

County of Sutter
State of California

Comprehensive Annual Financial Report



Fiscal Year Ended June 30, 2021



Nathan M. Black, CPA
Auditor-Controller

The front cover features a view of the Sutter Buttes from a rice field on a clear day. This mountain range is known as “The Smallest Mountain Range in the World.” Sutter County is located in the heart of the Sacramento Valley, with 88 percent of its 600-square miles being prime farm and grazing land.



A picture of a hiking trail in the Sutter Buttes. Middle Mountain Interpretive Hikes guides hikers through these beautiful trails contained within the Smallest Mountain Range. See more information at: <http://www.middlemountainhikes.org/>

The photographs were taken and shared by Sue Graue, a citizen of Sutter County. Her images of our region have been published in magazines and reports and she has been a contributing artist to the annual KVIE Art Auction for the past fifteen years. Sue also has been the event photographer for the annual Sutter Buttes Serenade fundraiser for Middle Mountain Interpretive Hikes and the annual California Duck Calling competition held in Colusa.

County of Sutter
State of California

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2021



Nathan M. Black, CPA
Auditor-Controller

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Introductory Section

Introductory Section



County of Sutter

Nathan M. Black, CPA
Auditor-Controller

Sheeny Santos
Assistant Auditor-
Controller



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June 30, 2022

To the Citizens of Sutter County:

The Comprehensive Annual Financial Report (CAFR) of the County of Sutter (County) for the fiscal year ended June 30, 2021, is hereby submitted in compliance with Section 25250 and 25253 of the Government Code of the State California. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive internal control framework it established for this purpose. Because the cost of internal controls 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.

The independent auditor's report is located at the front of the financial section of this report. Lance, Soll & Lunghard, LLP, has issued an unmodified opinion on the County's financial statements for the year ended June 30, 2021. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Policymaking and legislative authority is vested in the County Board of Supervisors (Board), which consists of an elected supervisor from each of the five districts. The Board is responsible for, among other things, passing ordinances, adopting budgets and appointing committees, the County Administrative Officer (CAO), and non-elected department directors. Supervisors are elected to four-year staggered terms with two supervisors elected in even-years and three supervisors elected in odd-years. The County has six elected department directors responsible for the offices of the Assessor, Auditor-Controller, Clerk-Recorder-Elections, District Attorney, Sheriff-Coroner, and Treasurer-Tax Collector. The following organization chart reflects the various functional categories reported in the governmentwide Statement of Activities as well as identifies principal officials.

Geography and Industry

The County, one of California's original 27 counties, is located in the heart of the Sacramento Valley approximately 45 miles north of the State Capitol. Sutter County encompasses approximately 600 square miles made up of nearly 90% prime agricultural land. The Feather and Sacramento rivers provide vast amounts of water for this agricultural community. The Sutter Buttes are a cluster of mountain peaks that rise in sharp relief to the surrounding valley floor. They are considered to be the "smallest mountain range in the world" having formed between 1.4 and 1.6 million years ago.

Two incorporated cities are within the County: Yuba City and Live Oak. The largest employment categories include government, trade, transportation and utilities, health services, and agriculture. The Mediterranean climate provides relatively mild winters while summers are generally hot and dry.

Policy & Executive



Nick Micheli
First District Supervisor



Dan Flores
Second District Supervisor



Mike Ziegenmeyer
Third District Supervisor



Karm Baines
Fourth District Supervisor



Mat Conant
Fifth District Supervisor

Steve Smith
County Administrative Officer (CAO)

Deborah Micheli
County Counsel

Public Protection

Brandon Barnes
Sheriff-Coroner

Amanda Hopper
District Attorney

Nicole Ritner
Probation

Mark Van den Heuvel
Public Defender

John Shalowitz
Fire

Natalie Dillon
Child Support

Health & Sanitation

Nancy O'Hara
Health and Human Services

Leah Northrop
Public Health

Sarah Eberhardt-Rios
Behavioral Health

Public Assistance

David Nagra
Social Services

General Government

Nathan M. Black, CPA
Auditor-Controller

Todd Retzloff
Assessor

Christina Hernandez
Acting Treasurer-Tax Collector

Ken Sra
General Services

Donna Johnston
Clerk-Recorder

Gina Rowland
Human Resources

Public Ways & Facilities

Neal Hay
Development Services

Education, Recreation & Culture

James Ochsner
Library

Jessica Hougen
Museum

Lisa Herbert
Agriculture Commissioner

Component Units

The County, with over 1,000 full-time equivalent employees, provides a full range of services to its residents as the organization chart above depicts. Included in operations are various component units which provide specific services countywide or to distinct geographic areas within the County. They include: In-Home Supportive Services Public Authority, Children and Families Commission, Gilsizer County Drainage District, Sutter County Fish & Game, County Service Areas, and Lighting Districts.

While these entities are legally separate from the County, the County is financially accountable for them as their governing bodies are substantially the same as the County Board. Other entities, such as the Sutter County Resource Conservation District, various Levee Districts and Reclamation Districts, conduct their own day-to-day operations, answer to their own governing board, and thus are not included in the County's financial statements.

Budget

The County is required by state law to adopt a final budget each year. This annual budget serves as the foundation for the County's financial planning and spending control. Budgets are adopted for all governmental and proprietary funds and are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The legal level of budgetary control is maintained at the fund, department, and object level with more stringent control over capital assets and fund balance categories, which are maintained at the line item level.

The Board must approve amendments or transfers of appropriations between funds or departments as well as items related to capital assets or fund balances. Supplemental appropriations necessary and normally financed by unanticipated revenues during the year must also be approved by the Board. The Board has delegated authority to approve transfers of appropriations between object levels within the same department to the CAO.

Factors Affecting Economic Condition¹

The following highlights and graphs are evidence of the changing economy on a Countywide basis that includes both the unincorporated area and the two incorporated cities.

During Fiscal Year (FY) 2021, the County continued to see positive economic trends, with historically low unemployment and steady gains in home values.

Employment

- The County's average unemployment rate during FY 2021 dipped -3.7% from 12.8% to 9.1%.
- The June 2021 County unemployment rate of 9.1% was above the State unemployment rate of 7.7% and the national unemployment rate of 5.9%.

Income

- Per capita income for the Sutter County area for 2021 increased by 2.2% to \$46,000.

Retail Sales

- Countywide retail sales increased 17.5% to \$2.166 billion for FY 2021.
- California retail sales increased by 84.7, or 12.0% over FY 2020.

Real Estate

- The Countywide median home value increased to approximately \$395,000.
- Total assessed property valuation for FY 2021 was \$10.63 billion, a 2.56% increase over the prior year of \$10.36 billion.

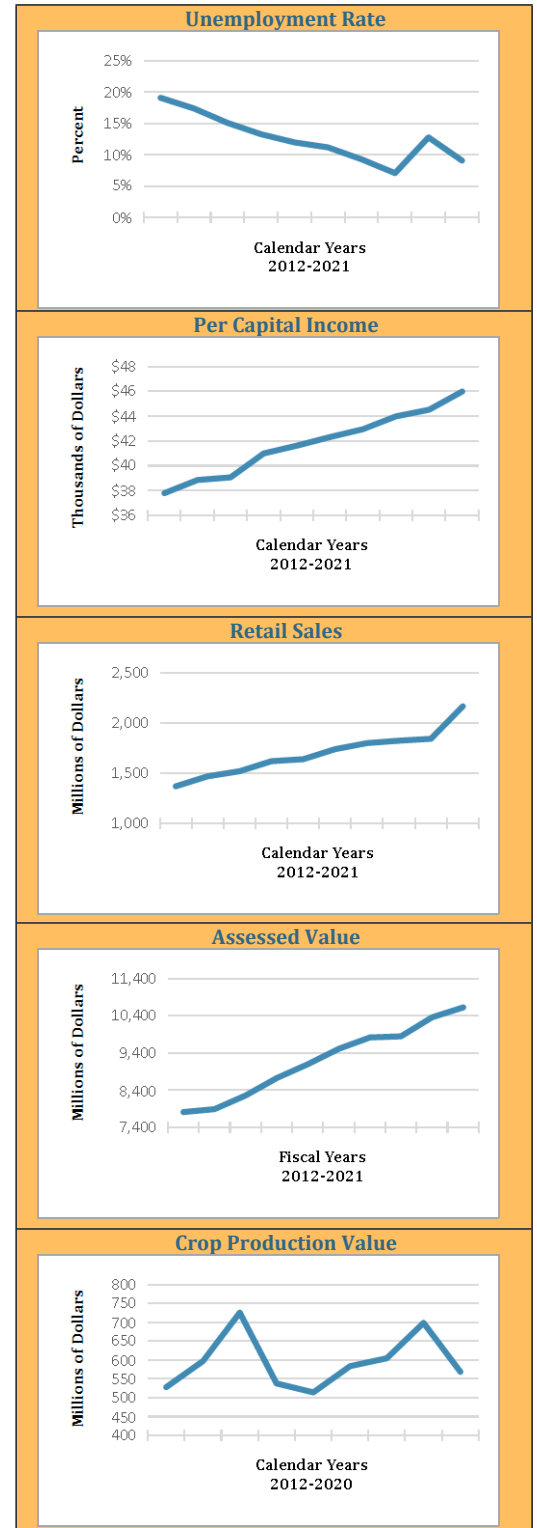
Agriculture

- Total acres harvested in 2020 decreased from 355,234 to 313,829, a -11.7% change.
- Total crop production value decreased from \$699 million to \$569 million.

Economic Indicators

According to the California Fiscal Outlook, there exists an “unprecedented amount of uncertainty about economic future.”² In California, the state general fund is expected to have a tax revenue windfall of \$26 billion, however, this is expected to be one-time windfall. The LAO is concerned that the four years that follow through FY 24-25, expenses are expected to exceed revenue leading to a structured deficit.

Sutter County is an agricultural community and thus the local economy is heavily reliant on strong agricultural commodity prices and availability of water. The reduction in farmed acreage in the 2021 growing season was due primarily to dramatic reductions in commodity prices for walnuts and prunes. Additionally, there remained challenges to water availability.



¹ General Note: Information about our local economy was derived from the California *Employment Development Department* and the *Bureau of Labor Statistics* as well from local sources such as the Sutter County Agricultural Commissioner.
² <https://lao.ca.gov/Publications/Report/4297>, page 5.

Major Initiatives

Rising Retirements & Need for Effective Succession Planning (“People Strategy”)

With increasing numbers of the County’s workforce, finding replacement positions will continue to be a challenge. The labor market throughout the region is highly competitive, especially for managerial, professional, medical and healthcare positions. As a result, preparing the next generation of County employees is becoming increasingly difficult. This remains true even with advances in technology and the ability to use fewer employees to provide higher levels of service. The Board of Supervisors included developing internal leaders as one of its top six priorities for FY 2020-21, which will likely carry over to FY 2021-22. Staff will continue to devote significant time and energy developing and implementing a viable “People Strategy” to make sure the next generation is prepared to move the organization forward.

County Facilities Master Plan

The County owns and/or leases over 30 facilities in different locations throughout the county. Over many years, the County has become a major property owner yet does not have sufficient staff and financial resources to maintain the buildings. This has translated into many facilities suffering from years, and in some cases decades, of deferred maintenance. Several County facilities are severely run-down and the cost to restore and/or repair them is more than abandoning these buildings and purchasing existing buildings elsewhere.

County staff continues to work with consultants on a comprehensive Facilities Master Plan to identify current and future facility needs. Once completed, this plan can be used as the basis for an AB 1600 Study, so the County can update its Development Impact Fees. The fees allow the County to begin collecting revenue to meet necessary future service needs.

In concept, the County’s plan includes locating all the general administrative and support functions into a main “Government Campus” surrounding the main offices housed at 1130 and 1160 Civic Center Boulevard in Yuba City. In Spring 2019, the County purchased an office building at 1190 Civic Center Boulevard, furthering the Campus plan. This building will house the Assessor’s Office within the budget year, freeing space for the Auditor-Controller and Treasurer-Tax Collector to move into 1160 Civic Center Boulevard in FY 2021-22.

A “Public Safety Campus” is recommended around the new State Courthouse located at 1175 Civic Center Boulevard and would include the Sheriff’s Office, expanded Jail, District Attorney’s Office, Probation, etc. A Health & Human Services Campus has been recommended for the Gray Avenue property purchased in May 2021. Other cluster campuses were recommended for other vital County uses.

Homelessness

The rise in the local homeless population (especially within the Feather River river-bottoms and throughout Downtown Yuba City) continues to present challenges for the broader community and local economy. As revealed in a recent Yuba City citywide survey, homelessness was, by far, ranked as the community’s most serious concern. In response, the County continues to work closely with other local governments and service providers, including the following two bi-county working groups: 1) Bi-County Homeless Consortium; and, 2) Bi-County Homeless Services Program.

In November 2017, the Board of Supervisors adopted a formal Sutter County Long-Term Homeless Management Plan. As a part of implementing this plan, the County has moved forward with building a shelter complex at its Behavioral Health campus located at 1965 Live Oak Boulevard. Construction on the site was completed in September 2019. The plan was developed in partnership with other regional governments as well as community-based organizations to improve services and shelter operations. As always, the goal remains to address homeless individuals’ barriers to stable living and get them into permanent housing. During 2020-21, The County used additional funding, including \$1 million in CARES Act funding, to provide additional housing and support to individuals and families experiencing homelessness.

The County has seen significant success in several areas as a result of the activities. Better Way temporary housing has been successful in placing individuals in permanent housing and providing support to ensure that those individuals continue to a stable residence. Habitat for Humanity provides housing and supportive services to older adults and veterans at Harmony Village, a partnership between the County and Habitat for Humanity using state and federal funding to purchase and operate the former Baymont Motel south of Yuba City. The Sutter County Sheriff and Development Services have been successful at eliminating homeless campsites and abandoned vehicles and RVs along Second Street in Yuba City and in the Second Beach area in Robbins. These departments continue to monitor the area, ensuring that homeless individuals do not move back in. Finally, the County has begun to work with the Resource Conservation District on plans to revitalize the river bottom area along the Feather River for public recreational use.

The cost to continue the services is substantial. While funding is very likely to be available from the state and perhaps even the federal governments, the County will need to seek a long-term funding source to address homelessness or consider rolling back services provided to them.

Sutter Pointe Specific Plan Implementation

In Spring 2019, developers submitted a proposed first project phase comprising 873± acres located in the eastern portion of the plan area north of Riego Road and south of Sankey Road. This first phase will be called Lakeside at Sutter Pointe and it proposes to establish a total of 3,388 single-family and 399 multifamily homes, along with 44.8 acres of employment centers, 25 acres of commercial centers, 59.1 acres of parkland, 54.8 acres of open space along with up to two K-8 schools. The County continues to work with developers to establish the necessary public infrastructure and services needed to serve this mixed-use community and to ensure compliance with developer agreements, Sutter County's Federal Incidental Take Permit, and other environmental requirements.

It is now likely that construction of new homes and businesses in this area could commence by the end of 2023. As directed by the Board of Supervisors, this development is designed to be self-sustaining and to not have any new net costs to taxpayers outside of the plan area. At build-out of the entire 7,500-acre specific plan, Sutter Pointe provides for a maximum of 17,500 housing units, thousands of new jobs, and approximately 50,000 residents. This will also bring opportunity for construction of sales distribution centers that would increase County sales tax revenue.

Relevant Financial Policies

Annual Financial Forecasting

Following mid-year budget reviews, that aid in current year decisions and forecasting year-end results from operations.

Mid-Year Budget Review

The County performs mid-year budget reviews that aid in current year decisions and forecasting year-end results from operations.

Contingency Planning

The County does not maintain a formal contingency policy, however, approximately 1% of the General Fund is budgeted annually as a contingency against unforeseen adverse developments in county operations.

Nonrecurring Revenue

The County performs mid-year budget reviews that aid in current year decisions and forecasting year-end results from operations.

Debt Affordability

The County established a Debt Advisory Committee (DAC) made up of the County Administrator, Auditor-Controller, and Treasurer/Tax Collector. The purpose of the Committee is to provide advice to the Board of Supervisors on debt issuance and management. The DAC reviews all potential debt issuances and provides a report to the Board of Supervisors.

Capital and Maintenance Funding

The County has an informal pay-as-you-go policy for funding capital. However, the County has recently begun procurement of a facilities master plan that will aid in capital funding and address the aging and disparate facilities.

Financial Reporting Awards

This report is the County's fourth CAFR. We may seek consideration for financial reporting awards in the future.





INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors and Grand Jury
County of Sutter, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of County of Sutter, California, (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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



To the Board of Supervisors and Grand Jury
County of Sutter, California

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund and major special revenue funds, the schedule of changes in net pension liability and related ratios – miscellaneous plan, the schedule of pension plan contributions – miscellaneous plan, , the schedule of changes in net pension liability and related ratios – safety plan, the schedule of pension plan contributions – safety plan the schedule of changes in the total OPEB liability and related ratios, and the schedule of OPEB plan contributions, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



To the Board of Supervisors and Grand Jury
County of Sutter, California

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, statistical and glossary sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Lance, Solt & Lughard, LLP

Sacramento, California
June 30, 2022

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Financial Highlights

The information in this section is not covered by the Independent Auditors' Report but is presented as required supplementary information for the benefit of the readers of the CAFR.

As management of the County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's Basic Financial Statements, which immediately follow this section. All dollar amounts are expressed in thousands.

Government-wide Financial Analysis

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$64,480 (See Summary of Net Position beginning on page 26):

- \$96,138 represents the County's investment in capital assets, less (1) accumulated depreciation, (2) related outstanding debt used to acquire those assets, and (3) related deferred inflows of resources,
- \$97,483 is available for the County's ongoing obligations related to programs with external restrictions, and;
- \$(129,141) in unrestricted net position is primarily the result of the County's unfunded pension and Other Postemployment Benefits (OPEB) liabilities.

The County's total net position increased by \$7,470 over the prior year:

- The \$1,096 increase in net position from the net investment in capital assets represents capital acquisitions and deletions, less current year depreciation, and the addition and/or retirement of related long-term debt and deferred inflows of resources,
- The \$10,017 increase in restricted net position represents the change in resources that are subject to external restrictions on their use, and;
- The \$3,643 decrease in unrestricted net position is the change available to fund County programs to citizens and debt obligations to creditors.

Financial Analysis of the County's Funds

The County's governmental funds' combined ending fund balance of \$112,885, was an increase of \$10,027 from the prior year ending fund balance of \$102,858. Amounts available for spending include Restricted, Committed, Assigned and Unassigned Fund Balances; these totaled \$110,334 or 98% of ending fund balance. Of this amount:

- \$85,124 is restricted by law or externally imposed requirements,
- \$10,120 is committed for specific purposes,
- \$312 is assigned fund balance, and;
- \$14,778 is unassigned fund balance.

Spendable fund balance for the General Fund increased \$9,816 to \$27,596, which equates to 0.99 of total General Fund expenditures for the year.

Description of the Basic Financial Statements

Management's Discussion and Analysis introduces the County's Basic Financial Statements. The County's Basic Financial Statements include three components:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

Government-wide Financial Statements

The Government-wide Financial Statements provide readers with a broad overview of the County's finances, in a manner similar to a private sector business.

The Statement of Net Position presents information on all of the County's Assets and Deferred Outflows of Resources and Liabilities and Deferred Inflows of Resources with the difference reported as Net Position.

$$\text{Net Position} = (\text{Assets} + \text{Deferred Outflows of Resources}) - (\text{Liabilities} + \text{Deferred Inflows of Resources})$$

Over time, increases or decreases in Net Position are a useful indicator of an improving or deteriorating County financial condition.

The Statement of Activities presents the most recent fiscal year changes in the County's net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows (Accrual Basis of Accounting). The statement reports items resulting from cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave) as revenues and expenses.

The Government-wide Financial Statements distinguish functions of the County principally supported by taxes and intergovernmental revenues (governmental activities) from other functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities grouped by function of the County include General Government, Public Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, Education, and Recreation and Culture. The business-type activities of the County include Waterworks District #1.

Component Units are included in the financial statements and are legally separate entities for which the County is financially accountable. If a component unit's total debt is expected to be repaid entirely by the County, if the component unit provides services entirely to the County, or if the component unit has substantially the same governing board as the County and there is a financial benefit or burden relationship or County management has operational responsibility for a component unit, then the component will be classified as a blended component unit. If a component unit does not meet any of the preceding requirements it will be presented as a discrete component unit. The following is a list of the County's blended component units:

1. In-Home Supportive Services Public Authority
2. Gilsizer County Drainage District
3. Sutter County Fish & Game Commission
4. County Service Areas
5. Lighting Districts
6. Children and Families' Commission

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The County's funds are divided into three types:

- Governmental funds
- Proprietary funds
- Fiduciary funds

Governmental Funds

Governmental funds account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year (Modified Accrual Basis of Accounting). Such information may be useful in evaluating the County's near-term financing requirements. To understand the long-term impact of the County's near-term financing decisions, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains approximately 130 individual governmental funds combined into 20 funds for financial reporting purposes. The County segregates from the General Fund a number of significant functions in 5 major funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Bi-County Behavioral Health, Welfare, Public Safety/Trial Courts, Mental Health Services Act, and Public Safety Realignment, all considered major funds. Data for the other 14 governmental funds are provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all of its operating funds. The budget and actual comparison schedules provided for the General Fund and major special revenue funds demonstrate performance against this budget.

Pages 30 - 36 of this report display the Governmental Funds Financial Statements.

Proprietary Funds

The County maintains two types of proprietary funds: enterprise funds and internal service funds. The County has one enterprise fund which does not qualify as a major fund.

Enterprise Funds report the same functions presented as business-type activities in the Government-wide Financial Statements. The County uses an enterprise fund to account for Waterworks District #1.

Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County's internal service funds account for information technology services, fleet maintenance, employee wellness, and self-insurance programs. Since these services predominately benefit governmental rather than business-type functions, they are consolidated within governmental activities in the Government-wide Financial Statements.

Proprietary funds provide the same type of information as the Government-wide Financial Statements, but in more detail. The proprietary funds financial statements provide separate information for the enterprise fund and the internal service funds. Data for the five internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements.

Page 37 - 39 of this report display the Proprietary Funds Financial Statements.

Fiduciary Funds

Fiduciary funds account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the Government-wide Financial Statements because the resources of those funds are not available to support the County's own programs. Fiduciary fund accounting is similar to proprietary fund accounting. Fiduciary funds report the external portions of the Treasurer's investment pool, a private-purpose trust fund, and custodial funds.

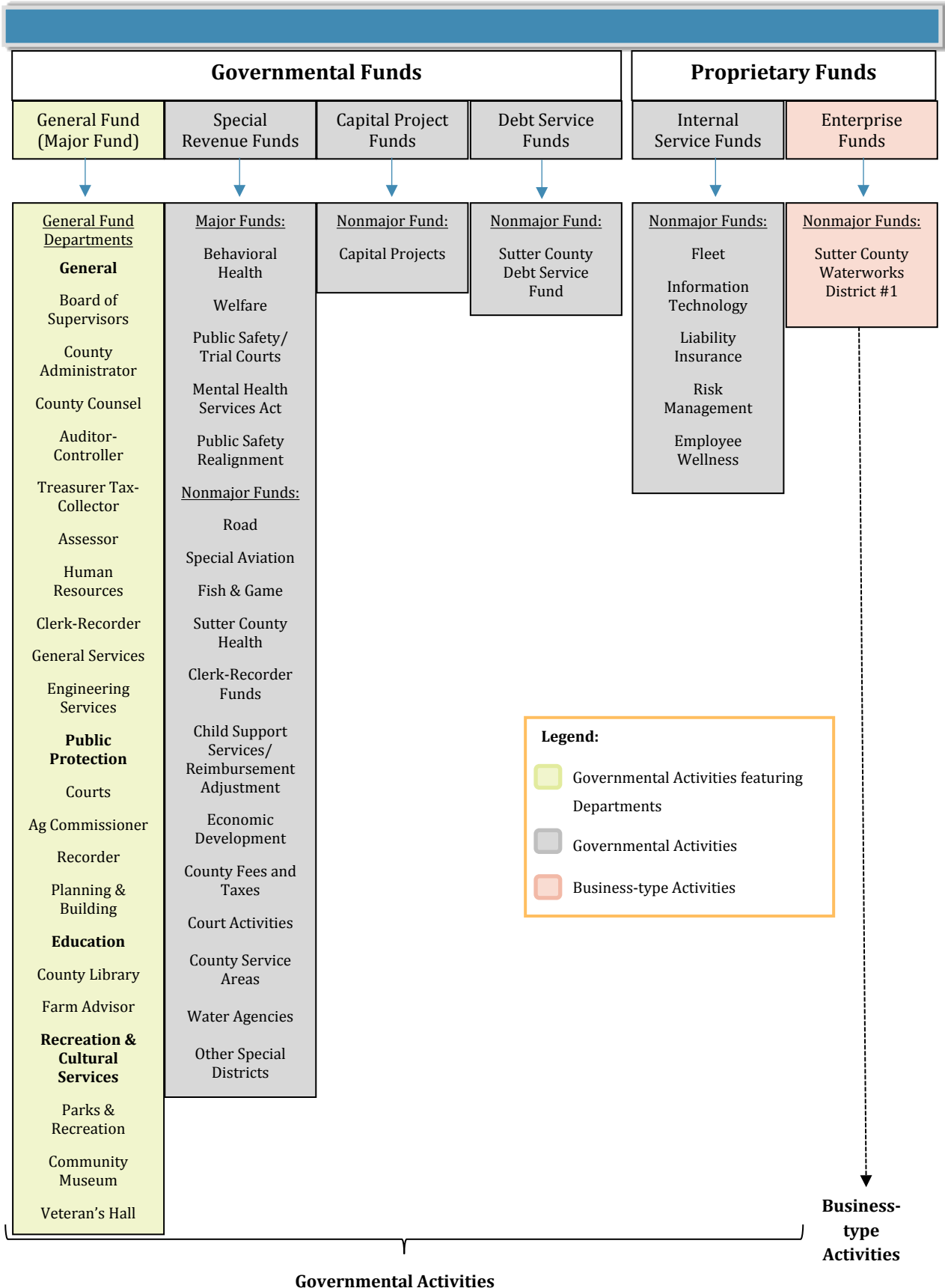
Pages 41 - 43 of this report display the Fiduciary Funds Financial Statements.

Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. Information in the Notes to the Financial Statements is described as follows:

- Note 1 provides a general description of the County's Significant Accounting Policies.
- Notes 2 to 13 provide detailed information on cash and investments, loans receivable, capital assets, lease commitments, long-term liabilities, deferred outflows of resources, interfund transactions, risk management, deferred inflows of resources, and fund balance classifications.
- Notes 14 and 15 provide detailed information on pension plans and other post employments benefits.
- Note 16 provides detailed information on the County's compensated absences liability.
- Note 17 provides other information such as construction commitments and contingent liabilities.
- Note 18 provides detailed information on prior period adjustments.

Notes to the Financial Statements start on Page 47 of this report.



Government-wide Financial Analysis

Condensed Statement of Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total		Total	
	2021	2020	2021	2020	2021	2020	Dollar Change	% Change
							2020 to 2021	2020 to 2021
Current and other assets	\$ 159,217	\$ 131,846	\$ 371	\$ 413	\$ 159,587	\$ 132,259	\$ 27,328	21%
Capital assets	107,268	99,996	2,373	2,482	109,640	102,478	7,162	7%
Total Assets	266,485	231,842	2,743	2,895	269,228	234,737	34,491	15%
Deferred outflows of resources								
Deferred OPEB	1,465	686	-	-	1,465	686	779	113%
Deferred pension	29,453	28,640	-	-	29,453	28,640	813	3%
Total deferred outflows of resources	30,917	29,326	-	-	30,917	29,326	1,591	5%
Current and other liabilities	32,090	15,676	44	27	32,134	15,703	16,431	105%
Long term liabilities	198,517	182,128	131	153	198,648	182,281	16,367	9%
Total Liabilities	230,607	197,804	176	180	230,782	197,984	32,798	17%
Deferred inflows of resources								
Deferred OPEB	3,733	4,230	-	-	3,733	4,230	(497)	(12%)
Deferred pension	1,150	4,839	-	-	1,150	4,839	(3,689)	(76%)
Total deferred inflows of resources	4,883	9,069	-	-	4,883	9,069	(4,186)	(46%)
Net investment in capital assets	93,918	92,732	2,220	2,310	96,138	95,042	1,096	1%
Restricted	97,483	87,466	-	-	97,483	87,466	10,017	11%
Unrestricted	(129,489)	(125,903)	347	405	(129,141)	(125,498)	(3,643)	3%
Total Net Position	\$ 61,912	\$ 54,295	\$ 2,568	\$ 2,715	\$ 64,480	\$ 57,010	\$ 7,470	13%

As noted earlier, over time, net position may serve as a useful indicator of a government's financial condition. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$64,480 at the close of the current fiscal year.

Analysis of Net Position

The County's total net position increased by \$7,470, or 13%, during the fiscal year. As described below, the County experienced a net decrease mainly due to reductions in restricted net position and changes in net investment in capital assets.

Restricted net position

Restricted net position of \$97,483 represents resources that subject to external restrictions on their use or by enabling legislation. Due to the unique nature of funding sources and the unrestricted impact of the net pension and OPEB liabilities, the County has significantly more restricted net position dollars than unrestricted net position dollars. Restricted net position is comprised of the following:

- \$26,663 (27.4%) for health and social services.
- \$25,770 (26.4%) for public protection.
- \$20,217 (20.7%) for public ways and facilities.
- \$2,094 (2.1%) for taxes and fees.
- \$5,793 (5.9%) for other restrictions.
- \$5,894 (6.0%) for general government.

Restricted net position increased \$10,017, or 11%.

Net investment in capital assets

The largest portion of the County's net position is invested in capital assets (e.g. land, buildings, roads, bridges, flood control channels, machinery, equipment, and intangible assets), less the related and outstanding debt used to acquire those assets and related deferred inflows of resources. The County uses these capital assets to provide services to citizens; as such, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental & Business-Type	Capital Assets (in thousands)		Variance Amount	Percentage Change
	2021	2020		
Investment in capital assets (net of accumulated depreciation)	\$ 109,640	\$ 102,478	\$ 7,162	7%
Less:				
Related Debt	(13,603)	(7,436)	(6,167)	83%
Net Investment in Capital Assets	<u>\$ 96,037</u>	<u>\$ 95,042</u>	<u>\$ 995</u>	<u>1%</u>

The \$1,096, or 1.2% increase in net position from the net investment in capital assets represents capital acquisitions and deletions, less current year depreciation, and the addition and/or retirement of related long-term debt and deferred inflows of resources. The County recorded depreciation expense of \$6,351. Significant additions related to capital assets and associated debts are presented in the following pages.

Unrestricted net position

The negative unrestricted net position of \$(129,141) increased by \$(3,643), or 2.9% from the prior year. The majority of negative unrestricted net position is primarily the result of the County's unfunded pension and OPEB liabilities offset by positive unrestricted net position predominately in the County's General Fund.

A summary of the changes in net position from 2020 to 2021 is presented below.

	Changes in Net Position (in thousands)						Total	
	Governmental Activities		Business-Type Activities		Total		Dollar Change	% Change
	2021	2020	2021	2020	2021	2020	2020 to 2021	2020 to 2021
Program revenues:								
Fees, fines & charges								
for services	\$ 26,696	\$ 24,193	\$ 240	\$ 248	\$ 26,936	\$ 24,442	\$ 2,495	10%
Operating grants	153,137	127,513	-	-	153,137	127,513	25,625	20%
Capital grants	-	-	76	1,061	76	1,061	(984)	-93%
Total program revenues	179,834	151,706	316	1,309	180,150	153,015	27,135	18%
General revenues:								
Property taxes	34,367	33,442	-	-	34,367	33,442	925	3%
Franchise taxes	1,444	1,417	-	-	1,444	1,417	27	2%
Sales and use taxes	4,236	4,487	-	-	4,236	4,487	(252)	-6%
Transportation taxes	886	1,015	-	-	886	1,015	(128)	-13%
Transfer taxes	654	468	-	-	654	468	186	40%
Other	406	498	-	-	406	498	(92)	-18%
Unrestricted interest and investment earnings	1,215	2,909	(3)	(5)	1,212	2,904	(1,692)	-58%
Tobacco settlement	1,052	932	-	-	1,052	932	120	13%
Miscellaneous	3,322	12,662	-	3	3,322	12,665	(9,344)	-74%
Total general revenues	47,581	57,830	(3)	(2)	47,578	57,828	(10,250)	-18%
Total revenues	227,415	209,536	313	1,307	227,728	210,843	16,885	8%
Expenses:								
General government	37,410	33,533	-	-	37,410	33,533	3,877	12%
Public protection	55,592	52,761	-	-	55,592	52,761	2,832	5%
Public ways and facilities	9,645	11,073	-	-	9,645	11,073	(1,428)	-13%
Health and sanitation	64,949	59,593	-	-	64,949	59,593	5,356	9%
Public assistance	49,594	52,451	-	-	49,594	52,451	(2,857)	-5%
Education	1,615	1,867	-	-	1,615	1,867	(252)	-13%
Recreation and culture	586	988	-	-	586	988	(401)	-41%
Community development	-	-	-	-	-	-	-	0%
Interest and fiscal charges	406	283	-	-	406	283	123	43%
Water Works District No. 1	-	-	461	427	461	427	34	8%
Total expenses	219,797	212,549	461	427	220,258	212,976	7,283	3%
Excess (deficiency) of revenues over (under) expenses	7,618	(3,013)	(148)	880	7,470	(2,133)	9,603	-450%
Transfers	-	-	-	-	-	-	-	0%
Change in Net Position	7,618	(3,013)	(148)	880	7,470	(2,133)	9,603	-450%
Net Position, beginning, restated	54,295	57,308	2,715	1,835	57,010	59,143	(2,133)	-4%
Net Position, ending	\$ 61,912	\$ 54,295	\$ 2,568	\$ 2,715	\$ 64,480	\$ 57,010	\$ 7,470	13%

Analysis of Governmental Activities

Governmental activities increased the County's net position by \$7,618 to \$61,912. Revenues were unable to keep pace with operating expenditures due primarily to reduction in governmental revenues impacted by the COVID-19 pandemic.

Revenues

Total revenues for the County's Governmental Activities had an overall increase from the prior year of \$17,879, or 8.5%, to \$227,415. Revenues are divided into two categories: Program Revenues and General Revenues.

Program Revenues had an overall increase of \$28,128, or 19%, to \$179,834, from the prior year. As an arm of the State government, a significant portion of the charges for services and operating grants and contributions are tied to mandated programs such as welfare, health and behavioral health services. Total program revenues represent 79% of the County's funding for governmental activities.

- *Fees, fines and & charges for services* increased \$2,495, or 10.21%, to \$26,936.

- *Operating grants* (intergovernmental revenues) increased \$25,625, or 20.10%, to \$153,137.
- *Capital grants* (intergovernmental revenues) increased \$(984), or -93%.

General Revenues had an overall decrease of \$(10,248), or 5%, to \$47,581, from the prior year. These revenues included general taxes which provided the Board of Supervisors with the most discretionary spending ability. Since the formation of California County government in the 1850’s, basic public safety services such as sheriff, fire, probation, and district attorney consume most of these resources. The increase in general revenues is due primarily to:

- *Sales and use tax* shrank \$(252), or 5.61%, to \$4,236.
- *Property taxes* increase 925, or 2.77%, to 34,367.
- *Franchise tax* increase \$27, or 2%, to \$1,444.

Expenses had an overall increase for all activities of \$7,283, or 3.42%, to \$220,258 from the prior year.

Analysis of Business-type Activities

The net position of business-type activities decreased by \$(148), or 5%, to \$2,568. For many years this enterprise activity has generated annual deficits, however, in the current year due to a large state grant the fund increase its net position. For example, capital grants of \$76, was 24% of total revenue. Although grant funding is regularly applied for and awarded due to the low per-capita income of the area residents, there is no guarantee that these funds will be received each year.

Financial Analysis of the County’s Fund Balance

Fund Balances (in thousands)

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total		Total	
						2021	2020	Dollar Change	% Change
						2020 to 2021	2020 to 2021		
General Fund	\$ 2,400	\$ 5,643	\$ 7,175	\$ -	\$ 14,778	\$ 29,996	\$ 20,248	\$ 9,747	48.1%
Major Funds									
Bi-County Behavioral Health	13	5,872	-	-	-	5,885	2,268	3,617	159.5%
Welfare	67	9,593	-	-	-	9,660	10,922	(1,262)	(11.6%)
Public Safety/Trial Courts	44	6,044	580	-	-	6,667	5,391	1,277	23.7%
Mental Health Services Act	13	3,685	-	312	-	4,011	12,512	(8,501)	(67.9%)
Public Safety Realignment	-	19,112	-	-	-	19,112	15,738	3,374	21.4%
Other Governmental Funds									
	15	35,174	2,366	-	-	37,555	35,780	1,775	5.0%
Total Fund Balances	<u>\$ 2,551</u>	<u>\$ 85,124</u>	<u>\$ 10,120</u>	<u>\$ 312</u>	<u>\$ 14,778</u>	<u>\$ 112,885</u>	<u>\$ 102,858</u>	<u>\$ 10,027</u>	<u>9.7%</u>

Governmental Funds

The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources (modified accrual basis of accounting). Such information is useful in assessing the County’s financing requirements. In particular, total fund balance less the nonspendable portion is a useful measure of a government’s resources available for spending at the end of the fiscal year.

At June 30, 2021, the County's Governmental Funds reported total fund balance of \$112,885, a \$10,027 increase in comparison with the prior year's total ending fund balances. The components of total fund balance are as follows (for more information see Note 12 – Fund Balance Classifications):

- *Nonspendable Fund Balance*, \$2,551, are amounts that are not spendable in form, or are legally or contractually required to be maintained intact and are made up of (1) long-term receivables of \$2,366 and (2) prepaid expenses of \$185.
- *Restricted Fund Balance*, \$85,124, consists of amounts with constraints put on their use by creditors, grantors, contributors, laws, regulations, or enabling legislation. Examples of restrictions on funds are those for (1) purpose of fund (i.e. flood control), (2) grants for capital outlay, and (3) legislated amounts reserved for healthcare.
- *Committed Fund Balance*, \$10,120, consists of amounts for specific purposes determined by the Board, which includes capital projects.
- *Unassigned Fund Balance*, \$14,778, represents the residual balance for the County's Governmental Funds.

Approximately 98%, or \$110,334 of the total fund balance is spendable which means it is available to meet the County's current and future needs provided that any external restrictions are met. With the approval of the Board, County management can earmark a portion of fund balance to a particular function, project or activity, and can also earmark it for purposes beyond the current year, within the constraints applied to the various categories of fund balance. With the exception of the nonspendable portion, fund balances are available for appropriation at any time.

General Fund

The General Fund is the main operating fund of the County. The General Fund's total fund balance decreased by 9,747, or 48.1%, to \$29,996 at June 30, 2021.

The spendable portion of fund balance decreased 27,596. The nonspendable portion of fund balance increased 2,400, to 2.8%.

As a measure of the General Fund's liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. Total fund balance equates to 107.1% of total General Fund expenditures while spendable fund balance equates to 98.5% of total General Fund expenditures. Of the General Fund spendable fund balance, \$5,643, or 20.4%, is restricted, \$7,175 or 26% is committed, -, or 0% is assigned and \$14,778, or 54% is unassigned.

Major Funds

The County has six other major governmental funds. The bi-county behavioral health fund has a total fund balance of \$5,885, the welfare fund of \$9,660, the public safety/trial courts fund of \$6,667, mental health services act fund of \$4,011, and public safety realignment fund of \$19,112 at the end of the year. The other governmental funds' fund balances decreased \$1,775, or 5.0%, to \$37,555. The five other major funds had changes in fund balances, including restatements, as follows: bi-county behavioral health fund of \$3,617, welfare fund of \$(1,262), public safety/trial courts of negative \$1,277, Mental Health Services Act fund of \$(8,501), and public safety/realignment of \$3,374.

Proprietary Funds

The enterprise funds total net position, which consists of Waterworks District No. 1, decreased \$(148), or 5% from the prior year. Operating Revenues remained steady at 240, while operating expenses decreased 45% to 461. Operating deficits have been experienced over the past couple of years; \$113 in 2018 and \$565 in 2019. However, grant monies received in 2019-\$178 and 2020-\$1,061 were sufficient to cover the operating deficits and increased net position. Accordingly, operating revenues may have to be raised, in the future to meet the operating expenses of the utility district.

Total internal service funds’ net position increased by \$1,946, or 155%, and ended with a deficit balance of \$690.

Capital Assets & Debt

Capital Assets

Capital Assets (net of depreciation, in thousands)

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar Change	% Change
	2021	2020	2021	2020	2021	2020	2020 to 2021	2020 to 2021
Land	\$ 6,285	\$ 3,035	\$ 58	\$ 58	\$ 6,343	\$ 3,093	\$ 3,250	105.1%
Easements	5	5,000	-	-	5	5,000	(4,995)	100.0%
Construction in Progress	36,901	33,265	1,065	1,044	37,966	34,309	3,657	10.7%
Capital assets, not being depreciated	43,191	41,300	1,123	1,102	44,314	42,402	1,912	4.5%
Land Improvements	867	33	-	-	867	33	834	2494.7%
Structures and improvements	28,178	26,834	1,249	1,379	29,428	28,214	1,214	4.3%
Equipment	3,803	3,551	-	-	3,803	3,551	252	7.1%
Vehicles	3,877	3,396	-	-	3,877	3,396	481	14.2%
Infrastructure	26,925	29,769	-	-	26,925	29,769	(2,843)	-9.6%
Software	425	108	-	-	425	108	318	294.9%
Capital assets, net of accumulated depreciation	64,077	63,691	1,249	1,379	65,326	65,071	255	0.4%
Total	\$ 107,268	\$ 104,991	\$ 2,373	\$ 2,482	\$ 109,640	\$ 107,473	\$ 2,167	2.0%

During the fiscal year, the County’s investment in capital assets, net of accumulated depreciation, increased by \$2,167 or 2.0% from the prior year. This investment was in a range of capital assets including construction in progress (CIP), equipment, and vehicles. Major capital asset additions include:

- a variety of vehicles
- \$431 for road maintenance equipment
- \$355 for a fire truck, and
- \$287 for election voting equipment

In addition to purchasing capital assets, the County constructs capital assets. If the asset has not been completed as of the end of the fiscal year, the costs incurred are added to Construction in Progress (CIP). Major additions to CIP include:

- \$1,534 for the Casa De Esperanza project
- \$1,470 for the health services building project, and
- \$941 for water meter infrastructure and improvements for Waterworks District #1

Additional capital asset information, including depreciation, amortization, and outstanding CIP as of June 30, 2021, can be found in Note 5 of the Notes to the Financial Statements.

Debt

Outstanding Debt (in thousands)

	Governmental Activities		Business-Type Activities		Total		Total	
	2021	2020	2021	2020	2021	2020	Dollar Change 2020 to 2021	% Change 2020 to 2021
	Refinancing lease agreement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital leases	6,701	7,264	136	148	6,837	7,412	(576)	-7.8%
Loans payable	6,750	-	16	24	6,766	24	6,742	27717.3%
Total	\$ 13,451	\$ 7,264	\$ 152	\$ 172	\$ 13,603	\$ 7,436	\$ 6,167	82.9%

During the fiscal year, long-term debt outstanding increased by \$6,167, or 82.9% from the prior year. Total long-term debt outstanding was \$13,603 at June 30, 2021. This balance consists primarily of capital lease obligations; \$6,254 for solar panels and energy upgrades, \$582 for the use of dark fiber network cabling, and long-term liabilities of \$6,766 related to structures & improvements.

Additional lease and long-term debt information, including interest rates, future minimum lease payments, and outstanding balances as of June 30, 2021, can be found in Notes 6 and 7 of the Notes to the Financial Statements.

General Fund Budgetary Highlights

Over the course of the year, the Board of Supervisors revised the County’s budget. Each time a grant or specific revenue enhancement is made available to a county program that requires new appropriations a budget amendment is required. The County Administrators Office performs a mid-year review by analyzing each department’s expenditures and revenues.

Differences between the Adopted Budget and the Final Budget for the General Fund are summarized in the table below:

General Fund

	Adopted Budget	Final Budget	Variance	
			Amount	Percent
Total revenues	\$ 69,475	\$ 70,628	\$ 1,153	1.7%
Total expenditures	(29,984)	(32,791)	(2,807)	9.4%
Other financing sources (uses)	(30,950)	(30,304)	647	(2.1%)
Net change in fund balances	\$ 8,541	\$ 7,533	\$ (1,008)	(11.8%)

Differences between the Final Budget and actual amounts for the General Fund are summarized in the table below:

General Fund

	Final Budget	Actual	Variance	
			Amount	Percent

Total revenues	\$ 70,628	\$ 63,540	\$ (7,087)	(10.0%)
Total expenditures	(32,791)	(28,013)	4,778	(14.6%)
Other financing sources (uses)	(30,304)	(25,780)	4,524	(14.9%)
Net change in fund balances	\$ 7,533	\$ 9,747	\$ 2,215	29.4%

Economic Factors and Next Year’s Budget and Rates

The following factors were considered in preparing the County’s operating budget for FY 2022:

General revenues include property taxes, fines, sales and use taxes, and other state revenues and miscellaneous taxes. For FY 2022, the County estimated an overall slight decrease of \$(5,776), or -7.5%, compared to the FY 2021 Adopted Budget. Of that increase, \$(75) represents an overall decrease in property, sales and other tax revenue.

The countywide Recommended Budget provides a decrease in appropriations of \$(11,563), or -2.8%, totaling \$396,193 compared to the FY 2021 Adopted Budget. Of that, General Fund appropriations fell \$(5,776), or -7.5%, to \$71,144.

The State adopted a balanced and on-time budget that includes a spending plan of \$258.1 billion, an increase of nearly \$30 billion from the 2020-21 revised budget. This increase reflects the General Fund spending associated with the significant surplus in 2021-22. Much of the budget surplus is from higher than usual federal funding, including elevated unemployment benefits and emergency costs.

The County’s FY 2022 Recommended Budget can be found at:

<https://www.suttercounty.org/government/county-departments/county-administrator/county-budgets>

Requests for Information

The financial report is designed to provide a general overview of the County’s finances for all interested parties. Questions concerning any of the information provided in this reports or requests for additional information should be addressed to Sutter County Auditor-Controller, 463 Second Street, Yuba City, CA 95991. The County’s Comprehensive Annual Financial Report can also be found on the County’s website.



Basic Financial Statements

COUNTY OF SUTTER
Statement of Net Position
June 30, 2021

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and investments (Note 3)	\$ 116,515,371	\$ 307,898	\$ 116,823,268
Cash with fiscal agent (Note 3)	14,183,519	-	14,183,519
Accounts receivable	1,143,208	68,564	1,211,772
Due from other governments	27,876,067	-	27,876,067
less allowance for doubtful accounts	(5,438,326)	(6,026)	(5,444,352)
Taxes receivable	825,441	-	825,441
Interest receivable	300,038	93	300,131
Prepaid expenses	169,694	-	169,694
Inventories	26,699	-	26,699
Loans receivable (Note 4)	3,615,157	-	3,615,157
Capital assets:			
Nondepreciable (Note 5)	43,191,034	1,123,047	44,314,081
Depreciable, net (Note 5)	64,076,638	1,249,476	65,326,114
Total Assets	<u>266,484,538</u>	<u>2,743,052</u>	<u>269,227,590</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred related to OPEB (Note 8)	1,464,570	-	1,464,570
Deferred related to pension (Note 8)	29,452,631	-	29,452,631
Total Deferred Outflows of Resources	<u>30,917,202</u>	<u>-</u>	<u>30,917,202</u>
LIABILITIES			
Accounts payable	5,949,740	20,959	5,970,698
Salaries and benefits payable	2,923,177	-	2,923,177
Interest payable	234,952	1,653	236,606
Deposits from others	254,609	-	254,609
Unearned revenue	14,246,147	444	14,246,590
Compensated absences (Note 16)	7,369,366	-	7,369,366
Claims reserve for self insurance (Note 10)	-	-	-
Claims reserve for workers compensation (Note 10)	-	-	-
Leases payable (Note 6)	726,680	13,253	739,933
Loans payable (Note 7)	385,000	8,106	393,106
Long-Term Liabilities:			
Compensated absences	644,207	-	644,207
Claims reserve for liability insurance	1,719,907	-	1,719,907
Claims reserve for workers compensation	5,677,352	-	5,677,352
Leases payable (Note 6)	5,973,862	122,780	6,096,642
Loans payable (Note 7)	6,365,000	8,333	6,373,333
Total OPEB liability (Note 15)	12,106,362	-	12,106,362
Net pension liability (Note 14)	166,030,601	-	166,030,601
Total Liabilities	<u>230,606,962</u>	<u>175,528</u>	<u>230,782,490</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred related OPEB (Note 11)	3,732,555	-	3,732,555
Deferred related pension (Note 11)	1,150,066	-	1,150,066
Total Deferred Inflow of Resources	<u>\$ 4,882,621</u>	<u>\$ -</u>	<u>\$ 4,882,621</u>

COUNTY OF SUTTER
Statement of Net Position
June 30, 2021

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
NET POSITION			
Net investment in capital assets	\$ 93,918,335	\$ 2,220,051	\$ 96,138,386
Restricted for (Note 13):			
Taxes and fees	2,093,607	-	2,093,607
General government	5,894,370	-	5,894,370
Public protection	25,769,873	-	25,769,873
Public ways and facilities	20,216,715	-	20,216,715
Health and social services	26,662,932	-	26,662,932
Public assistance	11,052,172	-	11,052,172
Other	5,792,976	-	5,792,976
Unrestricted	(129,488,822)	347,473	(129,141,349)
Total Net Position	<u>\$ 61,912,157</u>	<u>\$ 2,567,525</u>	<u>\$ 64,479,682</u>

COUNTY OF SUTTER
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Program Revenues			
	Direct Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 37,410,058	\$ 11,845,601	\$ 1,577,798	\$ -
Public protection	55,592,248	659,551	26,685,396	-
Public ways and facilities	9,645,080	268,038	7,360,518	-
Health and sanitation	64,948,718	4,582,486	71,770,430	-
Public assistance	49,594,126	9,324,656	45,455,204	-
Education	1,615,360	14,330	287,889	-
Recreation and culture	586,273	1,664	-	-
Interest on long-term debt	405,597	-	-	-
Total Governmental Activities	<u>219,797,460</u>	<u>26,696,325</u>	<u>153,137,234</u>	<u>-</u>
Business-Type Activities:				
Waterworks District #1	460,667	240,108	-	76,373
Total Business-type Activities	<u>460,667</u>	<u>240,108</u>	<u>-</u>	<u>76,373</u>
Total Primary Government	<u>\$ 220,258,128</u>	<u>\$ 26,936,433</u>	<u>\$ 153,137,234</u>	<u>\$ 76,373</u>

General Revenues:

Taxes:

- Property taxes
- Franchise taxes
- Sales and use taxes
- Transportation taxes
- Transfer taxes
- Other

Unrestricted interest and investment earnings

Tobacco settlement

Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

Net (Expense) Revenue and
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (23,986,659)	\$ -	\$ (23,986,659)
(28,247,301)	-	(28,247,301)
(2,016,524)	-	(2,016,524)
11,404,197	-	11,404,197
5,185,734	-	5,185,734
(1,313,141)	-	(1,313,141)
(584,609)	-	(584,609)
(405,597)	-	(405,597)
<u>(39,963,901)</u>	<u>-</u>	<u>(39,963,901)</u>
-	(144,186)	(144,186)
-	(144,186)	(144,186)
<u>(39,963,901)</u>	<u>(144,186)</u>	<u>(40,108,087)</u>
34,367,263	-	34,367,263
1,443,527	-	1,443,527
4,235,717	-	4,235,717
886,456	-	886,456
653,945	-	653,945
405,795	-	405,795
1,215,287	(3,460)	1,211,827
1,051,753	-	1,051,753
3,321,658	-	3,321,658
<u>47,581,401</u>	<u>(3,460)</u>	<u>47,577,941</u>
7,617,500	(147,646)	7,469,854
<u>54,294,656</u>	<u>2,715,171</u>	<u>57,009,827</u>
<u>\$ 61,912,156</u>	<u>\$ 2,567,525</u>	<u>\$ 64,479,681</u>

COUNTY OF SUTTER
Balance Sheet
Governmental Funds
June 30, 2021

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
Assets				
Cash and investments	\$ 20,985,391	\$ (164,746)	\$ 11,910,691	\$ 2,132,003
Cash with fiscal agent	5,576,016	-	-	-
Accounts receivable	174,938	630,983	7,180	117,685
Due from other governments	2,389,397	14,002,231	2,813,876	3,211,428
less allowance for doubtful accounts	-	(5,438,326)	-	-
Interest receivable	98,869	2,173	25,136	12,595
Taxes receivable	825,209	-	-	-
Due from other funds	7,651,654	10,536,695	4,446,829	11,915,631
Prepaid expenses	33,638	12,779	66,538	43,500
Inventory	-	-	-	-
Advances to other funds	2,215,477	-	-	-
Loans receivable	150,762	-	-	-
less allowance for doubtful accounts	-	-	-	-
Total Assets	\$ 40,101,352	\$ 19,581,790	\$ 19,270,250	\$ 17,432,842
Liabilities				
Accounts payable	\$ 632,575	\$ 2,098,727	\$ 1,091,056	\$ 930,058
Salaries and benefits payable	547,074	670,071	500,990	740,407
Deposits from others	56,768	-	2	4
Due to other funds	7,837,042	1,056,376	2,041,778	8,948,437
Advances from other funds	-	1,113,572	-	-
Unearned revenue	11,624	-	4,533,364	25,637
Total Liabilities	9,085,083	4,938,746	8,167,190	10,644,543
Deferred Inflows of Resources				
Unavailable revenue	1,020,440	8,759,769	1,443,223	121,209
Fund Balances (Note 12)				
Nonspendable	2,399,877	12,779	66,537	43,500
Restricted	5,642,829	5,872,058	9,593,300	6,043,856
Committed	7,174,860	-	-	579,734
Assigned	-	-	-	-
Unassigned	14,778,263	-	-	-
Total Fund Balances	29,995,829	5,884,837	9,659,837	6,667,090
Total Liabilities, Deferred Inflows Resources and Fund Balances	\$ 40,101,352	\$ 19,583,352	\$ 19,270,250	\$ 17,432,842

Public Health	Public Safety Realignment	Other Governmental	Total	
\$ 18,216,166	\$ 22,126,861	\$ 39,160,921	\$ 114,367,288	Assets
-	-	500	5,576,516	Cash and investments
157,492	(0.00)	30,009	1,118,288	Cash with fiscal agent
1,589,367	3,144,557	725,211	27,876,067	Accounts receivable
-	-	-	(5,438,326)	Due from other governments less allowance for doubtful
28,347	41,804	88,584	297,508	Interest receivable
-	-	232	825,441	Taxes receivable
4,523,205	4,428,337	1,675,973	45,178,324	Due from other funds
13,238	-	-	169,694	Prepaid expenses
-	-	15,035	15,035	Inventory
-	-	60,354	2,275,831	Advances to other funds
500	-	3,456,511	3,607,773	Loans receivable
-	-	-	-	less allowance for doubtful
<u>\$ 24,528,314</u>	<u>\$ 29,741,560</u>	<u>\$ 45,213,330</u>	<u>\$ 195,869,439</u>	Total Assets
				Liabilities
\$ 206,015	\$ 8,643	\$ 911,404	\$ 5,878,478	Accounts payable
239,276	-	140,235	2,838,052	Salaries and benefits payable
-	-	197,835	254,609	Deposits from others
9,662,197	10,621,171	5,120,280	45,287,281	Due to other funds
-	-	1,037,260	2,150,831	Advances from other funds
9,417,740	-	249,837	14,238,202	Unearned revenue
<u>19,525,228</u>	<u>10,629,814</u>	<u>7,656,851</u>	<u>70,647,454</u>	Total Liabilities
				Deferred Inflows of Resources
991,974	-	-	12,336,616	Unavailable revenue
				Fund Balances (Note 12)
13,238	-	15,034	2,550,967	Nonspendable
3,685,439	19,111,746	35,174,356	85,123,584	Restricted
-	-	2,365,527	10,120,121	Committed
312,435	-	-	312,435	Assigned
-	-	-	14,778,263	Unassigned
<u>4,011,112</u>	<u>19,111,746</u>	<u>37,554,918</u>	<u>112,885,370</u>	Total Fund Balances
<u>\$ 24,528,315</u>	<u>\$ 29,741,560</u>	<u>\$ 45,211,768</u>	<u>\$ 195,869,439</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

COUNTY OF SUTTER
 Reconciliation of the Governmental Funds Balance Sheet
 to the Government-Wide Statement of Net Position - Governmental Activities
 June 30, 2021

Fund Balance - total governmental funds (pages 30-31)		\$ 112,885,370
Amounts reported for governmental activities in the statement of net position are different because:		
Outstanding loan receivable balance with Economic Development Corp.		7,384
Deferred OPEB and pension outflows of resources in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		30,174,559
Deferred OPEB and pension inflows of resources in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		(4,803,003)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds balance sheets.		106,243,589
Accrued revenue, which is not available soon enough to pay for the current period's expenditures, is recorded as unavailable revenue in the governmental funds.		12,336,616
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds.		(233,194)
Long-term liabilities, including capital leases, are not due and payable in the current period, and therefore are not reported in the governmental funds.		
Capital lease	(6,560,485)	
COPs/Notes	(6,750,000)	
Compensated absences	(7,698,756)	
Total OPEB liability	(11,878,912)	
Net pension liability	<u>(162,501,140)</u>	
		(195,389,293)
Internal service funds are used by the County to charge the cost of its self-insurance risk management and management of fleet maintenance and information technology to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		<u>690,129</u>
Net position of governmental activities (page 26)		<u><u>\$ 61,912,156</u></u>



COUNTY OF SUTTER
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2021

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
Revenues:				
Taxes	\$ 35,614,745	\$ -	\$ -	\$ 20,895
Licenses and permits	2,483,952	-	1,384	28,820
Fines, forfeitures and penalties	95,637	10,622	-	833,981
Use of money and property	930,571	1,436	7,913	39,405
Intergovernmental	8,710,284	14,227,213	37,748,891	13,752,054
Charges for services	14,387,862	1,159,608	194,079	1,682,901
Other revenues	1,317,357	2,276,792	33,094	635,016
Total Revenues	63,540,407	17,675,672	37,985,361	16,993,073
Expenditures:				
Current:				
General government	15,935,910	-	-	-
Public protection	9,397,551	-	-	43,609,765
Public ways and facilities	180,405	-	-	-
Health and sanitation	-	46,500,019	-	-
Public assistance	86,891	-	49,579,238	-
Education	1,681,776	-	-	-
Recreation and culture	565,478	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	8,230	-	-
Capital outlay	164,794	301,797	-	884,098
Total Expenditures	28,012,804	46,810,046	49,579,238	44,493,864
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,527,604	(29,134,374)	(11,593,877)	(27,500,791)
Other Financing Sources (Uses):				
Transfers in	1,597,876	33,074,223	21,318,122	41,232,294
Transfers out	(27,378,014)	(324,264)	(10,986,664)	(12,454,936)
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	(25,780,138)	32,749,959	10,331,458	28,777,358
Net Changes in Fund Balances	9,747,466	3,615,585	(1,262,419)	1,276,567
Fund Balances, Beginning of Year	20,248,364	2,267,690	10,922,256	5,390,523
Fund Balances, End of Year	\$ 29,995,829	\$ 5,883,275	\$ 9,659,837	\$ 6,667,090

Public Health	Public Safety Realignment	Other Governmental	Total	
\$ -	\$ -	\$ 4,913,536	\$ 40,549,176	Revenues:
-	-	524,805	3,038,961	Taxes
106,131	-	76,861	1,123,232	Licenses and permits
4,480	25,584	209,378	1,218,767	Fines, forfeitures and penalties
23,237,979	33,793,173	21,429,667	152,899,262	Use of money and property
2,713,592	1,427,422	2,363,194	23,928,658	Intergovernmental
20,000	-	250,298	4,532,558	Charges for services
26,082,181	35,246,179	29,767,739	227,290,613	Other revenues
				Total Revenues
				Expenditures:
				Current:
-	-	1,588,132	17,524,042	General government
-	30,943	6,887,271	59,925,530	Public protection
-	-	8,288,295	8,468,700	Public ways and facilities
19,074,264	-	24,113	65,598,396	Health and sanitation
-	-	867	49,666,995	Public assistance
-	-	(0)	1,681,776	Education
-	-	3	565,480	Recreation and culture
-	-	552,999	552,999	Debt Service:
-	-	250,601	258,831	Principal
314,484	-	18,118,016	19,783,189	Interest
19,388,748	30,943	35,710,297	224,025,939	Capital outlay
				Total Expenditures
6,693,433	35,215,236	(5,942,558)	3,264,674	Excess (Deficiency) of Revenues Over (Under) Expenditures
15,381,450	12,862,403	11,076,605	136,542,973	Other Financing Sources (Uses):
(21,849,236)	(44,703,449)	(18,833,925)	(136,530,487)	Transfers in
-	-	6,750,000	6,750,000	Transfers out
(6,467,786)	(31,841,046)	(1,007,319)	6,762,486	Proceeds from debt issuance
225,647	3,374,190	(6,949,877)	10,027,160	Total Other Financing Sources (Uses)
3,785,465	15,737,556	44,506,357	102,858,211	Net Changes in Fund Balances
\$ 4,011,112	\$ 19,111,746	\$ 37,556,480	\$ 112,885,371	Fund Balances, Beg. of Year
				Fund Balances, End of Year

COUNTY OF SUTTER
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds to the
 Government-Wide Statement of Activities - Governmental Activities
 For the Year Ended June 30, 2021

Net change to fund balance - total governmental funds (pages 33-34) \$ 10,027,160

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	22,330,206	
Less: donated property	(9,094,716)	
Less: current year depreciation	<u>(6,054,243)</u>	7,181,246

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	234,121
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Repayment of long-term notes receivable are reported as revenues. However, in the statement of activities, this is not reported as an revenue.	(201,616)
A portion of the long-term notes receivable was written off.	(41,000)

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal repayments	552,999	
Interest payments	(146,766)	
Proceeds from long-term debt issuance	<u>(6,750,000)</u>	(6,343,767)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in compensated absences	(1,309,623)
Change in OPEB liability and deferred OPEB inflows/outflows	566,316
Change in net pension liability and deferred pension inflows/outflows	(4,441,015)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	<u>1,945,677</u>
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Change in net position of governmental activities (pages 28-29)	<u><u>\$ 7,617,500</u></u>
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COUNTY OF SUTTER
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Funds</u>
	Waterworks District No. 1	
ASSETS		
Current Assets:		
Cash and investments	\$ 307,898	\$ 2,148,083
Cash with fiscal agent	-	8,607,003
Accounts receivable	68,564	24,921
less allowance for doubtful accounts	(6,026)	-
Interest receivable	93	2,530
Due from other funds	-	151,508
Prepaid expenses	-	-
Inventory	-	11,664
Total Current Assets	<u>370,530</u>	<u>10,945,708</u>
Noncurrent Assets:		
Capital assets:		
Non-depreciable	1,123,047	247,690
Depreciable, net	1,249,476	776,392
Total Noncurrent Assets	<u>2,372,523</u>	<u>1,024,082</u>
Total Assets	<u>2,743,052</u>	<u>11,969,790</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred related to pension	-	724,522
Deferred related to OPEB	-	18,121
Total Deferred Outflows of Resources	<u>-</u>	<u>742,643</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	20,959	71,262
Salaries and benefits payable	-	85,125
Due to other funds	-	42,551
Capital lease payable	13,253	13,656
Compensated absences payable	-	289,509
Loan payable	8,106	-
Interest payable	1,653	1,759
Unearned revenue	444	7,944
Total Current Liabilities	<u>44,415</u>	<u>511,805</u>
Long-Term Liabilities:		
Compensated absences payable	-	25,308
Advance from other funds	-	125,000
Capital lease payable	122,780	126,401
Claims payable	-	7,397,259
Loan payable	8,333	-
Net pension liability	-	3,529,461
Net OPEB liability	-	227,450
Total Long-Term Liabilities	<u>131,113</u>	<u>11,430,880</u>
Total Liabilities	<u>175,528</u>	<u>11,942,686</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred related to pension	-	9,492
Deferred related to OPEB	-	70,126
Total Deferred Inflows of Resources	<u>-</u>	<u>79,618</u>
NET POSITION		
Net investment in capital assets	2,220,051	884,026
Unrestricted	347,473	(193,897)
Total Net Position	<u>\$ 2,567,525</u>	<u>\$ 690,129</u>

COUNTY OF SUTTER
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
Operating Revenues:		
Charges for services	\$ 240,108	\$ 11,445,274
Other revenues	-	87,320
Total Operating Revenues	<u>240,108</u>	<u>11,532,594</u>
Operating Expenses:		
Salaries and benefits	15,374	3,164,906
Services and supplies	308,383	5,524,220
Other charges	128	720,949
Depreciation	129,925	167,101
Total Operating Expenses	<u>453,809</u>	<u>9,577,176</u>
Operating Income (Loss)	<u>(213,701)</u>	<u>1,955,418</u>
Non-Operating Revenue (Expenses):		
Investment income	(3,460)	(3,479)
Loss on disposal of capital assets	-	6,225
Interest expense	(5,860)	-
Fines and penalties	(998)	-
Total Non-Operating Revenue (Expenses)	<u>(10,318)</u>	<u>2,746</u>
Net Income (Loss) Before Capital Contributions and Transfers	(224,020)	1,958,164
Capital contributions	76,373	-
Transfers in	-	-
Transfers out	-	(12,487)
Change in Net Position	(147,646)	1,945,677
Net Position - Beginning of Year	<u>2,715,171</u>	<u>(1,255,548)</u>
Net Position - End of Year	<u>\$ 2,567,525</u>	<u>\$ 690,129</u>

COUNTY OF SUTTER
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash receipts from customers	\$ 243,834	\$ 11,728,253
Cash paid to suppliers for goods and services	(311,833)	(5,789,618)
Cash paid to employees for services	-	(3,035,771)
Net Cash Provided (Used) by Operating Activities	(67,999)	2,902,864
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Interfund loans received (paid)	(1,347)	(154,813)
Miscellaneous cash received (paid)	-	(5,699)
Net Cash Provided (Used) by Noncapital Financing Activities	(1,347)	(160,512)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital contributions	76,373	-
Principal payments on capital leases	(11,290)	(11,406)
Proceeds from issuance of capital lease	349,810	-
Payments related to the acquisition of capital assets	(20,699)	(257,426)
Payment of long-term debt	(8,291)	-
Interest payments	(6,020)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	379,882	(268,832)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received (paid)	(3,450)	(3,396)
Net Cash Provided (Used) by Investing Activities	(3,450)	(3,396)
Net Increase (Decrease) in Cash and Cash Equivalents	307,085	2,470,124
Cash and Cash Equivalents, Beginning of Year	0	8,284,962
Cash and Cash Equivalents, End of Year	\$ 307,086	\$ 10,755,086

continued

COUNTY OF SUTTER
Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ (213,702)	\$ 1,955,418
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	129,925	167,101
Loss on disposal of capital assets	-	6,225
Changes in assets, liabilities and deferred (Increase) decrease in:		
Accounts receivable	(629)	282
Deposits and prepaid expenses	-	-
Inventory	-	(466)
Increase (decrease) in:		
Accounts payable	17,095	11,680
Salaries and benefits payable	-	8,771
Compensated absences payable	-	53,581
Claims liability	-	645,013
Interest payable	-	232
Unavailable/deferred revenue	-	(11,490)
Other liabilities	(998)	(266)
Net pension liability	-	114,308
Net OPEB liability	-	(47,524)
Unearned revenue	310	-
Net Cash Provided (Used) by Operating Activities	\$ (67,999)	\$ 2,902,865

COUNTY OF SUTTER
Statement of Fiduciary Net Position
Investment Trust Funds
For the Year Ended June 30, 2021

	Investment Trust Funds
Assets	
Cash and investments	\$ 158,627,267
Cash with fiscal agent	-
Accounts receivable	54,604
Due From Other Governments	-
Interest receivable	293,817
Prepaid Expenses	103,265
Inventory	334,146
Amount to be provided Debt Service	76
Taxes receivable	665,499
Other assets	-
	160,078,676
Liabilities	
Accounts payable	1,119,534
Accrued salaries and benefits	32,139
Unearned revenues	151,084
Interest Payable	1,139
Loans payable	76
Deposits payable	-
Agency funds held for others	-
	1,303,972
Net position	
Net position restricted for	158,774,703
	158,774,703
Total Net Position	\$ 158,774,703

COUNTY OF SUTTER
Statement of Fiduciary Net Position
Private-Purpose and Custodial Trust Funds
For the Year Ended June 30, 2021

	Private-Purpose Trust Funds	Custodial Trust Funds
Assets		
Cash and investments	\$ 2,540	\$ 11,590,662
Cash with fiscal agent	-	-
Accounts receivable	-	82,969
Due From Other Governments	-	1,505,426
Interest receivable	1	600,145
Prepaid Expenses	-	(663,068)
Inventory	-	-
Amount to be provided Debt Service	-	-
Taxes receivable	-	9,692,825
Other assets	3,272	37,689
	<u>5,812</u>	<u>22,846,647</u>
Liabilities		
Accounts payable	-	4,334,613
Accrued salaries and benefits	-	(2,736)
Unearned revenues	-	364,829
Interest Payable	-	-
Loans payable	-	-
Deposits payable	2,000	224,052
Agency funds held for others	2,840	9,119,006
	<u>4,840</u>	<u>14,039,764</u>
Net position		
Net position restricted for	972	8,806,884
	<u>972</u>	<u>8,806,884</u>
Total Net Position	<u>\$ 972</u>	<u>\$ -</u>

COUNTY OF SUTTER
Statement of Changes in Fiduciary Net Position
Investment Trust Funds
For the Year Ended June 30, 2021

	Investment Trust Funds
Additions	
Contributions to pooled investments	\$ 59,374,123
Interest and Investment income (loss)	121,926
Total Additions	59,496,049
Deductions	
Distributions from pooled investments	14,578,447
Total Deductions	14,578,447
Change in net position	44,917,603
Net Position - Beginning of Year, restated	113,857,101
Net Position - End of Year	\$ 158,774,703

COUNTY OF SUTTER
Statement of Changes in Fiduciary Net Position
Private-Purpose and Custodial Trust Funds
For the Year Ended June 30, 2021

	Private-Purpose Trust Funds	Custodial Trust Funds
Additions		
Contributions to pooled investments	\$ -	\$ 6,544,231
Interest and Investment income (loss)	(383)	14,289
Total Additions	(383)	6,558,521
Deductions		
Distributions from pooled investments	-	5,390,178
Total Deductions	-	5,390,178
Change in net position	(383)	1,168,342
Net Position - Beginning of Year, restated	1,355	7,637,569
Net Position - End of Year	\$ 972	\$ 8,805,911



**Notes to the
Financial Statements**

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1. FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a countywide basis including public safety, highway and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The County defines its reporting entity in accordance with accounting principles generally accepted in the United States of America (GAAP), which provides guidance for determining which governmental activities, organizations and functions should be included in the reporting entity. The accompanying financial statements present information on the activities of the reporting entity, including all fund types of the County (the primary government) and its component units.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units; although legally separate entities, are in substance part of the County's operations and, therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities of the following special districts as blended component units because their Board of Directors is composed of the same members as the County's board. These component units have not issued separate financial statements.

Discretely Presented Component Units

There are no component units of the county which meet the criteria for discrete presentation.

Blended Component Units

The blended component units' governing bodies are substantially the same as the governing body of the primary government. Component units that are blended into the reporting activity types of the County's report are presented below:

Special Assessment Districts – The assessment districts are separate legal entities formed to provide various services within the County.

Lighting Districts – The lighting districts are separate legal entities formed to provide lighting services within the County.

Landscape Districts – The landscape districts are separate legal entities formed to provide landscape services within the County.

The accompanying financial statements include an Investment Trust Fund that holds assets of numerous self-governed school and special districts for which the County Treasurer-Tax Collector acts as custodian. The financial

reporting for these governmental entities, which are independent of the County, is limited to the total amount of cash and investments, and other assets, and the related fiduciary responsibility of the County for disbursement of these assets. The County Auditor-Controller makes disbursements upon the request of the special district officers. Activities of the school and special districts are administered by separate boards and are independent of the County Board of Supervisors. The County Board of Supervisors has no effective authority to govern, manage, approve budgets, assume financial accountability, establish revenue limits, or to appropriate surplus funds available in these entities. Sutter County Schools do not issue independent audited financial statements but report directly to the California Department of Education. The individual Sutter County Special Districts do have independent audited financial statements. Individuals interested in obtaining a copy of a district's report should contact the district directly.

The accompanying financial statements also include six different private purpose trust funds. These funds are mostly comprised of monies held on behalf of citizens by order of the courts until such time the courts release the monies. The County Board of Supervisors has no effective authority to govern, manage, assume financial accountability, or to appropriate surplus funds available in these entities.

New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

Statement No. 84
*Summary of Statement NO.
 84 Fiduciary Activities*

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The requirements of this Statement are effective for the County's fiscal year ending June 30, 2021. As a result of the implementation of this Statement, the County restated beginning net position/fund balance as of July 1, 2020. The effect of the implementation of this Statement on beginning net position/fund balance is disclosed in Note 18.

Financial Statements

In accordance with GASB Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," the financial statements consist of the following:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all of the nonfiduciary activities of the primary government and its component units. Generally, the effect of interfund intra-function activity has been eliminated from the government-wide financial statements. All internal balances in the Statement of Net Position that have been eliminated, except for those representing balances between the governmental activities and the business-type activities, are presented as internal balances and eliminated in the total government column.

The Statement of Activities presents functional revenue and expenses of governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the Statement of Activities, internal service funds' revenue and expenses related to interfund services have been eliminated. Revenue and expenses related to services provided to external customers have not been eliminated and are presented within governmental activities.

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, and recreation and culture. The business-type activities of the County include water and sewer services of the Robbins community.

The Statement of Activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods and services offered by the program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the county of meets the following criteria:

- Total assets, liabilities, revenues or expenditures/expenses of that individual governmental fund or enterprise fund are at least 10% of the corresponding total for all funds of that category or type; and
- Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to claims and judgments are recorded only when payment is due. General capital acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

For the governmental funds financial statements, the County considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, sales taxes, franchise taxes, licenses, interest, special assessments, charges for services and other miscellaneous revenue are all considered to be susceptible to accrual, and have been recognized as revenue in the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All expenditure-driven grants are recorded at the time of receipt or earlier. If qualifying expenditures have been incurred and all other requirements are met, except for the timing requirement, a deferred inflow of resources is reported until time requirements have passed.

The accounts of the County are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

In accordance with GAAP the County reports on each major governmental fund. By definition, the general fund is always considered a major fund. Governmental funds other than the general fund must be reported as major funds if they meet both the ten percent and five percent criterion, defined respectively, 1) An individual governmental fund reports at least ten percent of any of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures; 2) an individual governmental fund reports at least five percent of the aggregated total for both governmental funds and enterprise funds of any one of the items for which it met the ten percent criterion. In addition, a fund may be reported as major if it is believed to be of particular importance to financial statement users.

The County reports the following major governmental funds:

- The **General Fund** is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as general government, public protection, public assistance, education, public ways and facilities, and culture and recreation services.
- The **Bi-County Behavioral Health Fund** is a special revenue fund used to account for revenues and expenditures for mental health activities.
- The **Welfare Fund** is a special revenue fund used to account for revenues and expenditures for social welfare programs.
- The **Public Safety/Trial Courts Fund** is a special revenue fund used to account for revenues and expenditures for public safety programs.
- The **Public Health Fund** is a special revenue fund used to account for revenues and expenditures for public health services and COVID programs.
- The **Public Safety Realignment Fund** is a special revenue fund used to account for the realignment of revenues and expenditures for public safety programs.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services.

Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County reports the following proprietary funds:

- An Enterprise Fund accounts for Water Works District No. 1 activities related to the provision of water services.
- Internal Service Funds account for the County's fleet maintenance, information technology, employee

wellness, and self-insurance programs which provide services to other departments on a cost reimbursement basis.

Fiduciary funds include private purpose trust, investment trust and custodial funds. All Fiduciary funds employ the same economic resources measurement focus and accrual basis of accounting as do proprietary funds.

The County reports the following fiduciary funds:

- The Private-Purpose Trust Funds account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments such as escheat property.
- The Investment Trust Funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The entities include school and community college districts, other special districts governed by local boards, regional boards and authorities, and pass-through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- The Custodial Funds account for assets held on behalf of governmental agencies outside of the County in a fiduciary capacity and do not meet criteria for being held in private-purpose trust funds or investment trust funds. They hold the resources until disbursement is made to authorized recipients or entities.

Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the enterprise and internal service funds consider their equity in the County Treasurer's Investment pool along with all highly liquid investments having a maturity of three months or less at the time of purchase to be cash equivalents.

The Treasurer's Investment pool is not registered as an investment company with the Securities and Exchange Commission (SEC) nor is it an SEC Rule 2a7-like pool. California Code statutes and the County Treasury Oversight Committee set forth the various investment policies that the County Treasurer must follow.

Investments

The County sponsors an investment pool that is managed by the County Treasurer. The Treasurer invests on behalf of most funds of the County and external participants in accordance with the California State Government Code and the County's investment policy. State statutes authorize the County to invest its cash surplus in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptance, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund.

Investment transactions are recorded on the trade date at cost. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Cash deposits are reported at carrying amount which reasonably estimates fair value. Managed funds not listed on an established market are reported at the estimated fair value as determined by the respective fund managers based on quoted sales prices of the underlying securities.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2021, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General Fund per County Policy. Income from non-pooled investments is recorded based on the specific investments held by the fund. The interest income is recorded in the fund that earned the interest.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include taxes, grants, and interest. Business-type activities report user fees and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accounts such as taxes, grants, interest, and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the full accrual basis of accounting. Interest and investment earnings are included in the current fiscal year if they are collected within 60 days of fiscal year end.

Proprietary fund major receivables consist of all revenues earned at year-end and not yet received. User fee receivable and interest earnings compose the majority of proprietary fund receivables. Allowance for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

- Loans reported as receivables and payables are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.
- Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and, therefore, are not eliminated in the process of preparing the government-wide Statement of Activities.

- Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are treated as an adjustment to expenditures or expenses; that is, a corresponding increase in expenditures or expenses in the reimbursing fund and a corresponding decrease in expenditures or expenses in the reimbursed fund.
- All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

Inventory and Prepaid Expenses

Inventories are stated at cost (first-in, first-out basis) for governmental funds and proprietary funds. Inventory recorded by governmental funds includes expendable supplies held for consumption. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Reported inventories of governmental funds are equally offset by a fund balance reservation to indicate that portion of fund balance not available for future appropriation. Certain payments to vendors reflect costs applicable to future accounting periods and are therefore considered prepaid expenses.

Loans Receivable

Loans receivable are comprised of mortgage subsidies and long-term loans to other agencies.

Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, water, sewer, and similar items). Capital assets are defined by the County as equipment with a cost of \$5,000 or more, structures and improvements with a cost of \$150,000 or more, and all land regardless of cost. Equipment reported in the financial statements is at actual historical cost. Structures and improvements and land are reported at actual cost when available or estimated historical cost. Estimated historical cost was arrived at by a variety of methods including the use of factors and comparative sales. Infrastructure assets, including bridges and roads, are reported at estimated historical cost.

Estimated historical cost for bridges was arrived at by developing a listing of all bridges constructed after 1980 and multiplying total square footage by the average cost per square foot and the price level factor for the Price Trends for Federal-Aid Highway Construction. Estimated historical cost for roads was arrived at by multiplying the number of land-miles constructed since 1980 for asphalt with curb and gutter by the average cost per lane-mile and the price level factor from the Price Trends for Federal-Aid Highway Construction. The county has determined the cost of gravel and dirt roads to be minimal and has elected not to capitalize these road types. Contributed capital assets are recorded at estimated fair market value at the date of donation.

Capital assets that are used in governmental fund operations are reported in the government-wide financial statements. Property, plant, equipment and infrastructure are accounted for as capital assets. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Capital assets used in the proprietary fund operations are reported on their respective propriety statement of net position. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide

statements.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	5-25 years
Software	3-10 years
Structures and improvements	5-50 years
Infrastructure	30-50 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Unearned Revenue

Under both the accrual and modified accrual basis of accounting, revenues are recognized only when earned. Thus, the government-wide statement of net position, governmental funds, and enterprise funds defer revenue recognition for resources that have been received at year-end, but not yet earned. Assets recognized before the earning process is complete are offset by a corresponding liability as unearned revenues.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The County has deferred outflows of resources related to pensions and other post-employment benefits.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has deferred inflows of resources related to unavailable revenues report under the modified accrual basis of accounting in the governmental funds balance sheet and related to pensions and OPEB in its government-wide statements.

The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

The County's policy regarding compensated absences is to permit employees to accumulate earned but unused

vacation and sick leave. The liability for these compensated absences is recorded as a debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of loans payable and capital leases payable.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Fund Balances/Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as follows:

- Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets
- Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations or other governments; (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that do not meet the definition of “restricted” or “investment in capital assets.”

When both restricted and unrestricted net position are available, restricted resources are depleted first before the restricted resources are used.

Under GASB Statement No. 54, governmental fund balance is reported in classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned and unassigned.

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

- **Restricted** – This component includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource providers.
- **Committed** – This component includes amount that can only be used for the specific purposes determined by a formal action of the County’s Board of Supervisors taking the same formal action that imposed the constraint originally.
- **Assigned** – This component comprises amounts intended to be used for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the County’s Board of Supervisors or (b) a body (for example: a budget or finance committee) or official to which the County’s Board of Supervisors has delegated the authority to assign amounts to be used for specific purposes.
- **Unassigned** – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the County’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

Fund Balance/Net Position Deficit

The following funds had deficit fund balances at June 30, 2021:

	Deficit Amount
General Liability	\$ 413,655
Fleet Management	169,486
Information Technology	761,022
Employee Wellness	2,991

The deficits in these funds are expected to be eliminated through future years’ revenues.

Property Tax Levy, Collection and Maximum Rates

The State of California’s (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market, value, as defined by Article XIII A; and may be adjusted by no more than 2% per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% tax levy among the County, cities, school districts, and other districts.

The County of Sutter assesses properties and bills for and collects property taxes as follows:

	Secured	Unsecured
Valuation/lien dates	January 1	January 1
Levy dates	October 1	July 1
Due Dates	November 1 (1 st installment) February 1 (2 nd installment)	July 1
Delinquent dates	Dec. 10 (1 st installment) April 10 (2 nd installment)	August 31

The term “unsecured” refers to taxes on personal property other than land and buildings. These taxes are secured by liens on the personal property being taxed. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within sixty days after fiscal year-end.

The County apportions secured property tax revenue in accordance with the alternate methods of distribution, the “Teeter Plan,” as prescribed in Section 4717 of the California Revenue and Taxation code. Under this method of apportionment, penalties and interest collected on delinquent secured taxes are required to be held in trust in the Tax Loss Reserve Fund (TLRF). The primary purpose of TLRF is to cover losses that may occur as a result of special sales of tax-defaulted property.

The County has elected to follow the procedures authorized by Revenue and Taxation Code 4703.2 which requires that the tax losses reserve fund shall be maintained at not less than 25 percent of the local delinquent secured taxes and assessments for participating entities in the County as calculated at the end of the fiscal year. The net balance in the TLRF was \$672,494 at June 30, 2021. The County’s management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County’s Teeter Plan and accounted for in a custodial fund.

Grant Revenues

Certain grant revenues are recognized when specific related expenditures have been incurred. In other grant programs, monies are virtually unrestricted as to purpose of expenditures and are only revocable for failure to comply with prescribed compliance requirements. These revenues are recognized at the time of receipt, or earlier if susceptible to accrual criteria is met. Cash received prior to incurrence of the related expenditure is recorded as unearned revenue.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, governmental fund report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources. Expenditure/expenses are classified as follows:

- Government Funds – By Character
 - Current (further classified by function)
 - Debt Service
 - Capital Outlay
- Proprietary Fund – By Operating and Nonoperating

Use of Estimates

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Gann Spending Limitation

Under Article XIII B of the California Constitution (the Gann spending Limitation), the County is restricted as to the amount of annual appropriations from proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements. The allowed appropriations for the Gann Limit for the fiscal year ended June 30, 2021 were \$256,749,350. The appropriations subject to this limit were \$41,761,060, which is \$214,988,290 below the appropriations limit. Accordingly, the appropriations subject to this legal restriction were only 16.3% of the maximum allowed by law.

3. CASH AND INVESTMENTS

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. The investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by California Government Code Section 53635 and by the County’s investment policy. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The County has established a treasury oversight committee to monitor and review the management of public funds maintained in the investment pool in accordance with Article 6, § 27131 of California Government Code. The oversight committee and the Board of Supervisors reviews and approves the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the oversight committee and the investment pool participants every month. The report covers the type of investment in the pool, maturity dates, par value, actual cost and fair value.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the primary government as an Investment Trust Fund which does not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer.

At June 30, 2021, total County cash and investments were as follows:

<i>Cash:</i>	
Cash on hand	\$ 7,805
Bank deposits	11,390,302
Outstanding warrants	<u>(7,500,429)</u>
Total Cash	<u>3,897,678</u>
 <i>Investments:</i>	
Investment pool	283,143,519
External to investment pool	<u>14,183,519</u>
Total investments	<u>297,327,038</u>
 Total cash and investments	 <u><u>\$ 301,224,716</u></u>

Total cash and investments at June 30, 2021 were presented on the County’s financial statements as follows:

Primary government	\$ 131,006,787
Investment trust fund	158,627,267
Private purpose trust funds	2,540
Custodial fund	<u>11,588,122</u>
 Total	 <u><u>\$ 301,224,716</u></u>

Investments

The table below identifies the investment types that are authorized for the County by California Government Code Section 53635 or the County’s investment policy, where more restrictive. The table also identifies certain provisions of the County’s investment policy that address interest rate risk, credit risk, and concentration risk. The

County annually adopts a “Statement of Investment Policy.” The policy is based on criteria established by government code and adds further restrictions as to the types of investments allowed, concentration limits and maximum terms.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment of One Issuer</u>
Federal Agency Obligations	5 years	None	None
U.S. Treasury Bills	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days, but dollar weighted average may not exceed 31 days	30%	15%
Negotiable Certificates of Deposit	5 years	30%	None
Non-Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Medium-Term Corporate Notes	5 years	30%	None
Money Market Mutual Funds	N/A	20%	10%
Local Agency Investment Fund	N/A	None	\$75M
California Asset Management Program	N/A	None	None

At June 30, 2021, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	Weighted Average Maturity (Years)
Primary Investment Pool					
Federal Agency Issues - Coupon	.22% - 2.17%	11/29/21 - 06/30/26	\$ 138,000,000	\$ 137,113,560	3.81
Medium Term Corporate Notes	0.40%-3.75%	06/26/22-06/15/26	71,000,000	71,917,920	3.22
LAIF State Pool/Sac	Variable	On Demand	71,704,689	71,704,689	-
California Asset Management	Variable	On Demand	2,407,350	2,407,350	-
Total			<u>\$ 283,112,039</u>	<u>\$ 283,143,519</u>	3.51
Investments Outside Investment Pool					
Bank Accounts Held Outside the Treasury			\$ 8,607,503	\$ 8,607,503	-
Cash with Retirement Agencies			5,576,016	5,576,016	-
			<u>\$ 14,183,519</u>	<u>\$ 14,183,519</u>	

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change in market interest rates. The County manages its exposure to declines in fair values by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities to provide the necessary cash flow and liquidity needed for operations. The County monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio.

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. State law limits investments in commercial paper to the rating of A1 by Standards & Poor’s or P-1 by Moody’s Investors Service. State law also limit investments in corporate bonds to the rating of A by Standard & Poor’s and Moody’s Investors Service. The County does not have credit limits on governmental agency securities.

Concentration of Credit Risk

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool’s value at June 30, 2021:

	Moody's	Standard & Poor's Rating	% of Portfolio
Agency Notes	Aaa	AA+	48.58%
Medium Term Notes	A2	A-	13.42%
Medium Term Notes	A1	A+	2.13%
Medium Term Notes	Aa1	AA+	0.72%
Medium Term Notes	A3	A+	9.05%
CAMP	Unrated	AAAm	0.85%
LAIF	Unrated	Unrated	25.25%
			100.00%
Total			

At June 30, 2021, the County has the following investments in any one issuer that represent 5% or more of the total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded because they are not a concentration of credit risk.

	Amount	% of Portfolio
Federal Home Loan Mortgage Corp.	\$ 38,000,000	13.38%
Federal Farm Credit Bank (FFCB)	25,993,394	9.15%
Fannie	52,007,183	18.31%
Federal	22,000,000	7.75%
Laif-State	68,250,363	24.03%

Custodial Credit Risk

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year end, the County’s investment pool had no securities exposed to custodial credit risk.

Local Agency Investment Fund

The County’s investment pool maintains an investment in the State of California Local Agency Investment Fund (LAIF). LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held by the state in addition to those deposited with LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer’s Office. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2021, the County’s investment position in the State of California Local Agency Investment Fund (LAIF) was \$71.7 million, which approximates fair value and is the same as the value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$193.3 billion. Of that amount, 2.31% was invested in structured notes and asset-backed securities with the remaining 97.69% invested in other non-derivative products.

County Investment Pool Condensed Financial Information

The following represents a condensed statement of net position and changes in net position for the County’s primary investment pool and bond investment pool as of June 30, 2021:

Statement of Net Position

Net position held for pool participants	<u>\$ 283,143,519</u>
Equity of internal pool participants	122,399,811
Equity of external pool participants	<u>160,743,638</u>
Total net position	<u>\$ 283,143,449</u>

Statement of Changes in Net Position

Net position at July 1, 2020	\$ 211,566,101
Net changes in investments by pool participants	<u>71,577,348</u>
Net position at June 30, 2021	<u>\$ 283,143,449</u>

Fair Value Measurements

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

The Pool has the following recurring fair value measurements as of June 30, 2021:

	Amount	Fair Value Measurement Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)
Investments measured at fair value:				
Government agency obligations	\$ 137,113,560	\$ 137,113,560	\$ -	\$ -
Corporate and medium term notes	71,917,920	71,917,920	-	-
Total investments measured at fair value	\$ 209,031,480	\$ 209,031,480	\$ -	\$ -
Investments measured at amortized cost:				
LAIF State Pool/Sac	71,704,689	-	-	-
California Asset Management	2,407,350	-	-	-
Total investments measured at amortized cost	\$ 74,112,039	\$ -	\$ -	\$ -
Total investments	\$ 283,143,519	\$ 209,031,480	\$ -	\$ -

4. LOANS RECEIVABLE

Loans receivable at June 30, 2021 consisted of the following:

	General Fund	Mental Health Services Act	Other Governmental Funds	Total
Governmental Funds				
Loan to City of Live Oak	\$ 17,399	\$ -	\$ -	\$ 17,399
Loan to City of Yuba City	133,363	-	-	133,363
Loan to Reclamation District #70	-	-	-	-
Loan to Sutter-Yuba Housing Authority	-	874,458	-	874,458
Deposit with Others-Yuba Co Juvenile Hall	-	-	1,027,967	1,027,967
Economic Development loans	-	-	1,554,586	1,554,586
Total loans receivable	<u>150,762</u>	<u>874,458</u>	<u>2,582,553</u>	<u>3,607,773</u>
Less allowance for doubtful accounts	-	-	-	-
Loans receivables, net	<u>\$ 150,762</u>	<u>\$ 874,458</u>	<u>\$ 2,582,553</u>	<u>\$ 3,607,773</u>
Government Wide				
Loan to Yuba Sutter Economic Development Corporation	<u>7,384</u>	<u>-</u>	<u>-</u>	<u>7,384</u>
Total Loans Receivable	<u><u>\$ 158,146</u></u>	<u><u>\$ 874,458</u></u>	<u><u>\$ 2,582,553</u></u>	<u><u>\$ 3,615,157</u></u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance, July 1, 2020	Additions/ Adjustments	Retirements	Transfers	Balance, June 30, 2021
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 3,034,972	\$ 3,250,000	\$ -	\$ -	\$ 6,284,972
Easements	5,000	-	-	-	5,000
Construction in Progress	33,264,800	9,697,877	-	(6,061,616)	36,901,061
Total capital assets, not being depreciated	<u>36,304,772</u>	<u>12,947,877</u>	<u>-</u>	<u>(6,061,616)</u>	<u>43,191,034</u>
Capital assets, being depreciated					
Land improvements	38,574	144,443	-	739,929	922,946
Structures and improvements	49,570,262	7,241,076	(9,100,340)	4,157,206	51,868,204
Equipment	15,407,348	725,932	(1,383,111)	594,774	15,344,944
Vehicles	13,404,207	1,387,231	(722,903)	269,415	14,337,951
Infrastructure	105,248,807	-	-	-	105,248,807
Software	964,757	141,071	-	300,291	1,406,120
Total capital assets, being depreciated	<u>184,633,956</u>	<u>9,639,754</u>	<u>(11,206,354)</u>	<u>6,061,616</u>	<u>189,128,971</u>
Less accumulated depreciation for					
Land improvements	(5,143)	(50,379)	-	-	(55,522)
Structures and improvements	(22,736,140)	(959,405)	5,624	-	(23,689,921)
Equipment	(11,856,256)	(1,068,865)	1,383,111	-	(11,542,010)
Vehicles	(10,007,854)	(1,175,754)	722,903	-	(10,460,705)
Infrastructure	(75,480,178)	(2,843,190)	-	-	(78,323,368)
Software	(857,056)	(123,751)	-	-	(980,808)
Total accumulated depreciation	<u>(120,942,627)</u>	<u>(6,221,345)</u>	<u>2,111,638</u>	<u>-</u>	<u>(125,052,333)</u>
Total capital assets, being depreciated, net	<u>63,691,329</u>	<u>3,418,409</u>	<u>(9,094,716)</u>	<u>6,061,616</u>	<u>64,076,638</u>
Governmental activities, capital assets, net	<u>\$ 99,996,101</u>	<u>\$ 16,366,286</u>	<u>\$ (9,094,716)</u>	<u>\$ -</u>	<u>\$ 107,267,671</u>
Business-Type Activities					
Capital assets, not being depreciated					
Land	\$ 58,000	\$ -	\$ -	\$ -	\$ 58,000
Construction in progress	1,044,348	20,699	-	-	1,065,047
Total capital assets, not being depreciated	<u>1,102,348</u>	<u>20,699</u>	<u>-</u>	<u>-</u>	<u>1,123,047</u>
Capital assets, being depreciated					
Structures and Improvements	3,575,676	-	-	-	3,575,676
Equipment	17,826	-	-	-	17,826
Total capital assets, being depreciated	<u>3,593,501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,593,501</u>
Less accumulated depreciation for					
Structures and improvements	(2,196,275)	(129,925)	-	-	(2,326,200)
Equipment	(17,826)	-	-	-	(17,826)
Total accumulated depreciation	<u>(2,214,101)</u>	<u>(129,925)</u>	<u>-</u>	<u>-</u>	<u>(2,344,026)</u>
Total capital assets, being depreciated, net	<u>1,379,401</u>	<u>(129,925)</u>	<u>-</u>	<u>-</u>	<u>1,249,476</u>
Business-type activities, capital assets, net	<u>\$ 2,481,748</u>	<u>\$ (109,225)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,372,523</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 876,548
Public protection	1,407,357
Public ways and facilities	3,236,659
Health and sanitation	311,293
Public assistance	150,565
Education	28,364
Recreation and culture	43,457
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>167,101</u>
 Total	 <u><u>\$ 6,221,345</u></u>

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

Waterworks District No. 1	<u><u>\$ 129,925</u></u>
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Construction in Progress

Construction in progress related primarily to work performed on the various construction projects within the County including bridge and building improvement projects.

6. LEASE COMMITMENTS

Capital Leases

The following table provides a summary of the County’s capital lease commitments with year-end balances as of June 30, 2021:

	Date of Issue	Date of Maturity	Interest Rate	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2021
Governmental Activities						
Copiers	2013	2019	3.99%	\$5,762 - \$7,235	394,159	-
Energy Efficiency Upgrade Project	2014	2029	3.71%	\$330,514 - \$981,676	8,920,306	6,118,452
Dark Fiber Cable	2019	2029	2.85%	\$20,589-\$58,882	604,079	582,090
Total Governmental Activities					\$ 9,918,544	\$ 6,700,542
Business-Type Activities						
Energy Efficiency Upgrade Project	2014	2029	3.71%	\$9,000 - \$21,000	189,140	136,033
Total Business-Type Activities					\$ 189,140	\$ 136,033

The following table provides a summary of the changes in the County’s capital lease commitments during the year:

	Balance July 1, 2020	Additions/ Adjustments	Retirements	Balance June 30, 2021	Amounts Due Within One Year
Governmental Activities					
Energy efficiency upgrade project	\$ 6,659,370	\$ -	\$ 540,918	\$ 6,118,452	\$ 593,730
Copiers	972	-	972	-	-
Dark Fiber Cable	604,079	-	21,989	582,090	132,950
Total Governmental Activities - Leases	\$ 7,264,421	\$ -	\$ 563,879	\$ 6,700,542	\$ 726,680
Business-Type Activities					
Energy efficiency upgrade project	\$ 147,729	\$ -	\$ 11,696	\$ 136,033	\$ 13,253
Total Business-Type Activities - Leases	\$ 147,729	\$ -	\$ 11,696	\$ 136,033	\$ 13,253

As of June 30, 2021, future minimum lease payments under capital leases are as follows:

Year Ending June 30:	Governmental Activities	Business-Type Activities
2022	\$ 963,452	\$ 18,159
2023	933,280	18,909
2024	969,529	19,693
2025	925,820	18,747
2026	965,434	19,604
2027-2031	3,152,401	64,350
Total future minimum lease payments	\$ 7,909,916	\$ 159,461
Less: Interest	(1,208,968)	(23,834)
Present value of minimum lease payments	\$ 6,700,948	\$ 135,627

7. LONG-TERM LIABILITIES

Long-term debt, excluding lease liabilities (see Note 6), at June 30, 2021 consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2021
Governmental Activities						
Refinancing Lease Agreement						
850 Gray Ave.	2021	2036	2.66%	\$385,000 - \$525,000	\$ 6,750,000	\$ 6,750,000
Total Governmental Activities					<u>\$ 6,750,000</u>	<u>\$ 6,750,000</u>
Business-Type Activities						
Loan Payable						
State Water Resources Control Board	1998	2022	2.80%	\$5,506 - \$8,333	151,000	16,439
Total Business-Type Activities					<u>\$ 151,000</u>	<u>\$ 16,439</u>

The following is a summary of all long-term liabilities transactions, excluding lease transactions, for the year ended June 30, 2021:

	Balance July 1, 2020	Additions/ Adjustments	Retirements	Balance June 30, 2021	Amounts Due Within One Year
Governmental Activities					
Loans payable	\$ -	\$ 6,750,000	\$ -	\$ 6,750,000	\$ 385,000
Total Governmental Activities - Long-Term Liabilities	<u>\$ -</u>	<u>\$ 6,750,000</u>	<u>\$ -</u>	<u>\$ 6,750,000</u>	<u>\$ 385,000</u>
Business-Type Activities					
Loans payable	\$ 24,325	\$ -	\$ 7,885	\$ 16,439	\$ 8,106
Total Business-Type Activities Long-Term Liabilities	<u>\$ 24,325</u>	<u>\$ -</u>	<u>\$ 7,885</u>	<u>\$ 16,439</u>	<u>\$ 8,106</u>

Annual debt service requirements of business-type activities to maturity are as follows:

Year Ended June 30,	Business Activities	
	Loans Payable	
	Principal	Interest
2022	\$ 8,106	\$ 460
2023	<u>8,333</u>	<u>233</u>
Total	<u>\$ 16,439</u>	<u>\$ 693</u>

8. DEFERRED OUTFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,” and GASB Statement No. 65, “Items Previously Reported as Assets and Liabilities,” the County recognized deferred outflows of resources in the Government-wide and proprietary fund statements. These items are a consumption of net position by the County that is applicable to a future reporting period. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

The County has two items that are reportable on the Government-wide Statement of Net Position. The first item relates to outflows from changes in net OPEB liability (Note 15). The second item relates to outflows from changes in net pension liability (Note 14). In addition, deferred outflows of resources that are reported in the proprietary funds are included in the Government-wide Statement of Net Position.

Deferred outflows of resources balances for the year ended June 30, 2021 were as follows:

	Governmental Activities	Business-Type Activities
Government-wide Deferred Outflows of Resources		
OPEB	\$ -	\$ -
Pensions	28,640,096	-
Total Government-wide Deferred Outflows of Resources	<u>\$ 28,640,096</u>	<u>\$ -</u>

9. INTERFUND TRANSACTIONS

Due To/From Other Funds

Operating receivables and payables between funds are classified as due from or due to other funds. These interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) payments between funds are made. The following are due to and due from balances as of June 30, 2021:

Receivable	Payable	Amount
General Fund	Welfare	\$ 38,695
	Bi-County Behavioral Health	307,471
	Public Safety/Trial Courts	6,615,547
	County Health	231,852
	Nonmajor Governmental Funds	119,872
	Debt Service	-
	Internal Service Funds	38,243
	Nonmajor Enterprise Fund	-
	Capital Project Funds	299,974
	Total General Fund	7,651,654
Bi-County Behavioral Health	General Fund	
	Welfare	17,845
	Bi-County Behavioral Health	274,098
	Public Safety Realignment	6,301,175
	Nonmajor Governmental Funds	3,943,577
	Debt Service	-
Total Bi-County Behavioral Health	10,536,695	
Welfare	General Fund	99,354
	Welfare	1,808,340
	Bi-County Behavioral Health	288,694
	Public Safety Realignment	2,250,441
	Nonmajor Governmental Funds	-
	Debt Service	-
Total Welfare	4,446,829	
Public Safety/Trial Courts	General Fund	3,288,028
	Bi-County Behavioral Health	
	Public Safety/Trial Courts	2,291,529
	County Health	6,215,879
	Public Safety Realignment	116,282
	Nonmajor Governmental Funds	3,913
	Debt Service	-
Total Public Safety/Trial Courts	11,915,631	

continued

continued

County Health

General Fund	1,389,269
Welfare	136,025
Bi-County Behavioral Health	148,844
County Health	2,849,067
Total County Health	<u>4,523,205</u>

Public Safety Realignment

General Fund	1,821,809
Public Safety/Trial Courts	8,911
Public Safety Realignment	1,953,273
Nonmajor Governmental Funds	644,344
Total Public Safety Realignment	<u>4,428,337</u>

Nonmajor Special Revenue Funds

General Fund	1,071,902
Welfare	-
Bi-County Behavioral Health	18,033
County Health	341,449
Debt Service	-
Total Special Revenue Funds	<u>1,431,384</u>

Internal Service Funds

General Fund	30,136
Welfare	40,873
Bi-County Behavioral Health	19,236
County Health	14,654
Public Safety/Trial Courts	32,450
Nonmajor Governmental Funds	9,851
Internal Service Funds	4,308
Total Debt Service Funds	<u>151,508</u>

Nonmajor Capital Project Funds

General Fund	136,544
Welfare	-
County Health	9,296
Public Safety/Trial Courts	-
Nonmajor Governmental Funds	98,749
Internal Service Funds	-
Total Capital Project Fund	<u>244,589</u>

Total	<u>\$ 45,329,832</u>
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Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans to address cash flow needs and are offset by a fund balance nonspendable account in applicable governmental funds to indicate they are not available for appropriations and are not expendable available financial resources. The following are advances to/from other funds as of June 30, 2021:

<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>	<u>Amount</u>
General Fund	Bi-County Behavioral Health	\$ 1,053,218
	Nonmajor Governmental Funds	1,037,260
	Internal Service Funds	<u>125,000</u>
		<u>2,215,477</u>
Mental Health Services Act	Bi-County Behavioral Health	<u>60,354</u>
		<u>\$ 2,275,831</u>

In 2002, the Board of Supervisors approved an advance of \$985,000 from the General Fund to County Service Area F to fund the construction costs of a new station. The loan has a variable interest rate that is based on the pooled treasury rate and has payments due August 1st of each year in the amount of \$50,550. To date, interest paid on the loan totals \$282,961 and principal paid totals \$616,574. As of June 30, 2021, the remaining balance due was \$368,426.

On June 30, 2009, the Board of Supervisors approved an advance of \$67,811 from the General Fund to the County Airport. On December 7, 2010 and February 8, 2011, the Board approved additional advances of \$117,189 to bring the total advance to \$185,000. As of June 30, 2020, the advances have been paid in full.

In August of 2012, the Board of Supervisors agreed to a 30-year loan from the Health/Social Services Impact Fee fund, it then transferred to the General fund in 2017, in the amount of \$677,500 for half of the County's share of the new Animal Control building to be repaid over a 30-year period from new animal control impact fees on new development. Interest is charged quarterly at a variable rate based on the pooled treasury rate. The loan was originally issued at \$607,841. To date no payments have been made on the advance. The balance at June 30, 2021 was \$668,834.

On June 30, 2015, the General Fund advanced the Bi-County Behavioral Health Fund \$973,705 to provide funding for the Chevron energy improvements project. The loan has a variable interest rate that is based on the pooled treasury rate. To date no payments have been made on the advance. The outstanding balance at year-end was \$1,053,218.

On March 26, 2010, the Mental Health Services Act Fund advanced \$2,000,000 to Bi-County Behavioral Health to meet cash flow needs. Interest is charged at a variable rate based on the pooled treasury rate. To date no payments have been made on the advance. The balance at June 30, 2021 was \$60,354.

On September 29, 2020, the General Fund advanced \$125,000 to the Employee Wellness Internal Service Fund to meet cash flow needs. No interest is charged on the advance. To date no payments have been made on the advance. The balance at June 30, 2021 was \$125,000.

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies or various County operations and re-allocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2021:

Transfers From	Transfers To	Amount
General Fund	Welfare	\$ 1,018,338
	Public Safety/Trial Courts	17,350,582
	Sutter County Health	7,584,225
	Nonmajor Governmental Funds	1,424,869
		<u>27,378,014</u>
Bi-County Behavioral Health	General Fund	85,583
	Public Safety/Trial Courts	73,585
	Nonmajor Governmental Funds	165,096
		<u>324,264</u>
Welfare	General Fund	74,939
	Welfare	10,621,734
	Public Safety/Trial Courts	72,000
	Sutter County Health	141,150
	Nonmajor Governmental Funds	76,841
		<u>10,986,664</u>
Public Safety/Trial Court	General Fund	620,386
	Bi-County Behavioral Health	66,770
	Public Safety/Trial Courts	11,264,991
	Sutter County Health	3,200
	Nonmajor Governmental Funds	499,590
		<u>12,454,936</u>
Sutter County Health	General Fund	258,734
	Welfare	249,376
	Public Safety/Trial Courts	6,215,879
	Sutter County Health	7,440,992
	Nonmajor Governmental Funds	7,684,255
		<u>21,849,236</u>
Public Safety Realignment	Bi-County Behavioral Health	15,945,232
	Welfare	9,428,675
	Public Safety/Trial Courts	6,255,257
	Sutter County Health	211,882
	Public Safety Realignment	12,862,403
		<u>44,703,449</u>

continued

continued

Nonmajor Governmental Funds	General Fund	546,274
	Bi-County Behavioral Health	17,062,222
	Nonmajor Governmental Funds	<u>1,225,428</u>
		<u>18,833,924</u>
Internal Service Funds	General Fund	11,960
	Nonmajor Governmental Funds	<u>527</u>
		<u>12,487</u>
	Total	<u>\$ 136,542,973</u>

10. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has Risk Management Funds (internal service funds) to account for and finance its uninsured risks of loss for general liability and workers’ compensation. Under this program, the Risk Management Funds provide coverage for up to a maximum of \$100,000 for each general liability claim and up to \$300,000 for each workers’ compensation claim. The County is a member of two joint powers authorities (JPA) called Trindel Insurance Fund (Trindel) and PRISM Risk (PRISM). The County pays annual premiums to Trindel and to PRISM for excess liability insurance coverage, excess workers’ compensation coverage and various other insurance programs.

All funds of the County participate in the program and make payments to the Risk Management funds based on actuarial estimates of the amounts needed to pay prior and current year claims, insurance premiums and to fund future liability losses through reserving. The Board of Supervisors adopted a policy that the claims liability will be adjusted annually to not less than the 70% confidence level and not more than the 90% confidence level as determined by the actuary.

At June 30, 2021, the General Liability fund had a Net Position deficit of \$(415,275) and the Workers’ Compensation fund had a Net Position of \$2,037,282. The claims liability of \$1,719,907 reported in the General Liability fund and claims liability of \$5,677,352 reported in the Workers’ Compensation fund at fiscal year ended are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated.

The following represents the amount of the outstanding liabilities determined by the actuaries.

General Liability Fund – The change in the County’s general liability claims reserve amount for fiscal year ending 2021 was as follows:

Fiscal Year Ending	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
June 30, 2019	\$720,000	732,804	955,238	497,566
June 30, 2020	497,566	1,002,426	224,456	1,275,536
June 30, 2021	1,275,536	1,120,704	676,333	1,719,907

Workers’ Compensation Fund – The change in the County’s workers’ compensation claims reserve amount for fiscal year ending 2021 was as follows:

Fiscal Year Ending	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
June 30, 2019	2,466,379	3,613,215	639,366	5,440,228
June 30, 2020	5,440,228	848,605	812,123	5,476,710
June 30, 2021	5,476,710	1,018,685	818,043	5,677,352

11. DEFERRED INFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, *“Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position”* and GASB Statement No. 65, *“Items Previously Reported as Assets and Liabilities,”* the County recognized deferred inflows or resources in the government-wide, governmental fund, and proprietary fund statements. These items are an acquisition of net position by the County that is applicable to a future reporting period. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

The County has two items that are reportable on the Government-wide Statement of Net Position. The first item relates to inflows from changes in Other Post Employment Benefits (OPEB) (Note 15). The second item relates to inflows from changes in the net pension liability. Additionally, deferred inflows of resources that are reported in the proprietary funds are included in the Government-wide Statement of Net Position.

Deferred inflows of resources for the year ended June 30, 2021 were as follows:

	Governmental Activities	Business-Type Activities
Government-wide Deferred Inflows of Resources		
OPEB	\$ -	\$ -
Pensions	4,839,224	-
Total Government-wide Deferred Inflows of Resources	<u>\$ 4,839,224</u>	<u>\$ -</u>

12. FUND BALANCE CLASSIFICATIONS

Fund balance classifications for the governmental funds as of June 30, 2021 are presented below:

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
Nonspendable:				
Prepaid expenses	\$ 33,638	\$ 12,779	\$ 66,537	\$ 43,500
Inventory	-	-	-	-
Advances and loans receivables	2,366,239	-	-	-
Permanent funds	-	-	-	-
Subtotal	<u>2,399,877</u>	<u>12,779</u>	<u>66,537</u>	<u>43,500</u>
Restricted for:				
Taxes and fees	-	-	-	-
General government	-	-	-	-
Public protection	-	-	-	6,043,856
Public ways & facilities	-	-	-	-
Health & sanitation	-	5,872,058	-	-
Public assistance	-	-	9,593,300	-
Other	5,642,829	-	-	-
Subtotal	<u>5,642,829</u>	<u>5,872,058</u>	<u>9,593,300</u>	<u>6,043,856</u>
Committed to:				
Capital Projects	1,312,319	-	-	-
Public protection	1,388,000	-	-	579,734
Public facilities	-	-	-	-
Health & sanitation	-	-	-	-
Pension & OPEB	387,090	-	-	-
Future vehicle purchase	-	-	-	-
Other	4,087,451	-	-	-
Subtotal	<u>7,174,860</u>	<u>-</u>	<u>-</u>	<u>579,734</u>
Assigned to:				
Public Protection	-	-	-	-
Health & sanitation	-	-	-	-
Other	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	<u>14,778,263</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 29,995,829</u>	<u>\$ 5,884,837</u>	<u>\$ 9,659,837</u>	<u>\$ 6,667,090</u>

Public Health	Public Safety/ Realignment	Other Governmental	Total Governmental Funds	
\$ 13,238	\$ -	\$ 15,035	\$ 184,727	Nonspendable:
-	-	-	-	Prepaid expenses
-	-	-	-	Inventory
-	-	-	2,366,239	Advances and loans receivables
-	-	-	-	Permanent funds
<u>13,238</u>	<u>-</u>	<u>15,035</u>	<u>2,550,966</u>	Subtotal
-	-	2,093,607	2,093,607	Restricted for:
-	-	4,885,464	4,885,464	Taxes and fees
-	19,111,746	493,061	25,648,664	General government
-	-	20,203,619	20,203,619	Public protection
3,685,439	-	7,348,458	16,905,955	Public ways & Health & sanitation
-	-	-	9,593,300	Public assistance
-	-	150,147	5,792,976	Other
<u>3,685,439</u>	<u>19,111,746</u>	<u>35,174,356</u>	<u>85,123,584</u>	Subtotal
-	-	4,602,177	5,914,496	Committed to:
-	-	-	1,967,734	Capital Projects
-	-	(2,319,376)	(2,319,376)	Public protection
-	-	-	-	Public facilities
-	-	-	387,090	Health & sanitation
-	-	-	-	Pension & OPEB
-	-	-	-	Future vehicle
-	-	82,727	4,170,178	Other
<u>-</u>	<u>-</u>	<u>2,365,527</u>	<u>10,120,121</u>	Subtotal
-	-	-	-	Assigned to:
312,435	-	-	312,435	Public Protection
-	-	-	-	Health & sanitation
<u>312,435</u>	<u>-</u>	<u>-</u>	<u>312,435</u>	Other
-	-	-	14,778,263	Subtotal
<u>\$ 4,011,112</u>	<u>\$ 19,111,746</u>	<u>\$ 37,554,918</u>	<u>\$ 112,885,371</u>	Unassigned
				Total

13. RESTRICTED COMPONENT OF NET POSITION – GOVERNMENT-WIDE

The restricted component of net position are assets that are subject to constraints either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

The restricted component of net position at June 30, 2021 for governmental activities is as follows:

Restricted for General Government:		
Taxes and fees	\$ 2,093,607	
General government	<u>5,894,370</u>	\$ 7,987,977
Restricted for Public Protection:		
Public Safety/Trial Courts	6,043,856	
Public Safety/Realignment	19,232,955	
Child Support Srvc Reimb/Adj	<u>491,500</u>	25,768,311
Restricted for Public Ways & Facilities:		
Road	12,693,330	
County Service Areas	2,158,649	
Water Agencies	2,473,516	
Other Special Districts	<u>2,891,220</u>	20,216,715
Restricted for Health & Sanitation:		
Bi-County Behavioral Health	14,638,622	
Mental Health Services Act	8,340,432	
Sutter County Health	<u>3,685,439</u>	26,664,494
Restricted for Public Assistance:		
Welfare/Social Services	<u>11,052,172</u>	11,052,172
Restricted for Other Government Services:		
General	5,642,829	
Fish & Game	150,147	
Other: Deferred Revenue	<u>-</u>	5,792,976
Total restricted component of position - governmental		<u><u>\$ 97,482,644</u></u>

14. EMPLOYEES' RETIREMENT PLAN

A. General Information about the Pensions Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the County's Safety or Miscellaneous Plans. The County's Safety Plan and the Miscellaneous Plan are both agent multiple-employer defined benefit pension plans. The County's Safety and Miscellaneous Plans are part of the California Public Employees Retirement System (PERS), a public employee retirement system which acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and other requirements are established by State statute and County resolution. The County's defined benefit pension plans provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and their beneficiaries. The County selects optional benefit provisions by contract with CalPERS and adopts those benefits through County ordinance. CalPERS issues a separate comprehensive annual financial report; however, separate reports for the County's Safety and Miscellaneous Plans are not available. Copies of CalPERS annual financial reports which include required supplementary information (RSI) for each plan may be obtained from CalPERS Executive Offices, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

Benefits Provided

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

Service related disability benefits are provided to safety members and are based on final compensation. Non-service related disability benefits are provided to both safety and miscellaneous members. The benefit is based on final compensation, multiplied by service, which is determined as follows:

- *service* is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- *service* is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service.

Death benefits are based upon a variety of factors including whether the participant was retired or not. Annual cost-of-living adjustments (COLAs) after retirement are provided in all plans. COLAs are granted to retired members each May based upon the Bureau of Labor Statistics Average Consumer Price Index for All Urban Consumers for the previous calendar year and is subject to a maximum of 2% per annum.

The Plans’ provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous		
	Prior to	On or after	On or after
Hire Date	Nov. 16, 2011	Nov. 16, 2011	Jan. 1, 2013
Benefit formula	2.7%@55	2%@60	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-63	52-67
Monthly benefits, as % of eligible	2.00%-2.70%	1.09%-2.42%	1.00%-2.50%
Required employee contribution rates	8%	7%	6.25%
Required employer contribution rates	31.62%	31.62%	31.62%
Status	Closed	Closed	Open

	Safety		
	Prior to	On or after	On or after
Hire Date	Nov. 16, 2011	Nov. 16, 2011	Jan. 1, 2013
Benefit formula	3@50	2%@50	2.7@57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50-55	50-55
Monthly benefits, as % of eligible	3.00%	2.00% - 2.70%	2.00% - 2.70%
Required employee contribution rates	9%	9%	12%
Required employer contribution rates	49.57%	49.57%	49.57%
Status	Closed	Closed	Open

Employees Covered

At June 30, 2020, the following employees were covered by the benefit terms for the Miscellaneous Plan and Safety Plan.

Employee Status	Miscellaneous	Safety
Active	841	163
Transferred	339	67
Separated	512	43
Retired	1,125	212
Total	2,817	485

Contributions

Section 20814c of the California Public Employees’ Retirement Law requires the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

B. Net Pension Liability

The County’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2020, using an

annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry-Age Normal	
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return ¹	7.15%	7.15%
Mortality	Derived using CalPERS' Membership Data for All Funds	

(1) Net of pension plan investment expenses; includes

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 valuation were based on the results of a January 2019 actuarial experience study for the period 1997 to 2007. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans ran out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference. CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expense for GASB 67 and 68 calculations through at least the 2017-2018

fiscal year. CalPERS will continue to check the materiality of the difference in calculation until there is a change in methodology.

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

The long-term expected rate of return includes both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1 - 10(b)	Real Return Years 11 + (c)
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
	100.0%		

(a) In CalPERS' Comprehensive Annual Financial Report, 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 2.00% used for this period.

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

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for the County’s Miscellaneous Plan and Safety Plan follows:

	Miscellaneous Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019	\$ 413,857,062	\$ 295,722,038	\$ 118,135,024
Changes in the year:			
Service cost	8,076,624	-	8,076,624
Interest on total pension liability	29,088,449	-	29,088,449
Changes of assumptions	-	-	-
Differences between expected and actual experience	(482,944)	-	(482,944)
Net plan to plan resources movement	-	-	-
Contributions from the employer	-	13,537,642	(13,537,642)
Contributions from employees	-	3,494,476	(3,494,476)
Net Investment Income	-	14,742,851	(14,742,851)
Benefit payments, including refunds of employee contributions	(21,161,945)	(21,161,945)	-
Administrative expenses	-	(416,896)	416,896
Other Miscellaneous Income/(Expense)	-	-	-
 Net Changes	 15,520,185	 10,196,129	 5,324,056
Balance at June 30, 2020 (MD)	\$ 429,377,247	\$ 305,918,167	\$ 123,459,080
	Safety Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019	\$ 142,138,105	\$ 103,125,505	\$ 39,012,600
Changes in the year:			
Service cost	3,223,170	-	3,223,170
Interest on total pension liability	10,110,530	-	10,110,530
Changes of assumptions	-	-	-
Differences between expected and actual experience	1,303,112	-	1,303,112
Net plan to plan resource movement	-	-	-
Contributions from the employer	-	4,693,945	(4,693,945)
Contributions from employees	-	1,371,169	(1,371,169)
Net Investment Income	-	5,158,159	(5,158,159)
Other adjustments	-	-	-
Benefit payments, including refunds of employee contributions	(7,293,592)	(7,293,592)	-
Administrative expenses	-	(145,382)	145,382
Other miscellaneous income/(expense)	-	-	-
 Net Changes	 7,343,220	 3,784,299	 3,558,921
Balance at June 30, 2020 (MD)	\$ 149,481,325	\$ 106,909,804	\$ 42,571,521

Sensitivity of the Net Pension Liability to Change in the Discount Rate

The following presents the net pension liability of the County for each Plan, calculated using the discount rate for each Plan, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Plan's Net Pension Liability / (Asset)	1% Decrease	Current Discount	1% Increase
	6.15%	Rate 7.15%	8.15%
Miscellaneous Plan	\$ 178,242,497	\$ 123,459,080	\$ 77,953,754
Safety Plan	\$ 62,974,922	\$ 42,571,521	\$ 25,802,910

Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the County recognized pension expense of \$24,403,021. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 348,805	\$ (224,427)
Differences between expected and actual experience	5,638,232	(925,639)
Net differences between projected and actual earnings on pension plan investments	3,155,336	-
Adjustment due to differences in proportions	-	-
County contributions subsequent to the measurement	20,310,258	-
Total	\$ 29,452,631	\$ (1,150,066)

The \$20,310,258 reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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

<u>Measurement Period Ended June 30</u>		<u>Deferred Outflows/(Inflows) of Resources</u>
2021	\$	1,631,897
2022		2,111,445
2023		2,518,346
2024		<u>1,730,619</u>
Total	\$	<u><u>7,992,307</u></u>

15. OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information about the OPEB Plan

Plan Description

The County of Sutter provides postemployment benefits and contributes to the miscellaneous plan of the County of Sutter and the safety plan of the County of Sutter (plans) which are part of the California Public Employees Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for governmental entities in the State of California. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions and all other requirements are established by statute. Copies of PERS' annual financial report may be obtained from their executive office - 400 P Street, Sacramento, CA 95814. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75.

Benefits Provided

The County provides medical, dental and vision insurance to retirees under an approved County ordinance. Employees that meet the following requirements are eligible for coverage under the County of Sutter Retiree Healthcare Plan: 1) the employee retires directly from the County under CalPERS; or 2) participates in the Tri County Schools Insurance Group (TCSIG) plan. The County has elected to contribute a percentage toward the cost of premiums for the retiree and spouse based on years of service.

The County contributes a monthly subsidy for retirees who participate in the medical plan offered by the County. The amounts are determined based on date of retirement.

- Employees who retire before 12/24/2005 receive a monthly amount of \$16, regardless of age.
- Employees who retire on or after 12/24/2005 receive a monthly amount of:
 - \$55 as of 1/1/2018 (before 1/1/2018, this amount was \$16 per month), if they are 65 or older, and
 - Prior to age 65, an amount based on years of County service, as shown in the chart below.

Years of Service	Monthly Subsidy
5-9	\$16
10-14	56
15-19	96
20-24	136
25-29	176
30+	216

- Subsidies end with the death of the retiree, though a surviving spouse may continue coverage by paying the full monthly premiums. In addition, if the retiree reaches age 65 prior to his or her covered spouse, the spouse may continue coverage until age 65 by paying the full monthly premium, even if the retiree discontinues coverage on the County's plan.

Employees Covered by Benefit Terms

At the OPEB liability measurement date of June 30, 2020, the following employees were covered by the benefit terms:

Active employees	844
Inactive employees or beneficiaries currently receiving benefit payments	138
Inactive employees entitled to but not yet receiving benefit payments	<u>0</u>
	<u><u>982</u></u>

Contributions

The contribution requirements of the plan members and the County are established and may be amended by the County. The contribution is based on pay-as-you-go financing requirements. For fiscal year 2020/2021, the County contributed \$692,210, or 119.9%, of the actuarially required contributions to the Retiree Healthcare Plan.

Total OPEB Liability

At June 30, 2021, the County reported a total OPEB liability of 12,106,362. The total OPEB liability was measured as of June 30, 2020 and determined by an actuarial valuation as of June 30, 2019.

Actuarial Methods and Assumptions

The total OPEB liability measured as of June 30, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increase rate	3.00% per year, since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years.
Assumed wage inflation	2.50% per year; used to determine amortization payments if developed on a level percent of pay basis.
General inflation rate	2.50% per year
Discount rates	2.66% on June 30, 2020 and 2.79% on June 30, 2019. Changes based on the published change in return for the applicable municipal bond index.
Healthcare trend	Medical plan premiums and claims costs by age are assumed to increase once each year.
Future retiree plan election	Depending on years of service with the County from less than 10 years-25% elect coverage to more than 30 years-100% elect coverage. It is assumed that 20% of future retirees are to continue coverage after age 65, regardless of their years of County service.

The actuarial “demographic” assumptions (i.e. rates of retirement, death, disability or other termination of

employment) used in the actuarial report were chosen, for the most part, to be the same as the actuarial demographic assumptions used for the most recent valuation of the retirement plans covering County employees. Other assumptions, such as age-related healthcare claims, healthcare trend, retiree participation rates and spouse coverage, were selected based on demonstrated plan experience and/or the actuarial's best estimate of expected future experience.

Changes in the Total OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position and the net OPEB liability during the measurement period ending on June 30, 2020 for the County's proportionate share.

For reporting at fiscal year end	June 30, 2020	June 30, 2021	Change
<i>Measurement date</i>	<u>June 30, 2019</u>	<u>June 30, 2020</u>	During
OPEB Liability	\$ 11,389,100	\$ 12,106,362	\$ 717,263
<i>Deferred resource (outflows) inflows due to:</i>			
Assumption changes	1,884,194	1,535,779	(348,415)
Plan experience	2,152,370	1,922,905	(229,465)
Investment experience	-	-	-
Contributions made subsequent to the measurement date	<u>(508,752)</u>	<u>(1,190,700)</u>	<u>(681,948)</u>
Net deferred (outflows) inflows	<u>3,527,812</u>	<u>2,267,985</u>	<u>(1,259,827)</u>
Impact on Statement of Net Position	<u>\$ 14,916,911</u>	<u>\$ 14,374,347</u>	<u>\$ (542,565)</u>

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

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.66%) or one percentage point higher (3.66%) than the current discount rate:

	<u>Change in Discount Rate</u>		
	<u>Current - 1%</u> <u>1.66%</u>	<u>Current</u> <u>2.66%</u>	<u>Current + 1%</u> <u>3.66%</u>
Total OPEB Liability	\$13,252,291	\$12,106,362	\$11,074,796
Increase (decrease)	\$1,145,929		\$(1,031,566)
% increase (decrease)	9.4%		-8.5%

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using the healthcare cost trend rate that is one percentage lower or one percentage point higher than the current trend rate:

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2021, the County recognized OPEB expense of \$577,166. OPEB expense represents the change in the total OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At June 30, 2021, The County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 273,871	\$ (1,809,265)
Differences between expected and actual experience	-	(1,923,290)
Net difference between projected and actual earnings on retirement plan investments	-	-
County contributions subsequent to the measurement	1,190,700	-
	<u>\$ 1,464,570</u>	<u>\$ (3,732,555)</u>

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

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (inflows) of Resources
2022	(456,933)
2023	(456,933)
2024	(456,933)
2025	(456,933)
2026	(456,933)
Thereafter	(1,174,019)

16. COMPENSATED ABSENCES

As of June 30, 2021, compensated absences were the following:

	<u>Balance July 1, 2020</u>	<u>Additions/ Adjustments</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Compensated absences	\$ 6,650,370	\$ 6,239,058	\$ 4,875,855	\$ 8,013,573	\$ 7,369,366

Compensated absences typically have been liquidated by the General and Special Revenue Funds.

17. OTHER INFORMATION

A. Construction Commitments

At June 30, 2021, the County does not have commitments for construction contracts.

B. Contingent Liabilities

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time; although the County expects any such amounts to be immaterial.

Other Claims

The County is subject to various lawsuits, inverse condemnation cases, personnel actions, disputes over tax assessments, and other actions incidental to the ordinary course of County operations. In the opinion of the County Counsel, the total potential claims against the County not covered by insurance resulting from litigation would not materially affect the financial statements of the County at June 30, 2021.

C. Joint Agencies

Public Risk Innovation, Solutions, and Management: PRISM (formerly CSAC Excess Insurance Authority) is a joint powers authority organized to develop and fund excess insurance programs for member counties. The Authority operates public entity risk pools for workers' compensation, comprehensive liability, property, medical malpractice, and pool purchases excess insurance and services for members. The Authority is under the control and direction of a board of directors consisting of representatives of the fifty-member counties.

Completed audited financial statements for PRISM can be obtained from the Authority's office at 75 Iron Point Circle, Suite 200, Folsom, California 95630.

18. PRIOR PERIOD ADJUSTMENTS

The County adopted new accounting guidance and implemented GASB Statement No. 84, *Fiduciary Activities*, which established criteria for identifying and reporting fiduciary activities. The implementation of this statement resulted in changing the presentation of the financial statement including accruals and Custodial Funds net position, which was not required in prior years. Beginning net position was restated to reflect this change as follows:

	Investment Trust	Private Purpose Trust	Custodial
	<u> </u>	<u> </u>	<u> </u>
Net position at July 1, 2020	\$ 117,680,921	\$ 1,355	\$ -
GASB 84 reclassification	<u>(3,823,820)</u>	<u>-</u>	<u>7,637,568</u>
Net position at July 1, 2020, as restated	<u>\$ 113,857,101</u>	<u>\$ 1,355</u>	<u>\$ 7,637,568</u>

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios - Miscellaneous PlanAgent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

	<i>Reporting Fiscal Year Measurement Date</i>	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total Pension Liability					
Service cost		\$ 8,076,624	\$ 7,943,753	\$ 8,296,160	\$ 8,205,868
Interest on total pension liability		29,088,449	27,983,797	26,370,436	25,503,728
Changes of assumptions		-	-	(2,891,060)	20,548,597
Differences between expected and actual experience		(482,944)	7,599,929	139,300	(4,859,263)
Benefit payments, including refunds of employee contributions		(21,161,945)	(20,180,176)	(17,885,341)	(16,628,756)
Other differences		-	(493,075)	(1,293,181)	-
Net Change in total pension liability		15,520,184	22,854,228	12,736,314	32,770,174
Total pension liability - beginning		413,247,360	390,393,132	377,656,818	344,886,644
Total pension liability - ending (a)		428,767,544	413,247,360	390,393,132	377,656,818
Plan Fiduciary Net Position					
Contributions - employer		13,357,642	12,159,667	11,138,700	10,537,924
Contributions - employee		3,494,476	3,392,287	3,461,729	3,511,374
Net investment income		14,742,851	18,423,762	22,611,818	26,759,576
Changes in assumptions		-	-	-	-
Benefit payments, including refunds of employee contributions		(21,161,945)	(20,180,176)	(17,885,341)	(16,628,756)
Other differences		5,961	(355,577)	(1,588,890)	(4,976)
Administrative expenses		(416,896)	(201,021)	(411,250)	(356,165)
Net plan to plan resources movement		-	-	(655)	-
Adjustment for Courts		-	-	-	(99,688)
Net change in plan fiduciary net position		10,022,089	13,238,942	17,326,111	23,719,289
Plan fiduciary net position - beginning		295,286,375	282,047,433	264,721,322	241,002,033
Plan fiduciary net position - ending (b)		305,308,464	295,286,375	282,047,433	264,721,322
Net pension liability - ending (a) - (b)		<u>\$ 123,459,080</u>	<u>\$ 117,960,985</u>	<u>\$ 108,345,699</u>	<u>\$ 112,935,496</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		71.21%	71.46%	72.25%	70.10%
Covered Payroll		\$ 46,899,704	\$ 47,193,631	\$ 46,847,175	\$ 45,415,339
Plan Net Pension Liability(Asset) as a Percentage of Payroll		263.24%	249.95%	231.27%	248.67%

Schedule of Pension Plan Contributions - Miscellaneous Plan

	2021	2020	2019	2018
Actuarially determined contribution	\$ 12,403,931	\$ 11,290,917	\$ 9,909,936	\$ 10,537,924
Contributions in relation to the actuarially determined contributions	(12,403,931)	(11,290,917)	(9,909,936)	(10,537,924)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 46,787,577	\$ 46,899,704	\$ 47,193,631	\$ 46,847,175
Contributions as a percentage of covered payroll	26.51%	24.07%	21.00%	22.49%

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Schedule of Changes in Net Pension Liability and Related Ratios - Miscellaneous Plan

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

2017 (2016)	2016 (2015)	2015 (2014)	Reporting Fiscal Year Measurement Date
Total Pension Liability			
\$ 7,788,731	\$ 7,663,051	\$ 7,829,813	Service cost
26,037,033	23,502,852	21,710,089	Interest on total pension liability
-	(5,579,922)	-	Changes of assumptions
594,644	(4,578,918)	-	Differences between expected and actual experience
(16,994,611)	(14,200,697)	(13,296,051)	Benefit payments, including refunds of employee contributions
-	12,259,060	-	Other differences
17,425,797	19,065,426	16,243,851	Net Change in total pension liability
327,460,847	308,395,421	292,151,570	Total pension liability - beginning
344,886,644	327,460,847	308,395,421	Total pension liability - ending (a)
Plan Fiduciary Net Position			
9,882,242	8,531,146	8,238,602	Contributions - employer
3,460,310	3,268,310	3,198,949	Contributions - employee
1,370,408	5,352,021	35,852,926	Net investment income
-	-	(15,546,563)	Changes in assumptions
(16,994,611)	(14,200,697)	(13,296,051)	Benefit payments, including refunds of employee contributions
3,578,664	12,049,033	428,607	Other differences
(155,561)	(274,515)	-	Administrative expenses
-	-	-	Net plan to plan resources movement
-	-	-	Adjustment for Courts
1,141,452	14,725,298	18,876,470	Net change in plan fiduciary net position
239,860,581	225,135,283	206,258,813	Plan fiduciary net position - beginning
241,002,033	239,860,581	225,135,283	Plan fiduciary net position - ending (b)
\$ 103,884,611	\$ 87,600,266	\$ 83,260,138	Net pension liability - ending (a) - (b)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			
69.88%	73.25%	73.00%	Covered Payroll
\$ 45,934,148	\$ 45,337,632	\$ 46,145,585	
226.16%	193.22%	180.43%	Plan Net Pension Liability(Asset) as a Percentage of Payroll

Schedule of Pension Plan Contributions - Miscellaneous Plan

2017	2016	2015	
\$ 942,074	\$ 8,548,295	\$ 8,238,602	Actuarially determined contribution
(942,074)	(8,548,295)	(8,238,602)	Contributions in relation to the actuarially determined contributions
\$ -	\$ -	\$ -	Contributions deficiency (excess)
\$ 45,415,339	\$ 45,934,148	\$ 45,337,632	Covered payroll
2.07%	18.61%	18.17%	Contributions as a percentage of covered payroll

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios - Safety Plan

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

	Reporting Fiscal Year Measurement Date	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total Pension Liability					
Service cost		\$ 3,223,170	\$ 3,050,002	\$ 3,095,372	\$ 3,136,101
Interest on total pension liability		10,110,530	9,603,238	8,916,900	8,647,227
Changes of assumptions		-	-	(742,338)	7,324,925
Differences between expected and actual experience		1,303,112	3,712,528	(1,864,269)	(629,979)
Benefit payments, including refunds of employee contributions		(7,293,592)	(6,602,299)	(5,603,664)	(5,165,757)
Net change in total pension liability		7,343,220	9,763,469	3,802,001	13,312,517
Total pension liability - beginning		142,138,105	132,374,636	128,572,635	115,260,118
Total pension liability - ending (a)		149,481,325	142,138,105	132,374,636	128,572,635
Plan Fiduciary Net Position					
Contributions - employer		4,693,945	4,169,389	3,970,392	3,722,574
Contributions - employee		1,371,169	1,334,452	1,255,295	1,019,846
Net investment income		5,158,159	6,465,706	7,773,766	9,131,684
Benefit payments, including refunds of employee contributions		(7,293,592)	(6,602,299)	(5,603,664)	(5,165,757)
Administrative Expense		(145,382)	(69,812)	(141,558)	6,407
Net plan to plan resources movement		-	-	(227)	-
Other differences		-	227	(268,821)	(121,436)
Net change in plan fiduciary net position		3,784,299	5,297,663	6,985,183	8,593,318
Plan fiduciary net position - beginning		103,125,505	97,827,842	90,842,659	82,249,341
Plan fiduciary net position - ending (b)		106,909,804	103,125,505	97,827,842	90,842,659
Net pension liability - ending (a) - (b)		\$ 42,571,521	\$ 39,012,600	\$ 34,546,794	\$ 37,729,976
Plan Fiduciary Net Position as a Percentage of the					
Total Pension Liability		71.52%	72.55%	73.90%	70.65%
Covered Payroll		\$ 11,393,396	\$ 11,198,333	\$ 11,197,562	\$ 10,751,719
Plan Net Pension Liability(Asset) as a Percentage of Payroll		373.65%	348.38%	308.52%	350.92%

Schedule of Pension Plan Contributions - Safety Plan

	2020	2020	2019	2018
Actuarially determined contribution	\$ 7,906,327	\$ 7,233,038	\$ 6,361,945	\$ 3,722,574
Contributions in relation to the actuarially determined contributions	(7,906,327)	(7,233,038)	(6,361,945)	(3,722,574)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 11,420,500	\$ 11,393,396	\$ 11,198,333	\$ 11,197,562
Contributions as a percentage of covered payroll	69.23%	63.48%	56.81%	33.24%

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios - Safety Plan

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

2017 (2016)	2016 (2015)	2015 (2014)	<i>Reporting Fiscal Year Measurement Date</i>
Total Pension Liability			
\$ 2,720,184	\$ 2,878,691	\$ 2,913,157	Service cost
8,268,025	7,994,762	7,636,180	Interest on total pension liability
-	(1,998,906)	-	Changes of assumptions
(2,485,971)	(1,437,908)	-	Differences between expected and actual experience
<u>(4,893,514)</u>	<u>(4,578,828)</u>	<u>(4,229,813)</u>	Benefit payments, including refunds of employee contributions
3,608,724	2,857,811	6,319,524	Net change in total pension liability
<u>111,651,394</u>	<u>108,793,583</u>	<u>102,474,059</u>	Total pension liability - beginning
<u>115,260,118</u>	<u>111,651,394</u>	<u>108,793,583</u>	Total pension liability - ending (a)
Plan Fiduciary Net Position			
3,354,947	3,205,510	3,060,634	Contributions - employer
1,026,877	1,004,397	946,187	Contributions - employee
417,478	1,803,726	12,013,249	Net investment income
(4,893,514)	(4,578,828)	(4,229,813)	Benefit payments, including refunds of employee contributions
2,537	(92,691)	-	Administrative Expense
-	-	-	Net plan to plan resources movement
<u>(50,213)</u>	<u>-</u>	<u>-</u>	Other differences
<u>(141,888)</u>	<u>1,342,114</u>	<u>11,790,257</u>	Net change in plan fiduciary net position
<u>82,391,229</u>	<u>81,049,115</u>	<u>69,258,858</u>	Plan fiduciary net position - beginning
<u>82,249,341</u>	<u>82,391,229</u>	<u>81,049,115</u>	Plan fiduciary net position - ending (b)
<u>\$ 33,010,777</u>	<u>\$ 29,260,165</u>	<u>\$ 27,744,468</u>	Net pension liability - ending (a) - (b)
Plan Fiduciary Net Position as a Percentage of the			
71.36%	73.79%	74.50%	Total Pension Liability
\$ 11,191,554	\$ 10,930,351	\$ 11,017,797	Covered Payroll
294.96%	267.70%	251.82%	Plan Net Pension Liability(Asset) as a Percentage of Payroll

Schedule of Pension Plan Contributions - Safety Plan

2017	2016	2015	
\$ 3,354,947	\$ 3,205,510	\$ 3,060,634	Actuarially determined contribution
<u>(3,354,947)</u>	<u>(3,205,510)</u>	<u>(3,060,634)</u>	Contributions in relation to the actuarially determined contributions
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Contributions deficiency (excess)
\$ 10,751,719	\$ 11,191,554	\$ 10,930,351	Covered payroll
31.20%	28.64%	28.00%	Contributions as a percentage of covered payroll

*Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Schedule of Changes in the County's Total OPEB Liability and Related Ratios

Service Cost	\$ 702,537
Interest	331,758
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	140,528
Benefit payment	<u>(512,492)</u>
Net change in total OPEB liability	662,331
Total OPEB liability - beginning	<u>11,444,031</u>
Total OPEB liability - ending (a)	<u>\$ 12,106,362</u>
Covered - employee payroll	\$ 57,884,672
OPEB liability as a percentage of covered - employee payroll	20.91%

**Governmental Funds – General and
Major Special Revenue**



BUDGETARY BASIS OF ACCOUNTING

The County follows these procedures annually in establishing the budgetary data reflected in the financial statements:

1. The County Administrative Officer submits to the Board of Supervisors a proposed draft budget for the fiscal year commencing on the following July 1. The budget includes proposed expenditures and the means of financing them.
2. The Board of Supervisors reviews the proposed budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the proposed budget to obtain comments from interested persons.
3. Prior to July 1, the budget is adopted through the passage of a resolution.
4. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as proposed expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by motion during the fiscal year.

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for all governmental funds except for debt service funds, the expenditures of which are controlled by provisions of debt agreements. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Encumbrances outstanding at year end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

General Fund

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
Revenues:				
Taxes	\$ 34,605,701	\$ 34,615,683	\$ 35,614,745	\$ 999,062
Licenses and permits	2,313,710	2,313,710	2,483,952	170,242
Fines, forfeits and penalties	71,000	71,000	95,637	24,637
Use of money and property	343,950	350,672	930,571	579,899
Intergovernmental	7,995,684	8,813,543	8,710,284	(103,259)
Charges for services	15,156,991	15,374,039	14,387,862	(986,177)
Miscellaneous revenue	8,987,933	9,088,970	1,317,357	(7,771,613)
Total Revenues	69,474,969	70,627,617	63,540,407	(7,087,210)
Expenditures:				
Current:				
General government	16,520,485	18,970,186	15,935,910	3,034,276
Public protection	10,132,118	10,337,468	9,397,551	939,917
Public way and facilities	200,000	194,868	180,405	14,463
Health and sanitation	-	-	-	-
Public assistance	256,890	261,076	86,891	174,185
Education	1,849,750	1,818,449	1,681,776	136,673
Recreation and culture	608,581	623,903	565,478	58,425
Capital outlay	416,000	585,070	164,794	420,276
Total Expenditures	29,983,824	32,791,020	28,012,804	4,778,216
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	39,491,145	37,836,597	35,527,604	(2,308,993)
Other Financing Sources (Uses):				
Transfers in	5,979,131	8,327,237	1,597,876	(6,729,361)
Transfers out	(36,929,508)	(38,631,002)	(27,378,014)	11,252,988
Total Other Financing Sources (Uses)	(30,950,377)	(30,303,765)	(25,780,138)	4,523,627
Net Change in Fund Balances	8,540,768	7,532,832	9,747,466	2,214,634
Budgetary Fund Balances - Beginning of Year	20,248,364	20,248,364	20,248,364	-
Budgetary Fund Balances - End of Year	\$ 28,789,132	\$ 27,781,196	\$ 29,995,829	\$ 2,214,634

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Bi-County Behavioral Health
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
Revenues:				
Fines, forfeits and penalties	\$ 6,000	\$ 6,000	\$ 10,622	\$ 4,622
Use of money and property	43,330	43,330	1,436	(41,894)
Intergovernmental	14,230,036	14,230,036	14,227,213	(2,823)
Charges for services	1,722,357	1,722,357	1,159,608	(562,749)
Other revenues	71,100	71,100	2,276,792	2,205,692
Total Revenues	16,072,823	16,072,823	17,675,672	1,602,849
Expenditures:				
Health and sanitation	50,939,855	50,935,890	46,500,019	4,435,871
Debt service: interest	10,000	10,000	8,230	1,770
Capital Outlay	615,551	619,516	301,797	317,719
Total Expenditures	51,565,406	51,565,406	46,810,046	4,755,360
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,492,583)	(35,492,583)	(29,134,374)	6,358,209
Other Financing Sources (Uses):				
Transfers in	35,869,153	36,744,677	33,074,223	(3,670,454)
Transfers out	(1,892,486)	(1,955,092)	(324,264)	1,630,828
Total Other Financing Sources (Uses)	33,976,667	34,789,585	32,749,959	(2,039,626)
Net Change in Fund Balances	(1,515,916)	(702,998)	3,615,585	4,318,583
Fund Balances - Beginning of Year	2,267,690	2,267,690	2,267,690	(0)
Fund Balances - End of Year	\$ 751,774	\$ 1,564,692	\$ 5,883,275	\$ 4,318,583

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Welfare

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 1,401	\$ 1,401	\$ 1,384	\$ (17)
Use of money and property	147,992	147,992	7,913	(140,079)
Intergovernmental	41,651,353	40,914,497	37,748,891	(3,165,606)
Charges for services	194,500	198,384	194,079	(4,305)
Other revenues	22,500	22,500	33,094	10,594
Total Revenues	<u>42,017,746</u>	<u>41,284,774</u>	<u>37,985,361</u>	<u>(3,299,413)</u>
Expenditures:				
Current:				
Public assistance	60,477,615	60,522,510	49,579,238	10,943,272
Capital outlay	197,600	203,632	-	203,632
Total Expenditures	<u>60,675,215</u>	<u>60,726,142</u>	<u>49,579,238</u>	<u>11,146,904</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(18,657,469)</u>	<u>(19,441,368)</u>	<u>(11,593,877)</u>	<u>7,847,491</u>
Other Financing Sources (Uses):				
Transfers in	29,228,764	28,712,560	21,318,122	(7,394,438)
Transfers out	<u>(15,994,699)</u>	<u>(15,414,436)</u>	<u>(10,986,664)</u>	<u>4,427,772</u>
Total Other Financing Sources (Uses)	<u>13,234,065</u>	<u>13,298,124</u>	<u>10,331,458</u>	<u>(2,966,666)</u>
Net Change in Fund Balances	(5,423,404)	(6,143,244)	(1,262,419)	4,880,825
Fund Balances - Beginning of Year	<u>10,922,256</u>	<u>10,922,256</u>	<u>10,922,256</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 5,498,852</u>	<u>\$ 4,779,012</u>	<u>\$ 9,659,837</u>	<u>\$ 4,880,825</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Public Safety/Trial Courts

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 18,915	\$ 18,915	\$ 20,895	\$ 1,980
Licenses and permits	16,000	16,000	28,820	12,820
Fines, forfeitures and penalties	852,950	852,950	833,981	(18,969)
Use of money and property	95,658	100,079	39,405	(60,674)
Intergovernmental	13,331,388	13,539,766	13,752,054	212,288
Charges for services	1,094,851	1,751,681	1,682,901	(68,780)
Other revenues	410,000	497,555	635,016	137,461
Total Revenues	<u>15,819,762</u>	<u>16,776,946</u>	<u>16,993,073</u>	<u>216,127</u>
Expenditures:				
Current:				
Public protection	49,610,966	49,931,124	43,609,765	6,321,359
Health and sanitation	-	-	-	-
Capital outlay	996,882	1,049,882	884,098	165,784
Total Expenditures	<u>50,607,848</u>	<u>50,981,006</u>	<u>44,493,864</u>	<u>6,487,142</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(34,788,086)</u>	<u>(34,204,060)</u>	<u>(27,500,791)</u>	<u>6,703,269</u>
Other Financing Sources (Uses):				
Transfers in	46,033,857	46,442,755	41,232,294	(5,210,461)
Transfers out	<u>(11,258,596)</u>	<u>(12,199,499)</u>	<u>(12,454,936)</u>	<u>(255,437)</u>
Total Other Financing Sources (Uses)	<u>34,775,261</u>	<u>34,243,256</u>	<u>28,777,358</u>	<u>(5,465,898)</u>
Net Change in Fund Balances	(12,825)	39,196	1,276,567	1,237,371
Fund Balances - Beginning of Year	<u>5,390,523</u>	<u>5,390,523</u>	<u>5,390,523</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 5,377,698</u>	<u>\$ 5,429,719</u>	<u>\$ 6,667,090</u>	<u>\$ 1,237,371</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Public Health

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	104,416	104,416	106,131	1,715
Use of money and property	30,154	63,947	4,480	(59,467)
Intergovernmental	15,412,760	24,524,555	23,237,979	(1,286,576)
Charges for services	2,665,046	2,728,331	2,713,592	(14,739)
Other revenues	-	20,000	20,000	-
Total Revenues	18,212,376	27,441,249	26,082,181	(1,359,068)
Expenditures:				
Current:				
Health and sanitation	20,432,586	22,652,718	19,074,264	3,578,454
Interest	-	-	-	-
Capital outlay	122,500	413,524	314,484	99,040
Total Expenditures	20,555,086	23,066,242	19,388,748	3,677,494
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,342,710)	4,375,007	6,693,433	2,318,426
Other Financing Sources (Uses):				
Transfers in	13,875,180	18,121,772	15,381,450	(2,740,322)
Transfers out	(12,340,965)	(24,547,173)	(21,849,236)	2,697,937
Total Other Financing Sources (Uses)	1,534,215	(6,425,401)	(6,467,786)	(42,385)
Net Change in Fund Balances	(808,495)	(2,050,394)	225,647	2,276,041
Fund Balances - Beginning of Year	3,785,465	3,785,465	3,785,465	-
Fund Balances - End of Year	\$ 2,976,970	\$ 1,735,071	\$ 4,011,112	\$ 2,276,041

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Public Safety Realignment

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, forfeitures and penalties	\$ -	\$ -	\$ -	\$ -
Use of money and property	275,760	275,760	25,584	(250,176)
Intergovernmental	30,568,489	34,459,946	33,793,173	(666,773)
Charges for services	1,311,628	1,431,628	1,427,422	(4,206)
Other revenues	-	-	-	-
Total Revenues	32,155,877	36,167,334	35,246,179	(921,155)
Expenditures:				
Current:				
Public protection	670,156	295,879	30,943	264,936
Debt Service:				
Interest	-	-	-	-
Total Expenditures	670,156	295,879	30,943	264,936
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,485,721	35,871,455	35,215,236	(656,219)
Other Financing Sources (Uses):				
Transfers in	10,086,471	12,913,409	12,862,403	(51,006)
Transfers out	(45,694,894)	(49,800,002)	(44,703,449)	5,096,553
Total Other Financing Sources (Uses)	(35,608,423)	(36,886,593)	(31,841,046)	5,045,547
Net Change in Fund Balances	(4,122,702)	(1,015,138)	3,374,190	4,389,328
Fund Balances - Beginning of Year	15,737,556	15,737,556	15,737,556	-
Fund Balances - End of Year	\$ 11,614,854	\$ 14,722,418	\$ 19,111,746	\$ 4,389,328

Nonmajor governmental funds are funds that do not meet the definition of a major fund, as described in the glossary. The following funds are presented as nonmajor funds in the CAFR:

Special Revenue Funds

Special Revenue Funds are established to finance particular governmental activities and are financed by specific taxes or other revenues. Such funds are authorized by statutory provisions to pay for certain activities of a continuing nature. Included in the Special Revenue classification are the following funds:

Road

Accounts for financing the construction and maintenance of Sutter County's unincorporated area road systems through planning; environmental analysis; traffic engineering and design; operations; traffic signals, street lights, signs and markings, right-of-way acquisitions; safety related improvements; and radar/speed control.

Special Aviation

This fund is used to account for federal airport and other revenues and expenditures for the provision of capital improvements and equipment maintenance at the Sutter County Airport.

Fish & Game

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

Sutter County Health

Accounts for the range of services provided that are designed to protect and enhance the well-being of the community and needs related to mental health and substance abuse problems. Revenue sources are primarily sales tax revenue and state grants.

Clerk Recorder Funds

Accounts for the various activities of the clerk-recorder such as the County Recorder Upgrade Fee imposed for instruments recorded by the County to support, maintain and improve the County's recording system; provides for repository of official and vital records for the County and files or records a variety of documents, maintains a record of those documents for posterity, and makes certified copies available to the public; and records the revenue for the various candidates running for elections within the County.

Child Support Services

Accounts for the child support services activities within the County.

Economic Development

Economic development activities support infrastructure development, economic and workforce development projects, housing development and rehabilitation, and public.

County Fees and Taxes

The fund is used to collect development impact fees and certain property taxes.

Court Activities

Accounts for court activities such as for the Automated County Warrants Fund, established pursuant to Vehicle Code Section 40508.5, which is used to account for fees imposed if a defendant fails to appear or to comply with any valid court order pursuant to this code. The funds are used for the development and operation of an automated county warrant system. Also included is the Office of Revenue Collections fund which is used to account for the 10% rebate on restitution fine and order monies remitted to the Victim Compensation and Government Claims Board (VCGCB) pursuant to Government Code Section 13966.01. The objective of the rebate is to enhance collection efforts and is intended to create an incentive for the County to aggressively pursue the collection of restitution monies to be utilized to assist other victims of crime.

County Service Areas

The County Service Areas Fund is used to account for the street lighting, public protection, health and sanitation, recreation and culture, public ways, and water utilities services provided by county service area districts in the unincorporated areas of the County.

Water Agencies

The Water Agencies Fund prepares investigations and reports on the County's water requirements, project development, and efficient use of water. The agency provides technical assistance to other County departments, water districts, and the public concerning water availability and water well locations and design.

Other Special Districts

The funds here are community assessment districts which provide canal and lighting maintenance to some communities within the county.

Debt Service

The General Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt.

Capital Projects

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

COUNTY OF SUTTER
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue		
	Road	Special Aviation	Fish & Game
Assets			
Cash and investments	\$ 12,532,092	\$ 59,344	\$ 89,386
Accounts receivable	-	-	-
Due from other governments	604,000	-	343
Interest receivable	23,108	120	90
Taxes receivable	-	-	-
Due from other funds	-	-	-
Prepaid Expenses	-	-	-
Inventory	15,035	-	-
Advances to other funds	-	-	-
Loans receivable	-	-	-
less allowance for doubtful accounts	-	-	-
Total Assets	\$ 13,174,235	\$ 59,464	\$ 89,819
Liabilities			
Accounts payable	\$ 99,149	\$ 16	\$ 26
Salaries and benefits payable	55,298	-	-
Deposits payable	179,233	-	-
Due to other funds	4,380	936	-
Advances from other funds	-	-	-
Unearned revenue	127,811	-	-
Total Liabilities	465,871	952	26
Deferred Inflows of Resources			
Unavailable revenue	-	-	-
Fund Balance			
Nonspendable	15,034	-	-
Restricted	12,693,330	-	89,793
Committed	-	58,512	-
Unassigned	-	-	-
Total Fund Balances	12,708,364	58,512	89,793
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 13,174,235	\$ 59,464	\$ 89,819

COUNTY OF SUTTER
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue		
	Mental Health Services Act	Clerk-Recorder Funds	Child Support Services Reimbursement/ Adjustment
Assets			
Cash and investments	\$ 9,945,713	\$ 2,159,286	\$ 526,117
Accounts receivable	(0)	5,855	-
Due from other governments	-	-	-
less allowance for doubtful accounts	-	-	-
Interest receivable	29,587	4,075	1,127
Taxes receivable	-	-	-
Due from other funds	1,089,935	-	-
Prepaid Expenses	-	-	-
Inventory	-	-	-
Advances to other funds	60,354	-	-
Loans receivable	874,458	-	-
less allowance for doubtful accounts	-	-	-
Total Assets	\$ 12,000,548	\$ 2,169,216	\$ 527,244
Liabilities			
Accounts payable	\$ 3,815	\$ 318,707	\$ 2,474
Salaries and benefits payable	-	-	28,596
Deposits payable	-	-	-
Due to other funds	4,587,921	101,358	3,112
Advances from other funds	-	-	-
Unearned revenue	-	-	-
Total Liabilities	4,591,736	420,065	34,182
Deferred Inflows of Resources			
Unavailable revenue	-	-	-
Fund Balance			
Nonspendable	-	-	-
Restricted	7,408,812	1,749,151	491,500
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	7,408,812	1,749,151	491,500
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,000,548	\$ 2,169,216	\$ 525,682

continued

COUNTY OF SUTTER
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue		
	Economic Development	County Fees and Taxes	Court Activities
Assets			
Cash and investments	\$ 1,082,839	\$ 2,912,821	\$ 637,888
Accounts receivable	-	-	-
Due from other governments	-	-	3,939
Interest receivable	1,644	6,303	1,235
Taxes receivable	-	-	-
Due from other funds	-	-	-
Prepaid Expenses	-	-	-
Inventory	-	-	-
Advances to other funds	-	-	-
Loans receivable	1,554,086	-	-
less allowance for doubtful accounts	-	-	-
Total Assets	\$ 2,638,569	\$ 2,919,124	\$ 643,063
Liabilities			
Accounts payable	\$ 212	\$ 58,870	\$ 13,684
Salaries and benefits payable	-	-	-
Deposits payable	-	-	-
Due to other funds	-	97,813	21,261
Advances from other funds	-	668,834	-
Unearned revenue	-	-	121,696
Total Liabilities	212	825,517	156,641
Deferred Inflows of Resources			
Unavailable revenue	-	-	-
Fund Balance			
Nonspendable	-	-	-
Restricted	2,638,357	2,093,607	486,422
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	2,638,357	2,093,607	486,422
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,638,569	\$ 2,919,124	\$ 643,063

COUNTY OF SUTTER
Combining Balance Sheet (continued)
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue			
	County Service Areas	Water Agencies	Other Special Districts	Sub-Total Special Revenue
Assets				
Cash and investments	\$ 2,192,650	\$ 2,470,295	\$ 2,894,117	\$ 37,502,548
Cash with fiscal agent	-	-	-	500
Accounts receivable	3,845	-	7,018	16,718
Due from other governments	116,928	-	-	725,211
Interest receivable	5,598	4,711	5,522	83,121
Taxes receivable	12	220	-	232
Due from other funds	341,449	-	-	1,431,384
Prepaid Expenses	-	-	-	-
Inventory	-	-	-	15,035
Advances to other funds	-	-	-	60,354
Loans receivable	-	-	-	2,428,545
less allowance for doubtful accounts	-	-	-	-
Total Assets	\$ 2,660,481	\$ 2,475,226	\$ 2,906,658	\$ 42,263,646
Liabilities				
Accounts payable	\$ 74,644	\$ 607	\$ 5,718	\$ 577,922
Salaries and benefits payable	56,341	-	-	140,235
Deposits payable	-	-	80	179,313
Due to other funds	2,422	1,103	-	4,820,306
Advances from other funds	368,426	-	-	1,037,260
Unearned revenue	-	-	330	249,837
Total Liabilities	501,833	1,710	6,128	7,004,873
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Fund Balance				
Nonspendable	-	-	-	15,034
Restricted	2,158,649	2,473,516	2,891,220	35,174,356
Committed	-	-	9,310	67,821
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	2,158,649	2,473,516	2,900,530	35,257,212
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,660,481	\$ 2,475,226	\$ 2,906,658	\$ 42,262,084

continued

COUNTY OF SUTTER

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2021

	<u>Debt Service</u>	<u>Capital Projects</u>	
	<u>General Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets			
Cash and investments	\$ 82,687	\$ 1,575,686	\$ 39,160,921
Cash with fiscal agent	-	-	500
Accounts receivable	-	13,291	30,009
Due from other governments	-	-	725,211
less allowance for doubtful accounts	-	-	-
Interest receivable	46	5,418	88,584
Taxes receivable	-	-	232
Due from other funds	-	244,589	1,675,973
Prepaid Expenses	-	-	-
Inventory	-	-	15,035
Advances to other funds	-	-	60,354
Loans receivable	-	1,027,967	3,456,511
less allowance for doubtful accounts	-	-	-
Total Assets	<u>\$ 82,733</u>	<u>\$ 2,866,951</u>	<u>\$ 45,213,330</u>
Liabilities			
Accounts payable	\$ 6	\$ 333,477	\$ 911,404
Salaries and benefits payable	-	-	140,235
Deposits payable	-	18,522	197,835
Due to other funds	-	299,974	5,120,280
Advances from other funds	-	-	1,037,260
Unearned revenue	-	-	249,837
Total Liabilities	<u>6</u>	<u>651,972</u>	<u>7,656,851</u>
Deferred Inflows of Resources			
Unavailable revenue	-	-	-
Fund Balance			
Nonspendable	-	-	15,034
Restricted	-	-	35,174,356
Committed	82,727	2,214,979	2,365,527
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>82,727</u>	<u>2,214,979</u>	<u>37,554,918</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 82,733</u>	<u>\$ 2,866,951</u>	<u>\$ 45,211,768</u>

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue		
	Road	Special Aviation	Fish & Game
Revenues:			
Taxes	\$ 1,163,859	\$ 12,025	\$ -
Licenses and permits	38,383	-	-
Fines and forfeitures	-	-	43,926
Use of money and property	11,130	21,284	(54)
Intergovernmental	7,250,562	10,000	-
Charges for services	108,594	-	-
Other revenues	53,113	-	-
Total Revenues	8,625,642	43,310	43,872
Expenditures:			
Current:			
General government	-	-	-
Public protection	82,878	-	785
Public ways and facilities	7,897,895	28,857	-
Health and sanitation	-	-	-
Public assistance	-	-	-
Education	-	-	-
Recreation and cultural	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	300,984	-	-
Total Expenditures	8,281,756	28,857	785
Excess (Deficiency) of Revenues Over (Under) Expenditures	343,886	14,453	43,087
Other Financing Sources (Uses):			
Transfers in	81,052	-	-
Transfers out	(111,243)	(16,940)	-
Proceeds from issuance of capital lease	-	-	-
Total Other Financing Sources (Uses)	(30,191)	(16,940)	-
Net Change in Fund Balances	313,695	(2,487)	43,087
Fund Balances - Beginning of Year	12,394,669	60,999	46,706
Fund Balances - End of Year	\$ 12,708,364	\$ 58,512	\$ 89,793

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue		
	Mental Health Services Act	Clerk-Recorder Funds	Child Support Services Reimbursement/ Adjustment
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Use of money and property	57,388	3,007	1,309
Intergovernmental	11,453,592	-	2,165,979
Charges for services	466,869	418,692	-
Other revenues	-	-	-
Total Revenues	11,977,849	421,698	2,167,288
Expenditures:			
Current:			
General government	-	2,783	-
Public protection	-	-	1,948,230
Public ways and facilities	-	-	-
Health and sanitation	18,576	-	-
Public assistance	-	-	-
Education	-	-	-
Recreation and cultural	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	5,624
Total Expenditures	18,576	2,783	1,953,854
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,959,273	418,916	213,434
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	(17,062,222)	(204,999)	(16,767)
Proceeds from issuance of capital lease	-	-	-
Total Other Financing Sources (Uses)	(17,062,222)	(204,999)	(16,767)
Net Change in Fund Balances	(5,102,949)	213,917	196,667
Fund Balances - Beginning of Year	12,511,760	1,535,234	296,395
Fund Balances - End of Year	\$ 7,408,812	\$ 1,749,150	\$ 493,062

continued

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance (continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Special Revenue		
	Economic Development	County Fees and Taxes	Court Activities
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	481,409	-
Fines and forfeitures	-	-	16,537
Use of money and property	69,660	6,488	922
Intergovernmental	-	129,698	-
Charges for services	(0)	-	14,792
Other revenues	-	-	-
Total Revenues	<u>69,660</u>	<u>617,595</u>	<u>32,251</u>
Expenditures:			
Current:			
General government	449	(0)	353
Public protection	-	(0)	543
Public ways and facilities	-	0	-
Health and sanitation	-	5,537	-
Public assistance	867	-	-
Education	-	(0)	-
Recreation and cultural	-	0	-
Debt service			
Principal	-	-	-
Interest	-	4,969.31	-
Capital outlay	-	-	-
Total Expenditures	<u>1,316</u>	<u>10,506</u>	<u>896</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>68,344</u>	<u>607,089</u>	<u>31,355</u>
Other Financing Sources (Uses):			
Transfers in	12,909	-	-
Transfers out	(12,909)	(1,055,833)	(17,174)
Proceeds from issuance of capital lease	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,055,833)</u>	<u>(17,174)</u>
Net Change in Fund Balances	68,344	(448,744)	14,181
Fund Balances - Beginning of Year	<u>2,570,014</u>	<u>2,542,351</u>	<u>472,240</u>
Fund Balances - End of Year	<u>\$ 2,638,357</u>	<u>\$ 2,093,607</u>	<u>\$ 486,422</u>

continued

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures and Changes in Fund Balance (continued)

Nonmajor Governmental Funds For the Year Ended June 30, 2021

	Special Revenue		
	County Service Area	Water Agencies	Other Special Districts
Revenues:			
Taxes	\$ 3,330,169	\$ 186,251	\$ 221,232
Licenses and permits	-	-	5,013
Fines and forfeitures	15,050	-	1,347
Use of money and property	6,484	3,838	4,435
Intergovernmental	412,995	6,037	805
Charges for services	1,321,670	17,963	14,404
Other revenues	164,335	-	9,750
Total Revenues	5,250,703	214,088	256,985
Expenditures:			
Current:			
General government	-	-	431
Public protection	4,844,870	-	9,966
Public ways and facilities	-	192,106	169,438
Health and sanitation	-	-	-
Public assistance	-	-	-
Education	-	-	-
Recreation and cultural	-	-	2
Debt service			
Principal	-	-	-
Interest	3,032	-	-
Capital outlay	683,053	-	41,735
Total Expenditures	5,530,954	192,106	221,572
Excess (Deficiency) of Revenues Over (Under) Expenditures	(280,252)	21,982	35,413
Other Financing Sources (Uses):			
Transfers in	368,833	-	-
Transfers out	(35,864)	-	-
Proceeds from issuance of capital lease	-	-	-
Total Other Financing Sources (Uses)	332,969	-	-
Net Change in Fund Balances	52,717	21,982	35,413
Fund Balances - Beginning of Year	2,105,932	2,451,534	2,865,116
Fund Balances - End of Year	\$ 2,158,649	\$ 2,473,516	\$ 2,900,530

continued

COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Debt Service	Capital Projects	
	General Debt Service	Capital Projects	Total
Revenues:			
Taxes	\$ -	\$ -	\$ 4,913,536
Licenses and permits	-	-	524,805
Fines and forfeitures	-	-	76,861
Use of money and property	251	23,236	209,378
Intergovernmental	-	-	21,429,667
Charges for services	211	-	2,363,194
Other revenues	-	23,100	250,298
Total Revenues	461	46,336	29,767,739
Expenditures:			
Current:			
General government	98	1,584,018	1,588,132
Public protection	-	-	6,887,271
Public ways and facilities	-	-	8,288,295
Health and sanitation	-	-	24,113
Public assistance	-	-	867
Education	-	-	(0)
Recreation and cultural	-	-	3
Debt service			
Principal	552,999	-	552,999
Interest	242,600	-	250,601
Capital outlay	-	17,086,621	18,118,016
Total Expenditures	795,697	18,670,639	35,710,297
Excess (Deficiency) of Revenues Over (Under) Expenditures	(795,235)	(18,624,302)	(5,942,558)
Other Financing Sources (Uses):			
Transfers in	839,061	9,774,750	11,076,605
Transfers out	-	(299,974)	(18,833,925)
Proceeds from issuance of bonds	-	6,750,000	6,750,000
Total Other Financing Sources (Uses)	839,061	16,224,776	(1,007,319)
Net Change in Fund Balances	43,826	(2,399,526)	(6,949,877)
Fund Balances - Beginning of Year	38,902	4,614,505	44,506,357
Fund Balances - End of Year	\$ 82,728	\$ 2,214,979	\$ 37,556,480

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Road

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,283,334	\$ 1,283,334	\$ 1,163,859	\$ (119,475)
Licenses and permits	76,600	77,409	38,383	(39,026)
Fines and forfeitures	-	-	-	-
Use of money and property	211,542	211,542	11,130	(200,412)
Intergovernmental	7,618,476	7,611,754	7,250,562	(361,192)
Charges for services	100	87,822	108,594	20,772
Other revenue	600	600	53,113	52,513
Total Revenues	<u>9,190,652</u>	<u>9,272,461</u>	<u>8,625,642</u>	<u>(646,819)</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	2,038	270,038	82,878	187,160
Public way and facilities	14,092,042	14,092,958	7,897,895	6,195,063
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	850,000	823,600	300,984	522,616
Total Expenditures	<u>14,944,080</u>	<u>15,186,596</u>	<u>8,281,756</u>	<u>6,904,840</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,753,428)</u>	<u>(5,914,135)</u>	<u>343,886</u>	<u>(7,551,658)</u>
Other Financing Sources (Uses):				
Transfers in	-	300,000	81,052	(218,948)
Transfers out	(22,356)	(322,356)	(111,243)	211,113
Total Other Financing Sources (Uses)	<u>(22,356)</u>	<u>(22,356)</u>	<u>(30,191)</u>	<u>(7,835)</u>
Net Change in Fund Balances	(5,775,784)	(5,936,491)	313,695	(7,559,493)
Budgetary Fund Balances - Beginning of Year	<u>12,394,669</u>	<u>12,394,669</u>	<u>12,394,669</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 6,618,885</u>	<u>\$ 6,458,177</u>	<u>\$ 12,708,364</u>	<u>\$ (7,559,493)</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Aviation

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 14,000	\$ 14,000	\$ 12,025	\$ (1,975)
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	18,594	22,644	21,284	(1,360)
Intergovernmental	10,000	10,000	10,000	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	<u>42,594</u>	<u>46,644</u>	<u>43,310</u>	<u>(3,334)</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	-
Public way and facilities	34,243	38,293	28,857	9,436
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>34,243</u>	<u>38,293</u>	<u>28,857</u>	<u>9,436</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,351</u>	<u>8,351</u>	<u>14,453</u>	<u>6,102</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(35,000)	(35,000)	(16,940)	18,060
Total Other Financing Sources (Uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(16,940)</u>	<u>18,060</u>
Net Change in Fund Balances	(26,649)	(26,649)	(2,487)	24,162
Budgetary Fund Balances - Beginning of Year	<u>60,999</u>	<u>60,999</u>	<u>60,999</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 34,350</u>	<u>\$ 34,350</u>	<u>\$ 58,512</u>	<u>\$ 24,162</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Fish & Game

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	2,000	2,000	43,926	41,926
Use of money and property	-	-	(54)	(54)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>43,872</u>	<u>41,872</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	24,389	24,389	785	23,604
Public way and facilities	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>24,389</u>	<u>24,389</u>	<u>785</u>	<u>23,604</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(22,389)</u>	<u>(22,389)</u>	<u>43,087</u>	<u>18,267</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(22,389)	(22,389)	43,087	18,267
Budgetary Fund Balances - Beginning of Year	<u>46,706</u>	<u>46,706</u>	<u>46,706</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 24,317</u>	<u>\$ 24,317</u>	<u>\$ 89,793</u>	<u>\$ 18,267</u>

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Mental Health Services Act
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	155,000	155,000	57,388	(97,612)
Intergovernmental	9,500,000	9,504,050	11,453,592	1,949,542
Charges for services	-	-	466,869	466,869
Other revenue	-	-	-	-
Total Revenues	<u>9,655,000</u>	<u>9,659,050</u>	<u>11,977,849</u>	<u>2,318,799</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	-
Public way and facilities	-	-	-	-
Health and sanitation	16,919	20,969	18,576	2,393
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>16,919</u>	<u>20,969</u>	<u>18,576</u>	<u>2,393</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,638,081</u>	<u>9,638,081</u>	<u>11,959,273</u>	<u>2,316,406</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(19,831,199)	(19,831,199)	(17,062,222)	2,768,977
Total Other Financing Sources (Uses)	<u>(19,831,199)</u>	<u>(19,831,199)</u>	<u>(17,062,222)</u>	<u>2,768,977</u>
Net Change in Fund Balances	(10,193,118)	(10,193,118)	(5,102,949)	5,085,383
Budgetary Fund Balances - Beginning of Year	<u>12,511,760</u>	<u>12,511,760</u>	<u>12,511,760</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,318,642</u>	<u>\$ 2,318,642</u>	<u>\$ 7,408,812</u>	<u>\$ 5,085,383</u>

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Clerk-Recorder Funds
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	20	28	3,007	2,979
Intergovernmental	-	-	-	-
Charges for services	1,220,000	1,220,224	418,692	(801,532)
Other revenue	-	-	-	-
Total Revenues	<u>1,220,020</u>	<u>1,220,252</u>	<u>421,698</u>	<u>(798,554)</u>
Expenditures:				
Current:				
General government	902,102	902,381	2,783	899,598
Public protection	241	241	-	241
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>902,343</u>	<u>902,622</u>	<u>2,783</u>	<u>899,839</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>317,677</u>	<u>317,630</u>	<u>418,916</u>	<u>101,286</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(530,000)	(530,000)	(204,999)	325,001
Total Other Financing Sources (Uses)	<u>(530,000)</u>	<u>(530,000)</u>	<u>(204,999)</u>	<u>325,001</u>
Net Change in Fund Balances	(212,323)	(212,370)	213,917	426,287
Budgetary Fund Balances - Beginning of Year	<u>1,535,234</u>	<u>1,535,234</u>	<u>1,535,234</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 1,322,911</u>	<u>\$ 1,322,864</u>	<u>\$ 1,749,150</u>	<u>\$ 426,287</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 Child Support Services Reimbursement/Adjustment
 For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	4,000	4,000	1,309	(2,691)
Intergovernmental	2,801,624	2,801,624	2,165,979	(635,645)
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	2,805,624	2,805,624	2,167,288	(638,336)
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	2,717,992	2,717,992	1,948,230	769,762
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	91,000	91,000	5,624	85,376
Total Expenditures	2,808,992	2,808,992	1,953,854	855,138
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,368)	(3,368)	213,434	216,802
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(8,287)	(8,287)	(16,767)	(8,480)
Total Other Financing Sources (Uses)	(8,287)	(8,287)	(16,767)	(8,480)
Net Change in Fund Balances	(11,655)	(11,655)	196,667	208,322
Budgetary Fund Balances - Beginning of Year	296,395	296,395	296,395	-
Budgetary Fund Balances - End of Year	\$ 284,740	\$ 284,740	\$ 493,062	\$ 208,322

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Economic Development
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	13,253	13,445	69,660	56,215
Intergovernmental	-	-	-	-
Charges for services	-	-	(0)	(0)
Other revenue	-	-	-	-
Total Revenues	13,253	13,445	69,660	56,215
Expenditures:				
Current:				
General government	1,453	21,901	449	21,452
Public protection	-	-	-	-
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	9,114	9,306	867	8,439
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	10,567	31,207	1,316	29,891
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,686	(17,762)	68,344	26,324
Other Financing Sources (Uses):				
Transfers in	-	12,909	12,909	-
Transfers out	-	(217,659)	(12,909)	204,750
Total Other Financing Sources (Uses)	-	(204,750)	-	204,750
Net Change in Fund Balances	2,686	(222,512)	68,344	231,074
Budgetary Fund Balances - Beginning of Year	2,570,014	2,570,014	2,570,014	-
Budgetary Fund Balances - End of Year	\$ 2,572,700	\$ 2,347,502	\$ 2,638,357	\$ 231,074

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

County Fees and Taxes

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	326,750	347,260	481,409	134,149
Fines and forfeitures	-	-	-	-
Use of money and property	67,786	67,786	6,488	(61,298)
Intergovernmental	110,000	110,000	129,698	19,698
Charges for services	-	-	-	-
Other revenue	-	-	-	-
Total Revenues	504,536	525,046	617,595	92,549
Expenditures:				
Current:				
General government	1,375	1,375	(0)	1,375
Public protection	2,896	7,846	4,969	2,877
Public way and facilities	533	879	0	879
Health and sanitation	671	898	5,537	-
Public assistance	-	-	-	-
Education	293	293	(0)	293
Recreation and culture	1,018	1,018	0	1,018
Capital outlay	-	-	-	-
Total Expenditures	6,786	12,309	10,506	6,442
Excess (Deficiency) of Revenues Over (Under) Expenditures	497,750	512,737	607,089	94,352
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(446,000)	(1,166,000)	(1,055,833)	110,167
Total Other Financing Sources (Uses)	(446,000)	(1,166,000)	(1,055,833)	110,167
Net Change in Fund Balances	51,750	(653,263)	(448,744)	204,519
Budgetary Fund Balances - Beginning of Year	2,542,351	2,542,351	2,542,351	-
Budgetary Fund Balances - End of Year	\$ 2,594,101	\$ 1,889,088	\$ 2,093,607	\$ 204,519

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Court Activities

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	14,000	14,000	16,537	2,537
Use of money and property	4,527	4,527	922	(3,605)
Intergovernmental	-	-	-	-
Charges for services	13,000	13,000	14,792	1,792
Other revenue	-	-	-	-
Total Revenues	<u>31,527</u>	<u>31,527</u>	<u>32,251</u>	<u>724</u>
Expenditures:				
Current:				
General government	387	387	353	34
Public protection	543	543	543	0
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Debt service: interest	-	-	-	-
Total Expenditures	<u>930</u>	<u>930</u>	<u>896</u>	<u>34</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>30,597</u>	<u>30,597</u>	<u>31,355</u>	<u>758</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(17,174)	(17,174)	(17,174)	-
Total Other Financing Sources (Uses)	<u>(17,174)</u>	<u>(17,174)</u>	<u>(17,174)</u>	<u>-</u>
Net Change in Fund Balances	13,423	13,423	14,181	758
Budgetary Fund Balances - Beginning of Year	<u>472,240</u>	<u>472,240</u>	<u>472,240</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 485,663</u>	<u>\$ 485,663</u>	<u>\$ 486,422</u>	<u>\$ 758</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

County Service Areas

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,213,614	\$ 3,213,614	\$ 3,330,169	\$ 116,555
Licenses and permits	-	-	-	-
Fines and forfeitures	2,000	8,000	15,050	7,050
Use of money and property	32,000	32,000	6,484	(25,516)
Intergovernmental	491,132	506,363	412,995	(93,368)
Charges for services	766,946	1,249,946	1,321,670	71,724
Other revenue	64,598	114,598	164,335	49,737
Total Revenues	<u>4,570,290</u>	<u>5,124,521</u>	<u>5,250,703</u>	<u>126,182</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	4,919,063	5,473,294	4,847,902	625,392
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	657,996	683,796	683,053	743
Total Expenditures	<u>5,577,059</u>	<u>6,157,090</u>	<u>5,530,954</u>	<u>626,136</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,006,769)</u>	<u>(1,032,569)</u>	<u>(280,252)</u>	<u>752,317</u>
Other Financing Sources (Uses):				
Transfers in	346,150	369,550	368,833	(717)
Transfers out	(28,057)	(28,057)	(35,864)	(7,807)
Total Other Financing Sources (Uses)	<u>318,093</u>	<u>341,493</u>	<u>332,969</u>	<u>(8,524)</u>
Net Change in Fund Balances	(688,676)	(691,076)	52,717	743,793
Budgetary Fund Balances - Beginning of Year	<u>2,105,932</u>	<u>2,105,932</u>	<u>2,105,932</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 1,417,256</u>	<u>\$ 1,414,856</u>	<u>\$ 2,158,649</u>	<u>\$ 743,793</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Water Agencies

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 176,100	\$ 176,100	\$ 186,251	\$ 10,151
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	48,850	48,850	3,838	\$ (45,012)
Intergovernmental	4,500	4,500	6,037	1,537
Charges for services	-	-	17,963	17,963
Other revenue	-	-	-	-
Total Revenues	<u>229,450</u>	<u>229,450</u>	<u>214,088</u>	<u>(15,362)</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	-
Public way and facilities	282,243	282,243	192,106	90,137
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>282,243</u>	<u>282,243</u>	<u>192,106</u>	<u>90,137</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(52,793)</u>	<u>(52,793)</u>	<u>21,982</u>	<u>74,775</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(52,793)	(52,793)	21,982	74,775
Budgetary Fund Balances - Beginning of Year	<u>2,451,534</u>	<u>2,451,534</u>	<u>2,451,534</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,398,741</u>	<u>\$ 2,398,741</u>	<u>\$ 2,473,516</u>	<u>\$ 74,775</u>

COUNTY OF SUTTER
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Other Special Districts
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 218,321	\$ 218,461	\$ 221,232	\$ 2,771
Licenses and permits	5,183	5,183	5,013	(170)
Fines and forfeitures	-	-	1,347	1,347
Use of money and property	54,668	54,668	4,435	(50,233)
Intergovernmental	846	846	805	(41)
Charges for services	14,410	14,410	14,404	(6)
Other revenue	9,750	9,750	9,750	-
Total Revenues	<u>303,178</u>	<u>303,318</u>	<u>256,985</u>	<u>(46,333)</u>
Expenditures:				
Current:				
General government	476	476	431	45
Public protection	11,199	11,218	9,966	1,252
Public way and facilities	270,415	276,479	169,438	107,041
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	3	3	2	1
Capital outlay	-	56,356	-	56,356
Total Expenditures	<u>282,093</u>	<u>344,532</u>	<u>179,837</u>	<u>164,695</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>21,085</u>	<u>(41,214)</u>	<u>77,149</u>	<u>(211,028)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	21,085	(41,214)	77,149	(211,028)
Budgetary Fund Balances - Beginning of Year	<u>2,865,116</u>	<u>2,865,116</u>	<u>2,865,116</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,886,201</u>	<u>\$ 2,823,902</u>	<u>\$ 2,942,265</u>	<u>\$ (211,028)</u>

COUNTY OF SUTTER

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Debt Service

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	99	251	152
Intergovernmental	158	158	-	(158)
Charges for services	-	-	211	211
Other revenue	53	53	-	(53)
Total Revenues	211	310	461	151
Expenditures:				
Current:				
General government	-	-	98	(98)
Public protection	-	-	-	-
Public way and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Recreation and culture	-	-	-	-
Debt service:Principal	614,508	614,508	552,999	61,509
Debt service:Interest	246,186	246,186	242,600	3,586
Capital outlay	-	-	-	-
Total Expenditures	860,694	860,694	795,697	64,997
Excess (Deficiency) of Revenues Over (Under) Expenditures	(860,483)	(860,384)	(795,235)	65,149
Other Financing Sources (Uses):				
Transfers in	839,359	839,359	839,061	(298)
Transfers out	-	(2)	-	2
Total Other Financing Sources (Uses)	839,359	839,357	839,061	(296)
Net Change in Fund Balances	(21,124)	(21,027)	43,826	64,853
Budgetary Fund Balances - Beginning of Year	38,902	38,902	38,902	-
Budgetary Fund Balances - End of Year	\$ 17,778	\$ 17,875	\$ 82,728	\$ 64,853

COUNTY OF SUTTER

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Capital Projects Fund

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 6,277	\$ 6,277	\$ 23,236	\$ 16,959
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other revenues	6,355	6,754,363	23,100	(6,731,263)
Total Revenues	12,632	6,760,640	46,336	(6,714,304)
Expenditures:				
Current:				
General government	-	279,433	1,584,018	(1,304,585)
Public protection	6,277	2,102,194	-	2,102,194
Health & sanitation	1,623,754	1,611,566	-	1,611,566
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	1,778,244	18,803,941	17,086,621	1,717,320
Total Expenditures	3,408,275	22,797,134	18,670,639	4,126,495
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,395,643)	(16,036,494)	(18,624,302)	(2,587,808)
Other Financing Sources (Uses):				
Transfers in	2,869,140	12,309,168	9,774,750	(2,534,418)
Transfers out	-	(299,974)	(299,974)	-
Proceeds from issuance of bonds	-	6,750,000	6,750,000	-
Total Other Financing Sources (Uses)	2,869,140	18,759,194	16,224,776	(2,534,418)
Net Change in Fund Balances	(526,503)	2,722,700	(2,399,526)	(5,122,226)
Fund Balances - Beginning of Year	4,614,505	4,614,505	4,614,505	-
Fund Balances - End of Year	\$ 4,088,002	\$ 7,337,205	\$ 2,214,979	\$ (5,122,226)

COUNTY OF SUTTER
Combining Statement of Net Position
Internal Service Funds
June 30, 2021

	Risk Management		Fleet Management
	General Liability	Workers' Compensation	
Assets			
Current Assets:			
Cash and investments	\$ 440,665	\$ 410,382	\$ 283,740
Cash with fiscal agent	1,127,716	7,479,287	-
Accounts receivable	-	-	-
Interest receivable	547	202	356
Taxes receivable	-	-	-
Due from other funds	816	816	816
Deposits with others	-	-	-
Prepaid expenses	-	-	-
Inventory	-	-	11,663
Total Current Assets	1,569,743	7,890,687	296,574
Noncurrent Assets:			
Capital assets:			
Construction in progress	-	-	-
Depreciable, net	-	-	101,526
Total Noncurrent Assets	-	-	101,526
Total Assets	1,569,743	7,890,687	398,100
Deferred Outflows of Resources:			
Deferred pension	64,244	42,228	100,271
Deferred OPEB	465	-	3,717
Total Deferred Outflow of Resources	64,709	42,228	103,988
Liabilities			
Current Liabilities:			
Accounts payable	70	26	10,916
Salaries and benefits payable	6,072	4,550	11,990
Due to other funds	624	331	312
Capital lease payable	-	-	5,344
Compensated absences payable	-	6,538	39,756
Interest payable	-	-	688
Unearned revenue	-	-	-
Total Current Liabilities	6,767	11,446	69,005
Noncurrent Liabilities:			
Compensated absences payable	-	572	3,475
Advance from other funds	-	-	-
Claims payable	1,719,907	5,677,352	-
Capital lease payable	-	-	48,275
Net pension liability	312,962	205,711	488,463
Total OPEB liability	5,832	-	46,656
Total Noncurrent Liabilities	2,038,701	5,883,634	586,870
Total Liabilities	2,045,467	5,895,080	655,876
Deferred Inflows of Resources:			
Deferred pension	842	553	1,314
Deferred OPEB	1,798	-	14,385
Total Deferred Inflow of Resources	2,640	553	15,698
Net Position:			
Net investment in capital assets	-	-	47,907
Unrestricted (deficit)	(413,655)	2,037,282	(217,393)
Total Net Position	\$ (413,655)	\$ 2,037,282	\$ (169,486)

continued

COUNTY OF SUTTER

Combining Statement of Net Position (continued)
Internal Service Funds
June 30, 2021

	Information Technology	Employee Wellness	Total
Assets			
Current Assets:			
Cash and investments	\$ 1,013,296	\$ 0	\$ 2,148,083
Cash with fiscal agent	-	-	8,607,003
Accounts receivable	-	24,921	24,921
Interest receivable	1,410	15	2,530
Taxes receivable	-	-	-
Due from other funds	520	148,540	151,508
Deposits with others	-	-	-
Prepaid expenses	-	-	-
Inventory	-	-	11,664
Total Current Assets	1,015,226	173,476	10,945,708
Noncurrent Assets:			
Capital assets:			
Construction in progress	247,690	-	247,690
Depreciable, net	674,866	-	776,392
Total Noncurrent Assets	922,557	-	1,024,082
Total Assets	1,937,783	173,476	11,969,790
Deferred Outflows of Resources:			
Deferred pension	517,779	-	724,522
Deferred OPEB	13,939	-	18,121
Total Deferred Outflow of Resources	531,718	-	742,643
Liabilities			
Current Liabilities:			
Accounts payable	47,026	13,224	71,262
Salaries and benefits payable	62,512	-	85,125
Due to other funds	3,041	38,243	42,551
Capital lease payable	8,312	-	13,656
Compensated absences payable	243,215	-	289,509
Interest payable	1,070	-	1,759
Unearned revenue	7,944	-	7,944
Total Current Liabilities	373,121	51,466	511,805
Noncurrent Liabilities:			
Compensated absences payable	21,261	-	25,308
Advance from other funds	-	125,000	125,000
Claims payable	-	-	7,397,259
Capital lease payable	78,126	-	126,401
Net pension liability	2,522,325	-	3,529,461
Total OPEB liability	174,962	-	227,450
Total Noncurrent Liabilities	2,796,675	125,000	11,430,880
Total Liabilities	3,169,796	176,466	11,942,685
Deferred Inflows of Resources:			
Deferred pension	6,783	-	9,492
Deferred OPEB	53,943	-	70,126
Total Deferred Inflow of Resources	60,726	-	79,618
Net Position:			
Net investment in capital assets	836,119	-	884,026
Unrestricted (deficit)	(1,597,141)	(2,991)	(193,897)
Total Net Position	\$ (761,022)	\$ (2,991)	\$ 690,129

COUNTY OF SUTTER
Combining Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2021

	Risk Management		
	General Liability	Workers' Compensation	Fleet Management
Operating Revenues:			
Charges for services	\$ 2,052,215	\$ 3,782,649	\$ 1,081,606
Other revenue	70,000	-	1,304
Total Operating Revenues	2,122,215	3,782,649	1,082,909
Operating Expenses:			
Salaries and benefits	432,988	237,575	431,590
Services and supplies	1,973,025	1,736,458	403,982
Other charges	9,485	35,058	159,901
Depreciation	-	-	27,366
Total Operating Expenses	2,415,499	2,009,091	1,022,839
Net Operating Income (Loss)	(293,284)	1,773,558	60,070
Non-Operating Revenues (Expenses):			
Interest income (expense)	1,205	1,074	(1,054)
Fines and penalties	-	-	-
Gain (Loss) on Sale of Fixed Assets	-	-	6,225
Total Non-Operating Revenues and Expenses	1,205	1,074	5,171
Net Income (Loss) Before Transfers	(292,080)	1,774,632	65,241
Transfers in	-	-	-
Transfers out	-	(424)	(2,001)
Change in Net Position	(292,080)	1,774,208	63,241
Net Position - Beginning of Year	(121,575)	263,074	(232,727)
Net Position - End of Year	\$ (413,655)	\$ 2,037,282	\$ (169,486)

COUNTY OF SUTTER
Combining Statement of Revenues, Expenses and
Changes in Net Position (continued)
Internal Service Funds
For the Year Ended June 30, 2021

	Information Technology	Employee Wellness	Total
Operating Revenues:			
Charges for services	\$ 3,882,042	\$ 646,763	\$ 11,445,274
Other revenue	16,016	-	87,320
Total Operating Revenues	3,898,057	646,763	11,532,594
Operating Expenses:			
Salaries and benefits	2,062,753	-	3,164,906
Services and supplies	904,260	506,494	5,524,220
Other charges	509,847	6,657	720,949
Depreciation	139,736	-	167,101
Total Operating Expenses	3,616,595	513,151	9,577,176
Net Operating Income (Loss)	281,462	133,612	1,955,418
Non-Operating Revenues (Expenses):			
Interest income (expense)	(5,189)	485	(3,479)
Fines and penalties	-	-	-
Loss on disposal of capital assets	-	-	6,225
Total Non-Operating Revenues and Expenses	(5,189)	485	2,746
Net Income (Loss) Before Transfers	276,273	134,097	1,958,164
Transfers in	-	-	-
Transfers out	(10,062)	-	(12,487)
Change in Net Position	266,211	134,097	1,945,677
Net Position - Beginning of Year	(1,027,232)	(137,088)	(1,255,548)
Net Position - End of Year	\$ (761,022)	\$ (2,991)	\$ 690,129

COUNTY OF SUTTER
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2021

	Risk Management		
	General Liability	Workers' Compensation	Fleet Management
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from customers	\$ 2,122,215	\$ 3,982,475	\$ 1,089,606
Cash paid to suppliers for goods and services	(1,538,186)	(1,771,523)	(572,789)
Cash paid to employees	(268,043)	(183,781)	(406,443)
Net Cash Provided (Used) by Operating Activities	<u>315,986</u>	<u>2,027,171</u>	<u>110,374</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Interfund loans received (paid)	(816)	-	(2,246)
Miscellaneous cash received (paid)	624	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(192)</u>	<u>-</u>	<u>(2,246)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	-	-	-
Principal payments on capital leases	-	(158)	(4,532)
Payments related to the acquisition of capital assets	-	-	0
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(158)</u>	<u>(4,532)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	1,754	1,447	(1,680)
Net Cash Provided (Used) by Investing Activities	<u>1,754</u>	<u>1,447</u>	<u>(1,680)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>317,548</u>	<u>2,028,460</u>	<u>101,917</u>
Cash and Cash Equivalents, Beginning of Year	<u>1,250,833</u>	<u>5,861,210</u>	<u>181,823</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,568,381</u>	<u>\$ 7,889,670</u>	<u>\$ 283,740</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	(293,284)	1,773,558	60,070
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	-	27,366
Loss on disposal of capital assets	-	-	6,225
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	-	(816)	472
Deposits and prepaid expenses	-	-	-
Inventory	-	-	(466)
Increase (decrease) in:			
Accounts payable	(46)	259	(8,440)
Salaries and benefits payable	(47)	(1,133)	1,104
Compensated absences payable	-	909	5,984
Claims liability	444,371	200,642	-
Interest payable	-	-	-
Unavailable/deferred revenue	-	-	-
Other liabilities	-	(266)	-
Net pension liability	183,641	54,018	18,100
Total OPEB liability	(18,649)	-	(41)
Net Cash Provided (Used) by Operating Activities	<u>\$ 315,986</u>	<u>\$ 2,027,171</u>	<u>\$ 110,374</u>

COUNTY OF SUTTER
Combining Statement of Cash Flows
Internal Service Funds (continued)
For the Year Ended June 30, 2021

	Information Technology	Employee Wellness	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from customers	\$ 3,887,194	\$ 646,763	\$ 11,728,253
Cash paid to suppliers for goods and services	(1,406,364)	(500,755)	(5,789,618)
Cash paid to employees	(2,177,504)	-	(3,035,771)
Net Cash Provided (Used) by Operating Activities	<u>303,325</u>	<u>146,008</u>	<u>2,902,864</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Interfund loans received (paid)	(11,968)	(139,784)	(154,813)
Miscellaneous cash received (paid)	-	(6,323)	(5,699)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(11,968)</u>	<u>(146,107)</u>	<u>(160,512)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital contributions	-	-	-
Principal payments on capital leases	(6,716)	-	(11,406)
Payments related to the acquisition of capital assets	(257,426)	-	(257,426)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(264,142)</u>	<u>-</u>	<u>(268,832)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	(5,015)	98	(3,396)
Net Cash Provided (Used) by Investing Activities	<u>(5,015)</u>	<u>98</u>	<u>(3,396)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	22,200	-	2,470,124
Cash and Cash Equivalents, Beginning of Year	<u>991,096</u>	<u>0</u>	<u>8,284,962</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,013,296</u>	<u>\$ 0</u>	<u>\$ 10,755,086</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	281,462	133,612	1,955,418
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	139,736	-	167,101
Loss on disposal of capital assets	-	-	6,225
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	626	-	282
Deposits and prepaid expenses	-	-	-
Inventory	-	-	(466)
Increase (decrease) in:			
Accounts payable	7,511	12,396	11,680
Salaries and benefits payable	8,848	-	8,771
Compensated absences payable	46,688	-	53,581
Claims liability	-	-	645,013
Interest payable	232	-	232
Unavailable/deferred revenue	(11,490)	-	(11,490)
Other liabilities	-	-	(266)

Net pension liability	(141,451)	-	114,308
Total OPEB liability	<u>(28,836)</u>	<u>-</u>	<u>(47,524)</u>
Net Cash Provided (Used) by			
Operating Activities	<u>\$ 303,326</u>	<u>\$ 146,008</u>	<u>\$ 2,902,865</u>

Statistical Section

Statistical Section

The information in this section is not covered by the Independent Auditor’s Report, but is presented as supplemental data for the benefit of the readers of the Comprehensive Annual Financial Report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to the financial statements, and required supplementary information to understand and assess the County’s economic condition.

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Sources: Unless otherwise noted, the information in these schedules is derived from the Auditor-Controller’s Office.

COUNTY OF SUTTER
Net Position by Category (unaudited)
Last Ten Fiscal Years (in thousands)
 (accrual basis of accounting)

Governmental activities	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Net Investment in capital assets	\$ 75,664	\$ 72,707	\$ 70,414	\$ 72,133	\$ 69,203	\$ 68,552	\$ 81,277	\$ 88,678	\$ 92,732	\$ 93,716
Restricted for:										
General government	-	-	-	-	752	33,612	866	5,824	5,499	5,894
Taxes and fees	7,323	6,702	5,957	581	5,687	-	2,664	2,551	2,542	2,094
Public Protection	8,681	11,383	14,876	16,229	19,767	18,004	21,343	19,262	22,069	25,770
Public ways and facilities	11,290	8,101	9,510	10,691	11,980	16,610	16,186	18,094	19,790	20,217
Health and social services	10,283	26,945	31,417	36,034	38,804	14,189	29,349	26,391	24,091	26,663
Public assistance	1,341	1,716	1,808	1,583	1,612	14,068	1,784	11,001	12,228	11,052
Other	1,244	1,450	3,367	1,730	1,784	1,005	2,619	4,618	1,247	5,793
Unrestricted	<u>33,353</u>	<u>16,644</u>	<u>11,838</u>	<u>(95,888)</u>	<u>(102,750)</u>	<u>(117,889)</u>	<u>(115,811)</u>	<u>(118,796)</u>	<u>(125,903)</u>	<u>(129,286)</u>
Total governmental activities net position	\$ 149,179	\$ 145,648	\$ 149,187	\$ 43,092	\$ 46,839	\$ 48,152	\$ 40,277	\$ 57,623	\$ 54,295	\$ 61,912
Business-type activities										
Net Investment in capital assets	\$ 2,539	\$ 2,295	\$ 2,335	\$ 2,366	\$ 2,269	\$ 2,117	\$ 1,963	\$ 1,489	\$ 2,310	\$ 2,482
Unrestricted	<u>(925)</u>	<u>(1,006)</u>	<u>(1,102)</u>	<u>(1,032)</u>	<u>166</u>	<u>172</u>	<u>259</u>	<u>346</u>	<u>405</u>	<u>86</u>
Total business-type activities net position	\$ 1,613	\$ 1,289	\$ 1,234	\$ 1,335	\$ 2,435	\$ 2,289	\$ 2,222	\$ 1,835	\$ 2,715	\$ 2,568
Primary Government										
Net Investment in capital assets	\$ 78,202	\$ 75,003	\$ 72,749	\$ 74,499	\$ 71,472	\$ 70,670	\$ 83,240	\$ 90,167	\$ 95,041	\$ 96,198
Restricted for:										
General government	-	-	-	-	752	33,612	866	5,824	5,499	5,894
Taxes and fees	7,323	6,702	5,957	581	5,687	-	2,664	2,551	2,542	2,094
Public Protection	8,681	11,383	14,876	16,229	19,767	18,004	21,343	19,262	22,069	25,770
Public ways and facilities	11,290	8,101	9,510	10,691	11,980	16,610	16,186	18,094	19,790	20,217
Health and social services	10,283	26,945	31,417	36,034	38,804	14,189	29,349	26,391	24,091	26,663
Public assistance	1,341	1,716	1,808	1,583	1,612	14,068	1,784	11,001	12,228	11,052
Other	1,244	1,450	3,367	1,730	1,784	1,005	2,619	4,618	1,247	5,793
Unrestricted	<u>32,428</u>	<u>15,637</u>	<u>10,736</u>	<u>(96,919)</u>	<u>(102,583)</u>	<u>(117,717)</u>	<u>(115,552)</u>	<u>(118,450)</u>	<u>(125,497)</u>	<u>(129,201)</u>
Total primary governmental net position	<u>\$ 150,792</u>	<u>\$ 146,937</u>	<u>\$ 150,420</u>	<u>\$ 44,427</u>	<u>\$ 49,274</u>	<u>\$ 50,442</u>	<u>\$ 42,499</u>	<u>\$ 59,458</u>	<u>\$ 57,010</u>	<u>\$ 64,480</u>

Notes:

* Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when 1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

COUNTY OF SUTTER
Changes in Net Position (unaudited)
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Expenses										
Governmental activities:										
General government	\$ 9,239	\$ 13,699	\$ 11,003	\$ 11,552	\$ 12,472	\$ 16,903	\$ 41,030	\$ 31,856	\$ 33,533	\$ 37,410
Public safety	47,367	52,494	47,486	42,752	44,724	44,711	46,834	59,864	52,761	55,592
Public ways and facilities	8,050	11,727	7,971	12,705	12,156	12,013	12,162	10,238	11,073	9,645
Health and sanitation	41,837	38,867	34,294	39,832	42,334	42,212	49,935	59,027	59,593	64,949
Public assistance	30,955	27,246	38,116	40,033	40,730	43,204	48,341	46,931	52,451	49,594
Education	1,521	1,282	1,486	1,596	1,635	1,582	1,759	1,744	1,867	1,615
Culture and recreation	643	686	649	709	741	760	929	566	988	586
Community development	87	539	177	30	12	-	-	-	-	-
Interest on long-term debt	180	141	265	347	350	50	367	353	283	406
Subtotal governmental	\$ 139,880	\$ 146,680	\$ 141,447	\$ 149,555	\$ 155,153	\$ 161,436	\$ 201,357	\$ 210,579	\$ 212,549	\$ 219,797
activities expenses										
Business-type activities:										
Waterworks District No. 1	518	601	431	379	508	453	374	833	427	461
Subtotal business-type	518	601	431	379	508	453	374	833	427	461
activities expenses										
Total expenses	\$ 140,397	\$ 147,281	\$ 141,878	\$ 149,934	\$ 155,661	\$ 161,888	\$ 201,731	\$ 211,412	\$ 212,976	\$ 220,258
Program Revenues										
Governmental activities:										
Fees, fines & charges for services	\$ 9,787	\$ 9,337	\$ 8,625	\$ 8,886	\$ 10,417	\$ 20,419	\$ 27,383	\$ 45,613	\$ 24,193	\$ 26,696
Operating grants & contributions	87,174	99,466	100,772	100,772	105,395	104,188	128,859	133,715	127,513	153,137
Capital grants & contributions	-	-	132	114	194	-	-	-	-	-
Subtotal governmental	96,961	108,803	109,529	109,772	116,006	124,607	156,242	179,328	151,706	179,834
activities										
Business-type activities:										
Fees, fines & charges for services	1,567	169	178	219	215	261	260	260	248	240
Operating Grants	-	-	-	246	48	58	-	-	-	-
Capital Grants	-	104	88	-	62	-	45	178	1,061	76
Unrestricted Interest & Investment Earnings	17	2	5	2	4	2	1	8	(5)	(3)
Miscellaneous	-	-	-	13	-	(14)	-	-	-	-
Subtotal business-type	1,584	276	272	480	328	307	306	446	1,304	313
activities										
Total program revenues	\$ 98,545	\$ 109,079	\$ 109,801	\$ 110,252	\$ 116,334	\$ 124,914	\$ 156,548	\$ 179,774	\$ 153,010	\$ 180,147
Net (expense)/revenue										
Governmental activities	(42,919)	(37,877)	(31,918)	(39,783)	(39,147)	(36,829)	(45,115)	(31,251)	(60,843)	(39,964)
Business-type activities	1,066	(325)	(160)	101	(180)	(146)	(68)	(387)	877	(148)
Total net expense	\$ (41,853)	\$ (38,202)	\$ (32,078)	\$ (39,682)	\$ (39,328)	\$ (36,975)	\$ (45,183)	\$ (31,638)	\$ (59,966)	\$ (40,112)
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 25,900	\$ 25,650	\$ 25,642	\$ 27,175	\$ 28,257	\$ 29,921	\$ 31,175	\$ 31,965	\$ 33,442	\$ 34,367
Property taxes in lieu of sales taxes	605	847	750	910	664	-	-	-	-	-
Franchise taxes	1,162	1,223	1,247	1,545	1,296	1,013	1,309	1,263	1,417	1,444
Sales and use taxes	2,603	2,577	2,974	2,853	3,241	2,845	4,348	4,745	4,487	4,236
Transportation taxes	106	842	801	1,516	1,060	734	860	976	1,015	886
Transient occupancy taxes	29	-	-	-	-	-	-	-	-	-
Transfer taxes	244	365	304	360	342	368	425	455	468	654
Other	-	678	318	298	304	-	436	366	498	406
Fire taxes	277	-	-	-	-	351	-	-	-	-
Unrestricted interest & investment earnings	1,210	603	1,662	968	2,010	817	523	3,867	2,909	1,215
Tobacco settlement	-	1,269	834	826	817	840	1,003	972	932	1,052
Miscellaneous	5,430	1,312	923	1,042	957	1,239	1,473	3,987	12,662	3,322
Transfers	-	-	-	-	(1,281)	-	-	-	-	-
Subtotal governmental activities	37,565	35,366	35,457	37,492	37,666	38,142	41,552	48,596	57,830	47,581
Total primary government	\$ 37,565	\$ 35,366	\$ 35,457	\$ 37,492	\$ 37,666	\$ 38,142	\$ 41,552	\$ 48,596	\$ 57,830	\$ 47,581
Changes in net position										
Governmental activities	\$ (5,354)	\$ (2,512)	\$ 3,539	\$ (2,291)	\$ (1,481)	\$ 1,313	\$ (3,563)	\$ 17,345	\$ (3,013)	\$ 7,618
Business-type activities	1,066	(325)	(160)	101	(180)	(146)	(68)	(387)	877	(148)
Total primary government	\$ (4,288)	\$ (2,836)	\$ 3,379	\$ (2,190)	\$ (1,661)	\$ 1,167	\$ (3,631)	\$ 16,958	\$ (2,136)	\$ 7,470

* Notes: Adjustments in 2010: Unrestricted Interest & Investment earnings.
2010: Operating grants and Contributions from \$90,140,290 to \$90,862,705.

COUNTY OF SUTTER
Fund Balances, Governmental Funds (unaudited)
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
General Fund										
Reserved for:										
Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Imprest cash	45	-	-	-	-	-	-	-	-	-
Inventory and prepaids	-	-	-	-	-	-	-	-	-	-
Long term receivables and advances	1,703	-	-	-	-	-	-	-	-	-
Loans due in more than one year	830	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Unreserved:										
Designated	-	-	-	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	1,997	1,982	2,890	2,019	1,827	1,772	2,396	2,468	2,399.88
Restricted	47	-	-	2	2	20	45	2,518	69	5,643
Committed	9,315	13,770	12,488	13,213	16,493	11,938	8,776	5,673	9,645	7,174.86
Assigned	163	640	36	710	462	737	649	472	-	-
Unassigned	<u>9,857</u>	<u>5,034</u>	<u>7,452</u>	<u>8,621</u>	<u>7,945</u>	<u>11,083</u>	<u>11,275</u>	<u>9,762</u>	<u>8,067</u>	<u>14,778</u>
Subtotal General Fund	<u>21,960</u>	<u>21,441</u>	<u>21,957</u>	<u>25,436</u>	<u>26,921</u>	<u>25,604</u>	<u>22,517</u>	<u>20,821</u>	<u>20,248</u>	<u>29,996</u>
All Other Governmental Funds										
Reserved for:										
Encumbrances	-	-	-	-	-	-	-	-	-	-
Imprest cash	344	-	-	-	-	-	-	-	-	-
Inventory and prepaids	133	-	-	-	-	-	-	-	-	-
Long term receivables and advances	4,193	-	-	-	-	-	-	-	-	-
Loans due in more than one year	832	-	-	-	-	-	-	-	-	-
Library endowment	30	-	-	-	-	-	-	-	-	-
Unreserved:										
Designated	-	-	-	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-	-	-	-
Capital projects fund:										
Designated	-	-	-	-	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	172	207	172	207	2,598	2,321	2,459	107	151
Restricted	40,294	48,003	57,014	62,023	69,082	71,398	68,065	73,426	77,705	79,481
Committed	380	254	6,613	2,641	348	4,537	5,183	3,609	4,765	2,945
Assigned	18	1	256	-	-	1	2,802	29	34	312
Unassigned	<u>(79)</u>	<u>(158)</u>	<u>(106)</u>	<u>(116)</u>	<u>(701)</u>	<u>(6,649)</u>	<u>(3,405)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal all other governmental funds	<u>46,144</u>	<u>48,273</u>	<u>63,983</u>	<u>64,720</u>	<u>68,936</u>	<u>71,884</u>	<u>74,966</u>	<u>79,523</u>	<u>82,610</u>	<u>82,890</u>
Total government fund balance	<u>\$ 68,104</u>	<u>\$ 69,714</u>	<u>\$ 85,941</u>	<u>\$ 90,157</u>	<u>\$ 95,858</u>	<u>\$ 97,489</u>	<u>\$ 97,483</u>	<u>\$ 100,344</u>	<u>\$ 102,858</u>	<u>\$ 112,885</u>

COUNTY OF SUTTER
Changes in Fund Balances, Governmental Funds (unaudited)
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Revenues (by source)										
Taxes	\$ 29,763	\$ 30,958	\$ 30,791	\$ 33,112	\$ 33,868	\$ 34,219	\$ 37,245	\$ 38,507	\$ 39,909	\$ 40,549
Licenses and permits	2,091	2,137	2,194	2,690	2,530	2,003	2,353	2,657	2,718	3,039
Fines, forfeitures and penalties	1,255	1,162	1,111	1,366	1,032	882	1,073	1,197	1,145	1,123
Use of money and property	1,170	618	1,611	953	1,976	800	552	3,858	2,883	1,219
Intergovernmental	90,922	100,055	102,231	104,527	104,337	105,719	130,531	130,017	127,211	152,899
Charges for services	6,862	7,261	6,567	6,374	8,150	18,631	25,936	42,592	21,417	23,929
Other revenues	<u>5,418</u>	<u>2,581</u>	<u>1,757</u>	<u>1,868</u>	<u>1,774</u>	<u>1,889</u>	<u>2,361</u>	<u>4,356</u>	<u>12,707</u>	<u>4,533</u>
Total revenues	<u>137,479</u>	<u>144,771</u>	<u>146,262</u>	<u>150,889</u>	<u>153,667</u>	<u>164,141</u>	<u>200,051</u>	<u>223,184</u>	<u>207,990</u>	<u>227,291</u>
Expenditures (by function)										
General government	6,802	10,718	10,142	10,121	10,034	16,544	26,194	19,871	19,622	17,524
Public protection	46,145	51,678	46,205	42,340	43,516	45,208	58,483	73,551	57,502	59,926
Public ways and facilities	4,890	10,643	4,723	9,232	8,467	9,190	13,381	8,281	9,338	8,469
Health and sanitation	41,421	38,527	33,845	36,812	39,805	41,825	48,006	62,013	58,526	65,598
Public assistance	30,595	27,005	37,775	38,189	38,860	42,984	46,917	48,755	51,051	49,667
Education	1,512	1,254	1,463	1,441	1,470	1,572	1,735	1,905	1,825	1,682
Culture and recreation	642	679	643	686	683	745	1,116	694	941	565
Community development	87	539	177	30	12	-	-	-	-	-
Debt service:										
Principal	151	158	222	346	305	84	470	624	655	553
Interest	180	141	95	362	350	58	372	356	293	259
Issuance costs	-	-	-	-	-	-	-	-	-	-
Capital Outlay	<u>1,386</u>	<u>1,819</u>	<u>4,237</u>	<u>7,109</u>	<u>3,197</u>	<u>4,435</u>	<u>3,387</u>	<u>4,272</u>	<u>6,326</u>	<u>19,783</u>
Total expenditures	<u>133,812</u>	<u>143,161</u>	<u>139,527</u>	<u>146,668</u>	<u>146,697</u>	<u>162,646</u>	<u>200,061</u>	<u>220,322</u>	<u>206,080</u>	<u>224,026</u>
Other Financing Sources (Uses)										
Proceeds on sale of capital assets	-	-	-	-	-	106	-	-	-	-
Transfers in	18,053	24,537	68,906	77,453	74,973	83,846	102,068	107,637	113,818	136,543
Transfers out	(18,053)	(24,537)	(68,906)	(77,458)	(76,242)	(83,817)	(102,068)	(107,637)	(113,818)	(136,530)
Issuance of debt	-	-	9,492	-	-	-	-	-	604	6,750
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>9,492</u>	<u>(5)</u>	<u>(1,269)</u>	<u>135</u>	<u>-</u>	<u>-</u>	<u>604</u>	<u>6,762</u>
Net change in fund balance	<u>\$ 3,668</u>	<u>\$ 1,610</u>	<u>\$ 16,226</u>	<u>\$ 4,216</u>	<u>\$ 5,701</u>	<u>\$ 1,631</u>	<u>\$ (10)</u>	<u>\$ 2,862</u>	<u>\$ 2,515</u>	<u>\$ 10,027</u>
Debt service as a percentage										
of noncapital expenditures:	0.25%	0.21%	0.23%	0.51%	0.46%	0.09%	0.43%	0.46%	0.48%	0.40%

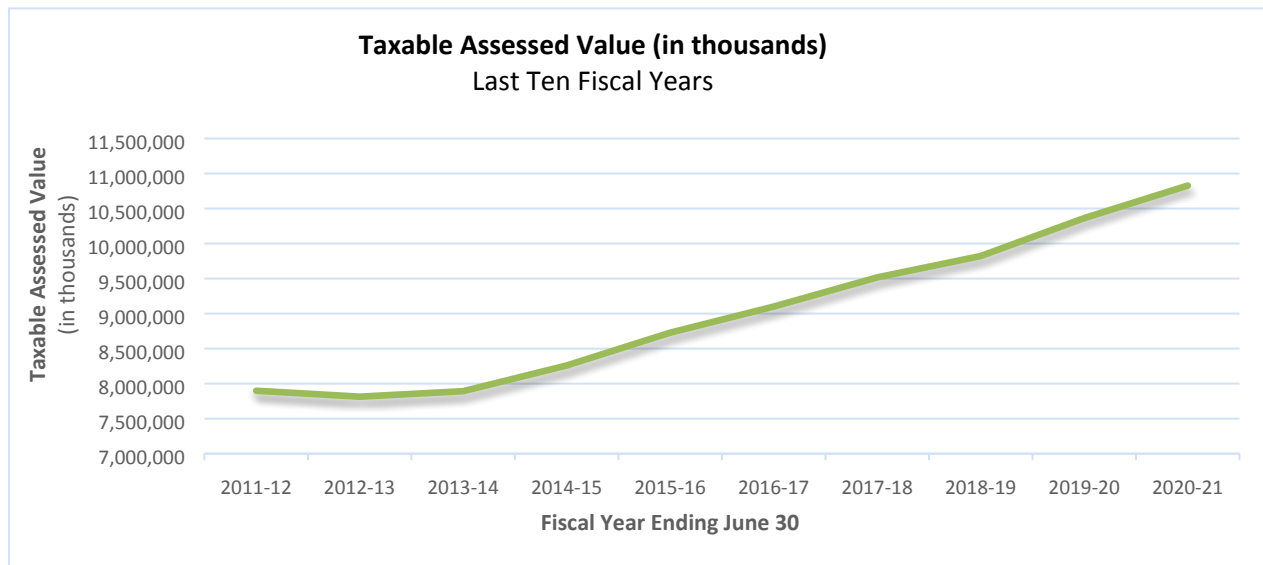
COUNTY OF SUTTER
Assessed Value of Taxable Property and Actual Value of Property (unaudited)
Last Ten Fiscal Years (in thousands)
 (accrual basis of accounting)

Due to the 1978 passage of the property tax initiative Proposition 13 (Prop 13), the County does not track the estimated actual value of all County properties. Under Prop 13, property is assessed at the 1978 market value with an annual increase limited to the lesser of 2% or the consumer price index (CPI) on properties not involved in a change of ownership or properties that did not undergo new construction. Newly acquired property is assessed at its new market value (usually the purchase Price) and the value of any new construction is added to the existing base value of a parcel. As a result, similar properties can have substantially different assessed values based on the date of purchase. Additionally, Prop 13 limits the property tax rate to 1% of assessed value plus the rate necessary to fund local voter-approved bands and special assessments.

Fiscal Year	(1) Secured	(2) Unsecured	(3) Unitary	(4) Exempt	Total Taxable Assessed value	Total Direct Tax Rate (%)
2011 - 2012	7,537,773	534,744	198,103	(372,113)	7,898,506	1.0000
2012 - 2013	7,424,721	557,327	199,667	(367,800)	7,813,915	1.0000
2013 - 2014	7,521,156	557,430	212,885	(399,302)	7,892,170	1.0000
2014 - 2015	8,231,568	571,216	235,333	(778,802)	8,259,316	1.0000
2015 - 2016	8,295,983	576,315	268,936	(413,438)	8,727,797	1.0000
2016 - 2017	8,654,165	614,175	271,445	(439,548)	9,100,238	1.0000
2017 - 2018	9,095,742	583,896	291,120	(454,149)	9,516,609	1.0000
2018 - 2019	9,510,499	459,004	313,897	(461,355)	9,822,045	1.0000
2019 - 2020	9,904,151	597,600	302,594	(441,115)	10,363,230	1.0000
2020 - 2021	10,378,291	609,470	300,044	(460,508)	10,827,297	1.0000

Notes:

- (1) Local assessed secured property is generally real property, defined as land, mines, minerals, timber, and improvements such as buildings, structures, crops, trees, and vines.
- (2) Unsecured property is generally personal property including machinery, equipment, office tools, and supplies.
- (3) Unitary properties are railroads and utilities crossing the County and are assessed by the State Board of Equalization. Most of the amount reported is unitary but includes a small amount of other state-assessed property.
- (4) Exempt properties include numerous full and partial exclusions/exemptions provided by the State Constitution and the legislature that relieve certain taxpayers from the burden of paying property taxes.



COUNTY OF SUTTER
Property Tax Rates-Direct and Overlapping Governments (unaudited)
(\$1 per \$100 of Assessed Value)
Last Ten Fiscal Years (in thousands)

County direct and overlapping tax rates for the last ten fiscal years are provided below.

Fiscal Year	County Direct Rates	Overlapping Rates		Total
	Sutter County General	K-12 Schools (1)	Yuba College (2)	
2011 - 2012	1.00000%	0.03940%	0.00837%	1.04777%
2012 - 2013	1.00000%	0.04225%	0.00832%	1.05057%
2013 - 2014	1.00000%	0.04328%	0.00914%	1.05242%
2014 - 2015	1.00000%	0.04324%	0.00834%	1.05158%
2015 - 2016	1.00000%	0.03952%	0.00831%	1.04783%
2016 - 2017	1.00000%	0.03899%	0.00878%	1.04777%
2017 - 2018	1.00000%	0.03961%	0.00845%	1.04806%
2018 - 2019	1.00000%	0.03958%	0.00749%	1.04707%
2019 - 2020	1.00000%	0.03723%	0.00719%	1.04442%
2020 - 2021	1.00000%	0.03221%	0.01546%	1.04766%

Notes:

- (1) Rates shown represent a weighted average of the various kindergarten thru 12th grade schools and school district tax rate areas within the County.
- (2) Rates shown represent a weighted average of the Yuba College tax rates within the County.

COUNTY OF SUTTER
Principal Property Taxpayers(unaudited)
June 30, 2021 AND June 30, 2012 (in thousands)

In accordance with GASB Statement No. 44, the following tables present information for the county's principal property taxpayers as of June 30, 2021 and June 30, 2012.

June 30, 2021:

Taxpayers	Type of Business	(1)	Percentage of Total Taxable Assessed Value	(2)	Percentage of Total Secured Tax Levy Fiscal Year
		Net Assessed Secured Property Value		Total Secured Tax Levy Fiscal Year 2020-21	
Pacific Gas & Electric Co.	Utility	\$ 246,874	2.28%	\$ 2,831	2.14%
Sunsweet Growers Inc	Fruit Processor	71,993	0.66%	720	0.54%
ELVS LLC	Storage	43,365	0.40%	434	0.33%
Sysco Food Srvs Sacramento Inc	Food Service	41,992	0.39%	420	0.32%
CCFC Sutter Energy, LLC	Utility	39,200	0.36%	392	0.30%
Bains Properties LP	Agriculture	36,494	0.34%	365	0.28%
Sutter Valley Medical Foundation	Medical	35,747	0.33%	357	0.27%
Miravista LLC	Retail	35,500	0.33%	355	0.27%
Pelger Road 1700 LLC	Agriculture	30,424	0.28%	304	0.23%
Sutter Basin Growers CO-OP	Agriculture	25,065	0.23%	251	0.19%

June 30, 2012:

Taxpayers	Type of Business	(1)	Percentage of Total Taxable Assessed Value	(2)	Percentage of Total Secured Tax Levy Fiscal Year
		Net Assessed Secured Property Value		Total Secured Tax Levy Fiscal Year 2011-12	
Calpine Construction Finance	Utility	\$ 201,100	2.55%	\$ 2,011	2.06%
Pacific Gas & Electric Co.	Utility	143,058	1.81%	1,563	1.60%
Venoco Inc	Gas & Oil	112,348	1.42%	1,123	1.15%
Sunsweet Growers Inc	Fruit Processor	70,757	0.90%	708	0.72%
Miravista LLC	Retail	38,693	0.49%	387	0.40%
Calpine Greenleaf Holdings Inc	Utility	36,323	0.46%	363	0.37%
Steadfast Yuba City 1 LLC	Retail	33,312	0.42%	333	0.34%
Twin Cities Hospital LP	Medical	30,311	0.38%	303	0.31%
Sysco Food Srvs Sacramento Inc	Food Service	30,290	0.38%	303	0.31%
Pacific Bell Telephone Company	Phone	25,128	0.32%	275	0.28%

Total Property Tax

Notes:

- (1) Net Assessed Secured amount include Secured & Utility less exemptions.
See "Assessed Value of Taxable Property and Actual Value of Property" schedule for total assessed value.
- (2) Includes 1%, bonds, and fixed charges (Only Secured & Utility Tax Levy amounts).

COUNTY OF SUTTER
Property Tax Levies and Collections (unaudited)
Last Ten Fiscal Years (in thousands)

Property tax levies and collections for the last ten fiscal years are presented below.

Fiscal Year	(1) Taxes Levied	(2) Collections Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2011 - 2012	97,721	95,993	98.23%	1,210	97,204	99.47%
2012 - 2013	97,023	95,621	98.55%	931	96,551	99.51%
2013 - 2014	98,348	97,132	98.76%	759	97,891	99.54%
2014 - 2015	102,007	100,890	98.91%	650	101,540	99.54%
2015 - 2016	106,781	105,692	98.98%	596	106,288	99.54%
2016 - 2017	110,786	109,893	99.19%	520	110,414	99.66%
2017 - 2018	117,052	116,091	99.18%	1,216	117,307	100.22%
2018 - 2019	123,510	121,260	98.18%	1,148	122,408	99.11%
2019 - 2020	127,148	125,697	98.86%	5	125,702	98.86%
2020 - 2021	132,217	123,167	93.16%		123,167	93.16%

Notes:

- (1) Secured and Unitary tax levy for the County itself, school districts, cities, and special districts under the supervision of their own governing boards.
- (2) Included are amounts collected by the County on behalf of itself, school districts, cities, and special districts under the supervision of their own governing boards.

COUNTY OF SUTTER
Ratios of Outstanding Debt by Type (unaudited)
Last Ten Fiscal Years (in thousands)

Ratios of outstanding debt for governmental activities and business type activities for the last ten fiscal years are presented below.

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income (2)	Per Capita (3)
	Certificates of Participation (1)	Capital Leases	Long-Term Loans	Capital Leases	Long-Term Loans			
2011 - 2012	-	1,346	55	-	91	7,412	0.46%	78
2012 - 2013	-	1,203	41	-	83	7,373	0.48%	77
2013 - 2014	-	10,502	25	-	75	17,025	0.22%	177
2014 - 2015	-	9,916	-	-	67	17,017	0.23%	177
2015 - 2016	-	9,370	-	-	58	15,974	0.25%	165
2016 - 2017	-	8,775	-	-	49	15,712	0.26%	162
2017 - 2018	-	7,967	-	-	41	14,830	0.28%	153
2018 - 2019	-	7,330	-	-	32	14,395	0.29%	148
2019-2020	-	7,264	-	148	24	15,362	0.29%	152
2020-2021	-	6,701	6,750	136	16	23,336	0.20%	230

Notes:

- (1) Certificates of Participation are reported within the Capital Leases section on the Notes to the Financial Statements.
- (2) See the "Demographics and Economic Statistics" schedule for personal income and population data. Note that this ratio is calculated using population for the latest calendar year for each corresponding fiscal year.
- (3) See the "Demographics and Economics Statistics" schedule for population figures. Note that this ratio is calculated using population for the latest calendar year for each corresponding fiscal year.

COUNTY OF SUTTER
Computation of Legal Debt Margin (unaudited)
Last Ten Fiscal Years (in thousands)

The legal debt margin for the last ten fiscal years is presented below.

Fiscal Year	(1) Assessed Value	(2) Legal Debt Limit	Total Net Applicable Debt	(3) Legal Debt Margin	Legal Debt Margin/Debt Limit
2011 - 2012	7,898,506	98,731	-	98,731	100%
2012 - 2013	7,813,915	97,674	-	97,674	100%
2013 - 2014	7,892,170	98,652	-	98,652	100%
2014 - 2015	8,259,316	103,241	-	103,241	100%
2015 - 2016	8,727,797	109,097	-	109,097	100%
2016 - 2017	9,100,238	113,753	-	113,753	100%
2017 - 2018	9,516,609	118,958	-	118,958	100%
2018 - 2019	9,822,045	122,776	-	122,776	100%
2019 - 2020	10,363,230	129,540	-	129,540	100%
2020 - 2021	10,363,230	129,540	-	129,540	100%

Notes:

- (1) Property value data can be found in the "Assessed Value of Taxable Property and Actual Value of Property" schedule.
- (2) California Government Code Section 29909 read in conjunction with Revenue and Taxation Code Section 135 imposes a legal debt limitation for General Obligation Bond indebtedness to 1.25% of the total full cash valuation.
- (3) The legal debt margin is the County's available borrowing authority under state finance statutes and is calculated by subtracting the debt applicable to the legal debt limit.

COUNTY OF SUTTER
Direct and overlapping Bonded Debt (unaudited)
As of June 30, 2021

Direct and overlapping debt is provided below.

2020-2021 Assessed Valuation: \$ 10,363,230

Overlapping Tax and Assessment Debt:	Percent Applicable	Debt (2)
	(1)	
Sutter Community Service District	100%	\$ -
Yuba City Unified - 1999	100%	8,522,485
Yuba City Unified - 2004	100%	13,019,805
East Nicolaus High School - 2000	100%	375,000
East Nicolaus High School - 2014	100%	3,585,000
Live Oak Unified School District - 2004	100%	8,315,000
Live Oak Unified School District - 2016	100%	12,505,000
Franklin Elementary School - 2006	100%	2,395,000
Sutter High School - 2008	100%	18,121,394
Woodland Joint Unified School District - 1999	1.05%	122,008
Yuba Community College District	30.98%	92,765,608
Total Overlapping Tax and Assessment Debt		<u>\$ 159,726,300</u>

Notes:

- (1) Percentage of overlapping agency's assessed valuation located within the boundaries of the County.
- (2) Debt as of June 30, 2021

COUNTY OF SUTTER
Demographics and Economic Statistics (unaudited)
Last Ten Fiscal Years (in thousands)

Demographic and economic data for the last ten years are presented below.

(1) Year	(2) Population	(3), (4) Personal Income	Per Capita Personal Income	(5) School Enrollment	(6) Unemployment Rate
2012	95,113	3,381	35.6	21,110	19.1%
2013	95,721	3,546	37.0	21,170	17.4%
2014	96,036	3,681	38.3	21,390	15.1%
2015	96,390	3,913	40.6	21,459	13.3%
2016	96,614	4,013	41.5	21,693	12.0%
2017	96,919	4,116	42.5	22,633	11.2%
2018	97,238	4,221	43.4	23,690	9.3%
2019	97,490	4,329	44.4	24,813	9.6%
2020	100,750	4,440	44.1	23,308	8.7%
2021	101,289	4,554	45.0	23,695	10.4%

Detail of estimated population, as of January 1, 2021 (whole numbers):

(2) Incorporated Cities	
Live Oak	9,367
Yuba City	70,776
Total of Incorporated Cities	80,143
Total of Unincorporated Areas	21,146
Total Population	<u>101,289</u>

Notes:

- (1) Calendar year
- (2) Population as of January 1
- (3) Estimated amounts

Sources:

- (2) California Department of Finance
- (4) Bureau of Economic Analysis
- (5) California Department of Education
- (6) Employment Development Department Research Center

COUNTY OF SUTTER
Principal Employers (unaudited)
June 30, 2021 and June 30, 2012

The top ten employers in Sutter County for the fiscal years of 2012 and 2021 are presented below.

June 30, 2021

Company or Organization	Type of Business	Jobs	Percent of Total County Employment
Yuba City Unified School District	Education	1,358	2.88%
Sutter County	Government	959	2.04%
Rush Personnel	Employment Services	661	1.40%
Legend Transportation, Inc	Transportation	650	1.38%
Sunsweet Grower's Inc.,	Food Processing	600	1.27%
Sutter North Yuba City	Healthcare	475	1.01%
Sysco Sacramento, Inc.	Food Distribution	460	0.98%
Walmart - Yuba City	Retail	400	0.85%
Express Employment Professionals	Employment Services	375	0.80%
City of Yuba City	Government	300	0.64%

June 30, 2012

Company or Organization	Type of Business	Jobs	Percent of Total County Employment
Yuba City Unified School District	Education	1,338	2.89%
Sutter County	Government	950	2.05%
Sunsweet Grower's Inc	Fruit Processor	765	1.65%
Sutter North Medical Foundation	Medical	527	1.14%
Fremont - Rideout Health Group	Medical	523	1.13%
Sysco Sacramento, Inc.	Wholesale Food Distribution	460	0.99%
Walmart - Yuba City	Retail	400	0.86%
City of Yuba City	Government	339	0.73%
Raleys/Bel Air Markets	Retail	235	0.51%
Holt of California	Retail	220	0.48%

Source:

Sutter County Economic Development Corporation

COUNTY OF SUTTER
County Employees by Function/Program (unaudited)
Last Ten Fiscal Years

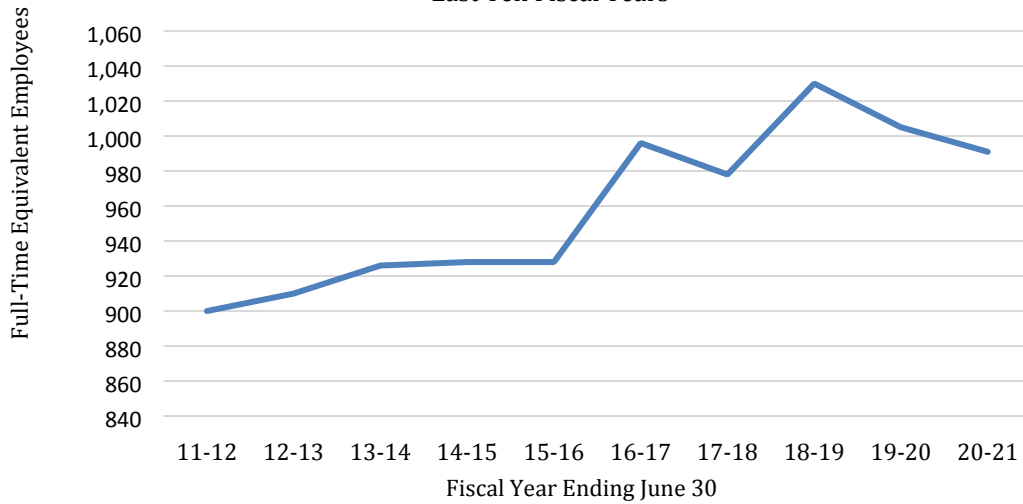
The number of paid employees and actual full-time equivalent employees for the last ten fiscal years are presented below.

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Paid Employees (1)										
General government	175	173	178	166	156	159	169	182	178	177
Public protection	386	380	384	425	394	401	433	403	411	400
Public ways and facilities	27	28	28	25	23	26	27	28	26	22
Health and sanitation	302	310	313	319	318	339	339	470	396	378
Public assistance	164	168	188	209	220	233	275	252	240	224
Education	25	23	21	23	20	21	21	24	20	19
Recreation and culture	5	5	5	6	8	5	6	5	4	3
Total County employees	1,084	1,087	1,117	1,173	1,139	1,184	1,270	1,364	1,275	1,223
Actual full-time equivalent employees (2)										
General government	151	151	146	139	133	141	135	146	144	150
Public protection	311	319	316	325	320	331	321	315	317	305
Public ways and facilities	23	22	22	21	21	22	21	21	24	21
Health and sanitation	250	250	253	251	258	279	271	321	293	299
Public assistance	139	144	165	168	173	202	208	206	205	196
Education	22	20	20	20	19	17	18	17	19	17
Recreation and culture	4	4	4	4	4	4	4	4	3	3
Total County employees	900	910	926	928	928	996	978	1,030	1,005	991

Note:

- (1) Paid employees: Count of employees paid, including terminated employees. Employees with more than one job will be counted once for each job the employee was paid.
- (2) Actual full-time equivalent employees: Count of number of full-time equivalents paid. For full-time and part-time, the full-time equivalent (FTE) is equal to total amount of payroll checks issued in the fiscal year divided by the number of pay periods in the fiscal year.

Total Full-Time Equivalent Employee
Last Ten Fiscal Years



COUNTY OF SUTTER
Operating Indicators by Function/Program (unaudited)
Last Ten Fiscal Years

Selected operating indicators for Sutter County for each of its core functions are provided below.

Function/Program	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Public protection:										
Fire:										
Fire emergency responses (1)	1,876	2,001	2,149	2,159	2,250	2,398	2,555	2,297	2,391	2,545
Sheriff:										
Calls for service	40,056	39,593	39,730	35,829	42,004	39,491	39,883	40,316	43,768	44,875
Numbers of bookings (1)	4,224	4,446	4,485	4,542	4,444	4,323	4,565	4,694	3,986	2,620
Probation:										
Juvenile referrals received	619	533	554	447	336	295	289	174	202	130
Adult cases supervised	949	968	1,076	1,159	1,067	1,074	1,068	1,053	1,063	929
Adult reports completed for court	948	1,386	1,418	1,088	1,049	924	1,174	1,571	1,423	1,270
Juvenile cases supervised	127	118	137	99	76	55	48	42	35	43
Juvenile Hall/Camp Singer bookings	150	152	149	129	98	114	83	55	54	25
Child support:										
Established orders for child support (3)	4,683	4,627	4,263	4,220	4,199	4,178	4,044	3,959	3,686	3,482
Health and sanitation:										
Behavioral Health:										
S-Y Behavioral Health clients served	5,965	5,930	5,987	6,250	6,511	6,781	6,056	5,676	4,784	4,561
Public assistance:										
CalFresh Households (2)	4,712	5,199	5,200	5,660	5,812	5,635	5,365	5,057	5,588	5,768
Medi-Cal Households (2)	8,765	10,181	15,181	16,944	17,609	16,728	16,859	16,774	16,724	18,864

Note:

- (1) Calendar year
- (2) October of Calendar year
- (3) Federal Fiscal Year

COUNTY OF SUTTER
Capital Assets Operating Indicators by Function/Program (unaudited)
Last Ten Fiscal Years

Operating indicators specific to capital assets for the last ten fiscal years are presented below.

Function/Program	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
General government:										
Land (acreage)	262.83	262.83	262.83	262.83	262.83	262.83	262.83	262.83	264.83	278.23
Buildings	16	16	16	16	16	16	16	16	16	19
Vehicles	27	27	27	27	30	31	36	33	31	23
Equipment	142	144	162	166	186	195	216	214	181	118
Public protection:										
Land (acreage)	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	1.99
Fire Stations	2	2	2	2	2	2	2	2	2	2
Jail Facilities	1	1	1	1	1	1	1	1	1	1
Vehicles	143	135	134	128	129	138	127	114	143	146
Fire Trucks	11	11	11	11	13	12	10	10	9	9
Equipment	237	240	259	352	387	402	420	414	374	427
Public ways & facilities:										
Land (acreage)	165.24	165.24	165.24	165.24	165.24	165.24	165.24	184.5	179.9	178.7
Bridges	7	7	7	7	7	7	7	7	7	10
Vehicles	35	36	38	38	42	39	39	33	41	31
Equipment	157	162	164	197	200	206	219	218	158	116
Health & sanitation:										
Vehicles	31	31	35	33	32	32	34	32	42	49
Equipment	42	42	54	54	65	69	71	66	60	77
Public assistance:										
Vehicles	29	28	29	28	28	28	29	29	30	27
Equipment	14	14	25	29	33	34	36	36	28	29
Education:										
Libraries	3	3	3	3	3	3	3	3	3	3
Vehicles	6	6	6	6	5	6	6	5	4	4
Equipment	5	5	7	7	13	14	14	14	14	14
Others										
Recreation & cultural:										
Vehicles	1	1	1	1	0	0	0	0	0	0
Equipment	2	2	2	2	9	9	11	11	12	11

Notes:

Buildings include those that are capitalized but exclude real property that is leased.

Glossary

Glossary

Accounts payable – A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

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

Accrual basis of accounting – The recording of the financial effects of a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events, and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

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

Active employees – Individuals employed at the end of the reporting or measurement period, as applicable.

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

Actuarial valuation date – The date as of which an actuarial valuation is performed.

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

Advance from other funds – A liability account used to record noncurrent portions of a long-term loan from one fund to another fund within the same reporting entity. See **Due to other funds** and **Interfund receivable/payable**.

Advance to other funds – An asset account used to record noncurrent portions of a long-term loan from one fund to another fund within the same reporting entity. See **Due from other funds** and **Interfund receivable/payable**.

Agent multiple-employer plan – Group of single-employer plans with pooled administrative and investment functions but separate actuarial valuations and contribution rates.

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

Annual OPEB cost – An accrual-basis measure of the periodic cost of an employer's participation in a defined benefit OPEB plan.

Annual Required Contributions (ARC) – Term used in connection with other postemployment benefit plans to describe the amount an employer must contribute in a given year.

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

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

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

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

Balance sheet – The financial statement disclosing the assets, liabilities, and equity of an entity at a specified date in conformity with GAAP.

Basic Financial Statements (BFS) – The minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP. Basic financial statements have three components: governmentwide financial statements, fund financial statements, and notes to the financial statements.

Basis of accounting – A term used to refer to when revenues, expenditures, expenses, and transfers, and the related assets and liabilities, are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or the accrual method.

Beneficial interest – The right to a portion of the benefits from donated resources pursuant to a split-interest agreement in which the donor enters into a trust or other legally enforceable agreement with characteristics that are equivalent to a split-interest agreement and transfers the resources to an intermediary.

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

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

Business-type activities – One of two classes of activities reported in the governmentwide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. The activities are usually reported in enterprise funds.

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

Capital expenditures – Expenditures resulting in the acquisition of or addition to the government’s general capital assets.

Capitalization policy – The criteria used by a government to determine which outlays should be reported as capital assets.

Capital lease – An agreement that conveys the right to use property, plant, or equipment, usually for a stated period of time. See **Lease-purchase agreements**.

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

Cash basis of accounting – A basis of accounting under which transactions are recognized only when cash is received or disbursed.

Cash with fiscal agent – An asset account reflecting deposits with fiscal agents, such as commercial banks, for the payment of bond principal and interest.

Certificate of achievement for excellence in financial reporting program – A voluntary program administered by the GFOA to encourage governments to publish efficiently organized and easily readable CAFRs/Component Unit Financial Reports (CUFRs) and to provide technical assistance and peer recognition to the finance officers preparing them.

Change in the fair value of investments – The difference between the fair value of investments at the beginning of the year and at the end of the year, taking into consideration investment purchases, sales, and redemptions.

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

Collective deferred outflows of resources and deferred inflows of resources related to pensions – Deferred outflows of resources and deferred inflows of resources related to pensions arising from certain changes in the collective net pension liability.

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

Collective pension expense – Pension expense arising from certain changes in the collective net pension liability.

Collective total pension liability – The total pension liability for benefits provided through (a) a pension plan that is used to provide pensions to the employees of a primary government and its component units or (b) a pension plan in circumstances in which there is a special funding situation.

Committed fund balance – Amounts that can only be used for specific purposes determined by formal action of the County’s highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

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

Comprehensive Annual Financial Report (CAFR) – A CAFR is a financial report that encompasses all funds and component units of the government. It contains (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. It is the governmental unit’s official annual report and it also contains introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, and statistical data.

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

Contribution deficiencies – The difference between the annual required contributions (ARC) of the employer(s), and the employer’s actual contributions in relation to the ARC.

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

Cost-of-living adjustments – Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.

Cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) – A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.

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

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

Custodial fund – A fund normally used to account for assets held by a government as an agent for individuals, private organizations, or other governments and/or other funds.

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

Debt service fund – A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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

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

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

Defined benefit pension plan – Pension plans that are used to provide defined benefit pensions.

Defined benefit pensions – Pensions for which the income or other benefits that the employee will receive at or after separation from employment are defined by the benefit terms. The pensions may be stated as a specified dollar amount or as an amount that is calculated based on one or more factors such as age, years of service, and compensation.

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

Discount rate – A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Due from other funds – An asset account reflecting amounts owed to a particular fund by another fund for goods sold or services rendered. This account includes only short-term obligations on open accounts, not interfund loans.

Due to other funds – A liability account reflecting amounts owed by a particular fund to another fund for goods sold or services rendered. This account includes only short-term obligations on open account, not interfund loans.

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

Employer's contributions – Contributions made in relation to the annual required contributions of the employer (ARC). An employer has made a contribution in relation to the ARC if the employer has (a) made payments of benefits directly to or on behalf of a retiree or beneficiary, (b) made premium payments to an insurer, or (c) irrevocably transferred assets to a trust, or equivalent arrangement, in which plan assets are dedicated to providing benefits to retirees and their beneficiaries in accordance with the terms of the plan and are legally protected from creditors of the employer(s) or plan administrator.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Fund balance – The difference between fund assets and fund liabilities of governmental and similar trust funds.

Fund financial statements – Basic financial statements presented on the basis of funds. Term used in contrast with *governmentwide financial statements*.

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

Funding policy – The program for the amounts and timing of contributions to be made by plan members, employer(s), and other contributing entities (for example, state government contributions to a local government plan) to provide the benefits specified by an OPEB plan.

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

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

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

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

Governmental accounting – The composite activity of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of governments.

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

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

Governmental funds – Funds generally used to account for tax-supported activities. The five different types of governmental funds are as follows: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

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

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

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

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

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

Interfund receivable/payable – Short-term loans made by one fund to another, or the current portion of an advance to or from another fund.

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

Intermediary – The trustee, fiscal agent, government, or any other legal or natural person that is holding and administering donated resources pursuant to a split-interest agreement. An intermediary is not required to be a third party.

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

Irrevocable split-interest agreement – A split-interest agreement in which the donor has not reserved, or conferred to another person, the right to terminate the agreement at will and have the assets returned to the donor or a third party.

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

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

Lead interest – A type of beneficial interest that confers the right to receive all or a portion of the benefits of resources during the term of a split-interest agreement.

Lease-purchase agreements – Contractual agreements that are termed leases, but that in substance are purchase contracts.

Legal level of budgetary control – The level at which spending in excess of budgeted amounts would be a violation of law.

Level of budgetary control – The level at which a government's management may not reallocate resources without special approval from the legislative body.

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

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

Life-contingent term – A term specifying that the termination of a split-interest agreement is contingent upon the occurrence of a specified event, commonly the death of either the donor or other lead interest beneficiary.

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

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

Management's Discussion and Analysis (MD&A) – A component of required supplementary information used to introduce the basic financial statements and to provide an analytical overview of the governments' financial activities.

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

Measurement period – The period between the prior and the current measurement dates.

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

Multiple-employer defined benefit pension plan – A defined benefit pension plan that is used to provide pensions to the employees of more than one employer.

Net investment in capital assets – One of three components of net position that must be reported in both governmentwide and proprietary fund financial statements. Related debt, for this purpose, includes the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition construction, or improvement of capital assets of the government.

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

Net pension liability – The liability of employers and nonemployer contributing entities to employees for benefits provided through a defined benefit pension plan.

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

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

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

Other Postemployment Benefits (OPEB) – Benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as postemployment healthcare benefits paid in the period after employment (if any), regardless of the manner in which they are provided. Other postemployment benefits do not include termination benefits or termination payments for sick leave.

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

Pay-as-you-go – a method of financing a pension plan under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments and expenses becoming due.

Payroll growth rate – an actuarial assumption with respect to future increases in total covered payroll attributable to inflation; used in applying the level percentage of projected payroll amortization method.

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

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

Pensions – Retirement income and, if provided through a pension plan, postemployment benefits other than retirement income (such as death benefits, life insurance, and disability benefits). Pensions do not include postemployment healthcare benefits and termination benefits.

Period-certain term – A term specifying that the termination of a split-interest agreement occurs after a specified period. (For example, a number of years.)

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

Postemployment – The period after employment.

Postemployment benefit changes – Adjustments to the pension of an inactive employee.

Postemployment healthcare benefits – Medical, dental, vision, and other health-related benefits paid subsequent to the termination of employment.

Projected benefit payments – All benefits estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and their expected future service.

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

Projected benefit payments – All benefit estimated to be payable through the pension plan to current active and inactive employees as a result of their past service and their expected future service.

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

Real rate of return – The rate of return on an investment after adjustment to eliminate inflation.

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

Remainder interest – A type of beneficial interest that confers the right to receive all or a portion of the resources remaining at the end of a split-interest agreement's term.

Reporting entity – The oversight unit and all of its component units, if any, that are combined in the CAFR/BFS.

Required supplementary information – Consists of statements, schedules, statistical data, or other information that according to the GASB is necessary to supplement, although not required to be a part of, the basic financial statements.

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

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

Restricted net position – A component of net position calculated by reducing the carrying value of restricted assets by the amount of any related debt outstanding.

Retained earnings – An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

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

Risk management – All the ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

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

Service costs – The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.

Service life – The average remaining years of service of all members of the retirement plan (both current employees and retirees).

Single audit – An audit performed in accordance with *Title 2 U.S. Code of Federal Regulations*. The Single Audit allows or requires governments (depending on the amount of federal assistance received) to have one audit performed to meet the needs of all federal agencies.

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

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

Split-interest agreement – An agreement in which the donor enters into a trust or other legally enforceable agreement (with characteristics that are equivalent to a split-interest agreement) under which the donor transfers resources to an intermediary to administer for the benefit of at least two beneficiaries, one of which could be a government.

Substantive plan – Terms of an OPEB plan as understood by the employer(s) and plan members.

Tax and Revenue Anticipation Notes (TRAN) – Notes issued in anticipation of the collection of taxes and revenues, usually retriabable only from tax collections, and frequently only from the proceeds of the tax and revenue levy whose collection they anticipate.

Termination benefits – Inducements offered by employers to active employees to hasten the termination of services, or payments made in consequence of the early termination of services. Termination benefits include early-retirement incentives, severance benefits, and other termination-related benefits.

Total pension liability – The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service.

Trust funds – Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, and/or other funds.

Unassigned fund balance – The residual classification for the County's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

Unconditional benefit – A right belonging to the government that cannot be taken away without the government's consent, such as an unconditional beneficial interest.

Unearned revenues – Resource inflows that do not yet meet the criteria for revenue recognition. In governmental funds, earned amounts also are reported as unearned revenue until they are available to liquidate liabilities of the current period.

Unmodified opinion – An opinion rendered without reservation by the independent auditor that financial statements are fairly presented.

Unrestricted net position – That portion of net position that is neither restricted nor invested in capital assets (net of related debt).

Variance power – The unilateral power to redirect the benefit of the transferred resources to another beneficiary, overriding the donor's instructions. This transfer would occur without the approval of the donor, specified beneficiaries, or any other interested party.

