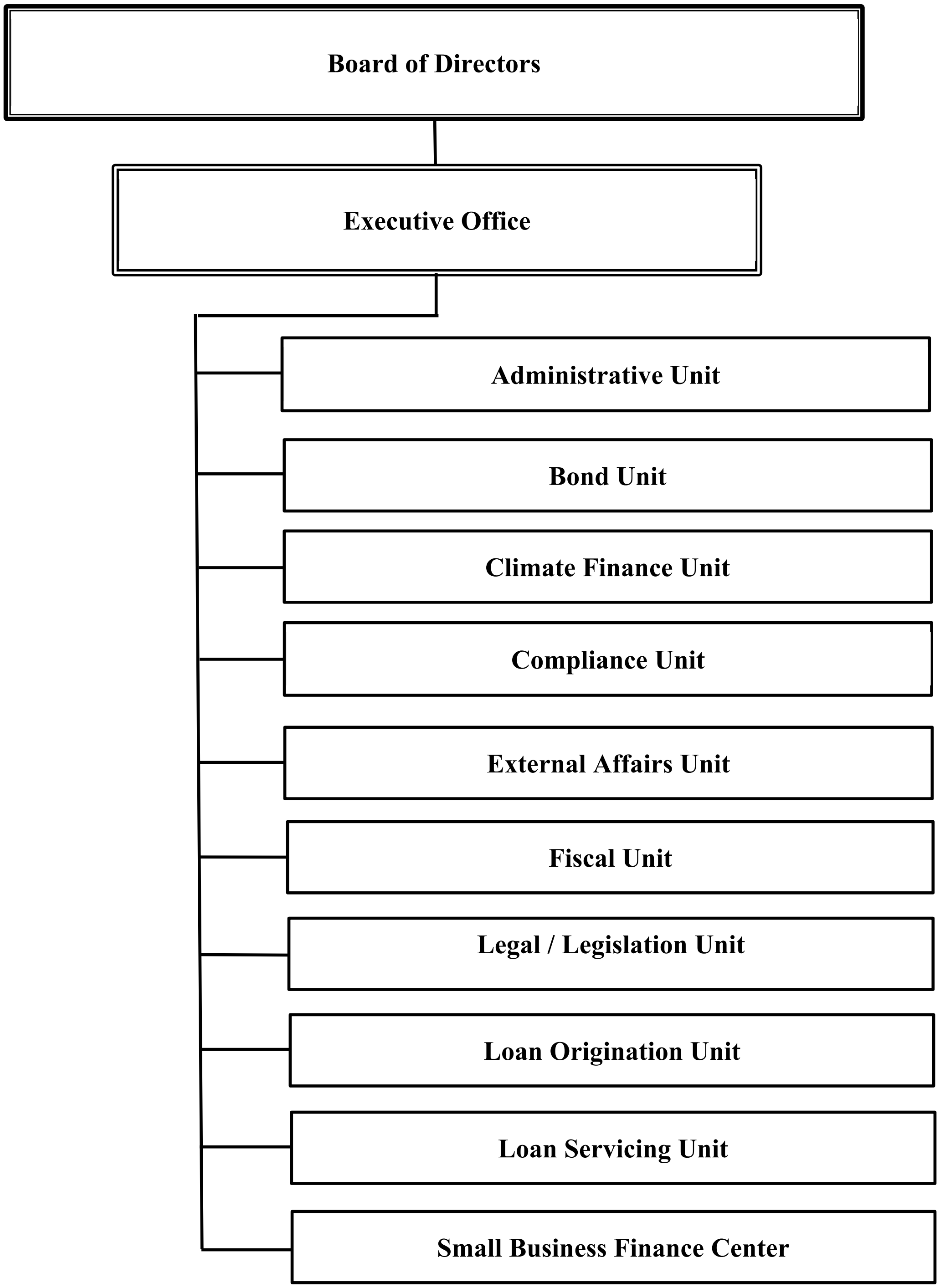
Acknowledgements

I wish to acknowledge all of the staff of the California Infrastructure and Economic Development Bank for their consistent dedication and contribution to the success of IBank and the State. I wish to acknowledge the Fiscal Unit staff for the preparation of this ACFR and the members of IBank Executive Committee for their continued care and support in the management and guidance of IBank's programs.

Respectfully submitted,

Scott Wu
Executive Director

ORGANIZATION CHART



CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

PRINCIPAL OFFICIALS

IBank Board of Directors

Dee Myers, Director, Governor's Office of Business and Economic Development

Fiona Ma, State Treasurer

Toks Omishakin, Secretary of the California State Transportation Agency, effective February 28, 2022

Keely Bosler, Director of the Department of Finance

Marc Steinorth, Governor's Appointee

IBank Executive Office and Management Staff

Scott Wu, Executive Director

Clint Kellum, Chief Deputy Executive Director

Ross Culverwell, Chief Credit Officer

Mei Kwee, Fiscal Unit Manager, effective May 9, 2022

Stefan R. Spich, General Counsel and Deputy Director of Legislative Affairs, effective April 11, 2022

Karen Naungayan, Deputy Director of External Affairs

Dan Adler, Deputy Director for Climate Finance, effective April 18, 2022

Jeffrey L. Ingles, Deputy Director of Compliance and Chief Risk Officer

Fariba A. Khoie, Bond Finance Unit Manager

Lina Benedict, Loan Origination Unit Manager

John Weir, Loan Servicing Unit Manager, effective November 1, 2021

Megan Hodapp, Small Business Finance Center Manager

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Board of Directors
California Infrastructure and Economic Development Bank
Sacramento, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the California Infrastructure and Economic Development Bank Fund, California Infrastructure Guarantee Trust Fund, the California Small Business Expansion Fund and the Climate Catalyst Revolving Loan Fund of the California Infrastructure and Economic Development Bank (IBank), a component unit of the State of California, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise IBank'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 financial position of the California Infrastructure and Economic Development Bank Fund, California Infrastructure Guarantee Trust Fund, the California Small Business Expansion Fund and the Climate Catalyst Revolving Loan Fund of the California Infrastructure and Economic Development Bank (IBank), a component unit of the state of California, as of and for the fiscal year ended June 30, 2022, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of IBank, 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about IBank'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 GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of IBank'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 IBank'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, schedule of IBank's proportionate share of the net pension liability, schedule of IBank's contributions: pension plan, schedule of IBank's proportionate share of the net OPEB liability, and schedule of IBank's contributions: other postemployment benefit plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2023, on our consideration of IBank'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 IBank'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 IBank's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
August 28, 2023

Introduction

The following Management's Discussion and Analysis (MD&A) provides an overview to the financial statements of the California Infrastructure and Economic Development Bank (IBank), a description of its activities, and an analysis of the financial position for the fiscal year ended June 30, 2022. IBank is within the Governor's Office of Business and Economic Development (GO-Biz). IBank is under the direction of its Executive Director, who is appointed by the Governor. IBank is governed by and its corporate powers are exercised by a board of directors consisting of the Director of Finance, the Treasurer, the Director of the GO-Biz, the Secretary of Transportation, and a Governor's appointee.

The information presented in this section should be read in conjunction with the information in our letter of transmittal on pages 3-6 of this report and the financial statements and notes that follow this section.

IBank and Current Programs

IBank's funds are the California Infrastructure and Economic Development Bank Fund (CIEDB Fund), the California Infrastructure Guarantee Trust Fund (Guarantee Trust Fund), the California Small Business Expansion Fund (Expansion Fund), and the Climate Catalyst Revolving Loan Fund (Climate Catalyst Fund).

IBank is a State of California financing entity whose mission is to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong California economy, and improve the quality of life in California communities. IBank has broad authority to, among other things, issue tax-exempt and taxable bonds, provide financing to a variety of entities, provide credit enhancements, including guarantees, acquire or lease facilities, and leverage State and Federal funds. IBank's current operations are funded generally from fees, investment earnings, Infrastructure State Revolving Fund Program financing repayments, and certain state funds provided that allow for up to 5 percent to be used for administrative overhead. IBank is a component unit of the State (State) and the financial statements are included in the State's Annual Comprehensive Financial Report.

IBank's programs include the Infrastructure State Revolving Fund (ISRF) Program, which is a revolving financing program that is authorized to provide financing to governmental and certain non-profit entities for a variety of public infrastructure and economic expansion projects, and conduit Bond Financing Programs, including Industrial Development Bonds (IDBs) for manufacturing companies, 501(c)(3) Revenue Bonds for nonprofit public benefit corporations, State School Fund Bonds, Exempt Facility Bonds for projects authorized under Internal Revenue Code Section 142(a), and Public Agency Revenue Bonds for governmental entities. Conduit bonds issued by IBank are a limited obligation of IBank payable solely from the revenues generated by, and security provided by, the underlying borrower.

On October 4, 2013, the Small Business Financial Assistance Act of 2013 (SBFC Act) created the California Small Business Finance Center (SBFC) within IBank and transferred the administration of the California Small Business Loan Guarantee Program (SBLGP), the Farm Loan Program, the Surety Bonds Guarantee Program, and the Disaster Relief Loan Guarantee Program to IBank's Expansion Fund. The Expansion Fund is continuously appropriated without regard to the fiscal year and is available for expenditure for SBFC related purposes as stated in the SBFC Act.

On August 25, 2015, the IBank Board of Directors approved the criteria, priorities, and guidelines to select and underwrite projects for financing under the California Lending for Energy and Environmental Needs (CLEEN) Center. IBank's CLEEN Center provides low-cost financing to eligible State and local governments, and public universities, schools, and hospitals. The approved eligible projects include commercially proven technologies that are expected to result in carbon reduction benefits, water conservation, or other environmental benefits within the State, including energy efficiency, renewable energy, energy storage, alternative technologies, alternative fuels, transportation, water, and environmental projects.

Small businesses in California's low-wealth communities generally suffer from economic and educational disadvantages not typically present with their competitors in higher-wealth communities, including inadequate access to capital, limited technical assistance resources, and a lack of business training. On September 27, 2016, the IBank Board of Directors approved the establishment of the Jump Start Loan Program to help ameliorate the economic and competitive disadvantages suffered by small businesses in California's low-wealth communities. The Jump Start Loan Program provides access to capital, financial literacy training, and technical business training.

In the aftermath of the unprecedented wildfires plaguing California in the Fall of 2017, IBank became aware that small businesses in areas affected by the wildfires had suffered severe harm, loss to real and personal property, and faced potentially ruinous financial injury, and were located in areas affected by a state of emergency as declared by the Governor of the State of California or in areas affected by a state of disaster as declared by the President of the United States, the Administrator of the United States Small Business Administration, or the United States Secretary of Agriculture (collectively, Disaster Areas). IBank also became aware that many small business entrepreneurs in these areas who had suffered severe harm, loss to real and personal property, or faced potentially ruinous financial injury may not be able to obtain access to capital through traditional financing sources to recover from the disaster-caused injury and losses.

On October 24, 2017, the IBank Board of Directors consented to permitting all small businesses located in Disaster Areas to apply for direct financing under IBank's Jump Start Loan Program irrespective of whether such Disaster Areas are in low-wealth communities. In addition, the IBank Board reactivated and funded at that time the administration of the previously inactive and underfunded Disaster Relief Loan Guarantee Program (Disaster Relief Program) to provide necessary financial assistance to eligible small businesses in Disaster Areas by authorizing the transfer of up to $10,000,000 from the SBLGP to the Disaster Relief Program at the times and in the amounts appropriate for the ongoing success of each Program.

On April 2, 2020 IBank received a $50 million allocation from the State to launch the COVID-19 Micro Loan Guarantee initiative to address gaps in available financing to the smallest of small businesses, including those that may not qualify for federal disaster assistance and businesses that are female owned, minority owned, or located in low-wealth communities.

The 2020 Budget Act provided a $25 million one-time General Fund allocation to serve as the anchor investment to create the California Rebuilding Fund, combining investments from private philanthropic, and public sector sources to provide capital for participation CDFIs to offer low-interest loans to California's smallest businesses as they reopen and recover from the impacts of the COVID-19 pandemic. In November 2020, Governor Newsom allocated an additional $12.5 million to bring the State's total investment in the California Rebuilding Fund to $37.5 million. The IBank Board of Directors approved the Small Business Loan Catalyst Program (the program created to participate in the California Rebuild Fund) and the use of the allocated funds as the anchor investment of the California Rebuilding Fund on August 26, 2020 and December 16, 2020, respectively.

On June 29, 2020, Chapter 10, Statutes of 2020 (Assembly Bill 78) was enacted, which established the Climate Catalyst Revolving Loan Fund Program. The program was established to be a general-purpose financing vehicle for the State's critical climate and sustainability infrastructure, the program's focus will expand over time based on capital sources. The first capitalization of the program, $49 million for forest biomass utilization was included in the 2021-22 Budget Act. On January 26, 2022, The IBank Board of Directors approved the initial Climate Catalyst Revolving Loan Fund Program guidelines and the statutorily required financing plan for the forest biomass utilization funding.

Financial Highlights 2021-2022

- The net position of IBank was $627.9 million as of June 30, 2022, all of which was restricted. Net position increased by $108.8 million from the previous fiscal year. $70 million of this increase is attributable to State General Fund allocations for the purpose of increasing capital access to small businesses as the economy recovers from the COVID-19 pandemic. $49 million of this increase is attributable to State General Fund allocations providing the first capitalization of the Climate Catalyst Fund, with the funds dedicated to supporting projects that support forest resilience.

- Total cash, cash equivalents, and investments increased during the fiscal year by $63.6 million. The increase is primarily a result of new state revenues of $119.9 million received in 2021-22.

- Total loans receivable increased during the fiscal year by $32.3 million primarily because new loans disbursed outpaced loan repayments during the fiscal year.

- The net pension liability as of June 30, 2022 was $4.0 million.

- The net OPEB liability as of June 30, 2022 was $1.9 million.

Overview of the Basic Financial Statements

The financial section of this annual financial report consists of this MD&A, the basic financial statements, and the notes to the basic financial statements. This MD&A is a discussion of many aspects of the IBank's operations and financial status and its information was compiled from IBank's basic financial statements and accompanying notes.

The basic financial statements have been prepared using the economic resources measurement focus and accrual basis of accounting in accordance with generally accepted accounting principles and include the following three statements:

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

- The *Statement of Revenues, Expenses, and Changes in Fund Net Position* presents information reflecting how the net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

- The *Statement of Cash Flows* reports the cash flows from operating activities, noncapital financing activities, and investing activities, and the resulting impacts to cash and cash equivalents for the fiscal year.

The *Notes to the Basic Financial Statements* provide additional information that is essential to a full understanding of the data provided in the basic financial statements. These notes can be found immediately following the basic financial statements.

Statement of Net Position

The net position was $627.9 million as of June 30, 2022, all of which was restricted. Net position increased by approximately $108.8 million from the previous fiscal year directly as a result of operating revenues exceeding operating expenditures by approximately $125.1 million and investment losses of approximately $16.4 million from nonoperating activities.

The following table presents a condensed, combined Statement of Net Position as of June 30, 2022 and 2021, and the dollar and percentage change from the prior year.

	2022	2021	$ Change	% Change
Cash, cash equivalents, and investments - restricted	$ 526,373,430	$ 462,770,866	$ 63,602,564	13.7%
Loans receivable	462,397,532	430,116,797	32,280,735	7.5%
Other assets	8,669,817	6,160,421	2,509,396	40.7%
Total Assets	997,440,779	899,048,084	98,392,695	10.9%
Total Deferred Outflows of Resources	15,899,823	17,532,984	(1,633,161)	-9.3%
Total Assets and Deferred Outflows of Resources	$ 1,013,340,602	$ 916,581,068	$ 96,759,534	10.6%
Revenue bonds payable	$ 304,885,000	$ 324,340,000	$ (19,455,000)	-6.0%
Net pension liability	3,960,065	5,785,644	(1,825,579)	-31.6%
Net OPEB liability	1,917,000	6,608,000	(4,691,000)	-71.0%
Other liabilities	11,033,452	11,937,961	(904,509)	-7.6%
Undisbursed loan commitments	61,221,701	47,049,316	14,172,385	30.1%
Total Liabilities	383,017,218	395,720,921	(12,703,703)	-3.2%
Total Deferred Inflows of Resources	2,395,910	1,717,309	678,601	39.5%
Net Position - Restricted - Expendable by Statute	627,927,474	519,142,838	108,784,636	21.0%
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 1,013,340,602	$ 916,581,068	$ 96,759,534	10.6%

Assets

Total cash, cash equivalents, and investments increased during the fiscal year by $63.6 million. The increase is primarily a result of new state revenues of $119.9 million received in 2021-22. $70 million related to State General Fund allocations for the purpose of increasing capital access to small businesses as the economy recovers from the COVID-19 pandemic. $49 million related to State General Fund allocations providing the first capitalization of the Climate Catalyst Fund, with the funds dedicated to supporting projects that support forest resilience.

Loans receivable (including pledged, non-pledged, CLEEN, Jump Start and Farm Loans) totaled $462.4 million as of June 30, 2022, which is an increase of $32.3 million from the prior year. The increase is primarily because new loans disbursed outpaced loan repayments during the fiscal year.

Liabilities

Total liabilities were $383 million as of June 30, 2022, a decrease of $12.7 million over the prior fiscal year. The largest liability is revenue bonds payable, which consists of the Series 2020A Bonds issued in December 2020. Revenue bonds payable decreased by $19.4 million due to the payment of principal and amortization of bond premiums. Undisbursed loan commitments increased by $14.2 million due to new loans being closed.

Deferred Outflows of Resources, Net Pension Liability, Net OPEB Liability, and Deferred Inflows of Resources

Deferred outflows of resources decreased by $1.6 million and deferred inflows of resources increased by $0.7 million. While the net pension liability decreased by $1.8 million mostly as a result of favorable investment earnings in the CalPERS Plan as of the measurement period ended June 30, 2021, and the net OPEB liability decreased by $4.7 million mainly due to a decrease in IBANK's proportionate share of the OPEB plans liability and the OPEB plans increased fiduciary net position.

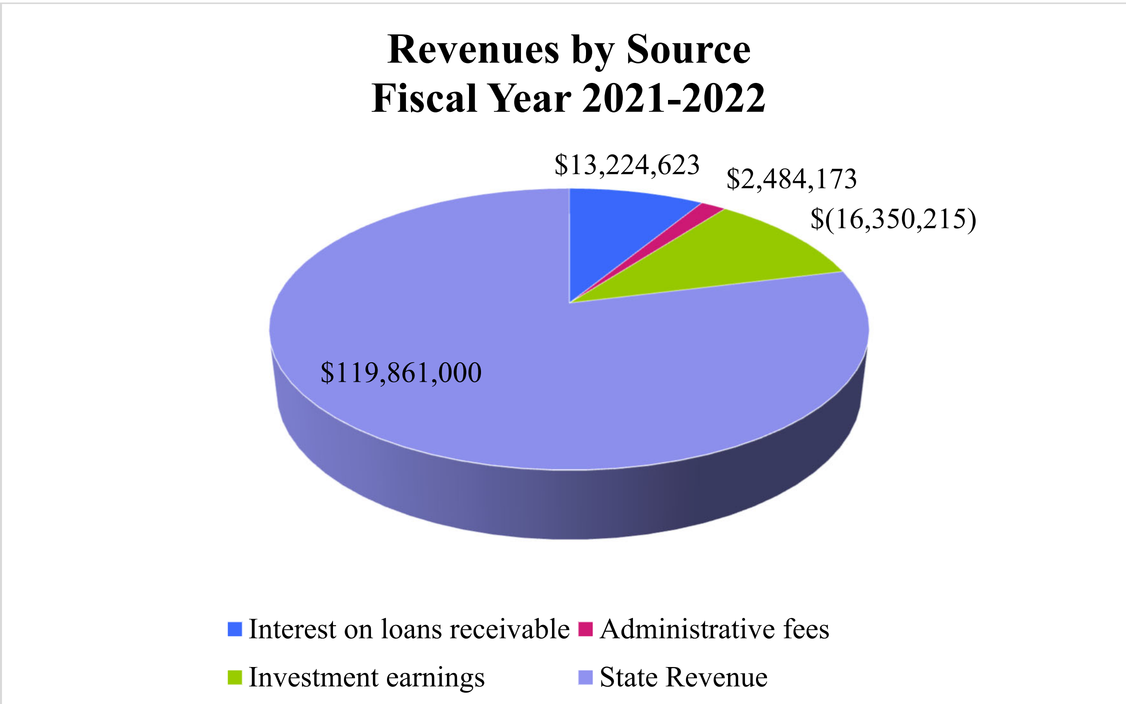
Statement of Revenues, Expenses, and Changes in Fund Net Position

The operating revenue was $135.6 million and net position increased $108.8 million for the fiscal year ended June 30, 2022. The following table presents the condensed, combined Statement of Revenues, Expenses, and Changes in Fund Net Position for the 2021-2022 and 2020-2021 fiscal years.

	2022	2021	$ Change	% Change
Interest on loans	$ 13,224,623	$ 13,362,712	$ (138,089)	-1.0%
State revenue	119,861,000	88,361,000	31,500,000	35.6%
Administration fees and other income	2,484,173	3,348,744	(864,571)	-25.8%
Total operating revenues	135,569,796	105,072,456	30,497,340	29.0%
Interest on revenue bond debt	6,800,008	5,901,084	898,924	15.2%
Nonexchange financial guarantee	1,394,588	2,565,291	(1,170,703)	-45.6%
Program support	8,099,613	8,592,919	(493,306)	-5.7%
Pension and OPEB Expense (Recovery)	(5,859,264)	1,848,285	(7,707,549)	-417.0%
Total operating expenses	10,434,945	18,907,579	(8,472,634)	-44.8%
Operating income (loss)	125,134,851	86,164,877	38,969,974	45.2%
Total nonoperating revenue (expense)	(16,350,215)	1,464,039	(17,814,254)	-1216.8%
Change in net position	108,784,636	87,628,916	21,155,720	24.1%
Net position, beginning of year	519,142,838	431,513,922	87,628,916	20.3%
Net position, end of year	$ 627,927,474	$ 519,142,838	$ 108,784,636	21.0%

Revenues

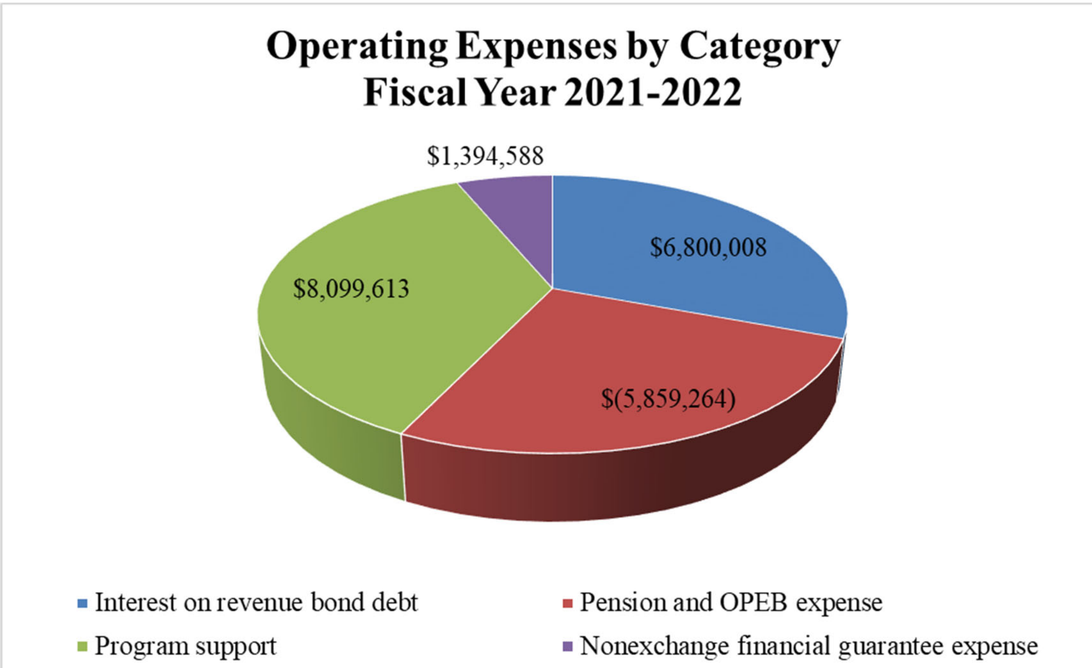
The following chart presents operating and nonoperating revenues by source:



Total operating revenues were $135.6 million during the fiscal year compared to $105.1 million for the prior fiscal year, an increase of $30.5 million is primarily due to an increase in State Revenue.

Operating Expenses

The following chart presents operating expenses by category:



Total operating expenses were $10.4 million during the fiscal year compared to $18.9 million for the prior fiscal year, which is a decrease of $8.5 million, primarily due to a decrease of $1.2 million in nonexchange financial guarantee expenses in the Expansion Fund and decreases in Pension and OPEB expense.

Budgetary Information

IBank funds are generally continuously appropriated for IBank's programs without regard to fiscal years. However, funds for administrative costs in the CIEDB Fund and funds for administrative costs or from federal appropriations in the Climate Catalyst Fund are not continuously appropriated. Continuous appropriation authority means that no further appropriations are necessary to expend funds held in either the CIEDB Fund, the Guarantee Trust Fund, the Expansion Fund or the Climate Catalyst Revolving Loan Fund.

Debt Administration

IBank administers the ISRF Program, a leveraged revolving financing program. The initial ISRF Program Financings were funded with previous State General Fund appropriations. IBank issued $51.37 million in ISRF Program Revenue Bonds in March 2004, $52.80 million in December 2005, $48.37 million in September 2008, $95.96 million in February 2014, $90.07 million in June 2015, $141.60 million in June 2016, and $324.34 million in December 2020 (collectively, ISRF Program Bonds) to provide additional funding for ISRF Program financings and/or refund prior ISRF Program Bond issuances. The 2014A ISRF Program Bonds were issued to refund the 2004 and 2005 ISRF Program Bonds and to reimburse existing bond anticipation loans. The 2015A ISRF Program Bonds were issued to refund the 2008 ISRF Program Bonds and to reimburse existing bond anticipation loans. The 2016A ISRF Program Bonds were issued to finance new loans and to reimburse existing bond anticipation loans. The 2020A ISRF Program Bonds were issued to advance refund and defease all of the outstanding ISRF Revenue Bonds Series 2014A, Series 2015A, and Series 2016A. The ISRF Program Bonds were sold without a credit enhancement, and in 2004 and 2005, were initially rated AA, Aa2, and AA by Standard & Poor's Rating Services (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch), respectively. Upon the issuance of the 2008 ISRF Program Bonds, S&P and Fitch raised the ratings on the ISRF Program Bonds to AA+, citing proactive and strong program oversight and management, and thorough ongoing surveillance of existing Loans as key factors to the high credit ratings on the bonds. The 2014A and 2015A ISRF Program Bonds were assigned a rating of AAA, Aa1, and AAA by S&P, Moody's, and Fitch, respectively. S&P and Fitch assigned a stable outlook to the 2014A and 2015A ISRF Program Bonds. Moody's assigned a stable outlook to the 2014A ISRF Program Bonds and a positive outlook to the 2015A ISRF Program Bonds. Moody's rated the 2016A ISRF Program Bonds Aaa. In addition, Moody's upgraded IBank's Series 2014A and Series 2015A Bonds to Aaa, from Aa1. S&P and Fitch each rated the 2016A ISRF Program Bonds AAA and affirmed their respective AAA rating on the 2014A and 2015A ISRF Program Bonds. The credit rating agencies cited pool diversity, sound program management, financial policies, and market position, among other factors, as support for the ratings. In addition, the 2020A ISRF Program Bonds received the top rating from S&P (AAA) and Fitch (AAA). As explained by S&P, its rating reflects the ISRF Program's extremely strong financial risk score and very strong enterprise risk score. In addition, Fitch explains that its cash flow modeling demonstrates the ISRF Program remains able to pay bond debt service even with loan defaults in excess of Fitch's 'AAA' liability rating stress hurdle.

Existing ISRF Program Financings were funded from previous State General Fund appropriations, interest earned on the ISRF Program Financings, the repayment of principal on ISRF Program Financings receivable, investment earnings, administration fee revenue, and/or the proceeds of ISRF Program Bonds. The 2020A ISRF Program Bonds are structured under an open-indenture model. The 2020A ISRF Program Bonds are limited obligations of IBank payable solely from and secured solely by pledged ISRF Program Financing repayments, certain funds and accounts under the ISRF Indenture, and interest earnings on such funds and accounts. Note 4 of the Notes to the Financial Statements contains additional information about the outstanding ISRF Program Bonds.

IBank also issues conduit bonds including Industrial Development Bonds for certain privately-owned manufacturing and processing businesses, 501(c)(3) Revenue Bonds for nonprofit entities, State School Fund Bonds for financially troubled public school districts, exempt facility bonds, and Public Agency Revenue Bonds for other state and local governmental entities. During the fiscal year, IBank served as the issuer for nearly $455 million of conduit revenue bonds. Conduit bonds are a limited obligation of IBank payable solely from the pledged revenues of the conduit borrower, collateral of the conduit borrower or related entities, and third-party guarantees or credit support facilities. As such, except for administration fee revenue related to the conduit bond programs, conduit bond financial activities are not reflected in IBank's financial statements.

Coronavirus Disease (COVID-19)

In March 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to IBank, COVID-19 will provide continued uncertainty for ISRF Program borrowers and their ability to timely repay outstanding loans, the demand for IBank's financing programs, and nonexchange financial guarantees. Management believes IBank is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events continue to progress.

Requests for Information

This financial report is designed to provide interested parties with a general overview of the finances of IBank. Questions concerning the information provided in this report or requests for additional information should be addressed to Scott Wu, Executive Director, California Infrastructure and Economic Development Bank, P.O. Box 2830, Sacramento, California 95812-2830.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

STATEMENT OF NET POSITION
JUNE 30, 2022

	California Infrastructure and Economic Development Bank Fund	California Infrastructure Guarantee Trust Fund	California Small Business Expansion Fund	Climate Catalyst Revolving Loan Fund	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash and cash equivalents - restricted	$ 91,039,670	$ 26,522,491	$ 28,117,689	$ 8,915,754	$ 154,595,604
Investments - restricted	3,088,746	-	36,095,528	4,371,203	43,555,477
Due from Other Governments	-	-	-	2,000,000	2,000,000
ISRF Loans receivable	19,942,866	-	-	-	19,942,866
Interest and other receivables	5,474,038	46,879	977,321	171,579	6,669,817
Total current assets	119,545,320	26,569,370	65,190,538	15,458,536	226,763,764
NON-CURRENT ASSETS					
Investments - restricted	74,168,862	-	221,248,309	32,805,178	328,222,349
ISRF Loans receivable	432,193,496	-	-	-	432,193,496
Jump Start loans receivable, net	-	-	216,947	-	216,947
Farm loans receivable	-	-	4,304,561	-	4,304,561
California Rebuilding Fund loans receivable, net	-	-	5,739,662	-	5,739,662
Total non-current assets	506,362,358	-	231,509,479	32,805,178	770,677,015
Total assets	625,907,678	26,569,370	296,700,017	48,263,714	997,440,779
DEFERRED OUTFLOWS OF RESOURCES					
Total deferred outflows of resources	15,733,397	-	166,426	-	15,899,823
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 641,641,075	$ 26,569,370	$ 296,866,443	$ 48,263,714	$ 1,013,340,602
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION					
CURRENT LIABILITIES					
Accounts payable	$ 239,209	$ -	$ 210,018	$ 54,703	$ 503,930
Compensated absences payable	235,700	-	-	-	235,700
Loan payable - SMIF (SB 84)	124,528	-	11,657	-	136,185
Due to Other Governments	1,600,000	-	-	-	1,600,000
Revenue bond interest payable	1,284,226	-	-	-	1,284,226
Revenue bonds payable	18,155,000	-	-	-	18,155,000
Nonexchange financial guarantees	-	-	4,516,731	-	4,516,731
Funds held on behalf of others - BAAQMD Funding	-	-	1,933,247	-	1,933,247
Undisbursed loan commitments - ISRF	16,429,708	-	-	-	16,429,708
Total current liabilities	38,068,371	-	6,671,653	54,703	44,794,727
NON-CURRENT LIABILITIES					
Compensated absences payable	527,093	-	-	-	527,093
Loan payable - SMIF (SB 84)	269,107	-	27,233	-	296,340
Net OPEB liability	1,817,000	-	100,000	-	1,917,000
Net pension liability	3,826,527	-	133,538	-	3,960,065
Undisbursed loan commitments - ISRF	44,791,993	-	-	-	44,791,993
Revenue bonds payable	286,730,000	-	-	-	286,730,000
Total non-current liabilities	337,961,720	-	260,771	-	338,222,491
Total liabilities	376,030,091	-	6,932,424	54,703	383,017,218
DEFERRED INFLOWS OF RESOURCES					
Total deferred inflows of resources	2,259,963	-	135,947	-	2,395,910
NET POSITION					
Restricted - Expendable: Statute	263,351,021	26,569,370	289,798,072	48,209,011	627,927,474
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 641,641,075	$ 26,569,370	$ 296,866,443	$ 48,263,714	$ 1,013,340,602

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

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	California Infrastructure and Economic Development Bank Fund	California Infrastructure Guarantee Trust Fund	California Small Business Expansion Fund	Climate Catalyst Revolving Loan Fund	Total
OPERATING REVENUES					
Interest on loans receivable	$ 13,310,955	$ -	$ (86,332)	$ -	$ 13,224,623
State revenue	-	-	70,861,000	49,000,000	119,861,000
Administration fees and other income	2,268,365	-	215,808	-	2,484,173
Total operating revenues	15,579,320	-	70,990,476	49,000,000	135,569,796
OPERATING EXPENSES					
Interest on revenue bond debt	6,800,008	-	-	-	6,800,008
Nonexchange financial guarantee expense	-	-	1,394,588	-	1,394,588
Program support	4,786,788	-	3,248,930	63,895	8,099,613
Pension and OPEB Expense	(4,608,833)	-	(1,250,431)	-	(5,859,264)
Total operating expenses	6,977,963	-	3,393,087	63,895	10,434,945
OPERATING INCOME	8,601,357	-	67,597,389	48,936,105	125,134,851
NONOPERATING REVENUE					
Investment income (loss)	(2,847,579)	95,890	(12,871,432)	(727,094)	(16,350,215)
Total nonoperating revenue (expense)	(2,847,579)	95,890	(12,871,432)	(727,094)	(16,350,215)
Changes in net position	5,753,778	95,890	54,725,957	48,209,011	108,784,636
NET POSITION, Beginning of year	257,597,243	26,473,480	235,072,115	-	519,142,838
NET POSITION, End of year	$ 263,351,021	$ 26,569,370	$ 289,798,072	$ 48,209,011	$ 627,927,474

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

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	California Infrastructure and Economic Development Bank Fund	California Infrastructure Guarantee Trust Fund	California Small Business Expansion Fund	Climate Catalyst Revolving Loan Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipt of interest on loans receivable	$ 13,219,172	$ -	$ 61,558	$ -	$ 13,280,730
Receipt of administration fees	2,268,365	-	-	-	2,268,365
Receipt of state funds	-	-	70,861,000	47,000,000	117,861,000
Receipt of recovered guarantee payments	-	-	215,808	-	215,808
Receipt of principal on loans receivable	19,403,152	-	3,665,650	-	23,068,802
Payment of loan guarantees	-	-	(2,430,512)	-	(2,430,512)
Payment of outstanding loan commitments	(32,327,615)	-	(9,210,836)	-	(41,538,451)
Payment of program support	(5,243,901)	-	(2,342,869)	(9,192)	(7,595,962)
Net cash provided (used) by operating activities	(2,680,827)	-	60,819,799	46,990,808	105,129,780
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Payment of Cost of Issuance	(2,280)	-	-	-	(2,280)
Payment of principal on revenue bond debt	(19,455,000)	-	-	-	(19,455,000)
Payment of interest on revenue bond debt	(5,154,218)	-	-	-	(5,154,218)
Net cash used by noncapital financing activities	(24,611,498)	-	-	-	(24,611,498)
CASH FLOWS FROM INVESTING ACTIVITIES					
Sale of investments	20,059,610	-	190,190,128	2,597,838	212,847,576
Purchase of investments	(94,044,966)	-	(298,170,049)	(40,731,609)	(432,946,624)
Interest on investments	343,321	69,083	2,737,077	58,717	3,208,198
Net cash provided (used) by investing activities	(73,642,035)	69,083	(105,242,844)	(38,075,054)	(216,890,850)
CHANGE IN CASH AND CASH EQUIVALENTS	(100,934,360)	69,083	(44,423,045)	8,915,754	(136,372,568)
CASH AND CASH EQUIVALENTS, Beginning of year	191,974,030	26,453,408	72,540,734	-	290,968,172
CASH AND CASH EQUIVALENTS, End of year	$ 91,039,670	$ 26,522,491	$ 28,117,689	$ 8,915,754	$ 154,595,604
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES					
Operating income	$ 8,601,357	$ -	$ 67,597,389	$ 48,936,105	$ 125,134,851
Adjustments to reconcile operating income to net cash provided by operating activities:					
Interest on revenue bond debt	6,800,008	-	-	-	6,800,008
Cost of issuance paid directly from bond proceeds	2,280	-	-	-	2,280
Changes in assets, liabilities, and deferred outflows/inflows:					-
Loans receivable	(27,096,848)	-	(5,183,887)	-	(32,280,735)
Interest on loans receivable	(91,783)	-	147,890	-	56,107
Due from other governments	-	-	-	(2,000,000)	(2,000,000)
Accounts payable	(348,445)	-	(375,518)	54,703	(669,260)
Nonexchange financial guarantees liability	-	-	(1,035,924)	-	(1,035,924)
Funds held on behalf of others - BAAQMD Funding	-	-	932,196	-	932,196
Loan payable - SMIF (SB 84)	(127,232)	-	(11,916)	-	(139,148)
Compensated absences payable	16,284	-	-	-	16,284
Net OPEB liability	(3,554,000)	-	(1,137,000)	-	(4,691,000)
OPEB related deferred outflows/inflows	(473,000)	-	(145,000)	-	(618,000)
Net pension liability and related deferred outflows/inflows	(581,833)	-	31,569	-	(550,264)
Undisbursed loan commitments	14,172,385	-	-	-	14,172,385
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (2,680,827)	$ -	$ 60,819,799	$ 46,990,808	$ 105,129,780
NONCASH FINANCING AND INVESTING ACTIVITIES					
Amortization of deferred outflows of resources on refunding of debt	$ 1,654,447	$ -	$ -	$ -	$ 1,654,447

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

1. THE FINANCIAL REPORTING ENTITY

The California Infrastructure and Economic Development Bank (IBank), a component unit of the State of California (State), is a public instrumentality of the State, organized and existing pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act, constituting Division 1 of Title 6.7 of the California Government Code commencing with Section 63000 (Act). IBank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide loans, credit enhancements, including guarantees, acquire or lease facilities, and leverage State funds. The mission of IBank is to finance public infrastructure, climate-enhanced, water, environmental, and economic development projects that promote a healthy climate for job creation and retention, contribute to a strong California economy and a healthy environment, and improve the quality of life in California communities. IBank is governed by a five-member Board of Directors (Board) consisting of the Director of the Governor's Office of Business and Economic Development, who serves as the chair, the Director of the Department of Finance, the State Treasurer, the Secretary of the State Transportation Agency, and an appointee of the Governor.

IBank has reviewed criteria to determine whether other entities with activities that benefit the IBank should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity is financially accountable for the legally separate organization (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters), the scope of public service, and a special financing relationship. Based upon these criteria, IBank determined that there are no other entities that are required to be included in IBank's financial reporting entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

IBank operates in a similar manner as private sector businesses and is classified as an enterprise fund. The accounts of IBank are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of accounts in a separate column comprising of assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses. IBank's funds are organized as follows:

The **California Infrastructure and Economic Development Bank Fund (CIEDB Fund) -** The CIEDB Fund is continuously appropriated, without regard to fiscal year, and is available for expenditure for the program related purposes stated in the Act.

The ***Infrastructure State Revolving Fund (ISRF) Program*** provides financing to State and local government entities for a wide variety of infrastructure projects throughout the State. Eligible ISRF Program borrowers include any State or local governmental entities, and any departments, agencies, commissions, cities, counties, special districts, assessment districts, joint powers authorities, enhanced infrastructure special districts, and sub-divisions thereof, and nonprofit public benefit organizations formed on behalf of or sponsored by any such governmental entity. IBank issues revenue bonds (ISRF Program Bonds) to provide additional funding for the ISRF Program. The ISRF Program Bond indentures require an independent audit of the ISRF Programs.

The ***Bond Financing Program*** includes IBank as a conduit issuer of tax-exempt and taxable revenue bonds, loans, and commercial paper for private manufacturing, nonprofit and other governmental entities (Bond Financing Program). Legislation requires an audit of IBank's activities under the Bond Financing Program.

The ***California Lending for Energy and Environmental Needs (CLEEN) Center*** is a sub-program of the ISRF Program and provides low-cost financing to eligible State and local governments, public universities, schools, and hospitals. The approved eligible projects include commercially proven technologies that are expected to result in carbon reduction benefits, water conservation, or other environmental benefits within the State, including energy efficiency, renewable energy, energy storage, alternative technologies, alternative fuels, transportation, and water.

The **California Infrastructure Guarantee Trust Fund** is continuously appropriated to IBank without regard to fiscal year for the purpose of insuring all or a portion of the accounts and subaccounts within the Guarantee Trust Fund, any contracts or obligations of IBank or a sponsor, as that term is defined in the Act, and all or a part of any series of bonds issued by IBank, by a special purpose trust or by a sponsor, and is available for expenditure for the Guarantee Trust Fund related purposes stated in the Act.

The **California Small Business Expansion Fund (Expansion Fund) in the Small Business Finance Center (SBFC)** helps small businesses create and retain jobs, and encourages investment in low- to moderate-income communities. Effective October 4, 2013, the Small Business Financial Assistance Act of 2013 (SBFC Act) established the SBFC within IBank and transferred the Expansion Fund, which accounts for the activities of the California Small Business Loan Guarantee (SBLG) Program, the Farm Loan Program, the Jump Start Program, the Disaster Relief Program, and the Small Business Loan Catalyst Program to IBank. With the exception of certain amounts spent for program administration support that require an annual appropriation by the State Legislature for the SBLG program, the Expansion Fund is continuously appropriated without regard to fiscal year and is available for expenditure for the program-related purposes stated in the SBFC Act.

The ***California Small Business Loan Guarantee (SBLG) Program*** was established in the State in 1968 to provide access to capital and create jobs and opportunities for small businesses primarily owned by minorities, women, and disabled persons. The term loans and lines of credit are made by financial institutions, typically banks, credit unions and federally chartered community development financial institutions. Seven nonprofit financial development corporations (FDC) contract with IBank to administer the guarantees issued under the SBLG Program. The SBLG Program enables participating small businesses to secure financing for their business plans, including expanding operations, purchasing new equipment and inventory, and accessing working capital. The guarantee provided by IBank serves as a credit enhancement and an incentive for financial institutions to make term loans and lines of credit to small businesses that otherwise may not be able to obtain such financing.

In 2011, the State of California was approved for an allocation of $168 million in federal funds from the U.S. Treasury under the State Small Business Credit Initiative (SSBCI), a component of President Obama's Small Business Jobs Act of 2010. The allocation was divided equally between two State agencies, with the SBLG Program receiving four disbursements (tranches) since inception. The SSBCI funds have unique federal requirements. Consequently, the SSBCI funded collection guarantees were administered by IBank separately as a subset of the SBLG Program. From 2011 through 2017-18, the SBLG Program consisted of two subsets: the state-funded portion of the SBLG program and the federal SSBCI-funded portion. As of June 30, 2019, IBank has expended for small businesses in the State loan guarantees and permissible administrative costs, all of the SSBCI funds allocated by the U.S Treasury to IBank under SSBCI.

During the 2021-2022 fiscal year, with its goal to help California meet its climate goals, through a Climate Tech Finance partnership with NorCal Financial Development Corporation and the Bay Area Air Quality Management District, the Small Business Finance Center guaranteed four loans, resulting in more than $8.3 million in loan guarantees that supported more than $9.5 million in Climate Tech loans.

The ***Disaster Relief Program*** was created to help businesses recover from a declared disaster. The loan guarantees provided by the Disaster Relief Loan Guarantee Program help mitigate barriers to capital for small businesses that have suffered a loss (either physical or economic) due to a disaster. The program helps businesses remain solvent during an extremely difficult time and eventually recover from their losses. In April 2020, IBank received a $50 million General Fund allocation and launched a new initiative to target small businesses needing help to overcome economic injuries caused by COVID-19. The COVID-19 Micro Loan Guarantee Fund serves small business owners who may not qualify for federal disaster assistance and businesses that are female owned, minority owned, or located in low-wealth communities. Loan proceeds for the COVID-19 Micro Loan Guarantee Fund must be used for business continuance and to cure a “significant economic injury” as the result of the COVID-19 pandemic.

The ***Small Business Loan Catalyst Program*** was established in August 2020 to enable IBank’s direct or indirect participation with Lenders and/or Special Purpose Entities to catalyze Small Business lending in California. In fiscal year 2020-21, IBank provided a $37.5 million in one-time General Fund allocations to serve as the anchor investment to create the California Rebuilding Fund, the first loan under the Small Business Loan Catalyst Program, which combined investments from private, philanthropic, and public sector sources to provide low-interest loans to California’s smallest businesses as they reopened and recovered from the impacts of the COVID-19 pandemic.

The ***Farm Loan Program*** supports direct loans by IBank to small farms through participating FDCs. The term loans and lines of credit provide capital for farms that are primarily engaged in producing crops, livestock products, or aquatic organisms through the utilization and management of land, water, labor, capital, and basic materials including seed, feed, fertilizer, and fuel. The farm loans are 90% guaranteed by the U.S. Department of Agriculture, Farm Service Agency. One FDC is currently participating in the Farm Loan Program.

The ***Jump Start Loan Program*** is a micro-loan and financial literacy/technical assistance program exclusively for low-wealth entrepreneurs in low-wealth communities and areas affected by a state of emergency within California and declared a disaster by the President of the United States, the Administrator of the United States Small Business Administration, or the United States Secretary of Agriculture, or declared to be in a state of emergency by the Governor of the State of California (Disaster Area). IBank's goal is to make more small business micro-loans available to low-wealth entrepreneurs, including low-wealth businesses owned by women, minorities, veterans, persons with disabilities, and persons previously incarcerated, and small businesses in the State that have suffered significant actual physical damage to real or personal property and/or have suffered significant economic injury, as a result of a disaster in a Disaster Area. Five FDCs are currently participating in the Jump Start Loan Program.

The ***Climate Catalyst Revolving Loan Fund*** (Climate Catalyst Fund) is continuously appropriated, without regard to fiscal year, except for administrative costs and federal appropriations and is available for expenditure for the program related purposes stated in the Climate Catalyst Revolving Loan Fund Act of 2020 (Government Code Sections 63048.91 -63048.100).

The ***Climate Catalyst Revolving Loan Fund Program*** (Climate Catalyst) was established in law in June 2020 to fill an important gap in the state's robust response to climate change. Open to both private- and public-sector applicants, the Climate Catalyst Fund is designed to:

- Jumpstart critical climate solutions through flexible, affordable credit and credit support.
- Help bridge the financing gap that currently prevents these advanced technologies and practices from scaling into the marketplace.
- Mobilize public and private finance for shovel-ready projects that are stuck in the deployment phase.
- Accelerate the speed and scale at which technologically proven, critical climate solutions are deployed.

The Climate Catalyst Fund is flexible, offering a range of financial instruments to help bridge the financing gap and accelerate the adoption and deployment of climate solutions into the marketplace. It received its first capitalization in fiscal year 2021-22 with a focus on supporting forest resilience projects.

B. ACCOUNTING PRINCIPLES

The accompanying financial statements have been prepared using the economic resources measurement focus and accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

IBank distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing financial services in connection with principal ongoing operations. The primary operating revenue reported is state revenue. Also recognized in operating revenue are financing income, representing interest on financing provided to borrowers; the fees charged to ISRF Program borrowers; conduit Bond Financing

Program borrowers; Expansion Fund guarantee recoveries; and Expansion Fund revenue including interest on Jump Start Loans and Farm Loans. Operating expenses primarily include interest expense on the ISRF Program Bonds, Expansion Fund nonexchange financial guarantee expenses, and program support expenses. Investment income is reported as nonoperating revenue.

C. CASH AND EQUIVALENTS AND INVESTMENTS

IBank considers all short-term investments with an original maturity of three months or less at the time of purchase to be cash equivalents. In addition, the investment in the State's Surplus Money Investment Fund (SMIF), an investment pool within the State's centralized treasury system, is considered to be highly liquid and cash equivalents. All investment income, including changes in the fair value of investments, is recognized as revenue in the Statement of Revenues, Expenses, and Changes in Fund Net Position.

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures (Amendment of GASB No. 3)*, certain disclosure requirements, if applicable, for deposits and investment risks are specified relating to the following risks: interest rate, credit, custodial credit, concentrations of credit, and foreign currency. In addition, other disclosures are specified including, but not limited to, the use of certain methods to present deposits and investments and highly sensitive investments at year-end.

Certificates of deposit are recorded at cost. It is the intent of IBank to hold these certificates of deposit until maturity. IBank holds investments that are measured at fair value on a recurring basis. IBank 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 assets. 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.

IBank generally purchases short term investment grade securities in its trust accounts with the intent to hold securities to maturity. However, governmental accounting standards require that securities are marked to fair market value, which reflects gains or losses in the financial statements that may not be realized.

D. LOANS RECEIVABLE

ISRF Loans - IBank is authorized to enter into loan agreements, installment sale agreements, and lease agreements (Loans) to finance public infrastructure and economic development projects to finance (1) public infrastructure and economic development projects for a variety of governmental entities and (2) economic development projects for non-profit organizations sponsored by governmental entities pursuant to the ISRF Program. A majority of the Loans (Series Pledged Loans) were pledged to the 2014A ISRF Program Bonds, 2015A ISRF Program Bonds, and the 2016A ISRF Program Bonds (the 2014-2016 Bonds). In December 2020, IBank issued its 2020A ISRF Program Bonds (the 2020 Bonds), the proceeds of which were used to defease the 2014-2016 Bonds. The Series Pledged Loans are now pledged to the 2020 Bonds and the 2014-2016 Bonds are secured by defeasance escrows. Loans receivable includes pledged and non-pledged Loans. Pledged and non-pledged Loans receivable consists of two components – the disbursed and the undisbursed amount of Loans. The disbursed amount of pledged Loans receivable includes amounts drawn by the borrower for reimbursement or payment of project costs. The undisbursed amount of pledged Loans receivable includes the balance available to be drawn by the borrowers and draws submitted for payment but unpaid at year-end, and is offset by a liability for outstanding undisbursed loan commitments. Prior to the issuance of the ISRF Program Bonds, Loans were funded solely by General Fund appropriations received from the State, Loan repayments, fee revenue, and investment income. Since the issuance of the ISRF Program Bonds, Loans have been funded from the proceeds of the ISRF Program Bonds and/or from proceeds of Loan repayments, fee revenue, and investment income.

The current portion of loan commitments is an estimate and is generally based upon projections provided by borrowers. These estimates are subject to change due to unforeseen weather conditions, construction delays related to change orders, delayed material shipment, subcontractor performance problems, and other factors that cannot be reasonably predicted. There is no provision for uncollectible accounts as all Loans are current and expected at this time to be repaid according to the scheduled terms. ISRF Loan interest rates range from 1.73% to 4.07% and the loan terms are 10 to 30 years.

Farm Loans - IBank provides funding for direct loans to small farms through participating FDCs in the Farm Loan Program under the Expansion Fund. The disbursed amount of the Farm Loans receivable includes amounts drawn by the borrower for reimbursement or payment of farm costs. Farm loans are funded from the accounts dedicated to the Farm Loan Program under the Expansion Fund. Farm Loans interest rates range from 3.25% to 7.00% and the loan terms are 10 months to 20 years.

Jump Start Loans - During the 2021-2022 fiscal year, IBank made a total of $16,000 of Jump Start Loans in California to 2 small businesses. Five FDCs under contract with IBank provided 77.08 hours of technical assistance to small businesses throughout California. Jump Start Loans interest rates range from 8.25% to 10.50% and the loan terms are 3 to 5 years.

California Rebuilding Fund Loans – During fiscal year 2021-22, IBank disbursed to the California Rebuilding Fund a total of $6.1 million, which was 22% of disbursements to the fund. The loan is part of a multi-lender financing designed to help small businesses obtain needed financing to recover from the pandemic, which funded over $24 million in total loans to 417 small businesses across the state. Lenders in third priority position (IBank) will have the ability to receive up to 3% interest, but only if the second and first priority lenders are paid in full. The likelihood of third priority lenders receiving any interest is low.

There is a provision for uncollectible accounts of $50,000 for Jump Start loans receivables and $361,299 for the California Rebuilding Fund at June 30, 2022. There are no other provisions for uncollectible accounts as all other loans are current and expected at this time to be repaid according to the scheduled terms.

E. ISSUANCE COSTS

Costs associated with the issuance of each series of the ISRF Program Bonds included bond counsel and disclosure counsel fees, trustee fees, rating agency fees, underwriting costs, financial advisor fees, agent for sale fees, escrow agent fees, and other miscellaneous expenses. The ISRF Program bond issuance costs are recognized as an expense when incurred.

F. REVENUE BONDS PAYABLE

The Revenue bonds payable are stated at their unpaid balance. The ISRF Program Bonds are subject to mandatory and optional redemption prior to their stated maturity. The ISRF Program Bonds are not obligations of the State, and the taxing power of the State is not pledged for their payments. The obligation of IBank to make such payments is a limited obligation, payable solely from the ISRF Program Bonds collateral pledged by IBank.

G. LOAN AND CONDUIT BOND FEES

IBank charges an origination fee and an annual servicing fee to ISRF Program borrowers. The origination fee is due upon execution of the Loan agreement and is collected no later than the date of the borrower's first disbursement. Loan origination fees are recognized as revenue when due. The annual servicing fee is recognized as revenue when earned. IBank also charges application, bond issuance, amendment, and annual fees to conduit Bond Financing Program borrowers. Conduit bond fees are recognized as revenue when earned.

H. COMPENSATED ABSENCES PAYABLE

Compensated absences payable represents employees' earned but unused vacation, annual leave, and other similar leave program balances, which are eligible for payment upon separation from State service. Unused sick leave balances are not included as they are converted to additional service credit used in the calculation of postemployment benefits.

I. NONEXCHANGE FINANCIAL GUARANTEES LIABILITY

A nonexchange financial guarantee is a financial guarantee for obligations without receiving equal or approximately equal value in exchange (a nonexchange transaction). The nonexchange financial guarantee liability represents amounts that will more likely than not be required for the guarantees based on consideration of the likelihood of default of individual loan violations of agreements and initiation of the process of financial reorganization.

J. DEFERRED OUTFLOWS/DEFERRED INFLOWS OF RESOURCES

In addition to assets and liabilities, the Statement of Net Position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of resources that applies to a future period(s) and will not be recognized as an outflow of resources (expense) until then. Conversely, deferred inflows of resources represent an acquisition of resources that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The loss on refunding debt, resulting from the difference in the carrying value and reacquisition price of the refunded debt, is reported as a deferred outflow of resources and is amortized over the shorter of the life of the refunded bond or refunding bond.

Contributions made to the pension and OPEB plans after the measurement date but before the fiscal year-end are recorded as a deferred outflow of resources and will reduce the net pension and OPEB liabilities in the next fiscal year.

Additional factors involved in the calculation of IBank's pension and OPEB expenses and net liabilities include the differences between expected and actual experience, changes in assumptions, differences between projected and actual investment earnings, changes in proportion, and differences between IBank's contributions and proportionate share of contributions. These factors are recorded as deferred outflows and inflows of resources and amortized over various periods. See Notes 7 and 8 for further details related to these deferred outflows and inflows. Additionally, the table below summarizes the reported deferred outflows and inflows by IBank at June 30, 2022:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Related to pension	$ 1,298,209	$ (2,050,910)
Related to OPEB	255,000	(345,000)
Loss on refunding debt	14,346,614	-
Total	$ 15,899,823	$ (2,395,910)

K. PENSIONS

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension and pension expense, information about the fiduciary net position of IBank's portion of the California Public Employees' Retirement System (CalPERS) Miscellaneous Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of IBank's portion of the State Plan (OPEB Plan) and additions to/deductions from OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. CLASSIFICATION OF NET POSITION

Restricted net position represents amounts restricted due to external restrictions imposed by creditors, laws or regulations of the government, and restrictions imposed by law through constitutional provisions or enabling legislation. The net position reported by IBank is restricted by statute for programs established by IBank and for programs administered pursuant to the Act.

N. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

IBank follows GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. This statement requires the disclosure of the interest rate, credit, custodial credit, concentration of credit and foreign currency risks to the extent that they exist at the date of the Statement of Net Position. Additional disclosure detail required by GASB Statement No. 40 for cash deposits, investments, and derivatives within the State's centralized treasury system can be found in the State's Annual Comprehensive Financial Report (ACFR) at https://sco.ca.gov/ard_state_acfr_sup.html, where the latest State ACFR is available.

Due to the specified nature of the activities reported in IBank as established in the Act, the SBFC Act, and the Climate Catalyst Revolving Loan Fund Act, all cash, cash equivalents, and investments are considered restricted at June 30, 2022, since these funds cannot be spent for any purpose other than as established in the Acts, SBFC Act, and Climate Catalyst Revolving Loan Fund Act.

Investments are made pursuant to an investment policy initially adopted by the Board in March 2006. IBank's current investment policy contains a requirement for the Board to review the investment policy on an annual basis. The investment policy was last reviewed and approved by the Board on January 26, 2022. The Investment Policy provides guidelines for prudent investment while maximizing efficiency and financial return in conformance with all applicable State statutes governing the investment of public funds, with the foremost objectives being safety, liquidity, and yield. IBank generally purchases short term investment grade securities in its trust accounts with the intent to hold securities to maturity. However, governmental accounting standards require that securities are marked to fair market value, which reflects gains or losses in the financial statements that may not be realized.

Pursuant to the Investment Policy, IBank may, from time to time, direct the State Treasurer (Treasurer) to invest monies in the CIEDB Fund, Guarantee Trust Fund, and the Climate Catalyst Fund held within the State's centralized treasury system that are not required for its current needs, in any eligible securities specified in Government Code Section 16430 as IBank shall designate. IBank may direct the Treasurer to invest monies in the Guarantee Trust Fund in certain repurchase agreements, investment agreements, and subordinated securities as specified in Government Code Section 63062(a). IBank may direct the Treasurer to deposit monies in interest-bearing accounts in qualified public depositories as established by State law, including any bank in the State or in any savings and loan association in the State. IBank may alternatively require the transfer of monies to SMIF for investment.

Government Code Sections 63052(e) and 5922(d) provide that bond proceeds and monies set aside and pledged to the repayment of bonds may be invested in securities or obligations described in the indenture for those bonds. Monies in each of the accounts with respect to the 2014A ISRF Program Bonds, 2015A ISRF Program Bonds, 2016A ISRF Program Bonds, and 2020A ISRF Program Bonds issued under the Indenture, dated as of February 1, 2014, between IBank and US Bank National Association, as trustee (ISRF Trustee), as supplemented and amended by the First Supplemental Indenture dated as of February 1, 2014 between IBank and the ISRF Trustee, the Second Supplemental Indenture dated as of June 1, 2015 between IBank and the ISRF Trustee, the Third Supplemental Indenture dated as of June 1, 2016 between IBank and the ISRF Trustee, and the Fourth Supplemental Indenture dated as of December 1, 2020 (Indenture) are held by the ISRF Trustee and shall be invested and reinvested by the ISRF Trustee in permitted investments, as that term is defined in the Indenture. The permitted investments mature or are subject to redemption by the owner thereof prior to the date such funds are expected to be needed.

Government Code Section 63089.5 provides for the continued existence in the State Treasury of the Expansion Fund and also provides that all of the funds in the Expansion Fund may be paid out to a financial institution that will establish a trust fund and act as trustee of the funds. Monies in each account with respect to the Expansion Fund under the SBFC have been paid out to and are held by Fiduciary Trust International, as trustee (SBFC Trustee), and are invested and reinvested by the SBFC Trustee in permitted investments pursuant to the Investment Policy.

Investments Authorized by the California Government Code and the Investment Policy

The following table identifies the investment types that are authorized by Government Code sections 16430, 5922(d), 63052(d) and (e), and 63062(a) or the Investment Policy, where more restrictive. The table below also identifies certain provisions of the California Government Code, or the Investment Policy, where more restrictive, that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds and other monies held by the ISRF Trustee that are governed by the provisions of the Indenture, but rather the general provisions of the California Government Code or the Investment Policy.

Authorized Investments

Authorized Investment Type	Maximum Maturity[1]	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Credit Rating[3]
U.S. Treasury Securities	7 Years	N/A[2]	N/A	N/A
Federal Agency Securities	7 Years	N/A	40%	N/A
State of California Securities	7 Years	30%	N/A	N/A
Local Agency Securities	7 Years	40%	5%	N/A
Commercial Paper	270 Days	30%	5%	A1/P1/F1
Bankers Acceptances	7 Years	40%	5%	N/A
Negotiable Certificates of Deposit	7 Years	30%	5%	N/A
U.S. SBA or U.S. FHA Securities	7 Years	30%	5%	N/A
Export-Import Bank Securities	7 Years	30%	5%	N/A
Guaranteed Student Loan Program Securities	7 Years	N/A	N/A	N/A
Development Bank Securities	7 Years	N/A	N/A	N/A
Corporate Debt Securities	7 Years	30%	5%	A
Investment Agreements	7 Years	N/A	N/A	N/A
Repurchase Agreements	7 Years	N/A	N/A	N/A
Reverse Repurchase Agreements	7 Years	N/A	N/A	N/A

1 No investment shall be made in any security, other than a collateral security underlying a repurchase agreement or collateral for any permitted investment agreement, that at the time of the investment either (1) has a term remaining to maturity in excess of seven years, or (2) an average life in excess of seven years. In either case, securities with greater maturities or average lives may be purchased if authorized by the Act (in particular, Government Code Section 63081) or herein, or the Board has granted express authority to make that investment or has authorized an investment program of a longer maturity or average life that is applicable to such investment. This maturity restriction shall not take into consideration the settlement period for an investment.

2 N/A means neither the Government Code nor the Investment Policy sets a limit.

3 A rating by any nationally recognized rating agency will meet this requirement. The nationally recognized rating agencies include Standard & Poor's (S&P), Moody's Investors Services (Moody's), and Fitch Ratings (Fitch) (collectively, Rating Agencies). Per Government Code, Investment agreements, repurchase agreements, and reverse repurchase agreements are required to be within the top three rating categories of a nationally recognized rating service.

Investments Held by IBank

Investment of debt proceeds and Loan repayments that are held by the ISRF Trustees are governed by the provisions of the Indenture. Such investments are referenced in the Investment Policy, which references Government Code sections 63052(e) and 5922(d). All other IBank investments are invested according to the IBank investment policy.

IBank has invested excess cash held within the State's centralized treasury system in SMIF. All of the resources in SMIF are invested through the Pooled Money Investment Account (PMIA). The PMIA investment program is overseen by the Pooled Money Investment Board and is administered by the Treasurer. The Treasurer values participants' shares in the pooled program on an amortized cost basis.

Cash and cash equivalents at June 30, 2022 were as follows:

SMIF	$ 36,263,521
Cash and Cash Equivalents with Financial Institutions	
Money Market Funds	83,409,108
Deposits	245,686
Held on behalf of others	1,933,654
U.S. Treasury Securities	32,743,635
Total Cash and Cash Equivalents	$ 154,595,604

Investments at June 30, 2022 were as follows:

Corporate Debt Securities	$ 121,420,520
Local Agency Securities	122,939,924
U.S. Treasury Securities	117,365,137
U.S. SBA or U.S. FHA Securities	10,051,558
Federal Agency Securities	687
Total Investments	$ 371,777,826

Fair Value Measurement

GASB Statement No. 72 requires IBank to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach, or an income approach. Statement No. 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs.

SMIF, being an investment pool, and Money Market Funds are subject to fair value measurement; however, they are not subject to the fair value hierarchy. The remaining investments are classified as Level 2 of the fair value hierarchy because they are valued using a matrix pricing model.

Deposit and Investment Risk Disclosures

Interest Rate Risk. Interest rate risk is the risk that the value of fixed income securities will decline because of rising interest rates. The prices of fixed income securities with a longer time to maturity, measured by weighted average to maturity, tend to be more sensitive to changes in interest rates and, therefore, more volatile than those with a shorter duration. As of June 30, 2022, the weighted average maturity of the investments contained in SMIF is approximately 311 days. SMIF is considered to be highly liquid and a cash equivalent.

Information about the sensitivity of the fair values of investments to market interest rate fluctuations is provided by the following table that shows the distribution of the investments by maturity as of June 30, 2022:

		Remaining Maturity (in Months)			
Investment Type	**Fair Value**	**12 Months or Less**	**13-24 Months**	**25-60 Months**	**More Than 60 Months**
Corporate Debt Securities	$ 121,420,520	$ 5,852,402	$ 36,302,967	$ 77,899,575	$ 1,365,576
Local Agency Securities	122,939,924	9,759,250	18,527,998	91,246,786	3,405,890
U.S. Treasury Securities	150,108,772	56,873,090	48,710,844	44,524,838	-
U.S. SBA or U.S. FHA Securities	10,051,558	3,814,369	-	6,237,189	-
Federal Agency Securities	687	-	-	687	-
SMIF	36,263,521	36,263,521	-	-	-
Money Market Funds	83,409,108	83,409,108	-	-	-
Total	$ 524,194,090	$ 195,971,740	$ 103,541,809	$ 219,909,075	$ 4,771,466

Credit Risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. SMIF and the certificate of deposit do not have a rating provided by a nationally recognized statistical rating organization. Presented below is the actual rating as of year-end for each of the remaining investment types as of June 30, 2022:

		Rating as of Year-End			
Investment Type	**Fair Value**	**AAA to AA**	**AA- to A-**	**BBB+- to BB-**	**Not Rated**
Corporate Debt Securities	$ 121,420,520	$ 7,077,098	$ 100,311,047	$ 10,739,731	$ 3,292,644
Local Agency Securities	122,939,924	80,641,248	26,912,773	-	15,385,903
U.S. Treasury Securities	150,108,772	117,365,137	-	-	32,743,635
U.S. SBA or U.S. FHA Securities	10,051,558	10,046,856	-	-	4,702
Federal Agency Securities	687	687	-	-	-
SMIF	36,263,521	-	-		36,263,521
Money Market Funds	83,409,108	83,409,108	-	-	-
Total	$ 524,194,090	$ 298,540,1354	$ 127,223,820	$ 10,739,731	$ 87,690,405

Custodial Credit Risk. Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, IBank will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, IBank will not be able to recover the value of its investment or collateral securities that are in the possession of another party. As of June 30, 2022, the investments were not subject to custodial credit risk.

4. REVENUE BONDS PAYABLE

On December 17, 2020, IBank issued $324,340,000 in ISRF Program Bonds. A portion of the proceeds, $322,801,640, was used to advance refund $270,550,000 of outstanding 2014A, 2015A and 2016A ISRF Program Bonds. These proceeds were deposited in an irrevocable trust with an escrow agent to pay the future debt service on the refunded bonds. As a result, the 2014A, 2015A, and 2016A ISRF Program Bonds are considered defeased and the liability for those bonds was removed from the Statement of Net Position. The remaining proceeds were used to pay costs of issuance of the Series 2020A bonds.

The reacquisition price (amount placed in escrow to repay the 2014A, 2015A, and 2016A ISRF Program Bonds) exceeded the net carrying amount of those bonds by $14,892,672. This loss on the bond refunding is reported as a deferred outflow of resources on the Statement of Net Position and is being amortized over the remaining life of the refunded bonds. As of June 30, 2022 the balance of the loss on bond refunding was $12,431,285. IBank refunded the 2014A, 2015A, and 2016A ISRF Program Bonds to reduce its debt service payments by $27,337,712 over the subsequent 25 years and to obtain an economic gain of $19,042,646 or 7.04% of the refunded par outstanding. The economic gain is the difference between the present value of the debt service payments on the old and new debt, discounted at 1.43%, 2.15%, and 2.24% for the 2014A, 2015A, and 2016A ISRF Program Bonds respectively.

The principal and interest payments received during the fiscal year from the Series-Pledged Loans are paid to the ISRF Trustees in amounts and at times sufficient to make the semi-annual debt service payments on the ISRF Program Bonds as they become due through 2043. The total principal and interest remaining to be paid on the ISRF Program Bonds is $368,037,583 as of June 30, 2022. For the fiscal year ended June 30, 2022, Series Pledged Loan repayments and reserve account earnings were $33,743,465. The debt service payments on ISRF Program Bonds for the fiscal year were $24,609,219, resulting in a bond debt coverage ratio for the fiscal year of 1.37 times. This Debt Service Coverage Ratio is calculated as of June 30, 2022 and therefore will not agree with the Debt Service Coverage Ratio prepared for the Bond Indenture annual reporting which is prepared as of September 30, annually.

The following is a summary of bonds payable at June 30, 2022:

Infrastructure State Revolving Fund Revenue Bonds, Series 2020A, issued $324,340,000 bearing up to 2.786% interest payable semi-annually, final maturity October 1, 2043 (2020 ISRF Program Bonds)	$ 304,885,000

The following is a schedule of the debt service requirements for the 2020 ISRF Program Bonds as of June 30, 2022:

Year Ending June 30	Principal	Interest	Total Debt Service
2023	$ 18,155,000	$ 5,116,207	$ 23,271,207
2024	17,415,000	5,068,256	22,483,256
2025	18,005,000	4,982,935	22,987,935
2026	17,010,000	4,859,806	21,869,535
2027	17,045,000	4,706,503	21,751,806
2028-2032	84,255,000	20,024,154	104,279,154
2033-2037	67,455,000[1]	12,776,416	80,231,416
2038-2042	52,350,000[2]	5,315,646	57,665,646
2043-2044	13,195,000[3]	302,629	13,497,629
Total	**$ 304,855,000**	**$ 63,152,583**	**$ 368,037,583**

[1] Principal payments in the amount of $11,885,000 will be made from sinking fund payments for the 2041 term bonds.
[2] Principal payments in the amount of $42,300,000 and $10,050,000 will be made from sinking fund payments for the 2041 and 2044 term bonds, respectively.
[3] Principal payments in the amount of $13,195,000 will be made from sinking fund payments for the 2044 term bonds.

5. LONG-TERM OBLIGATIONS

The changes in long-term obligations for the fiscal year ended June 30, 2022 were as follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022	Current Portion June 30, 2022
Revenue Bonds Payable:					
2020A ISRF Program Bonds	$ 324,340,000	$ -	$ 19,455,000	$ 304,885,000	$ 18,155,000
Loan Payable – SMIF (SB 84)	571,673	-	139,148	432,525	136,185
Compensated Absences Payable	746,509	395,780	379,496	762,793	235,700
Total	**$ 325,658,182**	**$ 395,780**	**$ 19,973,644**	**$ 306,080,318**	**$ 18,526,885**

6. CONDUIT BOND INFORMATION AND DEBT OBLIGATIONS

IBank has served as the conduit bond issuer for many private, nonprofit, and governmental entities. Conduit bonds are a limited obligation of IBank payable solely from the pledged revenues of the conduit borrower. As such, the balance of outstanding conduit bonds is not reflected in the Statement of Net Position due to the conduit bond borrower’s repayment pledges for those bonds.

Conduit Bond information [1]:

• Fees earned from 7/1/21 thru 6/30/22:		
○ Application Fees	$	17,500
○ Issuance Fees	$	410,000
○ Annual Fees	$	146,000
○ Other (Amendment Fees)	$	2,062
• Conduit Bond Support Operating Expenses	$	1,525,626 [2]
• Amount of conduit bonds authorized but unsold as of 6/30/22	$	-
• Amount of conduit bond debt issued from 7/1/21-6/30/22	$	454,785,000
• Amount of conduit bonds outstanding as of 6/30/22	$	6,002,348,260 [3]
• Number of conduit bonds transactions outstanding as of 6/30/22		117

[1] This information is provided pursuant to Government Code section 5872(a).

[2] Conduit Bond Support Operating Expenses include expenses such as salaries and benefits, administrative services, rent, utilities, travel, training, equipment and external services.

[3] Includes bonds issued by the former California Economic Development Financing Authority, which were assumed by IBank pursuant to Chapter 4, Statutes of 1998.

7. RETIREMENT PLAN

Plan Description

All of the employees of IBank participate in the California Public Employees' Retirement System (CalPERS), which is included in the State of California's (State) Annual Comprehensive Financial Report as a fiduciary component unit. CalPERS administers the Public Employees' Retirement Fund (PERF). PERF is an agent multiple-employer defined benefit retirement plan. Departments and agencies within the State, including IBank, are in a cost-sharing arrangement in which all risks and costs are shared proportionately by participating State agencies. Since all State agencies and certain related organizations, including IBank, are considered collectively to be a single employer for plan purposes, the actuarial present value of vested and non-vested accumulated plan benefits attributable to the IBank employees cannot be determined. The significant actuarial assumptions used to compute the actuarially determined State contribution requirements are the same as those used to compute the State pension benefit obligation as defined by CalPERS. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for this plan. This report is available online at www.calpers.ca.gov.

The California Legislature passed and the Governor signed the "Public Employees' Pension Reform Act of 2013" (PEPRA) on September 12, 2012. PEPRA contained a number of provisions intended to reduce future pension obligations. PEPRA primarily affects new pension plan members who are enrolled for the first time after December 2012. Benefit provisions and other requirements are established by State statute.

Benefits Provided

The benefits for the Plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five or ten years of credited service.

The Plan's provisions and benefits in effect at June 30, 2022, are summarized as follows:

First Tier:

Hire date	Prior to January 15, 2011	January 15, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 to 67	50 to 67	52 to 67
Monthly benefits, as a % of eligible compensation	1.1 to 2.5%	1.092 to 2.418%	1.0 to 2.5%

Second Tier:

Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	1.25% @ 65	1.25% @ 67
Benefit vesting schedule	10 years service	10 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 to 67	52 to 67
Monthly benefits, as a % of eligible compensation	0.5 to 1.25%	0.65 to 1.25%

Contributions

Section 20814(c) of the California Public Employees Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1st following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. IBank is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by IBank to satisfy contribution requirements are classified as plan member contributions.

For the measurement period ended June 30, 2021 (the measurement date), the employer's contribution rate is 31.43% of annual payroll.

These rates reflect Section 20683.2, which mandates that certain employees must contribute more as of July 1, 2013. Furthermore, any reduction in employer contributions due to the increase in the employee contributions must be paid by the employer towards the unfunded liability. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution. IBank's contributions to the plan were $761,909 for the fiscal year ended June 30, 2022.

During the fiscal year ended June 30, 2018, the State Surplus Money Investment Fund (SMIF) made a contribution to the Plan of $750,000, on behalf of IBank, as required by Senate Bill No. 84 (SB 84) to fund future net pension liabilities. IBank established a loan payable to SMIF for this contribution as required by SB 84. This loan payable is required to be repaid by IBank by June 30, 2030 and payments began during the June 30, 2020 fiscal year end. See Note 5 for further details related to this loan payable.

Net Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pension

As of June 30, 2022, IBank reported a net pension liability for its proportionate share of the net pension liability of $3,960,065. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. IBank's proportion of the net pension liability was based on the State Controller's Office (SCO) projection for IBank. The SCO identified a total of 29 entities that are reported in the State's ACFR which are proprietary funds (enterprise and internal service) and fiduciary funds (pension and other employee benefit trust funds), component units (discretely presented and fiduciary), and related organizations, that have State employees with pensionable compensation (covered payroll). The SCO calculated and provided these funds/organizations with their allocated pensionable compensation percentages by plan. IBank's proportionate share of the net pension liability for the Plan as of the measurement date June 30, 2022 and 2021 was 0.01777% and 0.01664%, respectively.

For the fiscal year ended June 30, 2022, IBank recognized pension expense of $211,644. At June 30, 2022, IBank reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 253,581	$ -
Changes in assumptions	-	(5,971)
Changes in proportion and differences between IBank contributions and proportionate share of contributions	282,719	(372,237)
Net differences between projected and actual investment earnings of pension plan investments	-	(1,672,702)
IBank's contributions subsequent to measurement date	761,909	-
Total	$ 1,298,209	$ (2,050,910)

The $761,909 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized as pension expense as follows:

Year Ending June 30		
2023	$	(425,685)
2024		(337,004)
2025		(313,860)
2026		(438,061)

Actuarial Assumptions

For the measurement period ended June 30, 2021 (the measurement date), the Total Pension Liability (TPL) was determined by rolling forward the June 30, 2020 TPL. The June 30, 2021 TPL was based on the following actuarial method and assumptions:

Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.15%
Mortality Rate Table[(1)]	Derived using CalPERS' Membership data for all Funds
Post Retirement Benefit Increase	The lesser of Contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

[(1)] The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvement using the Society of Actuaries 90% of Scale MP-2016. For more details on this table, please refer to the 2017 CalPERS Experience Study and Review of Actuarial Assumptions report (Experience Study). The Experience Study report can be obtained at CalPERS' website at www.calpers.ca.gov.

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality, and retirement rates.

Change of Assumptions

For the measurement period ended June 30, 2021 (the measurement date), there were no changes in assumptions.

Discount Rate

The discount rate used to measure the TPL was 7.15%. The projection of cash flows used to determine the discount rate assumed the contributions from plans members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefits payments to determine the total pension liability. CalPERS' approach for the cash flow projections are presented in the GASB 67 and 68 Crossover Testing Report, which may be obtained from the CalPERS' website.

Long-term Expected Rate of Return

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

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

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

Asset Class[(a)]	Current Target Allocation	Real Return Years 1 – 10[(b)]	Real Return Years 11+[(c)]
Public Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%

(a) In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities

(b) An expected inflation of 2.0% was used for this period.

(c) An expected inflation of 2.92% was used for this period.

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

The following presents IBank's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15%, as well as what IBank's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	Discount Rate – 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
IBank's Proportionate Share of Plan's Net Pension Liability	$ 6,672,936	$ 3,960,065	$ 1,685,811

8. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The State also provides postemployment medical and prescription drug benefits to retired employees and dependents through CalPERS under the Public Employees' Medical and Hospital Care Act, and dental benefits under the State Employees' Dental Care Act. The State, and certain bargaining units and judicial employees (valuation groups) have agreed to prefund retiree healthcare benefits. Assets are held in separate accounts by valuation group within the California Employers' Retiree Benefit Trust (CERBT) administered by CalPERS, an agent multiple-employer defined benefit other postemployment benefits plan (State's Plan). Assets within each valuation group benefit retirees and dependents associated with that valuation group. CalPERS reports on the CERBT as part of it separately issued annual financial statements, which can be obtained from CalPERS on its website, at www.calpers.ca.gov.

The State has identified 17 separate valuation groups within the State Plan. For each agency and/or fund, the SCO determined the proportion of OPEB employer contributions attributable to employees within these valuation groups. SCO then used these proportions to allocate the OPEB accounting elements from the June 30, 2021 State of California Retiree Health Benefits Program Actuarial Valuation Report to State agencies and their funds.

Benefits Provided

In accordance with the California Government Code, the State generally pays 100% of the health insurance premium cost for annuitants, plus 90% of the additional premium required for the enrollment of annuitants' family members. The State generally pays all or a portion of the dental insurance premium cost for annuitants, depending upon the completed years of credited state service at retirement and the dental coverage selected by the annuitant, as specified in the California Government Code. The maximum 2021 monthly State contribution was $798 for one-party, $1,519 for two-party coverage, and $1,937 for family coverage. To be eligible for these benefits, primary government first-tier plan annuitants must retire on or after age 50 with at least five years of service, and second tier plan annuitants must retire on or after age 55 with at least 10 years of service. In addition, annuitants must retire within 120 days of separation from employment to be eligible to receive these benefits.

Contributions

The design of the postemployment health and dental benefit programs can be amended by the CalPERS Board of Administration and the California Department of Human Resources, respectively. Employer and retiree contributions are governed by the State and may be amended by the Legislature.

IBank participates in the State's Plan on a cost-sharing basis. The State funds the cost of providing health and dental insurance to annuitants primarily on a pay-as-you-go basis, with a modest amount of prefunding for members. The State obtains an annual actuarial valuation of the State's Plan which can be found on the SCO's website, at www.sco.ca.gov. Contributions to the State's Plan from IBank were $130,000 for the fiscal year ended June 30, 2022.

Net OPEB Liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2022, IBank reported a liability of $1,917,000 for its proportionate share of the State's Plan net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. IBank's proportion of the net OPEB liability was based on the SCO's projection for IBank. IBank's combined proportionate share, based on its attributable employee valuation groups OPEB employer contributions, as of June 30, 2021 was 0.002487%.

For the fiscal year ended June 30, 2022, IBank recognized OPEB expense of ($5,309,000). At June 30, 2022, IBank reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	$ 120,000	$ (95,000)
Differences between Expected and Actual Experience	5,000	(5,000)
Difference between Projected and Actual Earnings on OPEB Plan Investments	-	(245,000)
IBank's contributions subsequent to measurement date	130,000	-
Total	$ 255,000	$ (345,000)

The $130,000 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2023. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in IBank's OPEB expense as follows:

Year Ending June 30		
2023	$	(73,000)
2024		(68,300)
2025		(42,100)
2026		(13,800)
2027		(11,300)
Thereafter		(11,500)

Actuarial Assumptions

For the measurement period ended June 30, 2021 (the measurement date), the total OPEB liability was determined using a June 30, 2021 valuation date. The June 30, 2021 total OPEB liability was based on the following actuarial methods and assumptions:

Valuation Date:	June 30, 2021
Actuarial Cost Method:	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	Blended rate of each valuation group, consisting of 6.00% when assets are available to pay benefits, otherwise 20-year Municipal G.O. Bond AA Index rate of 1.92%
Inflation	2.30%
Salary Increases	Varies by entry age and service
Investment Rate of Return	6.00%, net of OPEB plan investment expenses but without reduction for OPEB plan administrative expenses
Health care cost trend rates	*Pre-Medicare coverage*: Actual rates for 2022, increasing to 7.50% in 2023, grading down to 4.50% from 2029 to 2037, and 4.25% for 2038 and later years. *Post-Medicare coverage*: Actual rates for 2022, increasing to rates ranging from 7.50% to 8.42% in 2023, grading down to 4.50% from 2031 to 2037, and 4.25% for 2038 and later years *Dental coverage*: 0.00% in 2022, 2.00% for 2023, 3.00% for 2024, 4.00% for 2025, and 4.25% for 2026 and later years
Mortality Rate Table	Derived using CalPERS' Membership data for all members

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries 80% Scale MP 2020. For more details on this table, refer to the 2021 *CalPERS Experience Study and Review of Actuarial Assumptions* report (2021 Experience Study) for the period from 2000 to 2019. Other demographic assumptions used in the June 30, 2021 valuation were also based on the results of the 2021 Experience Study, including updates to termination, disability, and retirement rates. The 2021 Experience Study report can be obtained from CalPERS' website at www.calpers.ca.gov.

Healthcare related assumptions such as plan participation, aging factors, adjustments for disabled members, and adjustments for children of current retirees and survivors are based on the State of California Retiree Health Benefits Program 2018 Experience Review performed by Gabriel, Roeder, Smith and Company (GRS) for the period from 2014 to 2018. Other healthcare assumptions such as member healthcare plan selection, coverage and continuance, select and ultimate healthcare cost trend rates, and per capita claim costs and expenses, are based on the most current information available. The GRS 2018 Experience Review is available at www.sco.ca.gov.

Changes in Assumptions

For the actuarial valuation as of June 30, 2021, the blended discount rate was changed from 2.45% to 1.92%, inflation assumptions were increased from 2.25% to 2.30%, and the investment rate of return was decreased from 6.75% to 6.00%. Additionally, healthcare related assumptions were updated based on experience through June 30, 2021.

Discount Rate

The blended rates used to measure the June 30, 2021 total OPEB liability consists of the 20-year Municipal G.O. Bond AA Index rate of 1.92% as of June 30, 2021, as reported by Fidelity, when prefunding assets are not available to pay benefits, and 6.00% when prefunding assets are available to pay benefits. The cash flow projections used to calculate the blended discount rate were developed assuming that prefunding agreements in which actuarially determined normal costs are shared between employees and the State will continue and that the required contributions will be made on time and as scheduled in future years. The actuarial valuation as of June 30, 2021 includes the impact of the temporary suspensions of employee contributions under the Personal Leave Program that was in effect during the fiscal year ended June 30, 2021. The prefunding agreements are subject to collective bargaining and legislative approval. Detailed information on the blended discount rates by valuation group is available in the *State of California Retiree Health Benefits Program GASB Nos. 74 and 75 Actuarial Valuation Report as of June 30, 2021*, on the State Controller's Office website, at www.sco.ca.gov.

The long-term expected rate of return on OPEB plan investments was determined by GRS using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense, and inflation) are developed for each major asset class. Expected compound (geometric) returns were calculated over a closed period. Based on separate expected nominal returns for the short-term (first 5 years) and the long-term (6-20 years), and an average inflation assumption of 2.30%, a single expected nominal return rate of 6.00% was calculated for the combined short-term and long-term periods. If applied to expected cash flows during that period, the resulting present value of benefits is expected to be consistent with the present value of benefits that would be determined by applying the short and long-term expected rates to the same cash flows.

The following table reflects the long-term expected real rate of return by asset class:

Asset Class	Target Allocation	Real Return Years 1 - 5	Real Return Years 6-20
Global Equity	49.00%	4.40%	4.50%
Fixed Income	23.00%	(1.00%)	2.20%
Treasury Inflation-Protected Securities	5.00%	(1.80%)	1.30%
Real Estate Investment Trusts	20.00%	3.00%	3.90%
Commodities	3.00%	0.80%	1.20%

Sensitivity of IBank's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents IBank's proportionate share of the net OPEB liability, as well as what IBank's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

	Blended Discount Rate –1%	Blended Discount Rate	Blended Discount Rate +1%
Net OPEB liability	$ 2,272,223	$ 1,917,000	$ 1,633,490

Sensitivity of IBank's Proportionate Share of the Net OPEB Liability to Changes in Healthcare Costs Trend Rates

The following presents IBank's proportionate share of the net OPEB liability, as well as what IBank's proportionate share of the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	Healthcare Cost Trend Rates –1%	Healthcare Cost Trend Rates	Healthcare Cost Trend Rates +1%
Net OPEB liability	$ 588,150	$ 1,917,000	$ 2,324,760

OPEB Plan Fiduciary Net Position

Detailed information about the State's Plan fiduciary net position is available on CalPERS website in an annual report titled "California Employers' Retiree Benefit Trust, Agent Multiple-Employer Other Postemployment Benefits Plan, Schedule of Changes in Fiduciary Net Position by Employer". Additionally, CalPERS annually issues an Annual Comprehensive Financial Report which includes the CERBT fund's financial statements.

9. NONEXCHANGE FINANCIAL GUARANTEES

Nonexchange financial guarantees are executed in accordance with the Directives and Requirements that were adopted as of October 24, 2017 pursuant to the SBFC Act of 2013 (California Government Code 63088, and California Corporations Code Sections 1400 and following) (Law) to amend and restate the Directives and Requirements adopted by the IBank Board on May 24, 2016. As of June 30, 2022, IBank has guaranteed a specified percentage of outstanding loans in the amount of $592 million. All of the guarantees under the SBLG Program are collection guarantees. Notwithstanding the maturity of the loans, the guarantees cannot extend beyond seven years. In the event that the borrower defaults on the term loan or line of credit for more than 60 days or files for bankruptcy, the lender may make a claim on IBank and, if the lender has satisfied the conditions of the guarantee, IBank is required to make the specified guarantee percentage payment of the loan. IBank considered individual loans risk of default and qualitative factors in determining the guarantee liability.

IBank entered into an agreement with the Bay Area Air Quality Management District (“BAAQMD”) to guarantee a specified additional percentage of loans above the SBLG Program guarantee. All guarantees issued in part with BAAQMD’s funds are subject to approved projects and the same maturity and default requirements for all SBLG loan guarantees.

The activity related to the liability recognized for nonexchange financial guarantees at June 30, 2022 is as follows:

Liability balance - beginning of year July 1, 2021	$ 5,552,655
Increase in estimates for previously reported liabilities	7,152
Increase for additional liabilities	4,246,800
Guarantee payments made	(2,430,512)
Decrease in estimates for previously reported liabilities	(2,859,364)
Liability balance - end of year June 30, 2022	$ 4,516,731

IBank does not expect to recover any of these amounts in future years.

10. COMMITMENTS AND CONTINGENCIES

Guarantee Trust Fund

In June 2003, the Board approved a preliminary loan guarantee commitment for the Imperial Irrigation District (IID). The preliminary loan guarantee commitment established a conditional obligation to guarantee a future issuance of revenue bonds by IID (IID Bonds) for the purpose of financing a water supply project (IID Guarantee). During the 2003-2004 fiscal year, IBank transferred $20 million from the CIEDB Fund to the Guarantee Trust Fund in conjunction with the preliminary loan guarantee commitment for the IID. In October 2010, the State Legislature enacted Senate Bill 856 (SB 856) that directed IBank to deposit a specified amount required for the IID Guarantee in a reserve account within the Guarantee Trust Fund. SB 856 further directed that this IID Guarantee amount be held for the benefit of bondholders of potential IID Bonds. At June 30, 2022, the required IID Guarantee amount was on deposit in a reserve account within the Guarantee Trust Fund, and no IID Guarantee or IID Bonds have been issued.

11. SUBSEQUENT EVENTS

Climate Catalyst Fund

The 2022 Budget Act included a $25 million Climate Catalyst Fund for climate catalyst projects that relate to agricultural improvements that enhance the climate or lessen impacts to the climate resulting from in-force agricultural practices. The Budget also included $250 million for transmission line project financings with an initial focus in Lithium Valley, $200 million in 2022-2023 and $50 million in 2023-2024.

State Small Business Credit Initiative

The American Rescue Plan Act of 2021 included $10 billion for the reauthorization of the State Small Business Credit Initiative (SSBCI). SSBCI was originally created through federal legislation, the Small Business Jobs Act of 2010. In 2010, SSBCI was funded with $1.5 billion to strengthen state programs that support financing of small businesses. California received $168 million of the $1.5 billion and IBank and the State Treasurer's Office split the funding evenly. In November 2021, the U.S. Treasury released a state-by-state allocation of the $10 billion appropriated except the technical assistance funds and California has been allocated $1.182 billion. The funds will be provided in three tranches as utilized and all funds must be spent by September 30, 2030. IBank and the State Treasurer's Office signed the allocation agreement with U.S. Treasury on September 15, 2022. The first tranche of funding provided to California will be $357,113,879 in September 2022 to be split evenly between IBank and the State Treasurer's Office. Tranches 2 and 3 will be available in future years as the funds are deployed.

2022 ISRF Bond

On December 5, 2022, IBank issued $103,785,000 in Infrastructure State Revolving Fund Revenue Bonds, Series 2022A (the Series 2022 Bonds) with $12,945,140 premium, which resulted in total proceeds of $116,730,140. The Series 2022 Bonds were issued to provide funds, together with other available funds of IBank, to finance or refinance loans pursuant to the Infrastructure State Revolving Fund Program and to pay costs of issuance of the Series 2022 Bonds. These Series 2022 Bonds bear interest between 2.35% and 3.80% and mature in 2052.

State Budget Reductions

Governor Newsom released his statutorily required proposed budget for fiscal year 2023-24 on January 10, 2023. The proposed budget includes 4 reductions to recent state appropriations to IBank. The budget proposes to reduce the following Climate Catalyst Fund appropriations: $41 million for forest resilience, $25 million for smart agriculture, and $25 million for clean energy transmission. The proposed reductions are structured in a way that if the state has sufficient estimated General Fund revenue to cover certain baseline costs for fiscal year 2024-25, these reductions may be restored. The proposed budget also includes the elimination of $50 million provided to IBank for underserved small businesses in fiscal year 2021-22. At this time, these proposals are preliminary, as the final 2023-24 state budget is not expected to be enacted until July 1, 2023.

CLEEN Integration into ISRF

The California Lending for Energy and Environmental Needs ("CLEEN") Center was approved by the IBank Board of Directors ("IBank Board") on August 25, 2015, to provide direct public financing to help meet the State's environmental goals, and to offer interest rate subsidies and other benefits to eligible projects. While the CLEEN Center has operated as a companion to the ISRF Program, up to November 2022 it has maintained its own criteria document. During the revision process of the ISRF criteria completed and approved by the Board in November 2022, IBank Staff determined that it would be more effective to consolidate relevant CLEEN Center criteria into the ISRF Criteria, which resulted in the discontinuation of the CLEEN Center as a stand-alone program. However, as described below, projects that clearly serve to advance state environmental policy goals would still be eligible for CLEEN Center designation, thereby gaining access to beneficial rates and financing terms.

Climate Tech Program Statewide Launch

In fiscal year 2021-2022, to help California meet its climate goals, IBank continued its growth in the climate financing space. Through a partnership with NorCal Financial Development Corporation and the Bay Area Air Quality Management District's Climate Tech Finance program, the Small Business Finance Center conducted a pilot program that resulted in $10.9 million of guarantees on five Climate Tech loans that totaled $12.4 million in Climate Tech loans. Additionally, IBank worked with the Bay Area Air Quality Management District to prepare to launch a statewide Climate Tech program, which was initiated September 15, 2022.

California Rebuilding Fund

The California Rebuilding Fund is a public-private partnership that raises capital from private, philanthropic, and public sector investors to support new lending by community development financial institutions across California. On August 26, 2020, the IBank Board approved the program under which the Fund was formed in response the COVID-19 pandemic to target the most underserved and the smallest of small businesses. The California Rebuilding Fund was comprised of two entities, one that leveraged IBank's small business loan guarantees to support $48,087,941 of micro loans, and another entity that allowed CDFIs to originate $33,717,804 of micro loans. IBank disbursed $7,952,688.01 to the Fund over its life, including $1,851,727 after June 30, 2022. The program closed for new loan originations on November 30, 2022.

COVID-19 Micro Loan Guarantee

In April 2020, IBank received a $50 million allocation to target small businesses needing help to overcome economic injuries caused by COVID-19. As of January 31, 2023, IBank has conditionally approved 2,335 COVID-19 micro loans guarantees since the program's inception. This resulted in more than $101.3 million in loan guarantees that supported more than $106.9 million in disaster relief loans. Small business owners reported 11,337 jobs were created or retained because of these loan guarantees.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF IBANK'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY LAST 10 YEARS*

	Measurement Date							
	2021	2020	2019	2018	2017	2016	2015	2014
IBank's proportion of the net pension liability	0.01777%	0.01664%	0.01746%	0.01991%	0.01865%	0.01885%	0.01397%	0.01269%
IBank's proportionate share of the net pension liability	$ 3,960,065	$ 5,785,644	$ 5,872,380	$ 6,253,202	$ 6,813,695	$ 6,241,230	$ 3,945,940	$ 3,200,240
IBank's covered payroll	$ 2,293,545	$ 2,260,156	$ 2,254,513	$ 2,439,306	$ 2,161,772	$ 2,109,056	$ 1,486,735	$ 1,249,884
IBank's proportionate share of the net pension liability as a percentage of its covered payroll	172.66%	255.98%	260.47%	256.35%	315.19%	295.93%	265.41%	256.04%
Plan fiduciary net position as a percentage of the total pension liability	82.39%	71.51%	71.34%	71.83%	66.42%	66.81%	70.68%	73.05%

Notes to Schedule:

Change of benefit terms – For the measurement dates ended June 30, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014, there were no changes to the benefit terms.

Changes in assumptions – For the measurement dates ended June 30, 2021, 2020, 2019, 2016 and 2014, there were no changes in assumptions. For the measurement date ended June 30, 2015, the discount rate changed from 7.50% (net of administrative expenses in 2014) to 7.65% to correct an adjustment which previously reduced the discount rate for administrative expenses. For the measurement date ended June 30, 2017, the financial reporting discount rate for the Plan lowered from 7.65% to 7.15%. For the measurement date ended June 30, 2018, demographic assumptions and inflation rate were changed.

* Fiscal year 2015 was the first year of implementation, therefore only eight years are presented. The Expansion Fund is included in the financial statements for the first time during fiscal year 2017. As a result, the Expansion fund is excluded from the measurement periods prior to the measurement period ended June 30, 2016.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

REQUIRED SUPPLEMENTARY INFORMATION FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE OF IBANK'S CONTRIBUTIONS
PENSION PLAN
LAST 10 YEARS*

	Fiscal Year							
	2022	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Contractually required contribution (actuarially determined)	$ 761,909	$ 613,013	$ 780,339	$ 730,441	$ 655,348	$ 598,686	$ 472,733	$ 356,434
Contributions in relation to the contractually required contributions	(761,909)	(613,013)	(780,339)	(730,441)	(1,405,348)	(598,686)	(472,733)	(356,434)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ (750,000)	$ -	$ -	$ -
IBank's covered payroll	$ 2,607,491	$ 1,950,407	$ 2,260,156	$ 2,254,513	$ 2,439,306	$ 2,161,772	$ 2,075,028	$ 1,486,735
Contributions as a percentage of covered payroll	29.22%	31.43%	34.53%	32.40%	57.61%	27.69%	22.78%	23.97%

Notes to Schedule:

* Fiscal year 2015 was the first year of implementation, therefore only eight years are presented. The Expansion Fund is included in the financial statements for the first time during fiscal year 2017. As a result, the Expansion fund is excluded from the fiscal years prior to fiscal year ended June 30, 2017.

SCHEDULE OF IBANK'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY LAST 10 YEARS*

	Measurement Date				
	2021	**2020**	**2019**	**2018**	**2017**
IBank's proportion of the net OPEB liability	0.002490%	0.008182%	0.006613%	0.046308%	0.013441%
IBank's proportionate share of the net OPEB liability	$ 1,917,000	$ 6,608,000	$ 5,244,000	$ 10,183,000	$ 9,809,000
IBank's covered payroll	$ 2,548,181	$ 2,352,790	$ 2,408,108	$ 2,557,412	$ 2,416,466
IBank's proportionate share of the net OPEB liability as a percentage of its covered payroll	75.23%	280.86%	217.76%	398.18%	405.92%
Plan fiduciary net position as a percentage of the total OPEB liability	4.037%	2.748%	1.693%	1.011%	0.546%

Notes to Schedule:

Change of benefit terms – For the measurement dates ended June 30, 2021, 2020, 2019, 2018 and 2017, there were no changes to the benefit terms.

Changes in assumptions – For the measurement period ended June 30, 2018 and 2017, healthcare related assumptions were updated based on experience through June 30, 2018 and 2017, respectively. For measurement period ended June 30, 2019, the discount rate was lowered from 7.00% to 6.75% and inflation assumptions were reduced by 0.25%. For the measurement period ended June 30, 2020, the blended discount rate was changed from 3.13% to 2.45%. For the measurement period ended June 30, 2021, the blended discount rate was changed from 2.45% to 1.92%, inflation assumptions were increased from 2.25% to 2.30%, and the investment rate of return was decreased from 6.75% to 6.00%.

* Fiscal year 2018 was the first year of implementation, therefore only five years are presented.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

SCHEDULE OF IBANK'S CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN
LAST 10 YEARS*

	Fiscal Year				
	2022	**2021**	**2020**	**2019**	**2018**
Contractually required contribution	$ 130,000	$ 68,000	$ 221,000	$ 153,000	$ 253,348
Contributions in relation to the contractually required contributions	(130,000)	(68,000)	(221,000)	(153,000)	(253,348)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
IBank's covered payroll	$ 3,226,317	$ 2,548,181	$ 2,352,790	$ 2,408,108	$ 2,557,412
Contributions as a percentage of covered payroll	4.03%	2.67%	9.39%	6.35%	9.91%

Notes to Schedule:

* Fiscal year 2018 was the first year of implementation, therefore only five years are presented.

STATISTICAL SECTION

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

STATISTICAL SECTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding the information in the financial statements and note disclosures as it relates to the financial health.

CONTENTS **PAGE**

Financial Trends

These schedules contain trend information to help the reader understand how the financial performance has changed over time.

Revenue Capacity

This schedule contains information to help the reader assess the most significant revenue source.

Debt Capacity

These schedules contain information to help the reader assess the current level of outstanding debt and capacity to issue additional debt in the future.

Demographic and Economic Information

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

Operating Information

These schedules contain data to help the reader understand how the information in the financial report relates to the programs provided and the activities performed.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF NET POSITION [1]

FOR THE PAST TEN FISCAL YEARS

	2012-13	2013-14	2014-15	2015-16	2016-17
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash, cash equivalents, and investments	$ 93,685,407	$ 143,080,564	$ 214,344,782	$ 409,467,388	$ 490,991,716
Program loans receivable, net	314,813,422	291,868,218	310,513,224	308,116,217	335,510,902
Other assets	4,371,482	3,747,020	3,765,003	3,848,492	5,792,421
Total assets	412,870,311	438,695,802	528,623,009	721,432,097	832,295,039
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pension [4]	-	-	356,434	830,397	2,494,949
Deferred outflows of resources related to OPEB [5]	-	-	-	-	-
Loss on refunding debt [2]	-	864,910	4,362,447	3,887,765	3,508,964
Total deferred outflows of resources	-	864,910	4,718,881	4,718,162	6,003,913
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 412,870,311	$ 439,560,712	$ 533,341,890	$ 726,150,259	$ 838,298,952
LIABILITIES. DEFERRED INFLOWS OF RESOURCES AND NET POSITION					
LIABILITIES					
Revenue bonds payable	$ 123,683,680	$ 146,507,706	$ 208,290,797	$ 372,570,634	$ 361,018,026
Undisbursed loan commitments	7,880,252	6,562,703	37,666,191	63,432,168	75,529,338
Net pension liability [4]	-	-	3,200,240	3,945,940	6,241,230
Net OPEB liability [5]	-	-	-	-	-
Other liabilities [3]	2,787,755	4,794,542	3,296,412	5,789,170	10,290,489
Total liabilities	134,351,687	157,864,951	252,453,640	445,737,912	453,079,083
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources related to pension [4]	-	-	596,410	86,138	31,570
Deferred inflows of resources related to OPEB [5]	-	-	-	-	-
Total deferred inflows of resources	-	-	596,410	86,138	31,570
NET POSITION					
Restricted - Expendable by statute	278,518,624	281,695,761	280,291,840	280,326,209	385,188,299
Total net position	278,518,624	281,695,761	280,291,840	280,326,209	385,188,299
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 412,870,311	$ 439,560,712	$ 533,341,890	$ 726,150,259	$ 838,298,952

[1] This schedule is condensed from its original format. Prior to fiscal year 2016-17, this schedule combined the California Infrastructure and Economic Development Bank Funds and the California Infrastructure Guarantee Trust Fund. Beginning in fiscal year 2016-17, the Expansion Fund is also combined.

[2] In fiscal years 2013-14 and 2014-15, Series 2014A and Series 2015A ISRF Program Bonds were issued in part to refund the Series 2004, Series 2005 and Series 2008 ISRF Program Bonds. These advance refundings resulted in a loss that is amortized over the life of the refunded bonds.

[3] Beginning in fiscal year 2012-13, bond issuance costs were recognized as expense when incurred and loan origination fees were recognized as revenue when due.

[4] Beginning in fiscal year 2014-15, GASB 68 required the recognition of the net pension liability and the related deferred outflows of resources, deferred inflows of resources, and pension expenses, decreasing beginning of the year net position.

[5] Beginning in fiscal year 2017-18, GASB 75 required the recognition of the net OPEB liability and the related deferred outflows of resources, deferred inflows of resources, and OPEB expenses, decreasing beginning of the year net position.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF NET POSITION [1]

FOR THE PAST TEN FISCAL YEARS

2017-18	2018-19	2019-2020	2020-2021	2021-2022	
					ASSETS AND DEFERRED OUTFLOWS OF RESOURCES
					ASSETS
$ 442,887,794	$ 371,993,293	$ 418,106,799	$ 462,770,866	$ 526,373,430	Cash, cash equivalents, and investments
361,864,933	441,396,425	427,237,132	430,116,797	462,397,532	Program loans receivable, net
5,666,895	6,543,883	6,679,819	6,160,421	8,669,817	Other assets
810,419,622	819,933,601	852,023,750	899,048,084	997,440,779	Total assets
					DEFERRED OUTFLOWS OF RESOURCES
3,163,636	2,052,236	1,651,655	1,220,923	1,298,209	Deferred outflows of resources related to pension [4]
329,494	164,000	371,000	311,000	255,000	Deferred outflows of resources related to OPEB [5]
3,149,034	2,808,814	2,489,162	16,001,061	14,346,614	Loss on refunding debt [2]
6,642,164	5,025,050	4,511,817	17,532,984	15,899,823	Total deferred outflows of resources
$ 817,061,786	$ 824,958,651	$ 856,535,567	$ 916,581,068	$ 1,013,340,602	**TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**
					LIABILITIES. DEFERRED INFLOWS OF RESOURCES AND NET POSITION
					LIABILITIES
$ 349,036,910	$ 335,144,709	$ 320,921,072	$ 324,340,000	$ 304,885,000	Revenue bonds payable
68,481,432	85,368,359	79,071,081	47,049,316	61,221,701	Undisbursed loan commitments
6,813,695	6,253,202	5,872,380	5,785,644	3,960,065	Net pension liability [4]
9,809,000	10,183,000	5,244,000	6,608,000	1,917,000	Net OPEB liability [5]
9,373,263	15,153,569	12,276,092	11,937,961	11,033,452	Other liabilities [3]
443,514,300	452,102,839	423,384,625	395,720,921	383,017,218	Total liabilities
					DEFERRED INFLOWS OF RESOURCES
123,013	288,594	791,020	698,309	2,050,910	Deferred inflows of resources related to pension [4]
1,137,000	1,927,000	846,000	1,019,000	345,000	Deferred inflows of resources related to OPEB [5]
1,260,013	2,215,594	1,637,020	1,717,309	2,395,910	Total deferred inflows of resources
					NET POSITION
372,287,473	370,640,218	431,513,922	519,142,838	627,927,474	Restricted - Expendable by statute
372,287,473	370,640,218	431,513,922	519,142,838	627,927,474	Total net position
$ 817,061,786	$ 824,958,651	$ 856,535,567	$ 916,581,068	$ 1,013,340,602	**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION [1]

FOR THE PAST TEN FISCAL YEARS

	2012-13	2013-14	2014-15	2015-16	2016-17
OPERATING REVENUES					
Interest on loans receivable	$ 10,270,967	$ 10,421,447	$ 9,206,557	$ 9,170,753	$ 10,894,101
Other income	1,428,048	1,726,297	1,552,859	1,768,708	3,639,058
Total operating revenues	11,699,015	12,147,744	10,759,416	10,939,461	14,533,159
OPERATING EXPENSES					
Interest on bond debt	5,379,682	5,031,074	4,632,101	7,422,037	11,080,582
Nonexchange financial guarantee expense	-	-	-	-	1,892,608
Program support	3,058,486	4,158,113	3,975,821	4,465,950	9,030,472
Pension and OPEB Expense	-	-	230,840	(238,535)	(475,568)
Total operating expenses	8,438,168	9,189,187	8,838,762	11,649,452	21,528,094
OPERATING INCOME (LOSS)	3,260,847	2,958,557	1,920,654	(709,991)	(6,994,935)
NONOPERATING REVENUE					
Investment earnings	212,302	218,580	241,235	744,360	1,796,035
Total nonoperating revenue	212,302	218,580	241,235	744,360	1,796,035
Changes in net position	3,473,149	3,177,137	2,161,889	34,369	(5,198,900)
NET POSITION, Beginning of year [3]	275,045,475	278,518,624	278,129,951	280,291,840	390,387,199
NET POSITION, End of year	$ 278,518,624	$ 281,695,761	$ 280,291,840	$ 280,326,209	$ 385,188,299

[1] This schedule is condensed from its original format. Prior to fiscal year 2016-17, this schedule combined the California Infrastructure and Economic Development Bank Funds and the California Infrastructure Guarantee Trust Fund. Beginning in fiscal year 2016-17, the Expansion Fund is also combined.

[2] Beginning in fiscal year 2012-13, bond issuance costs were recognized as expense when incurred and loan origination fees were recognized as revenue when due.

[3] Restated in fiscal years 2012-13, 2014-15, 2016-17, and 2017-18.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION [1]

FOR THE PAST TEN FISCAL YEARS

2017-18	2018-19	2019-2020	2020-2021	2021-2022	
					OPERATING REVENUES
$ 10,388,706	$ 11,615,471	$ 13,264,619	$ 13,362,712	$ 13,224,623	Interest on loans receivable
3,040,404	3,483,789	53,208,419	91,709,744	122,345,173	Other income
13,429,110	15,099,260	66,473,038	105,072,456	135,569,796	Total operating revenues
					OPERATING EXPENSES
11,197,364	10,892,119	10,502,915	5,901,084	6,800,008	Interest on bond debt
2,681,577	6,304,248	1,565,217	2,565,291	1,394,588	Nonexchange financial guarantee expense
6,929,213	7,230,966	5,998,043	8,592,919	8,099,613	Program support
960,727	2,045,982	(5,704,815)	1,848,285	(5,859,264)	Pension and OPEB Expense
21,768,881	26,473,315	12,361,360	18,907,579	10,434,945	Total operating expenses
(8,339,771)	(11,374,055)	54,111,678	86,164,877	125,134,851	**OPERATING INCOME (LOSS)**
					NONOPERATING REVENUE
4,229,945	9,726,800	6,762,026	1,464,039	(16,350,215)	Investment earnings
4,229,945	9,726,800	6,762,026	1,464,039	(16,350,215)	Total nonoperating revenue
(4,109,826)	(1,647,255)	60,873,704	87,628,916	108,784,636	Changes in net position
376,397,299	372,287,473	370,640,218	431,513,922	519,142,838	**NET POSITION, Beginning of year [3]**
$ 372,287,473	$ 370,640,218	$ 431,513,922	$ 519,142,838	$ 627,927,474	**NET POSITION, End of year**

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

INFRASTRUCTURE STATE REVOLVING FUND (ISRF) PROGRAM TEN LARGEST BORROWERS [3]

AS OF JUNE 30, 2022 AND JUNE 30, 2012

	June 30, 2022			June 30, 2012		
	ISRF Program Loans Receivable [1]	Rank	Percentage of Total ISRF Program Loans Receivable	ISRF Program Loans Receivable [1]	Rank	Percentage of Total ISRF Program Loans Receivable
City of Escondido	$ 39,326,608	1	8.70%			
City of Fresno	34,774,378	2	7.69%			
City of Santa Cruz	30,220,564	3	6.68%			
City of San Luis Obispo	23,263,192	4	5.15%	$ 15,376,218	5	4.76%
City of San Diego and San Diego Convention Center Corporation, Inc.	23,224,305	5	5.14%			
22nd District Agricultural Association	22,188,278	6	4.91%			
City of Del Mar	16,953,710	7	3.75%			
City of Laguna Beach	16,090,379	8	3.56%			
Sonoma County Transportation & Public Works	15,676,040	9	3.47%			
City of Los Banos	14,000,000	10	3.10%			
Fresno Metropolitan Flood Control District				15,633,590	4	4.84%
City of Porterville				12,634,296	6	3.91%
City of Hawthorne				16,116,621	2	4.98%
Orange County School of the Arts [2]				16,061,842	3	4.97%
City of San Bernadino Municipal Water Department				24,553,601	1	7.59%
North Tahoe Fire Protection District				10,000,000	7	3.09%
City of Davis				9,614,849	8	2.97%
Bakersfield Redevelopment Agency				9,587,291	9	2.97%
City of San Bernardino				9,327,358	10	2.88%
Total of ten largest ISRF Program borrowers	235,717,454		52.42%	138,905,666		42.96%
All other ISRF Program borrowers	213,930,860		47.58%	184,427,565		57.04%
Total ISRF Program Loans receivable	$449,648,314		100.00%	$323,333,231		100.00%

[1] These amounts represent the total ISRF Program Loans receivable from each borrower and may include one or more Loans and may involve more than one type of revenue stream pledged to repay the Loans.

[2] Formerly Orange County High School of the Arts. The loan was paid in full during fiscal year 2013-14.

[3] Includes CLEEN loans.

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CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF ISRF AND CLEEN PROGRAM LOANS RECEIVABLE AND INTEREST RATES

FOR THE PAST TEN FISCAL YEARS

	2012-13	2013-14	2014-15	2015-16	2016-17
Total ISRF Program Loans receivable	$314,813,422	$291,868,218	$310,513,224	$308,116,217	$331,908,501
Weighted-average interest rate on total ISRF Program Loans receivable [1]	3.25%	3.18%	3.17%	3.12%	3.16%
Number of new ISRF Program Loans [2]	1	3	5	5	6
Range of interest rates on new ISRF Program Loans	2.29%	2.26 - 2.77%	1.73 - 3.51%	2.17- 3.84%	2.42-3.59%
Range of loan term on new ISRF Program Loans	30 years	20 - 30 years	10 - 30 years	20 - 30 years	20 - 30 years

[1] The weighted-average interest rate on Program Loans receivable is calculated by multiplying each loan's outstanding balance by its interest rate, then dividing the sum of those individual amounts by the respective Program Loans receivable balance at June 30.

[2] Determined based upon the effective date of the Loan agreement.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF ISRF AND CLEEN PROGRAM LOANS RECEIVABLE AND INTEREST RATES

FOR THE PAST TEN FISCAL YEARS

2017-18	2018-19	2019-20	2020-21	2021-2022	
$356,701,266	$436,883,873	$423,112,494	$425,039,513	$449,648,314	Total ISRF Program Loans receivable
3.18%	3.17%	3.14%	3.10%	3.03%	Weighted-average interest rate on total ISRF Program Loans receivable [1]
8	9	1	4	3	Number of new ISRF Program Loans [2]
2.46-3.61%	2.46-3.58%	2.46-2.50%	2.45-2.64%	2.20%	Range of interest rates on new ISRF Program Loans
20 - 30 years	20 - 30 years	30 years	30 years	30 years	Range of loan term on new ISRF Program Loans

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF STATUTORY DEBT LIMIT CAPACITY [1]

FOR THE PAST TEN FISCAL YEARS

	2012-13	2013-14	2014-15	2015-16	2016-17
IBank's legal limit on public development facility debt and rate reduction bonds [4]	$ 5,000,000,000	$ 5,000,000,000	$ 5,000,000,000	$ 5,000,000,000	$ 5,000,000,000
Total amount outstanding on bonds issued to finance public development facilities [2]	$ 201,780,000	$ 275,930,000	$ 183,390,000	$ 318,995,000	$ 1,246,455,000
Total amount outstanding on rate reduction bonds [3]					
Remaining capacity for public development facility debt and rate reduction bonds [4]	$ 4,798,220,000	$ 4,724,070,000	$ 4,816,610,000	$ 4,681,005,000	$ 3,753,545,000
IBank's legal limit on rate reduction bonds	$ 10,000,000,000	$ 10,000,000,000	$ 10,000,000,000	$ 10,000,000,000	$ 10,000,000,000
Total amount outstanding on rate reduction bonds [3]	$ -	$ -	$ -	$ -	$ -
Remaining capacity for rate reduction bonds	$ 10,000,000,000	$ 10,000,000,000	$ 10,000,000,000	$ 10,000,000,000	$ 10,000,000,000

[1] Pursuant to California Government Code section 63071(b) and pertains only to bonds issued to finance public development facilities and for rate reduction bonds. There is no statutory debt limit on conduit revenue bonds issued for economic development facilities.

[2] The amount outstanding represents the ISRF Program Bonds shown in the Schedule of Outstanding ISRF Program Bonds and related Debt Ratio.

[3] Rate reduction bonds are conduit revenue bonds.

[4] Pursuant to Assembly Bill No. 78, effective June 28, 2020, the bill limits the "total amount of rate reduction bonds and bonds issued to finance public development facilities that may be outstanding at any one time under that authority to $15 billion."

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF STATUTORY DEBT LIMIT CAPACITY [1]

FOR THE PAST TEN FISCAL YEARS

2017-18	2018-19	2019-20 [4]	2020-21	2021-2022	
$ 5,000,000,000	$ 5,000,000,000	$15,000,000,000	$15,000,000,000	$15,000,000,000	IBank's legal limit on public development facility debt and rate reduction bonds [4]
$ 1,652,865,000	$ 1,717,480,000	$ 1,626,390,000	$ 2,330,765,000	$2,112,545,000	Total amount outstanding on bonds issued to finance public development facilities [2]
		$ -	$ -		Total amount outstanding on rate reduction bonds [3]
$ 3,347,135,000	$ 3,282,520,000	$13,373,610,000	$12,669,235,000	$12,887,455,000	Remaining capacity for public development facility debt and rate reduction bonds [4]

2017-18	2018-19	2019-20	2020-21	2021-2022	
$10,000,000,000	$ 10,000,000,000				IBank's legal limit on rate reduction bonds
$ -	$ -				Total amount outstanding on rate reduction bonds [3]
$10,000,000,000	$ 10,000,000,000				Remaining capacity for rate reduction bonds

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF OUTSTANDING ISRF PROGRAM BONDS AND RELATED DEBT RATIO

FOR THE PAST TEN FISCAL YEARS

	2012-13	2013-14	2014-15	2015-16	2016-17
Series 2004 ISRF Program Bonds [1]	$ 40,525,000	$ -	$ -	$ -	$ -
Series 2005 ISRF Program Bonds [1]	41,360,000	-	-	-	-
Series 2008 ISRF Program Bonds [2]	40,095,000	37,795,000	-	-	-
Series 2014A ISRF Program Bonds [3]	-	95,960,000	93,320,000	89,805,000	86,175,000
Series 2015A ISRF Program Bonds [3]	-	-	90,070,000	87,590,000	83,780,000
Series 2016A ISRF Program Bonds [3]	-	-	-	141,600,000	141,600,000
Series 2020A ISRF Program Bonds	-	-	-	-	-
Unamortized Net Premium	1,703,680	12,752,706	24,900,797	53,575,634	49,463,026
Total ISRF Program Bonds outstanding	$ 123,683,680	$ 146,507,706	$ 208,290,797	$ 372,570,634	$ 361,018,026
Series-pledged ISRF Program Loans receivable [4]	$ 189,272,085	$ 254,251,622	$ 305,562,752	$ 302,696,519	$ 325,589,256
Ratio of ISRF Program Bonds outstanding to series-pledged ISRF Program Loans receivable	0.65	0.58	0.68	1.23	1.11

[1] The Series 2014A ISRF Program Bonds issued in fiscal year 2013-14 refunded the Series 2004 and Series 2005 ISRF Program Bonds.
[2] The Series 2015A ISRF Program Bonds issued in fiscal year 2014-15 refunded the Series 2008 Program Bonds.
[3] The Series 2020A ISRF Program Bonds issued in fiscal year 2020-21 refunded the Series 2014A, 2015A, and 2016A Program Bonds.
[4] CLEEN loans not pledged prior to 2017-18.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF OUTSTANDING ISRF PROGRAM BONDS AND RELATED DEBT RATIO

FOR THE PAST TEN FISCAL YEARS

2017-18	2018-19	2019-20	2020-21	2021-2022	
$ -	$ -	$ -	$ -	$ -	Series 2004 ISRF Program Bonds [1]
-	-	-	-	-	Series 2005 ISRF Program Bonds [1]
-	-	-	-	-	Series 2008 ISRF Program Bonds [2]
82,470,000	78,610,000	74,545,000	-	-	Series 2014A ISRF Program Bonds [3]
79,685,000	75,440,000	71,015,000	-	-	Series 2015A ISRF Program Bonds [3]
141,035,000	138,745,000	136,380,000	-	-	Series 2016A ISRF Program Bonds [3]
-	-	-	324,340,000	304,885,000	Series 2020A ISRF Program Bonds
45,846,910	42,349,709	38,981,072	-	-	Unamortized Net Premium
$ 349,036,910	$ 335,144,709	$ 320,921,072	$ 324,340,000	$ 304,885,000	Total ISRF Program Bonds outstanding
$ 354,587,694	$ 434,931,376	$ 420,273,566	$ 422,373,033	$ 449,648,314	Series-pledged ISRF Program Loans receivable [4]
0.98	0.77	0.76	0.77	0.68	Ratio of ISRF Program Bonds outstanding to series-pledged ISRF Program Loans receivable

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

SCHEDULE OF AGGREGATE PLEDGED RESOURCES COVERAGE FOR ISRF PROGRAM BONDS [1]

FOR THE PAST TEN FISCAL YEARS

Fiscal Year	Series-pledged ISRF Program Loan Repayments [2]	Reserve Account Earnings [3]	Total Amount Available for Debt Service [4]	ISRF Program Bonds Debt Service			Debt Service Coverage Ratio [6]
				Principal	Interest	Total	
2012-13	14,716,041	70,085	14,786,126	5,545,000	5,838,753	11,383,753	1.30
2013-14	14,588,257	228,364	14,816,621	5,745,000	5,624,003	11,369,003	1.30
2014-15	25,441,134	67,309	25,508,443	5,000,000	6,841,797	11,841,797	2.15
2015-16	42,476,585	334,764	42,811,349	5,995,000	7,723,181	13,718,181	3.12
2016-17	49,271,490	61,002	49,332,492	7,440,000	13,274,552	20,714,552	2.38
2017-18	30,119,144	375,729[5]	30,119,144	8,365,000	14,534,375	22,899,375	1.32
2018-19	25,522,834	432,354	25,955,188	10,395,000	14,156,975	24,551,975	1.06
2019-20	40,328,860	418,149	40,747,009	10,855,000	13,681,675	24,536,675	1.66
2020-21	39,945,983	76,170	40,022,153	11,390,000	8,205,063	19,595,063	2.04
2021-22	33,743,465	0	33,743,465	19,455,000	5,154,219	24,609,219	1.37

[1] Schedule reflects the aggregate of the ISRF Program Bond series outstanding at the end of each fiscal year and is prepared on a cash basis.
[2] Includes interest and principal paid on Series-Pledged Loans.
[3] Investment income includes only that amount received on funds pledged to ISRF Program Bonds debt service.
[4] Includes unscheduled full repayment of a Series-Pledged Loan.
[5] Beginning with fiscal year 2017-18, the Reserve Account Earnings column will reflect only actual cash interest earnings.
[6] Debt Service Coverage Ratio is calculated as of June 30 fiscal year ended and therefore will not agree with the Debt Service Coverage Ratio prepared for the Bond Indenture annual reporting which is prepared as of September 30 annually.

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CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

CALIFORNIA DEMOGRAPHIC AND ECONOMIC INDICATORS

FOR THE PAST TEN CALENDAR YEARS

	2012	2013	2014	2015	2016
State population (in thousands)	37,872	38,205	38,499	39,071	39,354
Personal income (in millions)	$ 1,768,039	$ 1,817,010	$ 1,944,369	$ 2,061,337	$ 2,197,492
Per capita personal income[1]	$ 46,685	$ 47,559	$ 50,504	$ 52,759	$ 55,839
Labor force and employment (in thousands):					
Civilian labor force	18,519	18,597	18,811	18,982	19,103
Employed	16,590	16,933	17,397	17,799	18,065
Unemployed	1,929	1,664	1,414	1,183	1,038
Unemployment rate	10.4%	8.9%	7.5%	6.2%	5.4%

Sources: Population as of January 1 2021 - Demographic Research Unit, California Department of Finance

Personal income as of October 13, 2022 - Bureau of Economic Analysis, United States Department of Commerce
Industry Employment & Labor force - by Annual Average as of April - Labor Market Information Division, California Employment Development Department

[1] Calculated by dividing total personal income by population.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

CALIFORNIA DEMOGRAPHIC AND ECONOMIC INDICATORS

FOR THE PAST TEN CALENDAR YEARS

2017	2018	2019	2020	2021	
39,613	39,825	39,512	39,368	39,303	State population (in thousands)
$ 2,303,870	$ 2,475,728	$ 2,632,280	$ 2,763,312	$ 3,092,045	Personal income (in millions)
$ 58,159	$ 62,165	$ 66,620	$ 70,192	$ 78,672	Per capita personal income [1]
					Labor force and employment (in thousands):
19,312	19,398	19,412	18,821	19,237	Civilian labor force
18,388	18,583	18,627	16,913	18,348	Employed
924	815	784	1,908	889	Unemployed
4.8%	4.2%	4.0%	10.1%	4.6%	Unemployment rate

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

CALIFORNIA EMPLOYMENT BY INDUSTRY

FOR CALENDAR YEARS 2021 AND 2012

	2021		2012	
INDUSTRY	**Employees**	**Percentage of Total State Employment**	**Employees**	**Percentage of Total State Employment**
Farming	468,800	2.598%	476,300	3.112%
Mining and logging	19,300	0.107%	28,900	0.189%
Construction	919,400	5.095%	595,400	3.890%
Manufacturing	1,315,000	7.287%	1,267,900	8.284%
Trade, transportation & utilities	3,127,100	17.328%	2,695,200	17.609%
Information	601,000	3.330%	432,600	2.826%
Financial activities	834,100	4.622%	774,700	5.061%
Professional & business services	2,824,100	15.649%	2,249,300	14.696%
Educational & health services	2,894,900	16.042%	2,223,400	14.526%
Leisure and hospitality	1,922,600	10.654%	1,625,700	10.621%
Other services	552,600	3.062%	510,800	3.337%
Government:				
Federal	245,800	1.362%	251,700	1.644%
State	556,000	3.081%	491,600	3.212%
Local	1,765,500	9.783%	1,682,500	10.992%
TOTALS	18,046,200	100.000%	15,306,000	100.000%

Source: Labor Market Information Division, California Employment Development Department
Industry Employment and Labor Force - by Annual Average as of March 2021

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

NUMBER OF EMPLOYEES BY IDENTIFIABLE ACTIVITY [1]

FOR THE PAST TEN FISCAL YEARS

	2012-13	2013-14[2]	2014-15	2015-16	2016-17	2017-18 [6]	2018-19	2019-20	2020-21	2021-22
Executive/ Administration/ Legal[4]	7	9	5	4	4	4	2	3	5	6
Bond Programs[5]	4	3	4	4	4	4	3	3	3	2
Compliance[3]			2	2	1	2	2	2	3	3
External Affairs[3]			2	2	2	2	2	2		2
Fiscal[3]			3	3	4	3	3	4	3	4
Legal/Legislation[3]			3	3	2	2	2	2	3	3
Loan Programs[5]	12	11	6	6	9	7	6	8	6	9
Small Business Finance Center[3]			2	3	4	3	3	4	3	4
Total Employees	23	23	27	27	30	27	23	28	26	33

[1] Data represents filled permanent, full-time positions.

[2] Beginning for fiscal year 2013-14, IBank had two employees that were assigned to the Small Business Loan Guarantee Program, the activities of which were not included in this report prior to fiscal year 2016-17.

[3] Beginning fiscal year 2014-15, employee activity categories were broken out further to specifically identify Compliance, External Affairs, Fiscal, Legal/Legislation and Small Business Finance Center.

[4] Legal will be included in the title until fiscal year 2013-14.

[5] Beginning fiscal year 2014-15, activity category title Conduit Financing Programs was changed to Bond Programs and Infrastructure State Revolving Fund Program and Support was changed to Loan Programs.

[6] One Employee included in fiscal year 2017-18 is a Full-Time Limited-Term Position.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

MAJOR PROGRAM ACTIVITY

FOR THE PAST TEN FISCAL YEARS

	2012-13	2013-14	2014-15	2015-16	2016-17
Infrastructure State Revolving Fund (ISRF) Program:					
Financing Applications:					
Number of applications received	5	8	7	10	6
Financing amount requested	$ 16,722,500	$ 74,781,042	$ 38,720,000	$ 117,544,832	$ 47,945,000
Approved Loans:					
Number of loans approved	3	3	7	8	4
Financing amount approved	$ 12,122,500	$ 12,050,000	$ 56,356,772	$ 94,261,726	$ 9,940,200
Loan Disbursements:					
Number of transactions	27	14	16	13	27
Total amount disbursed	$ 18,927,120	$ 6,540,050	$ 4,263,908	$ 7,854,117	$ 50,439,569
Number of outstanding loans	88	90	94	92	92
Conduit Financing Programs:					
Financing Applications:					
Number of applications received	7	10	14	14	9
Financing amount requested	$ 719,080,000	$ 481,250,000	$ 429,181,499	$ 1,344,600,000	$ 957,403,000
Bonds Sold:					
Number of bonds sold	5	11	10	17	16
Financing amount sold	$ 328,780,000	$ 735,423,063	$ 270,300,000	$ 916,542,000	$ 766,418,000

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

MAJOR PROGRAM ACTIVITY

FOR THE PAST TEN FISCAL YEARS

2017-18	2018-19	2019-20	2020-21	2021-2022	
					Infrastructure State Revolving Fund Program:
					Financing Applications:
10	10	2	5	2	Number of applications received
$ 172,300,000	$ 105,188,815	$ 26,284,132	$ 84,200,000	$ 27,500,000	Financing amount requested
					Approved Loans:
7	9	2	4	3	Number of loans approved
$ 62,400,000	$ 95,230,150	$ 24,300,000	$ 70,200,000	$ 41,500,000	Financing amount approved
					Loan Disbursements:
43	48	44	41	35	Number of transactions
$ 51,717,906	$ 77,970,772	$ 20,597,279	$ 56,434,857	$ 32,030,559	Total amount disbursed
98	106	101	102	100	Number of outstanding loans
					Conduit Financing Programs:
					Financing Applications:
11	9	13	8	5	Number of applications received
$ 970,650,000	$ 331,940,000	$ 1,186,295,592	$ 2,970,538,282	$ 597,000,000	Financing amount requested
					Bonds Sold:
14	17	12	19	9	Number of bonds sold
$ 610,070,000	$ 540,265,000	$ 880,572,259	$ 1,880,801,738	$ 454,785,000	Financing amount sold

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

CALIFORNIA SMALL BUSINESS EXPANSION FUND[1]

Dollars in Millions (rounded)

FOR THE PAST EIGHT FISCAL YEARS

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-2022
California Small Business Expansion Fund:								
Guaranteed Loans in SSBCI Program								
Number of loans guarantees	252	291	252	275	N/A[3]	N/A[3]	N/A[3]	N/A[3]
Loan guarantee amount	$ 92.8	$ 100.5	$ 74.1	$ 62.5	N/A[3]	N/A[3]	N/A[3]	N/A[3]
Supporting Small Business loans	$ 130.1	$ 143.2	$ 97.4	$ 82.3	N/A[3]	N/A[3]	N/A[3]	N/A[3]
Overall capital into small business community	$ 211.6	$ 244.0	$ 207.0	$ 126.6	N/A[3]	N/A[3]	N/A[3]	N/A[3]
Number of jobs created or retained	11,781	11,236	6,847	4,957	N/A[3]	N/A[3]	N/A[3]	N/A[3]
Default Rate[4]	0.02%	0.03%	0.42%	N/A[2]	N/A[3]	N/A[3]	N/A[3]	N/A[3]
Guaranteed Loans in State-Funded Program								
Number of loans guarantees	124	78	82	125	579	470	363	642
Loan guarantee amount	$ 21.1	$ 27.4	$ 46.9	$ 60.4	$ 223.0	$ 165.0	$ 111.0	$ 201.0
Supporting Small Business loans	$ 37.4	$ 44.4	$ 67.6	$ 78.7	$ 317.2	$ 240.0	$ 163.0	$ 278.0
Overall capital into small business community	$ 197.4	$ 69.0	$ 95.0	$ 127.1	$ 509.6	$ 303.0	$ 228.0	$ 426.0
Number of jobs created or retained	2,813	2,132	2,302	4,342	15,780	15,403	9,866	12,472
Annual Net Charge Off Rate[5]	0.18%	0.11%	0.53%	0.78%	0.42%	0.88%	0.28%	0.36%
Guaranteed Loans in Disaster Relief Program[6]								
Number of loans guarantees						155	1,615	465
Loan guarantee amount						$ 8.7	$ 73.5	$ 25.7
Supporting Small Business loans						$ 9.4	$ 77.7	$ 27.2
Number of jobs created or retained						1,229	9,024	2,514
Annual Net Charge Off Rate[5]						0.00%	0.00%	0.70%
Farm Loans								
Number of loans		6	13	15	23	8	10	7
Amount of loans		$ 1.3	$ 1.2	$ 5.2	$ 7.5	$ 2.0	$ 2.8	$ 2.0
Total outstanding balance in trust fund		$ 5.5	$ 3.1	$ 2.8	$ 4.3	$ 3.8	$ 4.8	$ 4.3
Number of jobs created or retained		84	258	375	478	144	351	230
Number of defaults		0	0	0	0	0	0	0
Jump Start Loans								
Number of loans				22	30	15	6	2
Amount of loans				$ 0.2	$ 0.3	$ 0.1	$ 0.1	$0.0
Total outstanding balance in trust fund				$ 0.2	$ 0.2	$ 1.1	$ 1.1	$1.1
Number of jobs created or retained				66	92	37	9	40
Number of defaults				0	0	4	0	3

[1] The SBFC was created at IBank during the fiscal year 2013-14.

[2] Beginning in fiscal year 2017-18, the Default Rates for both the SSBCI Program and the State Funded Program are combined.

[3] Federal SSBCI Funds were exhausted during the 18-19 fiscal year.

[4] SSBCI Default Rate calculated as default payments divided by outstanding loan principal.

[5] Annual Net Charge Off Rate is annual net claims (default payments - recoveries) divided by the average outstanding guarantee balance.

[6] The Disasters Relief Loan Guarantee Program did not have a dedicated trust account unit fiscal 2019-20.

Farm Loan data not published in fiscal years 2013-14 and 2014-15.

Jump Start Loan data not published in fiscal years 2013-14, 2014-15, 2015-16, and 2016-17.

All figures as reported in respective Annual Activity Reports.

This Annual Comprehensive Financial Report was prepared by the California Infrastructure and Economic Development Bank's Fiscal Unit.

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