

County of Sutter  
State of California

# Comprehensive Annual Financial Report



Fiscal Year Ended June 30, 2023



Nathan M. Black, CPA  
Auditor-Controller



The front cover features mature rice and above picture shows rice harvesting. Rice remains the top-ranking crop in 2022 driven by a 54% increase in price. Additional information is available in their Annual Crop Report:

<https://www.suttercounty.org/government/county-departments/agricultural-department/crop-reports>

The photographs were shared by Agricultural Department of Sutter County.

County of Sutter  
State of California

# Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2023



Nathan M. Black, CPA  
Auditor-Controller

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# Introductory Section

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Introductory Section





# County of Sutter

**Nathan M. Black, CPA**  
Auditor-Controller

**Sheeny L. Santos**  
Assistant Auditor-  
Controller



1160 Civic Center Boulevard  
Suite D, Yuba City, CA 95993  
(530) 822-7127  
Auditor@co.sutter.ca.us

March 29, 2024

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, 2023, 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 auditors' 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, 2023. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. 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



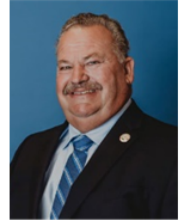
**Dan Flores**  
Second District Supervisor



**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

**Jennifer Dupré**  
District Attorney

**Nicole Ritner**  
Probation

**Michael Sullinger**  
Public Defender

**John Shalowitz**  
Fire

**Natalie Dillon**  
Child Support

**Health & Sanitation**

**Sarah Eberhardt-Rios**  
Health and Human Services

**Leah Northrop**  
Public Health

**Rick Bingham**  
Behavioral Health

**Public Assistance**

**David Nagra**  
Social Services

**General Government**

**Nathan M. Black**  
Auditor-Controller

**Todd Retzloff**  
Assessor

**Nicholas Valencia**  
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

**Molly Bloom**  
Museum

**Lisa Herbert**  
Agriculture Commissioner

## Component Units

The County, approximately 981 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 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 Condition<sup>1</sup>

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) 2023, 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 2023 dipped -3.6% from 9.8% to 6.2%.
- The June 2023 County unemployment rate of 6.2% was above the State unemployment rate of 4.6% and the national unemployment rate of 3.6%.

### Income

- Per capita income for the Sutter County area for 2023 increased by 5.2% to \$47,905.

### Retail Sales

- Countywide retail sales increased 8.4% to \$2.351 billion for FY 2023.
- California retail sales increased by \$18.5 , or 2.0% over FY 2022.

### Real Estate

- The Countywide median home value increased to approximately \$449,250.
- Total assessed property valuation for FY 2023 was \$10.83 billion, a 4.48% increase over the prior year of \$10.36 billion.

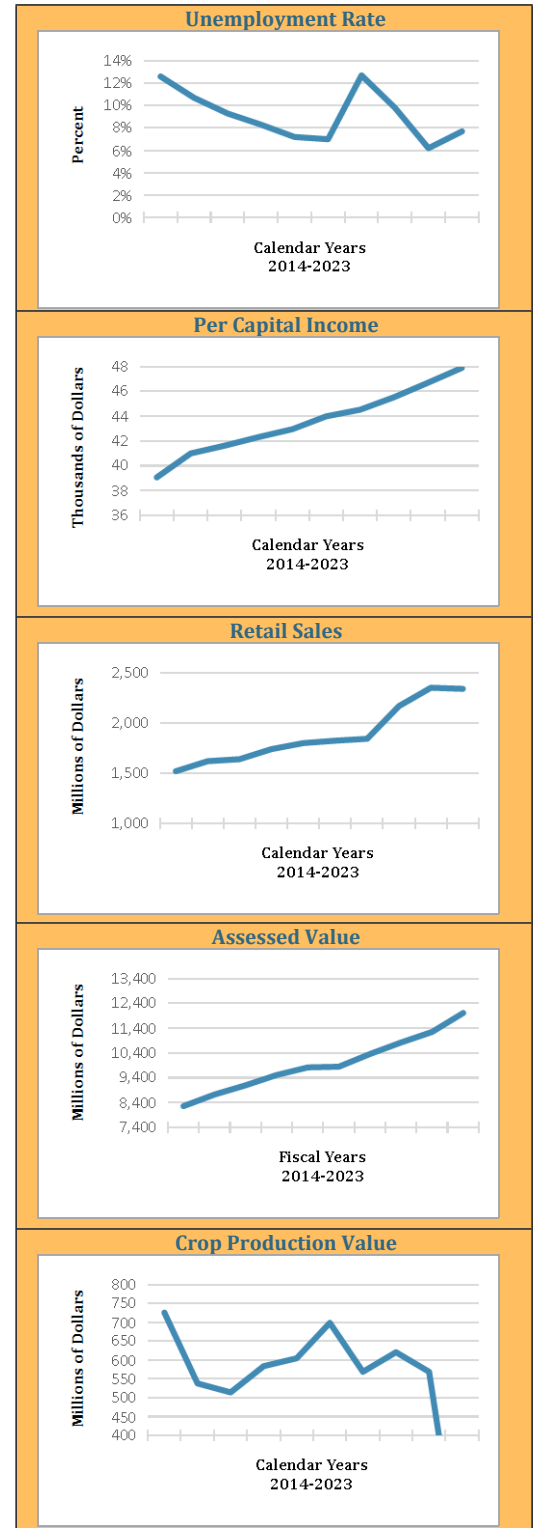
### Agriculture

- Total acres harvested in 2022 decreased from 268,540 to 268,540, a 0.0% change.
- Total crop production value decreased from \$699 million to \$569 million.

## Economic Indicators

According to the California Fiscal Outlook, the state faces a budget problem of \$24 billion in upcoming year. A budget problem occurs when resources for the upcoming budget are insufficient to cover the costs of currently authorized services. Reflecting the threat of recession, the state's estimates of revenue represent the weakest performance the state has experience since the Great Recession. Were a recession to occur soon, revenue declines in the budget window very likely would be more severe than the outlook.

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 2022 growing season was due primarily to dramatic reductions in commodity prices for walnuts and prunes. Additionally, there remained challenges to water availability.



<sup>1</sup> 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.

## Major Initiatives

### Labor Market Concerns

In FY 2022-23, the County reached agreements with the Deputy Sheriff's Association and the Sutter County Peace Officer's Association, providing significant equity increases, cost of living adjustments, and one-time lump sum payments for certain classifications. The cost of these increases, most of which will come from General Fund, is in the millions of dollars annually. In January 2022, the County came to agreement with the Professional Fire Fighters Association, providing equity adjustments and one-time lump sum payments. While the employees covered under this agreement are within CSA-F, dedicated funding in this special district is insufficient to sustain positions without an infusion of funding from the County General Fund. Additionally, the County is currently in negotiations with the Probation Officers' Association and the General, Supervisory, and Professional bargaining group, and the County can expect growing personnel costs in the budget and subsequent years. Notably, Sutter County's eroding place in the labor market due to low wage levels has impacted the ability to recruit and retain qualified staff. Most County jobs require at least some college education, with many requiring bachelor's and even advanced degrees. Qualified, trained staff are increasingly difficult to place in County positions, particularly in the areas of medical, counseling, social work, accounting, law enforcement, firefighting, and management positions. Department Head salaries are an average of 30% below our comparable counties, but with a similar workload. In order to stay reasonably close to the market and be able to recruit and retain quality staff, the County may have to raise wage levels while scaling back service levels to stay within its financial constraints.

### 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, 1160 and 1190 Civic Center Boulevard in Yuba City.

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. In February 2023, the Board voted to move forward with the Surplus Land Act process for Gray Avenue and other County-owned properties. This will allow for more flexibility in development of the property or even outright sale if terms are favorable. HHS continues to seek ways to move out of leased space and consolidate services in fewer locations, with a number of County-owned properties under consideration.

One challenge is how to address the aging Clerk-Recorder building at 433 Second Street in Yuba City. This building is over a century old and needs upgrading, including leveling the floor. Funds to begin to repair the building or relocate the Clerk-Recorder to an alternate location are included in the FY 2023-24 Recommended Budget, although a specific project has not yet been identified.

### 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. Over the past year, the County has used available state and federal funding, along with \$750,000 in General, to provide additional housing and support to individuals and families experiencing homelessness. For FY 2023-24, the General Fund contribution to the Homeless program is projected at \$1.2 million, that means over the three-year period, the County will have invested nearly

\$3 million to address homeless issues. This doesn't include funding in other departments, such as Sheriff, Development Services, and General Services for enforcement and cleanup activities related to 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.

## American Rescue Plan Act (ARPA) Funding

In March 2021, the American Rescue Plan Act was passed, which included substantial funding for local governments to address the human and economic impact from COVID-19. Sutter County was awarded \$18,835,480 in funding. The first payment of \$9,417,740 has already been received in the County Treasury, and a second payment in the same amount was received in July 2022. Among the qualified uses is replacement of lost revenue to local governments. Using the US Treasury's formula for calculating the revenue reduction, Sutter County has identified \$28,952,601 in lost revenue, exceeding the ARPA allocation by over \$10 million. Thus, the Board of Supervisors has the flexibility to allocate funding for "governmental expenditures" excluding lump sum pension payments, funding reserves, and offsetting a local tax decrease. To date, the Board of Supervisors has committed approximately \$16 million in ARPA funding to Economic Resilience Grants paid in March, cybersecurity upgrades for the County, negotiated essential worker pay to Deputy Sheriff Association and Professional Firefighters, COVID-19 at-home test kits, Offsetting Public Safety Costs, one-time funding for the Sutter County Fire (CSA-F) budget and Stabilizing CSA-F operations through June 30, 2024.

## 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.

Originally, construction of new homes and businesses in this area was expected to commence by the end of 2023 but changing market conditions have slowed the project somewhat. 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. However, build-out is likely decades away as the "Sankey Gap" levee area currently does not provide flood protection for some areas of the specific plan.

Beyond Sutter Pointe, there is limited opportunity for commercial development in the unincorporated areas of Sutter County due to 68% of the land being in a federal or state flood zone. With few exceptions, the majority of future development will have to be within the south area of the County, so investment in infrastructure is crucial to future revenue growth.

## 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 Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of County of Sutter, California (the "County"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, 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, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, as listed in the table of contents, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Emphasis of Matter**

##### *Change in Accounting Principle*

As described in the notes to the financial statements, in 2023, the County adopted new accounting guidance, GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

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

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





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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the General Fund and major special revenue funds, and the required pension and other postemployment benefits schedules, as listed on the table of contents, 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 accompanying combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024, 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 County's internal control over financial reporting and compliance.

*Lance, Solt & Loughard, LLP*

Sacramento, California  
March 28, 2024

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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, 2023. 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 \$127,349 (See Summary of Net Position beginning on page 27):

- \$100,659 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,
- \$124,229 is available for the County's ongoing obligations related to programs with external restrictions, and;
- \$(97,539) 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 \$29,261 over the prior year:

- The \$3,758 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 \$8,765 increase in restricted net position represents the change in resources that are subject to external restrictions on their use, and;
- The \$16,738 increase 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 \$146,250, was an increase of \$19,407 from the prior year ending fund balance of \$126,842. Amounts available for spending include Restricted, Committed, Assigned and Unassigned Fund Balances; these totaled \$144,162 or 99% of ending fund balance. Of this amount:

- \$104,085 is restricted by law or externally imposed requirements,
- \$24,643 is committed for specific purposes,
- \$98 is assigned fund balance, and;
- \$15,336 is unassigned fund balance.

Spendable fund balance for the General Fund increased \$12,165 to \$43,307, which equates to 1.48 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, Public Health, 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 31 - 37 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 38 - 40 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.

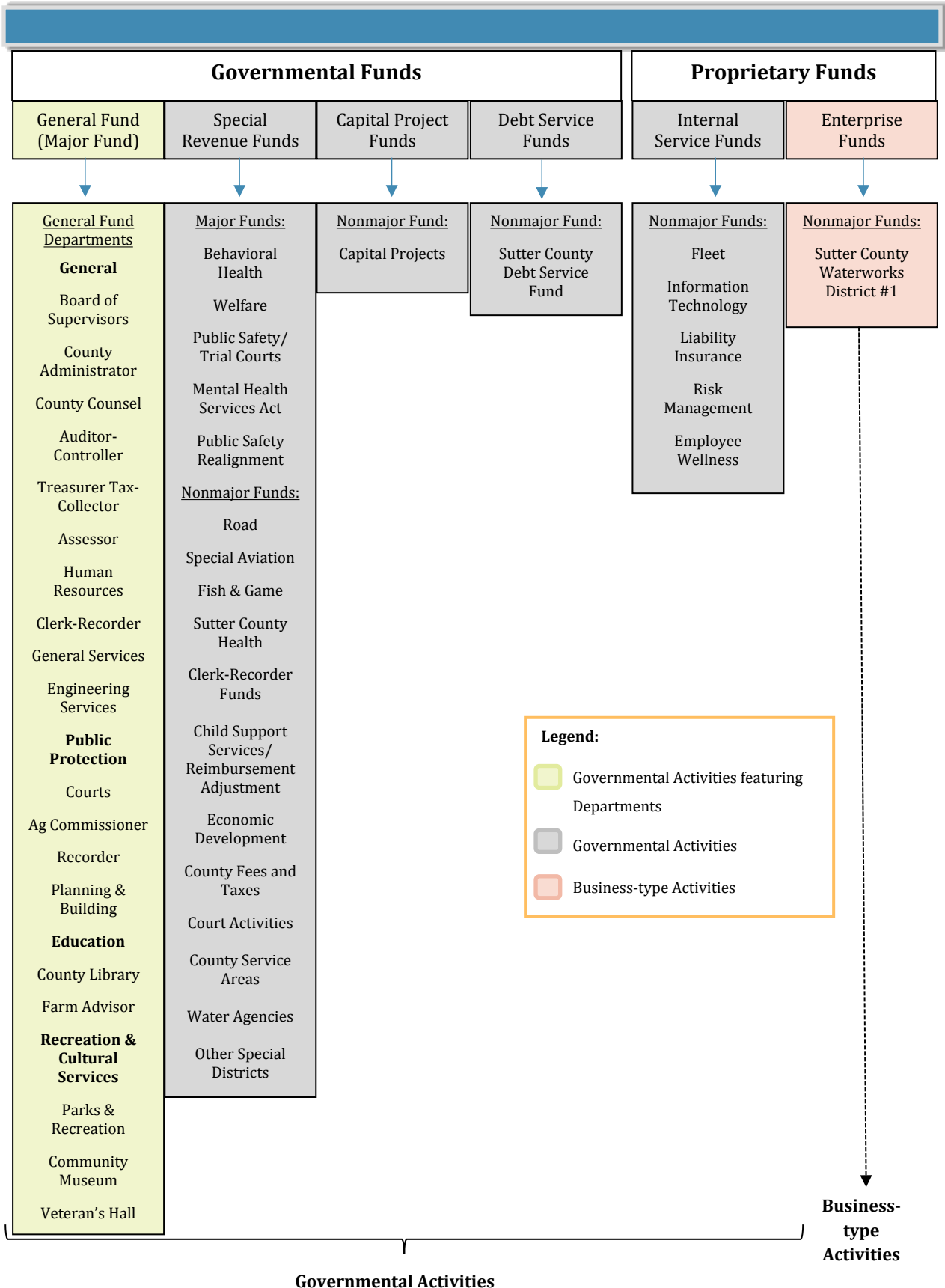
Pages 42 - 44 of this report display the Fiduciary Funds Financial Statements.

## **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 and subscription 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 employment 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 48 of this report.*





## Government-wide Financial Analysis

### Condensed Statement of Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total		Total	
	2023	2022	2023	2022	2023	2022	Dollar Change	% Change
							2022 to 2023	2022 to 2023
Current and other assets	\$ 203,429	\$ 182,439	\$ 244	\$ 342	\$ 203,673	\$ 182,781	\$ 20,892	11%
Capital assets	116,865	111,431	1,048	1,178	117,912	112,609	5,304	5%
Total Assets	320,294	293,870	1,292	1,520	321,586	295,390	26,196	9%
Deferred outflows of resources								
Deferred OPEB	912	862	-	-	912	862	50	6%
Deferred pension	60,774	23,671	-	-	60,774	23,671	37,103	157%
Total deferred outflows of resources	61,687	24,533	-	-	61,687	24,533	37,154	151%
Current and other liabilities	33,477	34,897	34	103	33,512	35,000	(1,489)	(4%)
Long term liabilities	212,264	133,465	92	108	212,356	133,573	78,784	59%
Total Liabilities	245,742	168,362	126	211	245,868	168,573	77,295	46%
Deferred inflows of resources								
Leases	517	773	-	-	517	773	(256)	(33%)
Deferred OPEB	5,401	4,286	-	-	5,401	4,286	1,115	26%
Deferred pension	4,136	48,204	-	-	4,136	48,204	(44,068)	(91%)
Total deferred inflows of resources	10,055	53,263	-	-	10,055	53,263	(42,952)	(81%)
Net investment in capital assets	99,719	95,853	939	1,047	100,659	96,900	3,758	4%
Restricted	124,229	115,464	-	-	124,229	115,464	8,765	8%
Unrestricted	(97,765)	(114,539)	226	262	(97,539)	(114,277)	16,738	(15%)
Total Net Position	\$ 126,184	\$ 96,779	\$ 1,165	\$ 1,309	\$ 127,349	\$ 98,088	\$ 29,261	30%

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 \$127,349 at the close of the current fiscal year.

### Analysis of Net Position

The County's total net position increased by \$29,261, or 30%, 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 \$124,229 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:

- \$35,688 (28.7%) for health and sanitation.
- \$33,680 (27.1%) for public protection.
- \$18,522 (14.9%) for public ways and facilities.
- \$18,085 (14.6%) for public assistance
- \$2,951 (2.4%) for taxes and fees.
- \$9,247 (7.4%) for other restrictions.
- \$6,056 (4.9%) for general government.

Restricted net position increased \$8,765, or 8%.

**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
	2023	2022		
Investment in capital assets (net of accumulated depreciation and amortization)	\$ 117,912	\$ 112,608	\$ 5,304	5%
Less:				
Related Debt	(17,254)	(15,708)	(1,546)	10%
Net Investment in Capital Assets	<u>\$ 100,659</u>	<u>\$ 96,900</u>	<u>\$ 3,759</u>	<u>4%</u>

The \$3,758, or 3.9% increase in net position from the net investment in capital assets represents capital acquisitions and deletions, less current year depreciation/amortization, and the addition and/or retirement of related long-term debt and deferred inflows of resources. The County recorded depreciation and amortization expense of \$6,998. Significant additions related to capital assets and associated debts are presented in the following pages.

**Unrestricted net position**

The negative unrestricted net position of \$(97,539) increased by \$16,738, or 14.6% 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 2022 to 2023 is presented below.

	Changes in Net Position (in thousands)						Total	
	Governmental Activities		Business-Type Activities		Total		Dollar Change	% Change
	2023	2022	2023	2022	2023	2022	2022 to 2023	2022 to 2023
<b>Program revenues:</b>								
Fees, fines & charges								
for services	\$ 25,418	\$ 26,189	\$ 147	\$ 211	\$ 25,565	\$ 26,400	\$ (834)	-3%
Operating grants	181,574	156,175	-	-	181,574	156,175	25,398	16%
Capital grants	-	-	-	89	-	89	(89)	-100%
Total program revenues	206,992	182,365	147	300	207,139	182,664	24,475	13%
<b>General revenues:</b>								
Property taxes	37,294	35,104	-	-	37,294	35,104	2,190	6%
Franchise taxes	2,556	1,847	-	-	2,556	1,847	709	38%
Sales and use taxes	6,510	5,925	-	-	6,510	5,925	584	10%
Transportation taxes	230	1,018	-	-	230	1,018	(788)	-77%
Transfer taxes	447	728	-	-	447	728	(281)	-39%
Other	311	469	-	-	311	469	(158)	-34%
Unrestricted interest and investment earnings	2,393	(5,548)	8	(12)	2,402	(5,560)	7,962	-143%
Tobacco settlement	972	1,071	-	-	972	1,071	(99)	-9%
Miscellaneous	2,103	1,558	-	0	2,103	1,558	545	35%
Total general revenues	52,816	42,173	8	(12)	52,824	42,161	10,663	25%
<b>Total revenues</b>	259,808	224,538	156	288	259,963	224,826	35,138	16%
<b>Expenses:</b>								
General government	31,837	27,013	-	-	31,837	27,013	4,823	18%
Public protection	57,806	49,365	-	-	57,806	49,365	8,440	17%
Public ways and facilities	13,607	5,357	-	-	13,607	5,357	8,249	154%
Health and sanitation	65,504	57,564	-	-	65,504	57,564	7,940	14%
Public assistance	58,427	48,030	-	-	58,427	48,030	10,397	22%
Education	2,174	1,646	-	-	2,174	1,646	528	32%
Recreation and culture	660	644	-	-	660	644	16	3%
Community development	-	-	-	-	-	-	-	0%
Interest and fiscal charges	389	534	-	-	389	534	(146)	-27%
Water Works District No. 1	-	-	299	1,547	299	1,547	(1,248)	-81%
<b>Total expenses</b>	230,403	190,155	299	1,547	230,702	191,702	39,000	20%
<b>Excess (deficiency) of revenues over (under) expenses</b>	29,405	34,383	(143)	(1,259)	29,262	33,124	(3,862)	-12%
Transfers	-	-	-	-	-	-	-	0%
Change in Net Position	29,405	34,383	(143)	(1,259)	29,262	33,124	(3,862)	-12%
Net Position, beginning, restated	96,779	62,396	1,309	2,568	98,088	64,964	33,124	51%
Net Position, ending	\$ 126,184	\$ 96,779	\$ 1,165	\$ 1,309	\$ 127,349	\$ 98,088	\$ 29,262	30%

## Analysis of Governmental Activities

Governmental activities increased the County’s net position by \$29,405 to \$126,184. Revenues were unable to keep pace with operating expenditures primarily due to increasing costs and growing demand for

### Revenues

Total revenues for the County’s Governmental Activities had an overall increase from the prior year of \$35,270, or 15.7%, to \$259,808. Revenues are divided into two categories: Program Revenues and General Revenues.

*Program Revenues* had an overall increase of \$24,627, or 14%, to \$206,992, 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 80% of the County’s funding for governmental activities.

- *Fees, fines and & charges for services* decreased \$(834), or 3.16%, to \$25,565.
- *Operating grants* (intergovernmental revenues) increased \$25,398, or 16.26%, to \$181,574.

General Revenues had an overall increase of \$10,643, or 5%, to \$52,816, 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 grew \$584, or 9.86%, to \$6,510.
- Property taxes increase \$2,190, or 6.24%, to \$37,294.
- Franchise tax increase \$709, or 38%, to \$2,556.

Expenses had an overall increase for all activities of \$39,000, or 20.34%, to \$230,702 from the prior year.

### Analysis of Business-type Activities

The net position of business-type activities decreased by \$(143), or 11%, to \$1,165. In June 2021, the California Public Utilities Commission approved the transfer of the water system to Golden State Water Company (GSWC). GSWC is responsible for the operation, maintenance, and compliance of the system as of May 1, 2022. The district is a separate but dependent district, and the Sutter County Board of Supervisors sits as its Board of Directors. The Sutter County Water Works District No. 1 (District) is responsible for providing only wastewater service to the community of Robbins.

## Financial Analysis of the County’s Fund Balance

Fund Balances (in thousands)

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total		Total	
						2023	2022	Dollar Change	% Change
						2022 to 2023	2022 to 2023		
<b>General Fund</b>	\$ 1,896	\$ 7,533	\$ 20,433	\$ 5	\$ 15,336	\$ 45,203	\$ 33,135	\$ 12,068	36.4%
<b>Major Funds</b>									
Bi-County Behavioral Health	6	7,712	-	-	-	7,717	4,820	2,898	60.1%
Welfare	35	15,693	-	-	-	15,728	12,106	3,622	29.9%
Public Safety/Trial Courts	135	7,700	312	93	-	8,241	6,715	1,525	22.7%
Public Health	-	5,920	19	-	-	5,939	5,194	744	14.3%
Public Safety Realignment	-	24,799	-	-	-	24,799	21,680	3,119	14.4%
<b>Other Governmental Funds</b>	15	34,728	3,879	-	-	38,623	43,192	(4,569)	(10.6%)
<b>Total Fund Balances</b>	<u>\$ 2,088</u>	<u>\$ 104,085</u>	<u>\$ 24,643</u>	<u>\$ 98</u>	<u>\$ 15,336</u>	<u>\$ 146,250</u>	<u>\$ 126,842</u>	<u>\$ 19,407</u>	<u>15.3%</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, 2023, the County’s Governmental Funds reported total fund balance of \$146,250, a \$19,407 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*, \$2,088, 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 \$1,862 and (2) prepaid expenses of \$225.
- *Restricted Fund Balance*, \$104,085, 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*, \$24,643, consists of amounts for specific purposes determined by the Board, which includes capital projects.
- *Unassigned Fund Balance*, \$15,336, represents the residual balance for the County’s Governmental Funds.

Approximately 99%, or \$144,162 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 increased by \$12,068, or 36.4%, to \$45,203 at June 30, 2023.

The spendable portion of fund balance decreased \$43,307. The nonspendable portion of fund balance increased \$1,896, to 4.8%.

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 1.55 of total General Fund expenditures while spendable fund balance equates to 1.48 of total General Fund expenditures. Of the General Fund spendable fund balance, \$7,533, or 17.4%, is restricted, \$20,433 or 47% is committed, and \$15,336, or 35% is unassigned.

### Major Funds

The County has five other major governmental funds. The Bi-County Behavioral Health fund has a total fund balance of \$7,717, the Welfare fund of \$15,728, the Public Safety/Trial Courts fund of \$8,241, Public Health Fund of \$5,939, and Public Safety Realignment fund of \$24,799 at the end of the year. The other governmental funds’ fund balances decreased \$(4,569), or -10.6%, to \$38,623. The five other major funds had changes in fund balances, including restatements, as follows: Bi-County Behavioral Health fund of \$2,898, Welfare fund of \$3,622, Public Safety/Trial Courts of \$1,525, Public Health fund of \$744, and Public Safety/Realignment of \$3,119.

### Proprietary Funds

The enterprise funds total net position, which consists of Waterworks District No. 1, decreased \$(143), or 11% from the prior year. Operating revenues decreased 37%, or \$147, while operating expenses decreased 37% to \$299. Operating deficits have been experienced over the past couple of years; \$213 in 2021 and \$264 in 2022. 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 \$3,023, or 106%, and ended with a positive balance of \$5,808. This significant change is primarily due Worker’s Compensation Fund decline in claims payable and changes in estimates.

## Capital Assets & Debt

### Capital Assets

Capital Assets (net of depreciation/amortization, in thousands)

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar Change	% Change
	2023	2022	2023	2022	2023	2022	2022 to 2023	2022 to 2023
Land	\$ 6,273	\$ 6,285	\$ 58	\$ 58	\$ 6,331	\$ 6,343	\$ (12)	-0.2%
Easements	5	5	-	-	5	5	-	100.0%
Construction in Progress	22,097	21,646	-	-	22,097	21,646	450	2.1%
Capital assets, not being depreciated/amortized	28,375	27,936	58	58	28,433	27,994	438	1.6%
Land Improvements	873	870	-	-	873	870	3	0.4%
Structures and improvements	48,144	44,477	990	1,120	49,134	45,596	3,538	7.8%
Equipment	3,551	3,603	-	-	3,551	3,603	(52)	-1.4%
Vehicles	3,121	3,435	-	-	3,121	3,435	(314)	-9.1%
Infrastructure	25,871	26,398	-	-	25,871	26,398	(527)	-2.0%
Software	656	1,146	-	-	656	1,146	(490)	-42.8%
Lease asset	3,281	3,596	-	-	3,281	3,596	(316)	-8.8%
Subscription asset*	2,993	-	-	-	2,993	-	2,993	
Capital assets, net of accumulated depreciation/amortization	88,490	83,525	990	1,120	89,480	84,644	4,835	5.7%
Total	\$ 116,865	\$ 111,461	\$ 1,048	\$ 1,178	\$ 117,912	\$ 112,639	\$ 5,274	4.7%

During the fiscal year, the County's investment in capital assets, net of accumulated depreciation, increased by \$5,274 or 4.7% from the prior year including the beginning balance of \$2M and new addition of 1.8M from GASB 96 – Subscription-Based Information Technology Arrangements (SBITAs). This investment was in a range of capital assets, leased and subscription assets including construction in progress (CIP), equipment, and vehicles. Major capital asset additions include:

- \$1,838 Four roof replacement projects for County buildings
- \$1,290 Library Innovation Center
- \$1,247 Jail structure & improvements
- \$1,058 for other various capital 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:

- \$1,498 Workday Enterprise Resource Platform
- \$922 Fire Trucks
- \$893 for road infrastructure projects

*Additional capital asset information, including depreciation, amortization, and outstanding CIP as of June 30, 2023, 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	
	2023	2022	2023	2022	2023	2022	Dollar Change 2022 to 2023	% Change 2022 to 2023
	Lease Commitments	\$ 3,426	\$ 3,687	\$ -	\$ -	\$ 3,426	\$ 3,687	\$ (261)
Subscriptions	2,181	-	-	-	2,181	-	2,181	
Other Long-Term Liabilities	11,539	11,890	108	131	11,647	12,021	(373)	-3.1%
<b>Total</b>	<b>\$ 17,145</b>	<b>\$ 15,577</b>	<b>\$ 108</b>	<b>\$ 131</b>	<b>\$ 17,254</b>	<b>\$ 15,708</b>	<b>\$ 1,546</b>	<b>9.8%</b>

During the fiscal year, long-term debt outstanding increased by \$1,546, or 9.8% from the prior year which includes the recognition of liability from the implementation of GASB 96 – Subscription Based Information Technology Arrangements. Total long-term debt outstanding was \$17,254 at June 30, 2023. This balance consists primarily of long-term liabilities of \$11,647 related to refinancing of Gray Avenue property and Energy Efficient Upgrade Project.

*Additional lease and long-term debt information, including interest rates, future minimum lease payments, and outstanding balances as of June 30, 2023, 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. The significant change between adopted and final budget was primarily due to General Fund cost of Public Safety expenditures offset by ARPA funding of \$11,500, or -38% of final budget.

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	\$ 75,705	\$ 79,278	\$ 3,573	4.7%
Total expenditures	(35,956)	(37,722)	(1,766)	4.9%
Other financing sources (uses)	(39,801)	(30,607)	9,193	(23.1%)
<b>Net change in fund balances</b>	<b>\$ (52)</b>	<b>\$ 10,949</b>	<b>\$ 11,001</b>	<b>21140.9%</b>

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	\$ 79,278	\$ 67,620	\$ (11,658)	(14.7%)
Total expenditures	(37,722)	(29,195)	8,527	(22.6%)
Other financing sources (uses)	(30,607)	(26,358)	4,250	(13.9%)
Net change in fund balances	\$ 10,949	\$ 12,068	\$ 1,119	10.2%

## Economic Factors and Next Year’s Budget and Rates

The following factors were considered in preparing the County’s operating budget for FY 2024:

General revenues include property taxes, fines, sales and use taxes, various revenues from the State, miscellaneous taxes, and other revenues, which are not accounted for in other budget units. For FY 2024, the County estimated an overall increase of \$2,567, or 5.30%, compared to the FY 2023 Adopted Budget. Of that increase, \$2,413 represents an increase from property tax revenues, projected franchise fees, and fines and penalties. Sales tax revenues are projected to decline in FY 2022-23 and FY 2023-24 due to an overall softening in the economy and a reduction in gasoline process from year ago.

The Countywide Recommended Budget provides a decrease in appropriations of \$52,963, or 13.00%, totaling \$461,572 compared to the FY 2023 Adopted Budget. Of that, General Fund appropriations increased by \$7,029, or 9.00%, to \$84,967.

The State adopted a balanced and on-time budget that includes a spending plan of \$307.9 billion, a decrease of nearly \$0.40 billion from the 2022-23 revised budget. This is essentially flat compared to the 2022-23 level but includes an 11% increase in special fund spending and a 4% decrease in State’s General Fund spending. In addition, federal funds are expected to decline 6% as significant pandemic-related federal assistance to the State continues to decline.

The County’s FY 2024 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, 1160 Civic Center Boulevard, Suite D, Yuba City, CA 95993. The County’s Comprehensive Annual Financial Report can also be found on the County’s website.





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# Basic Financial Statements

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**COUNTY OF SUTTER**  
Statement of Net Position  
June 30, 2023

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
Cash and investments (Note 3)	\$ 144,146,854	\$ 203,677	\$ 144,350,531
Cash with fiscal agent (Note 3)	19,032,374	-	19,032,374
Accounts receivable	5,306,083	45,002	5,351,085
Due from other governments	40,914,221	-	40,914,221
less allowance for doubtful accounts	(11,268,326)	(6,026)	(11,274,351)
Interest receivable	1,264,158	1,573	1,265,732
Taxes receivable	399,740	-	399,740
Lease receivable	534,239	-	534,239
Prepaid expenses	210,188	-	210,188
Inventories	28,206	-	28,206
Loans receivable (Note 4)	2,861,477	-	2,861,477
Capital assets:			
Nondepreciable (Note 5)	28,374,795	58,000	28,432,795
Depreciable, net (Note 5)	88,489,919	989,626	89,479,546
Total Assets	<u>320,293,929</u>	<u>1,291,853</u>	<u>321,585,782</u>
<b>DEFERRED OUTFLOWS OF RESOURCES (Note 8)</b>			
Deferred related to OPEB	912,192	-	912,192
Deferred related to pension	60,774,422	-	60,774,422
Total Deferred Outflows of Resources	<u>61,686,614</u>	<u>-</u>	<u>61,686,614</u>
<b>LIABILITIES</b>			
Accounts payable	8,888,844	14,013	8,902,858
Salaries and benefits payable	4,016,288	-	4,016,288
Interest payable	316,977	3,908	320,885
Deposits from others	4,126,295	-	4,126,295
Unearned revenue	6,927,936	225	6,928,161
Compensated absences (Note 16)	6,406,197	-	6,406,197
Lease payable (Note 6)	923,620	-	923,620
SBITA payable (Note 6)	760,767	-	760,767
Other Liabilities (Note 7)	1,110,389	16,191	1,126,580
Long-Term Liabilities:			
Compensated absences (Note 16)	2,215,420	-	2,215,420
Claims reserve for liability insurance (Note 10)	1,974,494	-	1,974,494
Claims reserve for workers compensation (Note 10)	4,907,961	-	4,907,961
Lease payable (Note 6)	2,502,156	-	2,502,156
SBITA payable (Note 6)	1,419,788	-	1,419,788
Other Liabilities (Note 7)	10,428,721	92,110	10,520,830
Total OPEB liability (Note 15)	10,179,027	-	10,179,027
Net pension liability (Note 14)	178,636,631	-	178,636,631
Total Liabilities	<u>245,741,512</u>	<u>126,446</u>	<u>245,867,958</u>
<b>DEFERRED INFLOWS OF RESOURCES (Note 11)</b>			
Deferred related to Leases	517,411	-	517,411
Deferred related to OPEB	5,401,266	-	5,401,266
Deferred related to pension	4,136,411	-	4,136,411
Total Deferred Inflow of Resources	<u>\$ 10,055,088</u>	<u>\$ -</u>	<u>\$ 10,055,088</u>

**COUNTY OF SUTTER**

Statement of Net Position

June 30, 2023

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
NET POSITION			
Net investment in capital assets	\$ 99,719,274	\$ 939,325	\$ 100,658,600
Restricted for (Note 13):			
Taxes and fees	2,951,264	-	2,951,264
General government	6,055,856	-	6,055,856
Public protection	33,679,745	-	33,679,745
Public ways and facilities	18,521,777	-	18,521,777
Health and sanitation	35,688,497	-	35,688,497
Public assistance	18,085,242	-	18,085,242
Other	9,246,973	-	9,246,973
Unrestricted	(97,764,685)	226,081	(97,538,604)
Total Net Position	<u>\$ 126,183,943</u>	<u>\$ 1,165,407</u>	<u>\$ 127,349,349</u>

**COUNTY OF SUTTER**  
Statement of Activities  
For the Year Ended June 30, 2023

Functions/Programs	Program Revenues		
	Direct Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions
Primary Government:			
Governmental Activities:			
General government	\$ 31,836,657	\$ 11,092,268	\$ 1,191,445
Public protection	57,805,734	-	34,754,070
Public ways and facilities	13,606,721	356,197	8,629,609
Health and sanitation	65,503,916	4,328,701	92,088,687
Public assistance	58,427,100	10,094,101	43,721,345
Education	2,174,459	105,723	629,033
Recreation and culture	660,086	-	-
Interest on long-term debt	388,512	-	757
Total Governmental Activities	230,403,186	25,976,991	181,014,945
Business-Type Activities:			
Waterworks District #1	298,960	147,475	-
Total Business-type Activities	298,960	147,475	-
Total Primary Government	\$ 230,702,146	\$ 26,124,466	\$ 181,014,945

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, restated

Net Position - End of Year

Net (Expense) Revenue and  
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (19,552,944)	\$ -	\$ (19,552,944)
(23,051,664)	-	(23,051,664)
(4,620,915)	-	(4,620,915)
30,913,471	-	30,913,471
(4,611,655)	-	(4,611,655)
(1,439,703)	-	(1,439,703)
(660,086)	-	(660,086)
(387,755)	-	(387,755)
<u>(23,411,251)</u>	<u>-</u>	<u>(23,411,251)</u>
-	(151,485)	(151,485)
-	(151,485)	(151,485)
<u>(23,411,251)</u>	<u>(151,485)</u>	<u>(23,562,736)</u>
37,293,838	-	37,293,838
2,555,657	-	2,555,657
6,509,607	-	6,509,607
229,699	-	229,699
447,392	-	447,392
311,435	-	311,435
2,393,415	8,090	2,401,505
971,969	-	971,969
2,103,237	-	2,103,237
<u>52,816,250</u>	<u>8,090</u>	<u>52,824,340</u>
29,404,999	(143,395)	29,261,604
<u>96,778,944</u>	<u>1,308,802</u>	<u>98,087,746</u>
<u>\$ 126,183,943</u>	<u>\$ 1,165,407</u>	<u>\$ 127,349,350</u>

**COUNTY OF SUTTER**  
Balance Sheet  
Governmental Funds  
June 30, 2023

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
<b>Assets</b>				
Cash and investments	\$ 26,640,097	\$ 9,976,843	\$ 20,900,322	\$ 10,740,200
Cash with fiscal agent	7,368,881	-	-	-
Accounts receivable	648,809	2,071,205	357,622	826,831
Due from other governments	2,863,803	21,158,756	4,057,270	3,527,104
less allowance for doubtful accounts	-	(10,568,314)	-	-
Interest receivable	470,432	52,307	123,430	70,565
Taxes receivable	399,510	-	-	-
Lease receivable	534,239	-	-	-
Due from other funds	8,143,662	1,730,431	6,532,198	2,338,316
Prepaid expenses	33,735	5,849	34,888	135,322
Inventory	-	-	-	-
Advances to other funds	1,764,615	-	-	-
Loans receivable	97,827	-	-	-
<b>Total Assets</b>	<b>\$ 48,965,611</b>	<b>\$ 24,427,078</b>	<b>\$ 32,005,731</b>	<b>\$ 17,638,337</b>
<b>Liabilities</b>				
Accounts payable	\$ 986,483	\$ 2,731,542	\$ 196,254	\$ 1,288,813
Salaries and benefits payable	735,478	635,143	704,673	1,137,980
Deposits from others	27,550	15,517	2	4
Due to other funds	230,702	13,843	8,227,170	6,474,486
Advances from other funds	-	1,079,295	-	-
Unearned revenue	72,817	-	5,918,085	252,868
<b>Total Liabilities</b>	<b>2,053,030</b>	<b>4,475,340</b>	<b>15,046,184</b>	<b>9,154,151</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	1,191,856	12,234,370	1,231,225	243,674
Deferred Inflows related to Leases	517,411	-	-	-
<b>Total Deferred Inflows of</b>	<b>1,709,267</b>	<b>12,234,370</b>	<b>1,231,225</b>	<b>243,674</b>
<b>Fund Balances (Note 12)</b>				
Nonspendable	1,896,177	5,849	34,888	135,322
Restricted	7,533,076	7,711,519	15,693,434	7,699,956
Committed	20,432,808	-	-	312,342
Assigned	5,299	-	-	92,892
Unassigned	15,335,954	-	-	-
<b>Total Fund Balances</b>	<b>45,203,314</b>	<b>7,717,368</b>	<b>15,728,322</b>	<b>8,240,512</b>
<b>Total Liabilities, Deferred Inflows</b>				
<b>Resources and Fund Balances</b>	<b>\$ 48,965,611</b>	<b>\$ 24,427,078</b>	<b>\$ 32,005,731</b>	<b>\$ 17,638,337</b>

Public Health	Public Safety Realignment	Other Governmental	Total	
\$ 12,744,911	\$ 21,771,635	\$ 38,721,329	\$ 141,495,337	Assets
-	-	500	7,369,381	Cash and investments
175,076	-	1,132,625	5,212,168	Cash with fiscal agent
1,932,558	4,031,307	3,343,423	40,914,221	Accounts receivable
-	-	(700,012)	(11,268,326)	Due from other governments
93,885	165,545	280,477	1,256,642	less allowance for doubtful
-	-	230	399,740	Interest receivable
-	-	-	534,239	Taxes receivable
77,863	3,677,003	157,602	22,657,076	Lease receivable
-	-	-	209,794	Due from other funds
-	-	15,394	15,394	Prepaid expenses
-	-	-	1,764,615	Inventory
500	-	2,763,150	2,861,477	Advances to other funds
\$ 15,024,792	\$ 29,645,491	\$ 45,714,719	\$ 213,421,758	Loans receivable
				Total Assets
				Liabilities
\$ 274,302	\$ 15,138	\$ 3,330,594	\$ 8,823,125	Accounts payable
324,028	-	370,148	3,907,451	Salaries and benefits payable
3,779,647	-	303,575	4,126,295	Deposits from others
2,430,865	4,831,358	454,301	22,662,726	Due to other funds
-	-	685,320	1,764,615	Advances from other funds
353,174	-	330,993	6,927,936	Unearned revenue
7,162,017	4,846,496	5,474,931	48,212,149	Total Liabilities
				Deferred Inflows of Resources
1,924,131	-	1,617,158	18,442,414	Unavailable revenue
-	-	-	517,411	Deferred Inflows related to Leases
1,924,131	-	1,617,158	18,959,825	Total Deferred Inflows of
				Fund Balances (Note 12)
-	-	15,394	2,087,631	Nonspendable
5,919,929	24,798,995	34,728,369	104,085,277	Restricted
18,715	-	3,878,867	24,642,732	Committed
-	-	-	98,191	Assigned
-	-	-	15,335,954	Unassigned
5,938,644	24,798,995	38,622,630	146,249,784	Total Fund Balances
\$ 15,024,792	\$ 29,645,491	\$ 45,714,719	\$ 213,421,758	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, 2023

Fund Balance - total governmental funds (pages 31-32)		\$ 146,249,784
Amounts reported for governmental activities in the statement of net position are different because:		
Deferred OPEB and pension outflows of resources in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		60,255,128
Deferred OPEB and pension inflows of resources in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		(9,320,550)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds balance sheets.		114,943,093
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.		18,442,414
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.		(313,181)
Other long-term liabilities, including financing arrangements, are not due and payable in the current period, and therefore are not reported in the governmental funds.		
Leases and SBITAs	(5,286,665)	
Other long-term liabilities	(11,424,093)	
Compensated absences	(8,286,759)	
Total OPEB liability	(9,955,414)	
Net pension liability	<u>(174,927,468)</u>	
		(209,880,399)
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>5,807,653</u>
Net position of governmental activities (page 27)		<u>\$ 126,183,943</u>



**COUNTY OF SUTTER**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Year Ended June 30, 2023

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
<b>Revenues:</b>				
Taxes	\$ 40,057,433	\$ -	\$ -	\$ 29,781
Licenses and permits	4,003,930	-	1,398	16,128
Fines, forfeitures and penalties	80,714	11,181	-	736,014
Use of money and property	827,287	152,924	(95,723)	220,804
Intergovernmental	9,009,981	16,879,207	49,273,139	17,145,000
Charges for services	12,550,657	933,244	220,217	984,148
Other revenues	1,090,365	564,021	299,397	828,643
<b>Total Revenues</b>	<b>67,620,367</b>	<b>18,540,577</b>	<b>49,698,427</b>	<b>19,960,518</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	15,934,829	-	-	-
Public protection	9,304,073	-	-	49,751,738
Public ways and facilities	229,699	-	-	-
Health and sanitation	-	35,998,349	-	-
Public assistance	248,018	-	58,834,314	-
Education	2,218,895	-	-	-
Recreation and culture	656,271	-	-	-
<b>Debt Service:</b>				
Principal: Leases and Subscriptions	217,432	195,368	574,074	239,425
Principal: Other long-term liabilities	-	-	-	-
Interest	6,231	22,903	18,745	5,012
Capital outlay	379,100	337,262	292,776	1,559,569
<b>Total Expenditures</b>	<b>29,194,548</b>	<b>36,553,882</b>	<b>59,719,909</b>	<b>51,555,745</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>38,425,819</b>	<b>(18,013,305)</b>	<b>(10,021,483)</b>	<b>(31,595,227)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	485,557	22,105,114	24,033,534	47,171,828
Transfers out	(27,082,997)	(1,460,171)	(10,606,308)	(14,374,138)
Sale of capital assets	32,305	3,003	-	15,351
Proceeds from debt issuance	207,375	263,223	216,389	307,610
<b>Total Other Financing Sources (Uses)</b>	<b>(26,357,760)</b>	<b>20,911,170</b>	<b>13,643,616</b>	<b>33,120,651</b>
<b>Net Changes in Fund Balances</b>	<b>12,068,059</b>	<b>2,897,865</b>	<b>3,622,133</b>	<b>1,525,424</b>
<b>Fund Balances, Beginning of Year, Restated</b>	<b>33,135,255</b>	<b>4,819,503</b>	<b>12,106,189</b>	<b>6,715,088</b>
<b>Fund Balances, End of Year</b>	<b>\$ 45,203,314</b>	<b>\$ 7,717,368</b>	<b>\$ 15,728,322</b>	<b>\$ 8,240,512</b>

Public Health	Public Safety Realignment	Other Governmental	Total	
\$ -	\$ -	\$ 4,704,758	\$ 44,791,971	Revenues:
-	-	317,425	4,338,881	Taxes
97,823	-	48,634	974,367	Licenses and permits
241,056	449,865	523,317	2,319,531	Fines, forfeitures and penalties
20,660,877	42,609,984	22,573,741	178,151,928	Use of money and property
3,071,512	1,679,373	1,864,068	21,303,218	Intergovernmental
4,482	-	72,143	2,859,050	Charges for services
24,075,750	44,739,222	30,104,086	254,738,946	Other revenues
				Total Revenues
				Expenditures:
				Current:
-	-	786,066	16,720,895	General government
-	35,853	6,235,575	65,327,239	Public protection
-	-	14,622,801	14,852,500	Public ways and facilities
16,705,692	-	14,653,658	67,357,700	Health and sanitation
-	-	4,270	59,086,601	Public assistance
-	-	101	2,218,996	Education
-	-	670	656,941	Recreation and culture
64,961	-	239,626	1,530,886	Debt Service:
-	-	1,027,742	1,027,742	Principal: Leases and Subscriptions
1,369	-	366,939	421,199	Principal: Other long-term liabilities
285,837	-	5,866,002	8,720,547	Interest
17,057,859	35,853	43,803,450	237,921,246	Capital outlay
				Total Expenditures
7,017,891	44,703,369	(13,699,364)	16,817,700	Excess (Deficiency) of Revenues Over (Under) Expenditures
13,598,036	15,399,122	8,514,879	131,308,071	Other Financing Sources (Uses):
(19,950,334)	(56,983,384)	(766,098)	(131,223,430)	Transfers in
-	-	41,474	92,132	Transfers out
78,723	-	1,339,647	2,412,968	Sale of capital assets
(6,273,574)	(41,584,262)	9,129,902	2,589,742	Proceeds from debt issuance
744,316	3,119,106	(4,569,463)	19,407,441	Total Other Financing Sources (Uses)
5,194,327	21,679,888	43,192,092	126,842,343	Net Changes in Fund Balances
\$ 5,938,644	\$ 24,798,995	\$ 38,622,630	\$ 146,249,784	Fund Balances, Beg. of Year, Restated
				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, 2023

Net change to fund balance - total governmental funds (pages 35-36)		\$ 19,407,441
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	7,553,884	
Less: current year depreciation/amortization	(6,300,309)	
Expenditures related to lease and SBITA additions and initial measurement	1,723,157	2,976,732
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		3,421,918
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 related to leases and subscriptions	1,530,886	
Principal repayments related to other long term liabilities	1,027,742	
Interest payments	32,687	
Proceeds from long-term debt issuance:		
Leases	(603,432)	
Subscriptions	(1,119,725)	
Other long-term debt	(689,812)	178,346
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		(434,871)
Change in OPEB liability and deferred OPEB inflows/outflows		299,478
Change in net pension liability and deferred pension inflows/outflows		572,001
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.		2,983,954
Change in net position of governmental activities (pages 29-30)		\$ 29,404,999

**COUNTY OF SUTTER**  
Statement of Net Position  
Proprietary Funds  
June 30, 2023

	Business-Type Activities Enterprise Fund	Governmental Activities
	Waterworks District No. 1	Internal Service Funds
<b>ASSETS</b>		
Current Assets:		
Cash and investments	\$ 203,677	\$ 2,651,517
Cash with fiscal agent	-	11,662,993
Accounts receivable	45,002	93,915
less allowance for doubtful accounts	(6,026)	-
Interest receivable	1,573	7,517
Due from other funds	-	5,650
Prepaid expenses	-	393
Inventory	-	12,812
Total Current Assets	244,227	14,434,797
Noncurrent Assets:		
Capital assets:		
Non-depreciable	58,000	-
Depreciable, net	989,626	1,921,621
Total Noncurrent Assets	1,047,626	1,921,621
Total Assets	1,291,853	16,356,418
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred related to pension	-	1,411,446
Deferred related to OPEB	-	20,039
Total Deferred Outflows of Resources	-	1,431,486
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	14,013	65,719
Salaries and benefits payable	-	108,837
Compensated absences payable	-	248,812
Interest payable	3,908	3,796
SBITA payable	-	102,678
Other liabilities	16,191	18,493
Unearned revenue	225	-
Total Current Liabilities	34,337	548,335
Long-Term Liabilities:		
Compensated absences payable	-	86,046
Claims payable	-	6,882,455
SBITA payable	-	216,988
Other liabilities	92,110	96,523
Net pension liability	-	3,709,163
Net OPEB liability	-	223,613
Total Long-Term Liabilities	92,110	11,214,788
Total Liabilities	126,446	11,763,124
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred related to pension	-	98,472
Deferred related to OPEB	-	118,655
Total Deferred Inflows of Resources	-	217,127
<b>NET POSITION</b>		
Net investment in capital assets	939,325	1,486,939
Unrestricted	226,081	4,320,714
Total Net Position	\$ 1,165,407	\$ 5,807,653

**COUNTY OF SUTTER**  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2023

	Business-Type Activities <u>Enterprise Fund</u> Waterworks District No. 1	Governmental Activities <u>Internal Service Funds</u>
Operating Revenues:		
Charges for services	\$ 147,475	\$ 11,206,908
Other revenues	-	124,024
Total Operating Revenues	<u>147,475</u>	<u>11,330,933</u>
Operating Expenses:		
Salaries and benefits	-	3,125,414
Services and supplies	154,747	3,835,091
Other charges	10,147	808,450
Depreciation	129,925	567,668
Total Operating Expenses	<u>294,819</u>	<u>8,336,622</u>
Operating Income (Loss)	<u>(147,344)</u>	<u>2,994,310</u>
Non-Operating Revenue (Expenses):		
Investment income	8,090	73,884
Gain (Loss) on sale of capital assets	-	401
Interest expense	<u>(4,141)</u>	<u>-</u>
Total Non-Operating Revenue (Expenses)	<u>3,949</u>	<u>74,285</u>
Net Income (Loss) Before Capital Contributions and Transfers	<u>(143,395)</u>	<u>3,068,595</u>
Transfers in	-	59,064
Transfers out	<u>-</u>	<u>(143,705)</u>
Change in Net Position	<u>(143,395)</u>	<u>2,983,954</u>
Net Position - Beginning of Year	<u>1,308,802</u>	<u>2,823,699</u>
Net Position - End of Year	<u>\$ 1,165,407</u>	<u>\$ 5,807,653</u>

**COUNTY OF SUTTER**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2023

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash receipts from customers	\$ 133,334	\$ 9,603,039
Cash paid to suppliers for goods and services	(207,983)	(4,588,638)
Cash paid to employees for services	-	(3,182,991)
Net Cash Provided (Used) by Operating Activities	(74,650)	1,831,410
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Interfund loans received (paid)	(17,502)	(147,978)
Miscellaneous cash received (paid)	-	57,188
Net Cash Provided (Used) by Noncapital Financing Activities	(17,502)	(90,789)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Capital Contributions	-	-
Principal repayments	(22,405)	304,870
Proceeds from sale of capital assets	-	-
Payments related to the acquisition of capital assets	-	(1,634,812)
Interest payments	(4,663)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(27,068)	(1,329,942)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received (paid)	7,266	69,720
Net Cash Provided (Used) by Investing Activities	7,266	69,720
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(111,954)	480,399
<b>Cash and Cash Equivalents, Beginning of Year</b>	315,631	13,834,111
<b>Cash and Cash Equivalents, End of Year</b>	\$ 203,677	\$ 14,314,510

continued



**COUNTY OF SUTTER**  
Statement of Cash Flows (continued)  
Proprietary Funds  
For the Year Ended June 30, 2023

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
<b>Reconciliation of Operating Income (Loss)</b>		
<b>to Net Cash Provided (Used) by Operating Activities:</b>		
Operating income (loss)	\$ (147,344)	\$ 2,994,310
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	129,925	567,668
Loss on disposal of capital assets	-	401
Changes in assets, liabilities and deferred inflows/outflows:		
(Increase) decrease in:		
Accounts receivable	(13,630)	(70,295)
Deposits and prepaid expenses	-	1,089,911
Inventory	-	33
Increase (decrease) in:		
Accounts payable	(43,089)	(765,252)
Salaries and benefits payable	-	24,255
Compensated absences payable	-	18,305
Claims liability	-	(1,802,595)
Interest payable	-	(194)
Other liabilities	-	(125,000)
Net pension liability	-	(169,238)
Net OPEB liability	-	69,100
Unearned revenue	(511)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (74,650)</b>	<b>\$ 1,831,410</b>

**COUNTY OF SUTTER**  
Statement of Fiduciary Net Position  
Investment Trust Funds  
June 30, 2023

	Investment Trust Funds
<b>Assets</b>	
Cash and investments	\$ 265,506,626
Accounts receivable	37,348
Due From Other Governments	707,777
Interest receivable	1,745,266
Prepaid Expenses	74,196
Inventory	578,484
Total Assets	268,649,697
<b>Liabilities</b>	
Accounts payable	1,855,383
Accrued salaries and benefits	55,261
Unearned revenues	140,937
Interest Payable	1,139
Total Liabilities	2,052,720
<b>Net position</b>	
Net position restricted for	266,596,977
Total Net Position	\$ 266,596,977

**COUNTY OF SUTTER**  
Statement of Fiduciary Net Position  
Private-Purpose and Custodial Trust Funds  
June 30, 2023

	Private-Purpose Trust Funds	Custodial Funds
<b>Assets</b>		
Cash and investments	\$ 532	\$ 16,039,819
Accounts receivable	-	396
Due From Other Governments	-	281,385
Interest receivable	3	2,524,605
Taxes receivable	-	18,592,217
Other assets	3,272	179,352
Total Assets	3,807	37,617,774
<b>Liabilities</b>		
Accounts payable	-	8,848,081
Unearned revenues	-	96,029
Deposits payable	-	262,870
Agency funds held for others	2,839	14,030,214
Total Liabilities	2,839	23,237,194
<b>Net position</b>		
Net position restricted for	968	14,380,580
Total Net Position	\$ 968	\$ 14,380,580

**COUNTY OF SUTTER**  
Statement of Changes in Fiduciary Net Position  
Investment Trust Funds  
For the Year Ended June 30, 2023

	Investment Trust Funds
Additions	
Contributions to pooled investments	\$ 73,295,551
Interest and Investment income (loss)	387,725
Total Additions	73,683,276
Deductions	
Distributions from pooled investments	16,106,767
Total Deductions	16,106,767
Change in net position	57,576,509
Net Position - Beginning of Year,	209,020,468
Net Position - End of Year	\$ 266,596,977

**COUNTY OF SUTTER**  
Statement of Changes in Fiduciary Net Position  
Private-Purpose and Custodial Trust Funds  
For the Year Ended June 30, 2023

	Private-Purpose Trust Funds	Custodial Trust Funds
Additions		
Contributions to pooled investments	\$ -	\$ 8,932,989
Interest and Investment income (loss)	539	125,530
<b>Total Additions</b>	<b>539</b>	<b>9,058,519</b>
Deductions		
Distributions from pooled investments	-	5,912,914
<b>Total Deductions</b>	<b>-</b>	<b>5,912,914</b>
Change in net position	539	3,145,606
Net Position - Beginning of Year,	430	11,234,974
Net Position - End of Year	<u>\$ 968</u>	<u>\$ 14,380,580</u>



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**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 four 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. 96  
*Summary of Statement*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

As a result of County's implementation of the Statement for fiscal year ended June 30, 2023, the beginning balance of SBITAs is approximately \$2.9 million. Additional disclosures of the County's implementation with respect to Statement No. 96 are included in Notes 5 – Capital Assets and 6 – Leases and SBITAs.

## 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, 2023, 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, infrastructure assets (roads, bridges, sidewalks, water, sewer, and similar items), right-to-use lease assets (per GASB no. 87) and subscription assets (per GASB no.96). Capital assets are defined by the County as equipment with a cost of \$5,000 or more, structures and improvements with a cost of \$60,000 or more, infrastructure with a cost of \$100,000 or more, software and subscription assets with a cost of 25,000 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 or amortization of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation/amortization reflected in the Statement of Net Position. Depreciation/amortization is provided over the assets’ estimated useful lives using the straight-line method of depreciation. Right-to-use lease assets (per GASB no. 87) and subscription assets (per GASB no.96) will be amortized over shorter of useful life or lease term. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable/Amortizable Asset</u>	<u>Estimated Lives</u>
Equipment	3-20 years
Software	3-10 years
Structures and improvements	15-39 years
Infrastructure	15-75 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/amortization are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

### Leases

A lease is defined as a contract that conveys control of the right to use another entity’s nonfinancial asset (underlying asset) as specified for a period in an exchange or exchange-like transaction. The lease term is considered as the period during which a lessee has a noncancelable right to use an underlying asset, plus the following periods, if applicable. The County’s lease schedule is presented in Note 5 Capital Assets and Note 6 Leases and SBITAs.

### Subscription-Based Information Technology Arrangements (SBITAs)

A SBITA is defined as a contract that conveys control of the right to use another party’s (a SBITA vendor) information technology (IT) software, alone or in combination with tangible capital assets (underlying IT assets), as specified in the contract for a period in an exchange or exchange-like transaction. The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option). The County’s SBITAs are presented in Note 5 Capital Assets and Note 6 Leases and SBITAs.

### 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 assets 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 assets 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, OPEB and leases 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 financed purchase agreements.

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, 2023:

	Deficit Amount
Fleet Management	\$ 59,999

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 <sup>st</sup> installment) February 1 (2 <sup>nd</sup> installment)	July 1
Delinquent dates	Dec. 10 (1 <sup>st</sup> installment) April 10 (2 <sup>nd</sup> 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 \$1,649,650 at June 30, 2023. 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. Commencing with the 2021-22 fiscal year under subdivision (b) of Government Code section 7903, county governments are also required to include specified state subventions within their appropriations limits. The allowed appropriations for the Gann Limit for fiscal year ended June 30, 2023 were \$276,801,474. The appropriations subject to this limit were \$78,946,983, which include the specified subvention of \$31,500,000 for Sutter County. This is \$197,854,491 below the appropriations limit. Accordingly, the appropriations subject to this legal restriction were only 28.5% 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, 2023, total County cash and investments were as follows:

<i>Cash:</i>	
Cash on hand	\$ 8,370
Bank deposits	10,491,637
Outstanding warrants	<u>(15,084,481)</u>
Total Cash	<u>(4,584,474)</u>
 <i>Investments:</i>	
Investment pool	430,456,982
External to investment pool	<u>19,057,374</u>
Total investments	<u>449,514,356</u>
 Total cash and investments	 <u>\$ 444,929,882</u>

Total cash and investments at June 30, 2023 were presented on the County’s financial statements as follows:

Primary government	\$ 163,382,905
Investment trust fund	265,506,626
Private purpose trust funds	532
Custodial fund	<u>16,039,819</u>
 Total	 <u>\$ 444,929,882</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	30%	30%
Commercial Paper	270 days, but dollar weighted average may not exceed 31 days	10%	15%
Negotiable Certificates of Deposit	5 years	None	None
Non-Negotiable Certificates of Deposit	5 years	None	None
Repurchase Agreements	1 year	None	None
Medium-Term Corporate Notes	5 years	10%	None
Money Market Mutual Funds	N/A	10%	10%
Local Agency Investment Fund	N/A	None	\$75M
California Asset Management Program	N/A	None	None

At June 30, 2023, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value*	Weighted Average Maturity (Years)
<b>Primary Investment Pool</b>					
Federal Agency Issues - Coupon	.22%-4.00%	11/30/23-06/29/27	\$ 245,900,000	\$ 229,200,301	2.66
Medium Term Corporate Notes	0.40%-4.00%	04/30/23-06/01/27	101,495,000	94,346,441	2.28
LAIF State Pool/Sac	Variable	On Demand	3,852,993	3,798,834	-
California Asset Management	Variable	On Demand	90,325,561	90,015,554	-
Five Star at PAR Value	Variable	On Demand	5,047,016	5,034,587	-
CALTRUST at PAR Value	Variable	On Demand	8,101,957	8,061,265	-
Total			<u>454,722,527</u>	<u>430,456,982</u>	2.47
<b>Investments Outside Investment Pool</b>					
Bank Accounts Held Outside the Treasury			11,688,493	11,688,493	-
Cash with Retirement Agencies			7,368,881	7,368,881	-
Total			<u>19,057,374</u>	<u>19,057,374</u>	
Total Investments			<u>\$ 473,779,901</u>	<u>\$ 449,514,356</u>	

\*amounts exclude interest earned but not yet received.

## 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, 2023:

	Moody's	Standard & Poor's Rating	% of Portfolio
Agency Notes	Aaa	AA+	54.55%
Medium Term Notes	Aa1	AA+	0.55%
Medium Term Notes	A3	AA-	0.59%
Medium Term Notes	A1	A+	3.27%
Medium Term Notes	A2	A-	13.31%
Medium Term Notes	A3	A-	7.40%
CAMP	Unrated	AAAm	3.35%
LAIF	Unrated	Unrated	16.98%
Total			100.00%

At June 30, 2023, 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.	\$ 64,636,056	17.41%
Federal Farm Credit Bank (FFCB)	50,223,596	13.53%
Fannie	50,005,656	13.47%
Federal	36,000,000	9.70%
Laif-State	59,404,090	16.00%

### 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, 2023, the County’s investment position in the State of California Local Agency Investment Fund (LAIF) was \$3.9 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 \$234.5 billion. Of that amount, 1.88% was invested in structured notes and asset-backed securities with the remaining 98.12% 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, 2023:

### **Statement of Net Position**

Net position held for pool participants	<u>\$ 430,456,982</u>
Equity of internal pool participants	145,895,885
Equity of external pool participants	<u>284,561,096</u>
 Total net position	 <u>\$ 430,456,982</u>

### **Statement of Changes in Net Position**

Net position at July 1, 2022	\$ 353,129,336
Net changes in investments by pool participants	<u>77,327,646</u>
 Net position at June 30, 2023	 <u>\$ 430,456,982</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, 2023:

	Amount	Fair Value Measurement Using Quoted Prices in Active Markets (Level 1)
Investments measured at fair value:		
Government agency obligations	\$ 229,200,301	\$ 229,200,301
Corporate and medium term notes	94,346,441	94,346,441
Total investments measured at fair value	<u>\$ 323,546,742</u>	<u>\$ 323,546,742</u>
Investments measured at amortized cost:		
LAIF State Pool/Sac	3,798,834	-
California Asset Management	90,015,554	-
Five Star	5,034,587	-
CALTRUST	8,061,265	-
Total investments measured at amortized cost	<u>\$ 106,910,240</u>	<u>\$ -</u>
Investments outside investment pool		
Bank Accounts Held Outside the Treasury	11,688,493	
Cash with Retirement Agencies	7,368,881	\$ -
	<u>\$ 19,057,374</u>	<u>\$ -</u>
Total investments at fair value	<u><u>\$ 449,514,356</u></u>	<u><u>\$ 323,546,742</u></u>

## 4. LOANS RECEIVABLE

Loans receivable at June 30, 2023 consisted of the following:

	General Fund	Public Health	Other Governmental Funds	Total
Governmental Funds				
Loan to City of Live Oak	\$ 10,664	\$ -	\$ -	\$ 10,664
Loan to City of Yuba City	87,163	-	-	87,163
Loan to Sutter-Yuba Housing Authority	-	-	874,458	874,458
Deposit with Others-Yuba Co Juvenile Hall	-	-	425,668	425,668
Housing Rehabilitation loans	-	500	1,463,024	1,463,524
<b>Total Loans Receivable</b>	<b>\$ 97,827</b>	<b>\$ 500</b>	<b>\$ 2,763,150</b>	<b>\$ 2,861,477</b>

## 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance, July 1, 2022	Additions/ Adjustments	Retirements/ Transfers	Balance, June 30, 2023
<b>Governmental Activities</b>				
Capital assets, not being depreciated				
Land	\$ 6,284,972	\$ -	\$ (11,800)	\$ 6,273,172
Easements	5,000	-	-	5,000
Construction in Progress	21,646,343	4,632,547	(4,182,267)	22,096,623
Total capital assets, not being depreciated/amortized	27,936,315	4,632,547	(4,194,067)	28,374,795
Land improvements	997,946	32,240	38,289	1,068,475
Structures and improvements	70,308,597	1,652,005	3,614,896	75,575,498
Equipment	15,864,510	829,856	(1,190,708)	15,503,658
Vehicles	14,472,253	502,609	3,736	14,978,598
Infrastructure	105,248,807	-	-	105,248,807
Intangible assets - Software	2,435,256	-	-	2,435,256
Lease assets	4,429,989	603,432	-	5,033,421
Subscription assets*	2,225,747	1,828,766	-	4,054,513
Total capital assets, being depreciated/amortized	215,983,106	5,448,907	2,466,213	223,898,226
Less accumulated depreciation/amortization for				
Land improvements	(127,885)	(67,313)	-	(195,198)
Structures and improvements	(25,831,880)	(1,599,155)	-	(27,431,035)
Equipment	(12,261,939)	(1,085,320)	1,394,505	(11,952,754)
Vehicles	(11,037,278)	(1,117,739)	297,641	(11,857,376)
Infrastructure	(78,850,615)	(527,248)	-	(79,377,863)
Intangible assets - Software	(1,289,235)	(490,167)	-	(1,779,402)
Lease asset	(833,643)	(919,030)	-	(1,752,673)
Subscription assets*	-	(1,062,006)	-	(1,062,006)
Total accumulated depreciation/amortization	(130,232,475)	(6,867,978)	1,692,146	(135,408,307)
Total capital assets, being depreciated/amortized, net	85,750,631	(1,419,071)	4,158,359	88,489,919
Governmental activities, capital assets, net	\$ 113,686,946	\$ 3,213,476	\$ (35,708)	\$ 116,864,714

continued

continued

	Balance, July 1, 2022	Additions/ Adjustments	Retirements/ Transfers	Balance, June 30, 2023
<b>Business-Type Activities</b>				
Capital assets, not being depreciated				
Land	\$ 58,000	\$ -	\$ -	\$ 58,000
Total capital assets, not being depreciated/amortized	<u>58,000</u>	<u>-</u>	<u>-</u>	<u>58,000</u>
Capital assets, being depreciated/amortized				
Structures and Improvements	3,575,676	-	(394,296)	3,181,380
Equipment	17,826	-	(17,826)	-
Total capital assets, being depreciated/amortized	<u>3,593,502</u>	<u>-</u>	<u>(412,122)</u>	<u>3,181,380</u>
Less accumulated depreciation/ amortization for				
Structures and improvements	(2,456,125)	(129,925)	394,296	(2,191,754)
Equipment	(17,826)	-	17,826	-
Total accumulated depreciation/amortization	<u>(2,473,950)</u>	<u>(129,925)</u>	<u>412,122</u>	<u>(2,191,754)</u>
Total capital assets, being depreciated/amortized, net	<u>1,119,551</u>	<u>(129,925)</u>	<u>-</u>	<u>989,626</u>
Business-type activities, capital assets, net	<u>\$ 1,177,551</u>	<u>\$ (129,925)</u>	<u>\$ -</u>	<u>\$ 1,047,626</u>

\* Implementation of GASB 96, Subscription Assets

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 1,174,870
Public protection	1,968,060
Public ways and facilities	920,108
Health and sanitation	364,781
Public assistance	114,037
Education	122,027
Recreation and culture	42,552
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>180,507</u>
 Total	 <u>\$ 4,886,942</u>

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

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

Amortization

The following is a summary of amortization by major classes of underlying assets:

Governmental activities:	
Lease building	\$ 789,361
Lease infrastructure	75,286
Lease equipment	54,383
Subscription asset	<u>1,062,006</u>
	<u>\$ 1,981,036</u>



## 6. LEASES AND SBITAs

### LEASES

Under GASB Statement No. 87, an implicit rate is calculated for each individual lease based on estimated incremental borrowing rate. That method measures cash flows as well as actual beginning and projected ending FMV of the underlying asset. The present value of the leases is aggregated on a fund basis. All funds record lessee receivables on the fund level Statement of Net Position (Balance Sheet for the governmental funds), and are rolled into the government-wide Statement of Net Position.

The County’s threshold for leases follows similar guidelines for capital assets and the lease must be longer than one year including possible extensions. The threshold is measured as the present value (PV) of the lease payments using applicable implicit rate.

### County as Lessee

The following table provides a summary of the County’s lease commitments with year-end balances. As of June 30, 2023, the County has five financing leases where it acts as the Lessee.

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

	Balance July 1, 2022	Additions/ Adjustments	Retirements	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities	\$ 3,717,755	\$ 603,432	\$ 895,411	\$ 3,425,776	\$ 923,620
Total	<u>\$ 3,717,755</u>	<u>\$ 603,432</u>	<u>\$ 895,411</u>	<u>\$ 3,425,776</u>	<u>\$ 923,620</u>

As of June 30, 2023, future minimum lease payments under capital leases are as follows:

June 30	Governmental Activities		
	Principal	Int Portion	Total
2024	\$ 923,620	\$ 24,994	\$ 948,614
2025	935,014	17,180	952,193
2026	659,537	9,880	669,416
2027	471,268	5,550	476,818
2028	232,881	2,303	235,184
2029-2032	203,456	1,520	204,976
Total	<u>\$ 3,425,776</u>	<u>\$ 61,426</u>	<u>\$ 3,487,202</u>

## County as Lessor

As of June 30, 2023, the County has four financing leases where it acts as the Lessor. Under GASB Statement No. 87, an implicit interest rate is calculated for each individual lease using the estimated incremental borrowing rate. All funds record lessee receivables on the governmental funds balance sheet and are rolled into the Government-Wide Statement of Net Position.

The Gray Avenue Building: Provides commercial space for small businesses and a vacant space for future County offices. There are three leasing agreements associated with the building that have terms greater than one year. The combined present value of the lease receivable is approximately \$560 thousand as of fiscal year-end June 30, 2023.

The Cell Tower: Is a lessee constructed tower in 2019. Upon completion, the ownership was transferred to the County in exchange of lease abatement of \$500 for 150 months. The present value of the lease receivable inclusive of extensions that we believe will be exercised is \$220 thousand as of fiscal year-end June 30, 2023.

June 30	Governmental Activities		
	Revenue	Interest	Total
2024	\$ 237,672	\$ 3,632	\$ 241,304
2025	85,879	2,149	88,028
2026	5,037	1,863	6,900
2027	5,083	1,817	6,900
2028	5,128	1,772	6,900
2029-2033	33,465	8,099	41,564
2034-2038	66,861	5,770	72,631
2039-2043	75,496	2,583	78,078
2044-2045	19,619	101	19,720
Total	\$ 534,239	\$ 27,787	\$ 562,026

## Subscription-Based Information Technology Arrangements (SBITAs)

The County has entered into various long-term noncancellable subscription arrangements for the use of the vendor’s information technology software. Most of the subscriptions have initial terms of more than one year with up to nine years and contain renewals at the County’s option. The County includes the renewal period in the subscription term when it is reasonably certain that the renewal option will be exercised. The County uses the interest rate charged by the vendor as the discount rate. When the interest rate is not provided, the County generally uses its incremental borrowing rate to discount the subscription payments.

At June 30, 2023 the value of the underlying assets and the annual requirements to maturity relating to subscriptions are as follows:

	Balance July 1, 2022	Additions/ Adjustments	Retirements	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities					
SBITAs	\$ 1,376,640	\$ 1,541,341	\$ 737,425	\$ 2,180,555	\$ 760,767
Total	<u>\$ 1,376,640</u>	<u>\$ 1,541,341</u>	<u>\$ 737,425</u>	<u>\$ 2,180,555</u>	<u>\$ 760,767</u>

As of June 30, 2023, future minimum subscription payments are as follows:

### Subscriptions Payable

June 30	Governmental Activities		
	Principal	Int Portion	Total
2024	\$ 760,767	\$ 10,958	\$ 771,726
2025	785,370	5,482	790,852
2026	395,122	2,696	397,817
2027	239,296	617	239,913
2028	-	-	-
2029-2032	-	-	-
Total	<u>\$ 2,180,555</u>	<u>\$ 19,753</u>	<u>\$ 2,200,308</u>

## 7. LONG-TERM LIABILITIES

Long-term debt, excluding lease liabilities (see Note 6), at June 30, 2023 consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2023
<b>Governmental Activities</b>						
<b>Financing Agreement</b>						
CSA- F Fire Engine	2022	2032	4.79%	\$99,721*	\$ 698,812	\$ 689,812
850 Gray Avenue Building	2021	2036	2.66%	\$385,000 - \$525,000	6,750,000	5,975,000
Energy Efficient Upgrade Project	2014	2029	3.71%	\$330,514-981,676	8,920,306	4,874,298
<b>Total Governmental Activities</b>					<b>\$ 16,369,118</b>	<b>\$ 11,539,110</b>
<b>Business-Type Activities</b>						
Energy Efficient Upgrade Project			3.71%	9,000-22,000	\$ 189,140	\$ 108,301
<b>Loan Payable</b>						
State Water Resources Control Board	1998	2022	2.80%	\$5,506 - \$8,333	151,000	-
<b>Total Business-Type Activities</b>					<b>\$ 340,140</b>	<b>\$ 108,301</b>

The following is a summary of all long-term liabilities transactions, excluding lease transactions, for the year ended June 30, 2023:

	Balance July 1, 2022	Additions/ Adjustments	Retirements	Balance June 30, 2023	Amounts Due Within One Year
<b>Governmental Activities</b>					
CSA-F Fire Engine	\$ -	\$ 689,812	\$ -	\$ 689,812	\$ -
850 Gray Avenue Building	6,365,000	-	390,000	5,975,000	400,000
Energy Efficient Upgrade Project	5,525,130	-	650,832	4,874,298	710,389
<b>Total Governmental Activities - Long-Term Liabilities</b>					
	<b>\$ 11,890,130</b>	<b>\$ 689,812</b>	<b>\$ 1,040,832</b>	<b>\$ 11,539,110</b>	<b>\$ 1,110,389</b>
<b>Business-Type Activities</b>					
Wasterwater Loan	\$ 8,333	\$ -	\$ 8,333	\$ -	\$ -
Energy Efficient Upgrade Project	122,373	-	14,072	108,301	16,191
<b>Total Business-Type Activities Long-Term Liabilities</b>					
	<b>\$ 130,706</b>	<b>\$ -</b>	<b>\$ 22,405</b>	<b>\$ 108,301</b>	<b>\$ 16,191</b>

As of June 30, 2023, annual debt service requirements of governmental activities to maturity are as follows:

Year Ended June 30,	Governmental Activities	
	Payables	
	Principal	Interest
2024	\$ 1,110,389	\$ 316,977
2025	1,143,332	341,330.67
2026	1,247,334	277,594.99
2027	1,330,171	236,596.94
2028	1,412,624	192,635.86
2029	1,504,953	145,651.58
2030	542,688	95,351
2031	556,652	80,899
2032	570,806	66,029
2033	585,159	50,732
2034	500,000	34,998
2035	510,000	23,598
2036	525,000	11,970
Total	<u>\$ 11,539,110</u>	<u>\$ 1,874,365</u>

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

Year Ended June 30,	Business Activities	
	Payable	
	Principal	Interest
2024	\$ 16,191	\$ 3,908
2025	15,409	3,338
2026	16,822	2,782
2027	18,326	2,174
2028	19,926	1,510
2029	21,628	786
Total	<u>\$ 108,301</u>	<u>\$ 14,499</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 assets 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, 2023 were as follows:

	Governmental Activities
Government-wide Deferred Outflows of Resources	
OPEB	\$ 912,192
Pensions	60,774,422
Total Government-wide Deferred Outflows of Resources	<u>\$ 61,686,614</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, 2023:

Receivable	Payable	Amount
General Fund	Welfare	\$
	Bi-County Behavioral Health	13,650
	Public Safety/Trial Courts	5,342,448
	Public Health	2,430,865
	Nonmajor Governmental Funds	229,699
	Capital Project Funds	127,000
	Total General Fund	<u>8,143,662</u>
Bi-County Behavioral Health	General Fund	
	Public Safety Realignment	<u>1,730,431</u>
	Total Bi-County Behavioral Health	<u>1,730,431</u>
Welfare	General Fund	
	Welfare	6,149,500
	Public Safety Realignment	<u>382,698</u>
	Total Welfare	<u>6,532,198</u>
Public Safety/Trial Courts	General Fund	165,202
	Public Safety/Trial Courts	1,131,887
	Public Safety Realignment	<u>1,041,226</u>
	Total Public Safety/Trial Courts	<u>2,338,316</u>
County Health	General Fund	
	Welfare	77,670
	Bi-County Behavioral Health	<u>193</u>
	Total County Health	<u>77,863</u>
Public Safety Realignment	General Fund	
	Welfare	2,000,000
	Public Safety Realignment	<u>1,677,003</u>
	Total Public Safety Realignment	<u>3,677,003</u>

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Nonmajor Special Revenue Funds	Bi-County Behavioral Health	
	Nonmajor Governmental Funds	89,362
	Total Special Revenue Funds	<u>89,362</u>
Internal Service Funds	General Fund	5,500
	Public Safety/Trial Courts	<u>150</u>
	Total Debt Service Funds	<u>5,650</u>
Nonmajor Capital Project Funds	General Fund	60,000
	Nonmajor Governmental Funds	<u>8,240</u>
	Total Capital Project Fund	<u>68,240</u>
	Total	<u>\$ 22,662,726</u>



## 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, 2023:

<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>	<u>Amount</u>
General Fund	Bi-County Behavioral Health	\$ 1,079,295
	Nonmajor Governmental Funds	685,320
	Internal Service Funds	-
		\$ 1,764,615

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, 2023 was \$685,320.

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 \$1,079,295.

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. A payment of \$60,763 was made during the fiscal year.

On September 29, 2020 the General Fund advanced \$125,000 to the Employee Wellness Internal Services Fund to meet cash flow needs. No interest charged on the advance. The advance was paid in full during the fiscal year.

## 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, 2023:

Transfers From	Transfers To	Amount
General Fund	Welfare	\$ 1,001,338
	Public Safety/Trial Courts	13,288,813
	Public Health	6,049,550
	Nonmajor Governmental Funds	6,743,296
		<u>27,082,997</u>
Bi-County Behavioral Health	Bi-County Behavioral Health	1,255,680
	Public Safety/Trial Courts	120,347
	Nonmajor Governmental Funds	84,145
		<u>1,460,171</u>
Welfare	General Fund	1,388
	Welfare	10,296,868
	Public Health	141,150
	Public Safety/Trial Courts	72,000
	Nonmajor Governmental Funds	94,901
		<u>10,606,308</u>
Public Safety/Trial Court	Bi-County Behavioral Health	10,651
	Public Safety/Trial Courts	14,000,467
	Nonmajor Governmental Funds	303,957
	Internal Service Funds	59,064
		<u>14,374,138</u>
Public Health	General Fund	2,470
	Welfare	15,137
	Bi-County Behavioral Health	78,165
	Public Safety/Trial Courts	11,782,812
	Public Health	7,136,945
	Nonmajor Governmental Funds	934,805
		<u>19,950,334</u>
Public Safety Realignment	Bi-County Behavioral Health	20,760,620
	Welfare	12,720,191
	Public Safety Realignment	15,399,122
	Public Safety/Trial Courts	7,859,740
	Nonmajor Governmental Funds	-
	Public Health	243,711
	<u>\$ 56,983,384</u>	

continued

continued

Nonmajor Governmental Funds	General Fund	\$ 356,699
	Public Health	26,680
	Nonmajor Governmental Funds	<u>382,719</u>
		<u>766,098</u>
Internal Service Funds	Nonmajor Governmental Funds	18,705
	General Fund	<u>125,000</u>
		<u>143,705</u>
	Total	<u>\$ 131,367,135</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, 2023, the General Liability fund had a Net Position of \$315,045 and the Workers' Compensation fund had a Net Position of \$4,854,560. The claims liability of \$1,974,494 reported in the General Liability fund and claims liability of \$4,907,961 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 2023 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, 2021	\$1,275,536	\$1,120,704	\$676,333	\$1,719,907
June 30, 2022	1,719,907	785,756	386,575	2,119,088
June 30, 2023	2,119,088	5,661,775	5,806,369	1,974,494

**Workers' Compensation Fund** – The change in the County's workers' compensation claims reserve amount for fiscal year ending 2023 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, 2021	\$5,476,710	\$1,018,685	\$818,043	\$5,677,352
June 30, 2022	5,677,352	1,548,121	659,511	6,565,962
June 30, 2023	6,565,962	(952,016)	705,985	4,907,961

## 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 assets 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 three 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 (Note 14). The third item relates to inflows from leases (Note 11). 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, 2023 were as follows:

	Governmental Activities
Government-wide Deferred Inflows of Resources	
Leases	\$ 517,411
OPEB	5,401,266
Pensions	4,136,411
Total Government-wide Deferred Inflows of Resources	<u>\$ 10,055,088</u>



## 12. FUND BALANCE CLASSIFICATIONS

Fund balance classifications for the governmental funds as of June 30, 2023 are presented below:

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
<b>Nonspendable:</b>				
Prepaid expenses	\$ 33,735	\$ 5,849	\$ 34,888	\$ 135,322
Inventory	-	-	-	-
Advances and loans receivables	1,862,442	-	-	-
Permanent funds	-	-	-	-
Subtotal	<u>1,896,177</u>	<u>5,849</u>	<u>34,888</u>	<u>135,322</u>
<b>Restricted for:</b>				
Taxes and fees	-	-	-	-
General government	-	-	-	-
Public protection	-	-	-	7,699,956
Public ways & facilities	-	-	-	-
Health & sanitation	-	7,711,519	-	-
Public assistance	-	-	15,693,434	-
Other	7,533,076	-	-	-
Subtotal	<u>7,533,076</u>	<u>7,711,519</u>	<u>15,693,434</u>	<u>7,699,956</u>
<b>Committed to:</b>				
Capital projects	11,317,976	-	-	-
Public protection	1,388,000	-	-	312,342
Public facilities	-	-	-	-
Health & sanitation	-	-	-	-
Pension & OPEB	387,090	-	-	-
Future vehicle purchase	-	-	-	-
Other	7,339,742	-	-	-
Subtotal	<u>20,432,808</u>	<u>-</u>	<u>-</u>	<u>312,342</u>
<b>Assigned to:</b>				
Public protection	-	-	-	92,892
Health & sanitation	-	-	-	-
Other	5,299	-	-	-
Subtotal	<u>5,299</u>	<u>-</u>	<u>-</u>	<u>92,892</u>
<b>Unassigned</b>	<u>15,335,954</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>\$ 45,203,314</u>	<u>\$ 7,717,368</u>	<u>\$ 15,728,322</u>	<u>\$ 8,240,512</u>

Public Health	Public Safety/ Realignment	Other Governmental	Total Governmental Funds	
\$ -	\$ -	\$ 15,394	\$ 225,189	<b>Nonspendable:</b>
-	-	-	-	Prepaid expenses
-	-	-	-	Inventory
-	-	-	1,862,442	Advances and loans receivables
-	-	-	-	Permanent funds
-	-	15,394	2,087,631	Subtotal
-	-	2,951,264	2,951,264	<b>Restricted for:</b>
-	-	5,072,081	5,072,081	Taxes and fees
-	24,798,995	987,137	33,486,088	General government
-	-	18,263,678	18,263,678	Public protection
5,919,929	-	7,357,469	20,988,917	Public ways & Health & sanitation
-	-	-	15,693,434	Public assistance
-	-	96,740	7,629,815	Other
5,919,929	24,798,995	34,728,369	104,085,277	Subtotal
-	-	1,947,326	13,265,302	<b>Committed to:</b>
-	-	-	1,700,342	Capital Projects
-	-	1,835,638	1,835,638	Public protection
-	-	-	-	Public facilities
-	-	-	387,090	Health & sanitation
-	-	-	-	Pension & OPEB
-	-	-	-	Future vehicle
18,715	-	95,903	7,454,360	Other
18,715	-	3,878,867	24,642,732	Subtotal
-	-	-	92,892	<b>Assigned to:</b>
-	-	-	-	Public Protection
-	-	-	5,299	Health & sanitation
-	-	-	98,191	Other
-	-	-	15,335,954	Subtotal
<u>\$ 5,938,644</u>	<u>\$ 24,798,995</u>	<u>\$ 38,622,630</u>	<u>\$ 146,249,784</u>	<b>Unassigned</b>
				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, 2023 for governmental activities is as follows:

Restricted for General Government:		
Taxes and fees	\$ 2,951,264	
General government	<u>6,055,856</u>	
		\$ 9,007,120
Restricted for Public Protection:		
Public Safety/Trial Courts	7,699,956	
Public Safety/Realignment	25,042,669	
Child Support Srvc Reimb/Adj	<u>937,120</u>	
		33,679,745
Restricted for Public Ways & Facilities:		
Road	9,961,356	
County Service Areas	2,983,206	
Water Agencies	2,710,303	
Other Special Districts	<u>2,866,912</u>	
		18,521,777
Restricted for Health & Sanitation:		
Bi-County Behavioral Health	20,486,968	
Mental Health Services Act	9,281,600	
Public Health	<u>5,919,929</u>	
		35,688,497
Restricted for Public Assistance:		
Welfare/Social Services	<u>18,085,242</u>	
		18,085,242
Restricted for Other Government Services:		
General	7,533,076	
Fish & Game	<u>\$ 96,740</u>	
		9,246,973
Total restricted component of position - governmental		<u><u>\$ 124,229,354</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, 2023, 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	33.65%	33.65%	33.65%
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	51.98%	51.98%	51.98%
Status	Closed	Closed	Open

### Employees Covered

At June 30, 2022, the following employees were covered by the benefit terms for the Miscellaneous Plan and Safety Plan.

Employee Status	Miscellaneous	Safety
Active	792	168
Transferred	367	66
Separated	552	57
Retired	1,186	234
Total	2,897	525

### 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, 2022, using an

annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 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, 2021 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry-Age Normal	
Actuarial Assumptions:		
Discount Rate	6.90%	7.15%
Inflation	2.30%	2.50%
Payroll Growth	2.80%	2.80%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return <sup>1</sup>	6.90%	7.15%
Mortality	Derived using CalPERS' Membership Data for All Funds	

(1) Net of pension plan investment expenses; includes inflation.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2021 valuation were based on the results of a January 2021 actuarial experience study for the period 2001 to 2019. 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 6.90% for each Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. There the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Long-term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using the historical returns of all the fund’s asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building block approach. Using the expected nominal

returns for both short-term and long-term, the present value benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the expected real rates of return by asset class:

Asset Class (a)	Assumed Asset Allocation	Real Return <sup>(1)(2)</sup>
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	-5.00	-0.59

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

(2) Figures are used on the 2021 Asset Liability Management study.

### C. Changes in the Net Pension Liability

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

	<b>Miscellaneous Plan</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2021</b>	\$ 442,625,791	\$ 369,598,375	\$ 73,027,416
<b>Changes in the year:</b>			
Service cost	8,417,851	-	8,417,851
Interest on total pension liability	30,563,171	-	30,563,171
Changes of assumptions	13,765,513	-	13,765,513
Differences between expected and actual experience	(3,763,965)	-	(3,763,965)
Net plan to plan resources movement	-	(3,314)	3,314
Contributions from the employer	-	15,478,796	(15,478,796)
Contributions from employees	-	3,392,734	(3,392,734)
Net Investment Income	-	(27,509,083)	27,509,083
Benefit payments, including refunds of employee contributions	(24,014,231)	(24,014,231)	-
Administrative expenses	-	(229,319)	229,319
Other Miscellaneous Income/(Expense)	-	-	-
 Net Changes	 24,968,340	 (32,884,416)	 57,852,755
<b>Balance at June 30, 2022 (MD)</b>	<b>\$ 467,594,131</b>	<b>\$ 336,713,959</b>	<b>\$ 130,880,171</b>
	<b>Safety Plan</b>		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2021</b>	\$ 154,726,169	\$ 129,546,712	\$ 25,179,457
<b>Changes in the year:</b>			
Service cost	3,452,921	-	3,452,921
Interest on total pension liability	10,898,663	-	10,898,663
Changes of assumptions	5,868,711	-	5,868,711
Differences between expected and actual experience	(318,764)	-	(318,764)
Net plan to plan resource movement	-	3,502	(3,502)
Contributions from the employer	-	5,750,221	(5,750,221)
Contributions from employees	-	1,390,294	(1,390,294)
Net Investment Income	-	(9,738,789)	9,738,789
Other adjustments	-	-	-
Benefit payments, including refunds of employee contributions	(8,101,887)	(8,101,887)	-
Administrative expenses	-	(80,700)	80,700
Other miscellaneous income/(expense)	-	-	-
 Net Changes	 11,799,644	 (10,777,359)	 22,577,003
<b>Balance at June 30, 2022 (MD)</b>	<b>\$ 166,525,813</b>	<b>\$ 118,769,353</b>	<b>\$ 47,756,460</b>

### 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 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Miscellaneous Plan	\$ 190,847,812	\$ 130,880,171	\$ 80,509,319
Safety Plan	\$ 70,916,127	\$ 47,756,460	\$ 28,827,772

### 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, 2023, the County recognized pension expense of \$22,281,872. 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, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 13,680,902	\$ -
Differences between expected and actual experience	549,105	(4,136,411)
Net differences between projected and actual earnings on pension plan investments	23,153,410	-
Adjustment due to differences in proportions	-	-
County contributions subsequent to the measurement	23,391,005	-
 Total	 <u>\$ 60,774,422</u>	 <u>\$ (4,136,411)</u>

The \$23,391,005 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, 2024.

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

<u>Measurement Period Ended June 30</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2023	\$ 7,903,428
2024	7,733,104
2025	2,958,310
2026	<u>14,652,164</u>
<b>Total</b>	<b><u>\$ 33,247,006</u></b>



## 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, 2022, the following employees were covered by the benefit terms:

Active employees	888
Inactive employees or beneficiaries currently receiving benefit payments	108
Inactive employees entitled to but not yet receiving benefit payments	<u>49</u>
	<u><u>1045</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 2022/2023, the County contributed \$558,586, or 165.8%, of the actuarially required contributions to the Retiree Healthcare Plan.

Total OPEB Liability

At June 30, 2023, the County reported a total OPEB liability of 10,179,027. The total OPEB liability was measured as of June 30, 2022 and determined by an actuarial valuation as of June 30, 2022.

Actuarial Methods and Assumptions

The total OPEB liability measured as of June 30, 2022 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	4.09% on June 30, 2022 and 2.18% on June 30, 2021. 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, 2022 for the County’s proportionate share.

<b>For reporting at fiscal year end</b>	<b>June 30, 2022</b>	<b>June 30, 2023</b>	<b>Change</b>
<i>Measurement date</i>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<b>During</b>
			<b>Period</b>
OPEB Liability	\$ 11,482,331	\$ 10,179,027	\$ (1,303,304)
<i>Deferred resource (outflows) inflows due to:</i>			
Assumption changes	1,189,528	2,697,938	1,508,410
Plan experience	2,717,294	2,349,722	(367,572)
Investment experience	2,438	-	(2,438)
Contributions made subsequent to the measurement date	<u>(501,841)</u>	<u>(558,586)</u>	<u>(56,745)</u>
Net deferred (outflows) inflows	<u>3,407,419</u>	<u>4,489,074</u>	<u>1,081,655</u>
Impact on Statement of Net Position	<u>\$ 14,889,750</u>	<u>\$ 14,668,101</u>	<u>\$ (221,649)</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 (3.09%) or one percentage point higher (5.09%) than the current discount rate:

	<u>Change in Discount Rate</u>		
	<u>Current - 1%</u> <u>3.09%</u>	<u>Current</u> <u>4.09%</u>	<u>Current + 1%</u> <u>5.09%</u>
Total OPEB Liability	\$11,141,383	\$10,179,027	\$9,306,062
Increase (decrease)	\$962,356		\$(872,965)
% 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, 2023, the County recognized OPEB expense of \$336,937. 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, 2023, The County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 353,606	\$ (3,023,600)
Differences between expected and actual experience	-	(2,377,666)
Net difference between projected and actual earnings on retirement plan investments	-	-
County contributions subsequent to the measurement	558,586	-
	<u>\$ 912,192</u>	<u>\$ (5,401,266)</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
2024	(723,065)
2025	(723,065)
2026	(693,933)
2027	(655,873)
2028	(683,408)
Thereafter	(1,568,316)

16. COMPENSATED ABSENCES

As of June 30, 2023, compensated absences were the following:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions/</u> <u>Adjustments</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities					
Compensated absences	\$ 8,168,441	\$ 6,411,314	\$ 5,958,138	\$ 8,621,617	\$ 6,406,197

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

## 17. OTHER INFORMATION

### A. Construction Commitments

At June 30, 2023, the County has commitments of approximately \$548,943 for construction contracts, awarded but not completed.

### 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. For fiscal year ending June 30, 2023, the estimated loss from potential litigations against the County not covered by insurance is \$500,000.

### 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

As part of preparing the 2023 financial statements, the County identified errors in the accounting for capital assets related to Waterworks District #1. The project was completed in June 2021, but the asset was placed in service on September 2020 and sold to Golden State Water Company on May 2022. This information was not reported until 2023 which caused an overstatement of net position in the prior year for business-type activities.

Prior period adjustments also include correction to County’s contribution to retirement due to due to unallocated offset to County cost from Court’s portion of Unfunded Accrued Liability (UAL) related to Pension. Other adjustments to governmental activities were related to correction of unrecorded liability from FY 2021-22.

Accordingly, the beginning net position is restated as follows:

	<u>Total</u>
Governmental Activities	
Net position at July 1, 2022	\$ 94,777,776
Retirement cost reallocation	1,333,830
Other governmental activities	667,337
Net position at July 1, 2022, as restated	\$ <u>96,778,943</u>
Business-Type Activities	
Net position at July 1, 2022	2,373,849
Retirement of Waterworks Capital Project	(1,065,047)
Net position at July 1, 2022, as restated	\$ <u>1,308,802</u>

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## **Required Supplementary Information**

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

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

<i>Reporting Fiscal Year Measurement Date</i>	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
<b>Total Pension Liability</b>					
Service cost	\$ 8,417,851	\$ 8,024,531	\$ 8,076,624	\$ 7,943,753	\$ 8,296,160
Interest on total pension liability	30,563,171	29,956,669	29,088,449	27,983,797	26,370,436
Changes of assumptions	13,765,513	-	-	-	(2,891,060)
Differences between expected and actual experience	(3,763,965)	(2,470,990)	(482,944)	7,599,929	139,300
Benefit payments, including refunds of employee contributions	(24,014,231)	(22,261,666)	(21,161,945)	(20,180,176)	(17,885,341)
Other differences	-	-	-	(493,075)	(1,293,181)
<b>Net Change in total pension liability</b>	24,968,340	13,248,544	15,520,184	22,854,228	12,736,314
<b>Total pension liability - beginning</b>	442,016,088	428,767,544	413,247,360	390,393,132	377,656,818
<b>Total pension liability - ending (a)</b>	466,984,428	442,016,088	428,767,544	413,247,360	390,393,132
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	15,478,796	14,641,685	13,357,642	12,159,667	11,138,700
Contributions - employee	3,392,734	3,478,532	3,494,476	3,392,287	3,461,729
Net investment income	(27,509,083)	68,126,672	14,742,851	18,423,762	22,611,818
Changes in assumptions	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(24,014,231)	(22,261,666)	(21,161,945)	(20,180,176)	(17,885,341)
Other differences	-	-	5,961	(355,577)	(1,588,890)
Administrative expenses	(229,319)	(305,015)	(416,896)	(201,021)	(411,250)
Net plan to plan resources movement	(3,314)	-	-	-	(655)
Adjustment for Courts	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	(32,884,416)	63,680,208	10,022,089	13,238,942	17,326,111
<b>Plan fiduciary net position - beginning</b>	368,988,672	305,308,464	295,286,375	282,047,433	264,721,322
<b>Plan fiduciary net position - ending (b)</b>	336,104,257	368,988,672	305,308,464	295,286,375	282,047,433
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 130,880,171</u>	<u>\$ 73,027,416</u>	<u>\$ 123,459,080</u>	<u>\$ 117,960,985</u>	<u>\$ 108,345,699</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	71.97%	83.48%	71.21%	71.46%	72.25%
Covered Payroll	\$ 48,253,350	\$ 46,787,577	\$ 46,899,704	\$ 47,193,631	\$ 46,847,175
<b>Plan Net Pension Liability(Asset) as a Percentage of Payroll</b>	271.24%	156.08%	263.24%	249.95%	231.27%

**Schedule of Pension Plan Contributions - Miscellaneous Plan**

	2023	2022	2021	2020	2019
Actuarially determined contribution	\$ 14,230,411	\$ 13,188,975	\$ 12,403,931	\$ 11,290,917	\$ 9,909,936
Contributions in relation to the actuarially determined contributions	(14,230,411)	(13,188,975)	(12,403,931)	(11,290,917)	(9,909,936)
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 46,302,815	\$ 48,253,350	\$ 46,787,577	\$ 46,899,704	\$ 47,193,631
Contributions as a percentage of covered payroll	30.73%	27.33%	26.51%	24.07%	21.00%

\*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\*

2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	Reporting Fiscal Year Measurement Date
<b>Total Pension Liability</b>				
\$ 8,205,868	\$ 7,788,731	\$ 7,663,051	\$ 7,829,813	Service cost
25,503,728	26,037,033	23,502,852	21,710,089	Interest on total pension liability
20,548,597	-	(5,579,922)	-	Changes of assumptions
(4,859,263)	594,644	(4,578,918)	-	Differences between expected and actual experience
(16,628,756)	(16,994,611)	(14,200,697)	(13,296,051)	Benefit payments, including refunds of employee contributions
-	-	12,259,060	-	Other differences
32,770,174	17,425,797	19,065,426	16,243,851	<b>Net Change in total pension liability</b>
344,886,644	327,460,847	308,395,421	292,151,570	<b>Total pension liability - beginning</b>
377,656,818	344,886,644	327,460,847	308,395,421	<b>Total pension liability - ending (a)</b>
<b>Plan Fiduciary Net Position</b>				
10,537,924	9,882,242	8,531,146	8,238,602	Contributions - employer
3,511,374	3,460,310	3,268,310	3,198,949	Contributions - employee
26,759,576	1,370,408	5,352,021	35,852,926	Net investment income
-	-	-	(15,546,563)	Changes in assumptions
(16,628,756)	(16,994,611)	(14,200,697)	(13,296,051)	Benefit payments, including refunds of employee contributions
(4,976)	3,578,664	12,049,033	428,607	Other differences
(356,165)	(155,561)	(274,515)	-	Administrative expenses
-	-	-	-	Net plan to plan resources movement
(99,688)	-	-	-	Adjustment for Courts
23,719,289	1,141,452	14,725,298	18,876,470	<b>Net change in plan fiduciary net position</b>
241,002,033	239,860,581	225,135,283	206,258,813	<b>Plan fiduciary net position - beginning</b>
264,721,322	241,002,033	239,860,581	225,135,283	<b>Plan fiduciary net position - ending (b)</b>
<b>\$ 112,935,496</b>	<b>\$ 103,884,611</b>	<b>\$ 87,600,266</b>	<b>\$ 83,260,138</b>	<b>Net pension liability - ending (a) - (b)</b>
<b>Plan Fiduciary Net Position as a Percentage of the</b>				
70.10%	69.88%	73.25%	73.00%	<b>Total Pension Liability</b>
\$ 45,415,339	\$ 45,934,148	\$ 45,337,632	\$ 46,145,585	Covered Payroll
248.67%	226.16%	193.22%	180.43%	<b>Plan Net Pension Liability(Asset) as a Percentage of Payroll</b>

**Schedule of Pension Plan Contributions - Miscellaneous Plan**

2018	2017	2016	2015	
\$ 10,537,924	\$ 942,074	\$ 8,548,295	\$ 8,238,602	Actuarially determined contribution
(10,537,924)	(942,074)	(8,548,295)	(8,238,602)	Contributions in relation to the actuarially determined contributions
\$ -	\$ -	\$ -	\$ -	Contributions deficiency (excess)
\$ 46,847,175	\$ 45,415,339	\$ 45,934,148	\$ 45,337,632	Covered payroll
22.49%	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	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
<b>Total Pension Liability</b>						
Service cost		\$ 3,452,921	\$ 3,284,500	\$ 3,223,170	\$ 3,050,002	\$ 3,095,372
Interest on total pension liability		10,898,663	10,472,420	10,110,530	9,603,238	8,916,900
Changes of assumptions		5,868,711	-	-	-	(742,338)
Differences between expected and actual experience		(318,764)	(800,245)	1,303,112	3,712,528	(1,864,269)
Benefit payments, including refunds of employee contributions		(8,101,887)	(7,711,831)	(7,293,592)	(6,602,299)	(5,603,664)
<b>Net change in total pension liability</b>		<b>11,799,644</b>	<b>5,244,844</b>	<b>7,343,220</b>	<b>9,763,469</b>	<b>3,802,001</b>
<b>Total pension liability - beginning</b>		<b>154,726,169</b>	<b>149,481,325</b>	<b>142,138,105</b>	<b>132,374,636</b>	<b>128,572,635</b>
<b>Total pension liability - ending (a)</b>		<b>166,525,813</b>	<b>154,726,169</b>	<b>149,481,325</b>	<b>142,138,105</b>	<b>132,374,636</b>
<b>Plan Fiduciary Net Position</b>						
Contributions - employer		5,750,221	5,193,635	4,693,945	4,169,389	3,970,392
Contributions - employee		1,390,294	1,350,937	1,371,169	1,334,452	1,255,295
Net investment income		(9,738,789)	23,910,963	5,158,159	6,465,706	7,773,766
Benefit payments, including refunds of employee contributions		(8,101,887)	(7,711,831)	(7,293,592)	(6,602,299)	(5,603,664)
Administrative Expense		(80,700)	(106,796)	(145,382)	(69,812)	(141,558)
Net plan to plan resources movement		3,502	-	-	-	(227)
Other differences		-	-	-	227	(268,821)
<b>Net change in plan fiduciary net position</b>		<b>(10,777,359)</b>	<b>22,636,908</b>	<b>3,784,299</b>	<b>5,297,663</b>	<b>6,985,183</b>
<b>Plan fiduciary net position - beginning</b>		<b>129,546,712</b>	<b>106,909,804</b>	<b>103,125,505</b>	<b>97,827,842</b>	<b>90,842,659</b>
<b>Plan fiduciary net position - ending (b)</b>		<b>118,769,353</b>	<b>129,546,712</b>	<b>106,909,804</b>	<b>103,125,505</b>	<b>97,827,842</b>
<b>Net pension liability - ending (a) - (b)</b>		<b>\$ 47,756,460</b>	<b>\$ 25,179,457</b>	<b>\$ 42,571,521</b>	<b>\$ 39,012,600</b>	<b>\$ 34,546,794</b>
<b>Plan Fiduciary Net Position as a Percentage of the</b>						
<b>Total Pension Liability</b>		71.32%	83.73%	71.52%	72.55%	73.90%
Covered Payroll		11,844,573	\$ 11,420,500	\$ 11,393,396	\$ 11,198,333	\$ 11,197,562
<b>Plan Net Pension Liability(Asset) as a Percentage of Payroll</b>		403.19%	220.48%	373.65%	348.38%	308.52%

**Schedule of Pension Plan Contributions - Safety Plan**

	2023	2022	2021	2020	2019
Actuarially determined contribution	\$ 9,160,594	\$ 8,493,597	\$ 7,906,327	\$ 7,233,038	\$ 6,361,945
Contributions in relation to the actuarially determined contributions	(9,160,594)	(8,493,597)	(7,906,327)	(7,233,038)	(6,361,945)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 11,760,631	\$ 11,844,573	\$ 11,420,500	\$ 11,393,396	\$ 11,198,333
Contributions as a percentage of covered payroll	77.89%	71.71%	69.23%	63.48%	56.81%

\*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\*

2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	Reporting Fiscal Year Measurement Date
<b>Total Pension Liability</b>				
\$ 3,136,101	\$ 2,720,184	\$ 2,878,691	\$ 2,913,157	Service cost
8,647,227	8,268,025	7,994,762	7,636,180	Interest on total pension liability
7,324,925	-	(1,998,906)	-	Changes of assumptions
(629,979)	(2,485,971)	(1,437,908)	-	Differences between expected and actual experience
<u>(5,165,757)</u>	<u>(4,893,514)</u>	<u>(4,578,828)</u>	<u>(4,229,813)</u>	Benefit payments, including refunds of employee contributions
13,312,517	3,608,724	2,857,811	6,319,524	<b>Net change in total pension liability</b>
115,260,118	111,651,394	108,793,583	102,474,059	<b>Total pension liability - beginning</b>
<u>128,572,635</u>	<u>115,260,118</u>	<u>111,651,394</u>	<u>108,793,583</u>	<b>Total pension liability - ending (a)</b>
<b>Plan Fiduciary Net Position</b>				
3,722,574	3,354,947	3,205,510	3,060,634	Contributions - employer
1,019,846	1,026,877	1,004,397	946,187	Contributions - employee
9,131,684	417,478	1,803,726	12,013,249	Net investment income
(5,165,757)	(4,893,514)	(4,578,828)	(4,229,813)	Benefit payments, including refunds of employee contributions
6,407	2,537	(92,691)	-	Administrative Expense
-	-	-	-	Net plan to plan resources movement
<u>(121,436)</u>	<u>(50,213)</u>	<u>-</u>	<u>-</u>	Other differences
8,593,318	(141,888)	1,342,114	11,790,257	<b>Net change in plan fiduciary net position</b>
82,249,341	82,391,229	81,049,115	69,258,858	<b>Plan fiduciary net position - beginning</b>
90,842,659	82,249,341	82,391,229	81,049,115	<b>Plan fiduciary net position - ending (b)</b>
<u>\$ 37,729,976</u>	<u>\$ 33,010,777</u>	<u>\$ 29,260,165</u>	<u>\$ 27,744,468</u>	<b>Net pension liability - ending (a) - (b)</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>				
70.65%	71.36%	73.79%	74.50%	Covered Payroll
\$ 10,751,719	\$ 11,191,554	\$ 10,930,351	\$ 11,017,797	
350.92%	294.96%	267.70%	251.82%	<b>Plan Net Pension Liability(Asset) as a Percentage of Payroll</b>

**Schedule of Pension Plan Contributions - Safety Plan**

2018	2017	2016	2015	
\$ 3,722,574	\$ 3,354,947	\$ 3,205,510	\$ 3,060,634	Actuarially determined contribution
<u>(3,722,574)</u>	<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>	<u>\$ -</u>	Contributions deficiency (excess)
\$ 11,197,562	\$ 10,751,719	\$ 11,191,554	\$ 10,930,351	Covered payroll
33.24%	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**

<b>For reporting year end</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<i>Measurement Date</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>
Total OPEB liability					
Service Cost	\$ 806,808	\$ 740,797	\$ 702,537	\$ 963,973	\$ 891,160
Interest	268,075	335,198	331,758	470,664	451,482
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(1,141,783)	-	(2,462,599)	-
Changes of assumptions	(1,917,021)	135,312	140,528	(1,848,952)	228,375
Benefit payment	(401,841)	(492,210)	(512,492)	(533,609)	(499,306)
Miscellaneous adjustment	-	7,453	-	-	-
Net change in total OPEB liability	<u>(1,243,979)</u>	<u>(415,233)</u>	<u>662,331</u>	<u>(3,410,523)</u>	<u>1,071,711</u>
Total OPEB liability - beginning	<u>11,691,129</u>	<u>12,106,362</u>	<u>11,444,031</u>	<u>14,854,554</u>	<u>13,782,843</u>
Total OPEB liability - ending (a)	<u>\$ 10,447,150</u>	<u>\$ 11,691,129</u>	<u>\$ 12,106,362</u>	<u>\$ 11,444,031</u>	<u>\$ 14,854,554</u>
Plan fiduciary net position					
Contributions-employer	\$ 501,841	\$ 693,973	\$ 512,492	\$ 533,609	\$ 499,306
Net investment income	(40,675)	8,798	-	-	-
Benefit payments	<u>(401,841)</u>	<u>(493,973)</u>	<u>(512,492)</u>	<u>(533,609)</u>	<u>(499,306)</u>
Net change in plan fiduciary net position	59,325	208,798	-	-	-
Plan fiduciary net position - beginning	<u>208,798</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending (b)	<u>\$ 268,123</u>	<u>\$ 208,798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - ending (a)-(b)	<u>\$ 10,179,027</u>	<u>\$ 11,482,331</u>	<u>\$ 12,106,362</u>	<u>\$ 11,444,031</u>	<u>\$ 14,854,554</u>
Covered - employee payroll	\$ 64,025,951	\$ 60,436,874	\$ 57,884,672	\$ 57,884,672	\$ 56,781,386
OPEB liability as a percentage of covered - employee payroll	16.32%	19.33%	20.91%	19.77%	26.16%

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

<u>2018</u>	<u>For reporting year end</u>	
<u>2017</u>	<u>Measurement Date</u>	
		Total OPEB liability
\$ 945,753		Service Cost
382,921		Interest
-		Changes of benefit terms
-		Differences between expected and actual experience
(660,738)		Changes of assumptions
(454,860)		Benefit payment
		Miscella
<u>213,076</u>		Net change in total OPEB liability
<u>13,569,767</u>		Total OPEB liability - beginning
<u>\$ 13,782,843</u>		Total OPEB liability - ending (a)
		Plan fiduciary net position
\$ 454,860		Contributions-employer
-		Net investment income
<u>(454,860)</u>		Benefit payments
-		Net change in plan fiduciary net position
<u>-</u>		Plan fiduciary net position - beginning
<u>\$ -</u>		Plan fiduciary net position - ending (b)
<u>\$ 13,782,843</u>		Net OPEB liability - ending (a)-(b)
\$ 53,626,420		Covered - employee payroll
25.70%		OPEB liability as a percentage of covered - employee payroll

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

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## **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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 37,322,844	\$ 37,322,844	\$ 40,057,433	\$ 2,734,589
Licenses and permits	2,954,065	3,000,235	4,003,930	1,003,695
Fines, forfeits and penalties	68,200	69,700	80,714	11,014
Use of money and property	465,880	531,113	827,287	296,174
Intergovernmental	7,847,513	8,980,949	9,009,981	29,032
Charges for services	13,802,947	14,630,994	12,550,657	(2,080,337)
Miscellaneous revenue	13,243,231	14,742,099	1,090,365	(13,651,734)
<b>Total Revenues</b>	<b>75,704,680</b>	<b>79,277,934</b>	<b>67,620,367</b>	<b>(11,657,567)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	20,104,690	21,155,771	15,934,829	5,220,942
Public protection	10,919,220	11,104,436	9,304,073	1,800,363
Public way and facilities	229,699	229,699	229,699	-
Health and sanitation	-	-	-	-
Public assistance	269,587	289,512	248,018	41,494
Education	2,152,788	2,427,532	2,218,895	208,637
Recreation and culture	752,713	778,153	656,271	121,882
<b>Debt Service</b>				
Principal: Leases and Subscription	-	223,988	217,432	6,556
Principal: Other long-term liabilities	-	-	-	-
Interest	1,248,702	-	6,231	(6,231)
Capital outlay	278,495	1,512,768	379,100	1,133,668
<b>Total Expenditures</b>	<b>35,955,894</b>	<b>37,721,859</b>	<b>29,194,548</b>	<b>8,527,311</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>39,748,786</b>	<b>41,556,075</b>	<b>38,425,819</b>	<b>(3,130,256)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	984,628	1,099,270	485,557	(613,713)
Transfers out	(40,785,449)	(32,465,402)	(27,082,997)	5,382,405
Proceeds from capital asset disposals	-	-	32,305	32,305
Proceeds from debt issuance	-	758,707	207,375	(551,332)
<b>Total Other Financing Sources (Uses)</b>	<b>(39,800,821)</b>	<b>(30,607,425)</b>	<b>(26,357,760)</b>	<b>4,249,665</b>
<b>Net Change in Fund Balances</b>	<b>(52,035)</b>	<b>10,948,650</b>	<b>12,068,059</b>	<b>1,119,409</b>
<b>Budgetary Fund Balances - Beginning of Year</b>	<b>33,260,609</b>	<b>33,260,609</b>	<b>33,135,255</b>	<b>125,354</b>
<b>Budgetary Fund Balances - End of Year</b>	<b>\$ 33,208,574</b>	<b>\$ 44,209,259</b>	<b>\$ 45,203,314</b>	<b>\$ 1,244,763</b>

**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, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
<b>Revenues:</b>				
Fines, forfeits and penalties	\$ 6,000	\$ 6,000	\$ 11,181	\$ 5,181
Use of money and property	23,333	29,215	152,924	123,709
Intergovernmental	18,756,404	20,245,717	16,879,207	(3,366,510)
Charges for services	1,184,077	1,184,077	933,244	(250,833)
Other revenues	85,000	111,387	564,021	452,634
Total Revenues	<u>20,054,814</u>	<u>21,576,396</u>	<u>18,540,577</u>	<u>(3,035,819)</u>
<b>Expenditures:</b>				
Health and sanitation	35,994,637	39,838,519	35,998,349	3,840,170
<b>Debt service:</b>				
Principal: Leases and Subscription	920,406	1,276,072	195,368	1,080,704
Principal: Other long-term liabilities	920,406	1,153,735	-	1,153,735
Interest	943,406	1,176,735	22,903	1,153,832
Capital Outlay	38,732	-	337,262	(337,262)
Total Expenditures	<u>38,817,587</u>	<u>43,445,061</u>	<u>36,553,882</u>	<u>6,891,179</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(18,762,773)</u>	<u>(21,868,665)</u>	<u>(18,013,305)</u>	<u>3,855,360</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	18,084,601	22,335,570	22,105,114	(230,456)
Transfers out	(242,234)	(1,610,046)	(1,460,171)	149,875
Proceeds from capital asset disposals	-	-	3,003	3,003
Proceeds from debt issuance	-	-	263,223	263,223
Total Other Financing Sources (Uses)	<u>17,842,367</u>	<u>20,725,524</u>	<u>20,911,170</u>	<u>185,646</u>
Net Change in Fund Balances	(920,406)	(1,143,141)	2,897,865	4,041,006
Fund Balances - Beginning of Year	4,259,514	4,259,514	4,819,503	559,989
Fund Balances - End of Year	<u>\$ 3,339,108</u>	<u>\$ 3,116,373</u>	<u>\$ 7,717,368</u>	<u>\$ 4,600,995</u>

**COUNTY OF SUTTER**

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

Welfare

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
<b>Revenues:</b>				
Licenses and permits	\$ 1,200	\$ 1,371	\$ 1,398	\$ 27
Use of money and property	78,756	82,187	(95,723)	(177,910)
Intergovernmental	48,665,756	53,301,737	49,273,139	(4,028,598)
Charges for services	554,357	554,357	220,217	(334,140)
Other revenues	21,000	21,000	299,397	278,397
<b>Total Revenues</b>	<b>49,321,069</b>	<b>53,960,652</b>	<b>49,698,427</b>	<b>(4,262,225)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public assistance	64,957,161	69,097,144	58,834,314	10,262,830
<b>Debt Service:</b>				
Principal: Leases and Subscription	-	476,112	574,074	(97,962)
Principal: Other long-term liabilities	-	-	-	-
Interest	-	-	18,745	(18,745)
Capital outlay	220,151	462,896	292,776	170,120
<b>Total Expenditures</b>	<b>65,177,312</b>	<b>70,036,152</b>	<b>59,719,909</b>	<b>10,316,243</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>(15,856,243)</b>	<b>(16,075,500)</b>	<b>(10,021,483)</b>	<b>6,054,017</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	27,764,442	31,956,778	24,033,534	(7,923,244)
Transfers out	(11,369,142)	(15,375,042)	(10,606,308)	4,768,734
Proceeds from capital asset disposals	5,000	5,000	-	(5,000)
Proceeds from debt issuance	-	-	216,389	216,389
<b>Total Other Financing Sources (Uses)</b>	<b>16,400,300</b>	<b>16,586,736</b>	<b>13,643,616</b>	<b>(2,943,120)</b>
<b>Net Change in Fund Balances</b>	<b>544,057</b>	<b>511,236</b>	<b>3,622,133</b>	<b>3,110,897</b>
<b>Fund Balances - Beginning of Year</b>	<b>11,683,971</b>	<b>11,683,971</b>	<b>12,106,189</b>	<b>422,218</b>
<b>Fund Balances - End of Year</b>	<b>\$ 12,228,028</b>	<b>\$ 12,195,207</b>	<b>\$ 15,728,322</b>	<b>\$ 3,533,115</b>

**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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 25,155	\$ 25,155	\$ 29,781	\$ 4,626
Licenses and permits	12,000	12,000	16,128	4,128
Fines, forfeitures and penalties	658,700	658,700	736,014	77,314
Use of money and property	57,370	64,915	220,804	155,889
Intergovernmental	15,759,083	16,725,976	17,145,000	419,024
Charges for services	922,213	1,084,675	984,148	(100,527)
Other revenues	397,800	432,740	828,643	395,903
<b>Total Revenues</b>	<b>17,832,321</b>	<b>19,004,161</b>	<b>19,960,518</b>	<b>956,357</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public protection	52,792,146	52,572,429	49,751,738	2,820,691
<b>Debt Service:</b>				
Principal: Leases and Subscription	-	151,614	239,425	(87,811)
Principal: Other long-term liabilities	-	-	-	-
Interest	-	987,168	5,012	982,156
Capital outlay	994,000	2,692,359	1,559,569	1,132,790
<b>Total Expenditures</b>	<b>53,786,146</b>	<b>56,403,570</b>	<b>51,555,745</b>	<b>4,847,825</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(35,953,825)</b>	<b>(37,399,409)</b>	<b>(31,595,227)</b>	<b>5,804,182</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	50,663,663	52,469,343	47,171,828	(5,297,515)
Transfers out	(14,714,132)	(14,957,043)	(14,374,138)	582,905
Proceeds from capital asset disposals	1,000	1,000	15,351	14,351
Proceeds from debt issuance	-	-	307,610	307,610
<b>Total Other Financing Sources (Uses)</b>	<b>35,950,531</b>	<b>37,513,300</b>	<b>33,120,651</b>	<b>(4,392,649)</b>
<b>Net Change in Fund Balances</b>	<b>(3,294)</b>	<b>113,891</b>	<b>1,525,424</b>	<b>1,411,533</b>
<b>Fund Balances - Beginning of Year, Restated</b>	<b>6,152,809</b>	<b>6,152,809</b>	<b>6,715,088</b>	<b>562,279</b>
<b>Fund Balances - End of Year</b>	<b>\$ 6,149,515</b>	<b>\$ 6,266,700</b>	<b>\$ 8,240,512</b>	<b>\$ 1,973,812</b>

**COUNTY OF SUTTER**

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

Public Health

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Fines, forfeitures and penalties	\$ 102,600	\$ 102,600	\$ 97,823	\$ (4,777)
Use of money and property	25,107	52,566	241,056	188,490
Intergovernmental	8,772,514	23,159,744	20,660,877	(2,498,867)
Charges for services	3,296,198	3,296,198	3,071,512	(224,686)
Other revenues	-	-	4,482	4,482
<b>Total Revenues</b>	<b>12,196,419</b>	<b>26,611,108</b>	<b>24,075,750</b>	<b>(2,535,359)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Health and sanitation	19,969,299	22,724,522	16,705,692	6,018,830
<b>Debt Service:</b>				
Principal: Leases and Subscription	-	42,798	64,961	(22,163)
Principal: Other long-term liabilities	-	-	-	-
Interest	-	-	1,369	(1,369)
Capital outlay	73,000	-	285,837	(285,837)
<b>Total Expenditures</b>	<b>20,042,299</b>	<b>22,767,320</b>	<b>17,057,859</b>	<b>5,709,461</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(7,845,880)</b>	<b>3,843,788</b>	<b>7,017,891</b>	<b>3,174,103</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	14,393,646	15,057,193	13,598,036	(1,459,157)
Transfers out	(6,446,298)	(20,683,997)	(19,950,334)	733,663
Proceeds from debt issuance	-	-	78,723	78,723
<b>Total Other Financing Sources (Uses)</b>	<b>7,947,348</b>	<b>(5,626,804)</b>	<b>(6,273,574)</b>	<b>(725,494)</b>
<b>Net Change in Fund Balances</b>	<b>101,468</b>	<b>(1,783,016)</b>	<b>744,316</b>	<b>2,448,609</b>
<b>Fund Balances - Beginning of Year</b>	<b>5,194,327.23</b>	<b>5,194,327</b>	<b>5,194,327</b>	<b>-</b>
<b>Fund Balances - End of Year</b>	<b>\$ 5,295,795</b>	<b>\$ 3,411,311</b>	<b>\$ 5,938,644</b>	<b>\$ 2,448,609</b>

**COUNTY OF SUTTER**

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

Public Safety Realignment

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 176,642	\$ 177,621	\$ 449,865	\$ 272,244
Intergovernmental	37,135,391	42,840,105	42,609,984	(230,121)
Charges for services	1,465,496	1,680,496	1,679,373	(1,123)
Total Revenues	<u>38,777,529</u>	<u>44,698,222</u>	<u>44,739,222</u>	<u>41,000</u>
Expenditures:				
Current:				
Public protection	46,494	47,473	35,853	11,620
Total Expenditures	<u>46,494</u>	<u>47,473</u>	<u>35,853</u>	<u>11,620</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>38,731,035</u>	<u>44,650,749</u>	<u>44,703,369</u>	<u>52,620</u>
Other Financing Sources (Uses):				
Transfers in	13,285,106	15,431,041	15,399,122	(31,919)
Transfers out	(55,302,235)	(61,219,959)	(56,983,384)	4,236,575
Total Other Financing Sources (Uses)	<u>(42,017,129)</u>	<u>(45,788,918)</u>	<u>(41,584,262)</u>	<u>4,204,656</u>
Net Change in Fund Balances	(3,286,094)	(1,138,169)	3,119,106	4,257,275
Fund Balances - Beginning of Year	<u>21,679,888</u>	<u>21,679,888</u>	<u>21,679,888</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 18,393,794</u>	<u>\$ 20,541,719</u>	<u>\$ 24,798,995</u>	<u>\$ 4,257,275</u>



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.

### Mental Health Services Act

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

Sutter County Child Support regionalized effective January 2, 2021 with Colusa and Yolo Counties; now collectively known as the Colusa Sutter Yolo Regional Child Support Agency. As one efficiency of regionalizing, the agency is transitioning to one budget rather than three separate county budgets with Yolo County as the lead. Accounts shown in this CAFR are reflective of the remaining Sutter county revenues and expenses and not the full regional agency revenue and expenses. Sutter County revenues and expenses are expected to continue to decrease over the next several years until there are no longer Sutter County expenses. Established orders referenced in this document are reflective of Sutter County only and not the full Regional Agency. The Colusa Sutter Yolo Regional Child Support Agency works with families to promote self-sufficiency and the well-being of children by establishing parentage and financial support.

## 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, 2023

	Special Revenue		
	Road	Special Aviation	Fish & Game
<b>Assets</b>			
Cash and investments	\$ 10,971,768	\$ 58,855	\$ 95,433
Cash with fiscal agent	-	-	-
Accounts receivable	41,535	-	-
Due from other governments	1,157,527	-	766
Interest receivable	89,558	499	612
Inventory	15,394	-	-
Advances to other funds	-	-	-
Loans receivable	-	-	-
less allowance for doubtful accounts	-	-	-
Total Assets	\$ 12,275,783	\$ 59,354	\$ 96,811
<b>Liabilities</b>			
Accounts payable	\$ 1,730,850	\$ 75	\$ 71
Salaries and benefits payable	82,483	-	-
Deposits payable	284,973	-	-
Due to other funds	-	8,240	-
Advances from other funds	-	-	-
Unearned revenue	200,726	-	-
Total Liabilities	2,299,032	8,315	71
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	-	-	-
<b>Fund Balance</b>			
Nonspendable	15,394	-	-
Restricted	9,961,356	-	96,740
Committed	-	51,039	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	9,976,750	51,039	96,740
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 12,275,783	\$ 59,354	\$ 96,811

**COUNTY OF SUTTER**

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2023

	Special Revenue		
	Mental Health Services Act	Clerk-Recorder Funds	Child Support Services Reimbursement/ Adjustment
<b>Assets</b>			
Cash and investments	\$ 6,952,419	\$ 2,038,176	\$ 929,861
Cash with fiscal agent	500	-	-
Accounts receivable	104,179	5,497	18,849
Due from other governments	2,031,922	-	-
less allowance for doubtful accounts	(700,012)	-	-
Interest receivable	53,017	12,975	6,600
Due from other funds	89,362	-	-
Loans receivable	874,458	-	-
less allowance for doubtful accounts	-	-	-
<b>Total Assets</b>	<u>\$ 9,405,846</u>	<u>\$ 2,056,648</u>	<u>\$ 955,310</u>
<b>Liabilities</b>			
Accounts payable	\$ 1,064,138	\$ 111,952	\$ 685
Salaries and benefits payable	175,211	-	17,506
Due to other funds	89,362	229,699	-
<b>Total Liabilities</b>	<u>1,328,711</u>	<u>341,651</u>	<u>18,190</u>
<b>Fund Balance</b>			
Restricted	7,357,469	1,714,997	937,120
<b>Total Fund Balances</b>	<u>7,357,469</u>	<u>1,714,997</u>	<u>937,120</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 9,405,846</u>	<u>\$ 2,056,648</u>	<u>\$ 955,310</u>

continued

**COUNTY OF SUTTER**  
Combining Balance Sheet (continued)  
Nonmajor Governmental Funds  
June 30, 2023

	Special Revenue		
	Economic Development	County Fees and Taxes	Court Activities
<b>Assets</b>			
Cash and investments	\$ 1,167,934	\$ 3,644,391	\$ 657,052
Due from other governments	-	-	1,477
less allowance for doubtful accounts	-	-	-
Interest receivable	7,573	23,152	4,374
Loans receivable	1,463,024	-	-
less allowance for doubtful accounts	-	-	-
<b>Total Assets</b>	<b>\$ 2,638,531</b>	<b>\$ 3,667,543</b>	<b>\$ 662,902</b>
<b>Liabilities</b>			
Accounts payable	\$ 692	\$ 30,960	\$ 21,525
Advances from other funds	-	685,320	-
Unearned revenue	-	-	130,212
<b>Total Liabilities</b>	<b>692</b>	<b>716,280</b>	<b>151,737</b>
<b>Fund Balance</b>			
Restricted	2,637,838	2,951,264	511,165
<b>Total Fund Balances</b>	<b>2,637,838</b>	<b>2,951,264</b>	<b>511,165</b>
<b>Total Liabilities, Deferred Inflows of     Resources and Fund Balances</b>	<b>\$ 2,638,531</b>	<b>\$ 3,667,543</b>	<b>\$ 662,902</b>

**COUNTY OF SUTTER**  
Combining Balance Sheet (continued)  
Nonmajor Governmental Funds  
June 30, 2023

	Special Revenue		
	County Service Areas	Water Agencies	Other Special Districts
<b>Assets</b>			
Cash and investments	\$ 3,043,966	\$ 2,693,890	\$ 2,873,518
Cash with fiscal agent	-	-	-
Accounts receivable	952,705	-	9,524
Due from other governments	151,730	-	-
Interest receivable	25,597	17,811	18,869
Taxes receivable	-	230	-
Total Assets	\$ 4,173,997	\$ 2,711,931	\$ 2,901,912
<b>Liabilities</b>			
Accounts payable	\$ 203,219	\$ 1,629	\$ 25,324
Salaries and benefits payable	90,080	-	-
Deposits payable	-	-	80
Unearned revenue	-	-	55
Total Liabilities	293,299	1,629	25,459
<b>Fund Balance</b>			
Restricted	2,983,206	2,710,303	2,866,912
Committed	-	-	9,541
Total Fund Balances	2,983,206	2,710,303	2,876,453
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,173,997	\$ 2,711,931	\$ 2,901,912

continued

**COUNTY OF SUTTER**

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2023

	Debt Service	Capital Projects	
	General Debt Service	Capital Projects	Total
<b>Assets</b>			
Cash and investments	\$ 94,700	\$ 3,499,366	\$ 38,721,329
Cash with fiscal agent	-	-	500
Accounts receivable	336	-	1,132,625
Due from other governments	-	-	3,343,423
less allowance for doubtful accounts	-	-	(700,012)
Interest receivable	1,325	18,516	280,477
Taxes receivable	-	-	230
Due from other funds	-	68,240	157,602
Inventory	-	-	15,394
Loans receivable	-	425,668	2,763,150
	<u>\$ 96,361</u>	<u>\$ 4,011,791</u>	<u>\$ 45,714,719</u>
<b>Liabilities</b>			
Accounts payable	\$ 458	\$ 139,018	\$ 3,330,594
Salaries and benefits payable	-	4,868	370,148
Deposits payable	-	18,522	303,575
Due to other funds	-	127,000	454,301
Advances from other funds	-	-	685,320
Unearned revenue	-	-	330,993
	<u>458</u>	<u>289,407</u>	<u>5,474,931</u>
<b>Fund Balance</b>			
Nonspendable	-	-	15,394
Restricted	-	-	34,728,369
Committed	95,903	3,722,384	3,878,867
	<u>95,903</u>	<u>3,722,384</u>	<u>38,622,630</u>
<b>Total Fund Balances</b>	<u>95,903</u>	<u>3,722,384</u>	<u>38,622,630</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 96,361</u>	<u>\$ 4,011,791</u>	<u>\$ 45,714,718</u>

## COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

	Special Revenue		
	Road	Special Aviation	Fish & Game
<b>Revenues:</b>			
Taxes	\$ 519,923	\$ 16,653	\$ -
Licenses and permits	62,955	-	-
Fines and forfeitures	-	-	7,337
Use of money and property	322,285	24,261	1,036
Intergovernmental	8,612,706	10,000	-
Charges for services	35,221	-	-
Other revenues	21,779	-	-
Total Revenues	9,574,869	50,914	8,373
<b>Expenditures:</b>			
<b>Current:</b>			
Public protection	1,727	-	886
Public ways and facilities	14,141,018	33,303	-
Health and sanitation	-	-	-
Public assistance	-	-	-
Education	-	-	-
Recreation and cultural	-	-	-
<b>Debt service</b>			
Principal: Leases and Subscriptions	7,752	-	-
Principal: Other long-term liabilities	-	-	-
Interest	111	-	-
Capital outlay	1,051,879	-	-
Total Expenditures	15,202,486	33,303	886
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,627,617)	17,611	7,487
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	-
Transfers out	(24,322)	(32,240)	-
Proceeds from capital asset disposals	37,811	-	-
Proceeds from debt issuance	23,563	-	-
Total Other Financing Sources (Uses)	37,052	(32,240)	-
Net Change in Fund Balances	(5,590,565)	(14,629)	7,487
Fund Balances - Beginning of Year	15,567,316	65,668	89,253
Fund Balances - End of Year	\$ 9,976,750	\$ 51,039	\$ 96,740



## COUNTY OF SUTTER

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

Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

	Special Revenue		
	Mental Health Services Act	Clerk-Recorder Funds	Child Support Services Reimbursement/ Adjustment
Revenues:			
Use of money and property	\$ 123,905	\$ 38,983	\$ 4,095
Intergovernmental	12,574,636	-	905,905
Charges for services	154,580	218,805	-
Other revenues	559	-	651
Total Revenues	12,853,680	257,788	910,650
Expenditures:			
Current:			
General government	-	6,463	-
Public protection	-	298	663,882
Health and sanitation	14,653,217	-	-
Debt service			
Principal: Leases and Subscriptions	70,555	-	666
Interest	1,890	-	10
Capital outlay	208,427	-	2,024
Total Expenditures	14,934,090	6,760	666,581
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,080,409)	251,027	244,069
Other Financing Sources (Uses):			
Transfers in	136,447	-	-
Transfers out	(118,436)	(229,699)	-
Proceeds from debt issuance	0	-	2,024
Total Other Financing Sources (Uses)	18,012	(229,699)	2,024
Net Change in Fund Balances	(2,062,398)	21,328	246,093
Fund Balances - Beginning of Year	9,419,867	1,693,669	691,027
Fund Balances - End of Year	\$ 7,357,469	\$ 1,714,997	\$ 937,120

continued

**COUNTY OF SUTTER**

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance (continued)  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

	Special Revenue		
	Economic Development	County Fees and Taxes	Court Activities
Revenues:			
Licenses and permits	\$ -	\$ 250,850	\$ -
Fines and forfeitures	-	-	8,809
Use of money and property	21,185	26,358	10,338
Intergovernmental	-	235,416	-
Charges for services	-	-	9,774
Total Revenues	<u>21,185</u>	<u>512,624</u>	<u>28,922</u>
Expenditures:			
Current:			
General government	614	547	388
Public protection	-	2,586	574
Public ways and facilities	-	847	-
Health and sanitation	-	441	-
Public assistance	4,270	-	-
Education	-	101	-
Recreation and cultural	-	667	-
Debt service			
Interest	-	11,957	-
Total Expenditures	<u>4,884</u>	<u>17,145</u>	<u>962</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>16,301</u>	<u>495,478</u>	<u>27,960</u>
Other Financing Sources (Uses):			
Transfers in	-	69,377	-
Transfers out	-	(48,750)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>20,628</u>	<u>-</u>
Net Change in Fund Balances	16,301	516,106	27,960
Fund Balances - Beginning of Year	<u>2,621,538</u>	<u>2,435,157</u>	<u>483,205</u>
Fund Balances - End of Year	<u>\$ 2,637,838</u>	<u>\$ 2,951,264</u>	<u>\$ 511,165</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, 2023

	Special Revenue		
	County Service Area	Water Agencies	Other Special Districts
Revenues:			
Taxes	\$ 3,724,013	\$ 208,815	\$ 235,352
Licenses and permits	-	-	3,620
Fines and forfeitures	20,100	-	12,388
Use of money and property	(6,411)	29,568	42,610
Intergovernmental	227,418	6,112	791
Charges for services	1,209,654	220,676	15,358
Other revenues	38,770	-	10,075
Total Revenues	5,213,544	465,171	320,194
Expenditures:			
Current:			
General government	-	-	429
Public protection	5,537,914	-	27,708
Public ways and facilities	-	199,272	248,361
Recreation and cultural	-	-	2
Debt service			
Principal: Leases and Subscriptions	33,132	-	-
Interest	215	-	-
Capital outlay	1,237,594	-	-
Total Expenditures	6,808,854	199,272	276,501
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,595,311)	265,899	43,693
Other Financing Sources (Uses):			
Transfers in	799,316	-	37,857
Transfers out	(30,768)	(37,857)	-
Total Other Financing Sources (Uses)	1,711,798	(37,857)	37,857
Net Change in Fund Balances	116,487	228,042	81,550
Fund Balances - Beginning of Year	2,866,719	2,482,261	2,794,903
Fund Balances - End of Year	\$ 2,983,206	\$ 2,710,303	\$ 2,876,453

continued

## COUNTY OF SUTTER

Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

	Debt Service	Capital Projects	
	General Debt Service	Capital Projects	Total
<b>Revenues:</b>			
Taxes	\$ -	\$ -	\$ 4,704,758
Licenses and permits	-	-	317,425
Fines and forfeitures	-	-	48,634
Use of money and property	2,540	(117,435)	523,317
Intergovernmental	757	-	22,573,741
Charges for services	-	-	1,864,068
Other revenues	291	18	72,143
Total Revenues	<u>3,589</u>	<u>(117,417)</u>	<u>30,104,086</u>
<b>Expenditures:</b>			
<b>Current:</b>			
General government	230	777,396	786,066
Public protection	-	-	6,235,575
Public ways and facilities	-	-	14,622,801
Health and sanitation	-	-	14,653,658
Public assistance	-	-	4,270
Education	-	-	101
Recreation and cultural	-	-	670
<b>Debt service</b>			
Principal: Leases and Subscriptions	127,521	-	239,626
Principal: Other long-term liabilities	1,027,742	-	1,027,742
Interest	352,756	-	366,939
Capital outlay	374,474	2,991,606	5,866,002
Total Expenditures	<u>1,882,722</u>	<u>3,769,002</u>	<u>43,803,450</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,879,134)</u>	<u>(3,886,419)</u>	<u>(13,699,364)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	1,505,887	5,965,995	8,514,879
Transfers out	-	(244,027)	(766,098)
Proceeds from capital asset disposals	-	-	41,474
Proceeds from debt issuance	374,474	-	1,339,647
Total Other Financing Sources (Uses)	<u>1,880,361</u>	<u>5,721,968</u>	<u>9,129,902</u>
Net Change in Fund Balances	1,227	1,835,549	(4,569,463)
Fund Balances - Beginning of Year	<u>94,676</u>	<u>1,886,835</u>	<u>43,192,092</u>
Fund Balances - End of Year	<u>\$ 95,903</u>	<u>\$ 3,722,384</u>	<u>\$ 38,622,630</u>

**COUNTY OF SUTTER**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
Road  
For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 1,307,934	\$ 1,307,934	\$ 519,923	\$ (788,011)
Licenses and permits	39,000	39,000	62,955	23,955
Use of money and property	92,601	301,845	322,285	20,440
Intergovernmental	9,134,921	9,644,527	8,612,706	(1,031,821)
Charges for services	-	34,210	35,221	1,011
Other revenue	2,000	65,038	21,779	(43,259)
Total Revenues	<u>10,576,456</u>	<u>11,392,554</u>	<u>9,574,869</u>	<u>(1,817,685)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Public protection	2,219	2,219	1,727	492
Public way and facilities	13,479,050	20,323,112	14,141,018	6,182,095
Principal: Leases and Subscription	-	-	7,752	(7,752)
Interest	-	-	111	(111)
Capital outlay	<u>2,822,000</u>	<u>2,822,000</u>	<u>1,051,879</u>	<u>1,770,121</u>
Total Expenditures	<u>16,303,269</u>	<u>23,147,331</u>	<u>15,202,486</u>	<u>7,944,845</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,726,813)</u>	<u>(11,754,777)</u>	<u>(5,627,617)</u>	<u>(9,762,530)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	5,678	5,678	-	(5,678)
Transfers out	(30,926)	(30,926)	(24,322)	6,604
Proceeds from capital asset disposals	-	63,038	37,811	(25,228)
Proceeds from debt issuance	-	-	23,563	23,563
Total Other Financing Sources (Uses)	<u>(25,248)</u>	<u>37,790</u>	<u>37,052</u>	<u>(738)</u>
Net Change in Fund Balances	(5,752,061)	(11,716,987)	(5,590,565)	(9,763,268)
Budgetary Fund Balances - Beginning of Year	<u>15,567,316</u>	<u>15,567,316</u>	<u>15,567,316</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 9,815,255</u>	<u>\$ 3,850,329</u>	<u>\$ 9,976,750</u>	<u>\$ (9,763,268)</u>

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 10,500	\$ 16,623	\$ 16,653	\$ 30
Use of money and property	21,644	21,644	24,261	2,617
Intergovernmental	10,000	10,000	10,000	-
Total Revenues	<u>42,144</u>	<u>48,267</u>	<u>50,914</u>	<u>2,647</u>
Expenditures:				
Current:				
Public way and facilities	28,750	33,595	33,303	292
Total Expenditures	<u>28,750</u>	<u>33,595</u>	<u>33,303</u>	<u>292</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>13,394</u>	<u>14,672</u>	<u>17,611</u>	<u>2,939</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(24,000)	(32,241)	(32,240)	1
Total Other Financing Sources (Uses)	<u>(24,000)</u>	<u>(32,241)</u>	<u>(32,240)</u>	<u>1</u>
Net Change in Fund Balances	(10,606)	(17,569)	(14,629)	2,940
Budgetary Fund Balances - Beginning of Year	<u>65,668</u>	<u>65,668</u>	<u>65,668</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 55,062</u>	<u>\$ 48,099</u>	<u>\$ 51,039</u>	<u>\$ 2,940</u>

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 2,000	\$ 2,000	\$ 7,337	\$ 5,337
Use of money and property	423	423	1,036	613
Total Revenues	<u>2,423</u>	<u>2,423</u>	<u>8,373</u>	<u>5,950</u>
Expenditures:				
Current:				
Public protection	14,390	14,390	886	13,504
Total Expenditures	<u>14,390</u>	<u>14,390</u>	<u>886</u>	<u>13,504</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,967)</u>	<u>(11,967)</u>	<u>7,487</u>	<u>(7,554)</u>
Net Change in Fund Balances	(11,967)	(11,967)	7,487	(7,554)
Budgetary Fund Balances - Beginning of Year	<u>89,253</u>	<u>89,253</u>	<u>89,253</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 77,286</u>	<u>\$ 77,286</u>	<u>\$ 96,740</u>	<u>\$ (7,554)</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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 1,000	\$ 1,474	\$ 123,905	\$ 122,431
Intergovernmental	17,419,561	17,419,561	12,574,636	(4,844,925)
Total Revenues	<u>17,652,218</u>	<u>17,652,692</u>	<u>12,853,680</u>	<u>(4,799,012)</u>
Expenditures:				
Current:				
Health and sanitation	18,577,117	16,806,172	14,653,217	2,152,955
Debt service				
Principal: Leases and Subscription	-	-	70,555	(70,555)
Interest	-	2,446,945	1,890	2,445,055
Capital outlay	-	302,600	208,427	94,173
Total Expenditures	<u>18,577,117</u>	<u>19,555,717</u>	<u>14,934,090</u>	<u>4,621,627</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(924,899)</u>	<u>(1,903,025)</u>	<u>(2,080,409)</u>	<u>(9,420,639)</u>
Other Financing Sources (Uses):				
Transfers in	-	135,975	136,447	472
Transfers out	(29,873)	(119,236)	(118,436)	800
Total Other Financing Sources (Uses)	<u>(29,873)</u>	<u>16,739</u>	<u>18,012</u>	<u>1,273</u>
Net Change in Fund Balances	(954,772)	(1,886,286)	(2,062,398)	(9,419,367)
Budgetary Fund Balances - Beginning of Year	<u>9,419,867</u>	<u>9,419,867</u>	<u>9,419,867</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 8,465,095</u>	<u>\$ 7,533,581</u>	<u>\$ 7,357,469</u>	<u>\$ (9,419,367)</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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 200	\$ 1,332	\$ 38,983	\$ 37,651
Charges for services	1,560,000	1,560,000	218,805	(1,341,195)
Other revenue	-	-	-	-
Total Revenues	<u>1,560,200</u>	<u>1,561,332</u>	<u>257,788</u>	<u>(1,303,544)</u>
Expenditures:				
Current:				
General government	1,160,119	1,161,224	6,463	1,154,761
Public protection	449	476	298	178
Total Expenditures	<u>1,160,568</u>	<u>1,161,700</u>	<u>6,760</u>	<u>1,154,940</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>399,632</u>	<u>399,632</u>	<u>251,027</u>	<u>(148,605)</u>
Other Financing Sources (Uses):				
Transfers out	(191,930)	(303,930)	(229,699)	74,231
Total Other Financing Sources (Uses)	<u>(191,930)</u>	<u>(303,930)</u>	<u>(229,699)</u>	<u>74,231</u>
Net Change in Fund Balances	207,702	95,702	21,328	(74,374)
Budgetary Fund Balances - Beginning of Year	<u>1,693,669</u>	<u>1,693,669</u>	<u>1,693,669</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 1,901,371</u>	<u>\$ 1,789,371</u>	<u>\$ 1,714,997</u>	<u>\$ (74,374)</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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 1,757	\$ 1,757	\$ 4,095	\$ 2,338
Intergovernmental	733,517	735,924	905,905	169,981
Other revenue	-	-	651	651
<b>Total Revenues</b>	<b>735,274</b>	<b>737,681</b>	<b>910,650</b>	<b>172,969</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Public protection	735,274	737,681	663,882	73,799
<b>Debt Service:</b>				
Principal: Leases and Subscription	-	383	666	(283)
Interest	-	-	10	(10)
Capital outlay	-	2,024	2,024	-
<b>Total Expenditures</b>	<b>735,274</b>	<b>740,088</b>	<b>666,581</b>	<b>73,507</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(2,407)	244,069	246,476
<b>Other Financing Sources (Uses):</b>				
Proceeds from debt issuance	-	-	2,024	2,024
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>2,024</b>	<b>2,024</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(2,407)</b>	<b>246,093</b>	<b>248,500</b>
<b>Budgetary Fund Balances - Beginning of Year</b>	<b>691,027</b>	<b>691,027</b>	<b>691,027</b>	<b>-</b>
<b>Budgetary Fund Balances - End of Year</b>	<b>\$ 691,027</b>	<b>\$ 688,620</b>	<b>\$ 937,120</b>	<b>\$ 248,500</b>

**COUNTY OF SUTTER**

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

Economic Development

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 5,255	\$ 5,520	\$ 21,185	\$ 15,665
Total Revenues	<u>5,255</u>	<u>5,520</u>	<u>21,185</u>	<u>15,665</u>
Expenditures:				
Current:				
General government	755	21,063	614	20,449
Public assistance	17,280	17,545	4,270	13,275
Total Expenditures	<u>18,035</u>	<u>38,608</u>	<u>4,884</u>	<u>33,724</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,780)</u>	<u>(33,088)</u>	<u>16,301</u>	<u>(18,059)</u>
Net Change in Fund Balances	(12,780)	(33,088)	16,301	(18,059)
Budgetary Fund Balances - Beginning of Year	<u>2,621,538</u>	<u>2,621,538</u>	<u>2,621,538</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,608,758</u>	<u>\$ 2,588,450</u>	<u>\$ 2,637,838</u>	<u>\$ (18,059)</u>

**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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits	\$ 492,250	\$ 492,250	\$ 250,850	\$ (241,400)
Use of money and property	22,719	30,083	26,358	(3,725)
Intergovernmental	140,000	140,000	235,416	95,416
Total Revenues	<u>654,969</u>	<u>662,333</u>	<u>512,624</u>	<u>(149,709)</u>
Expenditures:				
Current:				
General government	579	579	547	32
Public protection	7,478	14,615	2,586	12,029
Public way and facilities	621	848	847	1
Health and sanitation	1,432	1,432	441	-
Education	337	337	101	236
Recreation and culture	810	810	667	143
Debt Service:				
Interest	5,186	11,777	11,957	(180)
Total Expenditures	<u>16,443</u>	<u>30,398</u>	<u>17,145</u>	<u>12,261</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>638,526</u>	<u>631,935</u>	<u>495,478</u>	<u>(136,457)</u>
Other Financing Sources (Uses):				
Transfers in	-	69,378	69,377	(1)
Transfers out	-	(60,000)	(48,750)	11,250
Total Other Financing Sources (Uses)	<u>-</u>	<u>9,378</u>	<u>20,628</u>	<u>11,250</u>
Net Change in Fund Balances	638,526	641,313	516,106	(125,207)
Budgetary Fund Balances - Beginning of Year	<u>2,435,157</u>	<u>2,435,157</u>	<u>2,435,157</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 3,073,683</u>	<u>\$ 3,076,470</u>	<u>\$ 2,951,264</u>	<u>\$ (125,207)</u>

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 15,600	\$ 15,600	\$ 8,809	\$ (6,791)
Use of money and property	6,000	6,025	10,338	4,313
Charges for services	10,000	10,000	9,774	(226)
Total Revenues	<u>31,600</u>	<u>31,625</u>	<u>28,922</u>	<u>(2,703)</u>
Expenditures:				
Current:				
General government	401	426	388	38
Public protection	624	624	574	50
Total Expenditures	<u>1,025</u>	<u>1,050</u>	<u>962</u>	<u>88</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>30,575</u>	<u>30,575</u>	<u>27,960</u>	<u>(2,615)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(22,000)	(22,000)	-	22,000
Total Other Financing Sources (Uses)	<u>(22,000)</u>	<u>(22,000)</u>	<u>-</u>	<u>22,000</u>
Net Change in Fund Balances	8,575	8,575	27,960	19,385
Budgetary Fund Balances - Beginning of Year	<u>483,205</u>	<u>483,205</u>	<u>483,205</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 491,780</u>	<u>\$ 491,780</u>	<u>\$ 511,165</u>	<u>\$ 19,385</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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,441,160	\$ 3,600,127	\$ 3,724,013	\$ 123,886
Fines and forfeitures	7,000	20,100	20,100	-
Use of money and property	26,200	33,278	(6,411)	(39,689)
Intergovernmental	185,398	385,138	227,418	(157,720)
Charges for services	803,280	1,011,821	1,209,654	197,833
Other revenue	-	979,489	38,770	(940,719)
Total Revenues	<u>4,463,038</u>	<u>6,029,953</u>	<u>5,213,544</u>	<u>(816,409)</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	5,241,693	8,052,736	5,537,914	2,514,822
Debt Service				
Principal: Leases and Subscription	-	25,181	33,132	(7,951)
Interest	-	-	215	(215)
Capital outlay	-	2,162,282	1,237,594	924,688
Total Expenditures	<u>5,241,693</u>	<u>10,240,199</u>	<u>6,808,854</u>	<u>3,431,345</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(778,655)</u>	<u>(4,210,246)</u>	<u>(1,595,311)</u>	<u>2,614,935</u>
Other Financing Sources (Uses):				
Transfers in	862,148	946,177	799,316	(146,861)
Transfers out	(30,301)	(30,769)	(30,768)	1
Proceeds from capital asset disposals	-	-	3,663	3,663
Proceeds from debt issuance	-	949,452	939,587	(9,865)
Total Other Financing Sources (Uses)	<u>831,847</u>	<u>1,864,860</u>	<u>1,711,798</u>	<u>(153,062)</u>
Net Change in Fund Balances	53,192	(2,345,386)	116,487	2,461,873
Budgetary Fund Balances - Beginning of Year	<u>2,866,719</u>	<u>2,866,719</u>	<u>2,866,719</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,919,911</u>	<u>\$ 521,333</u>	<u>\$ 2,983,206</u>	<u>\$ 2,461,873</u>

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 192,500	\$ 192,500	\$ 208,815	\$ 16,315
Use of money and property	16,650	16,786	29,568	12,782
Intergovernmental	5,700	5,700	6,112	412
Charges for services	-	-	220,676	220,676
Total Revenues	<u>214,850</u>	<u>214,986</u>	<u>465,171</u>	<u>250,185</u>
Expenditures:				
Current:				
Public way and facilities	202,509	202,645	199,272	3,373
Total Expenditures	<u>202,509</u>	<u>202,645</u>	<u>199,272</u>	<u>3,373</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>12,341</u>	<u>12,341</u>	<u>265,899</u>	<u>253,558</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(150,205)	(150,205)	(37,857)	112,348
Total Other Financing Sources (Uses)	<u>(150,205)</u>	<u>(150,205)</u>	<u>(37,857)</u>	<u>112,348</u>
Net Change in Fund Balances	(137,864)	(137,864)	228,042	365,906
Budgetary Fund Balances - Beginning of Year	<u>2,482,261</u>	<u>2,482,261</u>	<u>2,482,261</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,344,397</u>	<u>\$ 2,344,397</u>	<u>\$ 2,710,303</u>	<u>\$ 365,906</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, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 224,650	\$ 224,650	\$ 235,352	\$ 10,702
Licenses and permits	5,250	5,250	3,620	(1,630)
Fines and forfeitures	-	1,513	12,388	10,875
Use of money and property	21,050	21,566	42,610	21,044
Intergovernmental	800	800	791	(9)
Charges for services	14,035	14,035	15,358	1,323
Other revenue	10,075	10,075	10,075	-
Total Revenues	<u>275,860</u>	<u>277,889</u>	<u>320,194</u>	<u>42,305</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	501	514	429	85
Public protection	11,061	27,724	27,708	16
Public way and facilities	330,451	332,455	248,361	84,094
Recreation and culture	-	3	2	1
Capital outlay	56,771	56,771	-	56,771
Total Expenditures	<u>398,784</u>	<u>417,467</u>	<u>276,501</u>	<u>140,966</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(122,924)</u>	<u>(139,578)</u>	<u>43,693</u>	<u>(98,661)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	150,205	150,205	37,857	(112,348)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>150,205</u>	<u>150,205</u>	<u>37,857</u>	<u>(112,348)</u>
Net Change in Fund Balances	27,281	10,627	81,550	(211,009)
Budgetary Fund Balances - Beginning of Year	<u>2,794,903</u>	<u>2,794,903</u>	<u>2,794,903</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 2,822,184</u>	<u>\$ 2,805,530</u>	<u>\$ 2,876,453</u>	<u>\$ (211,009)</u>



**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 100	\$ 228	\$ 2,540	\$ 2,312
Other revenue	-	358,559	291	(358,268)
Total Revenues	<u>2,190</u>	<u>360,877</u>	<u>3,589</u>	<u>(357,288)</u>
Expenditures:				
Current:				
General government	-	-	230	(230)
Debt Service:				
Principal: Leases and Subscription	-	127,522	127,521	1
Principal: Other long-term liabilities	1,162,511	1,031,279	1,027,742	3,537
Interest	361,649	357,243	352,756	4,487
Capital outlay	-	374,474	374,474	0
Total Expenditures	<u>1,524,160</u>	<u>1,890,518</u>	<u>1,882,722</u>	<u>7,796</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,521,970)</u>	<u>(1,529,641)</u>	<u>(1,879,134)</u>	<u>(349,493)</u>
Other Financing Sources (Uses):				
Transfers in	1,522,096	1,522,096	1,505,887	(16,209)
Transfers out	-	-	-	-
Proceeds from debt issuance	-	358,559	374,474	15,915
Total Other Financing Sources (Uses)	<u>1,522,096</u>	<u>1,880,655</u>	<u>1,880,361</u>	<u>(16,209)</u>
Net Change in Fund Balances	126	351,014	1,227	(365,702)
Budgetary Fund Balances - Beginning of Year	<u>94,676</u>	<u>94,676</u>	<u>94,676</u>	<u>-</u>
Budgetary Fund Balances - End of Year	<u>\$ 94,802</u>	<u>\$ 445,690</u>	<u>\$ 95,903</u>	<u>\$ (365,702)</u>

**COUNTY OF SUTTER**

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

Capital Projects Fund

For the Year Ended June 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ -	\$ 2,318	\$ (117,435)	\$ (119,753)
Intergovernmental	487,050	487,050	-	(487,050)
Other revenues	-	-	18	18
<b>Total Revenues</b>	<b>487,050</b>	<b>489,368</b>	<b>(117,417)</b>	<b>(606,785)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	-	-	777,396	(777,396)
Public protection	1,547,507	1,547,507	-	1,547,507
<b>Debt Service:</b>				
Capital outlay	2,366,198	5,002,921	2,991,606	2,011,315
<b>Total Expenditures</b>	<b>3,913,705</b>	<b>6,550,428</b>	<b>3,769,002</b>	<b>2,781,426</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,426,655)</b>	<b>(6,061,060)</b>	<b>(3,886,419)</b>	<b>2,174,641</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	2,380,707	6,604,851	5,965,995	(638,856)
Transfers out	(614,050)	(731,079)	(244,027)	487,051.89
<b>Total Other Financing Sources (Uses)</b>	<b>1,766,657</b>	<b>5,873,772</b>	<b>5,721,968</b>	<b>(151,804)</b>
<b>Net Change in Fund Balances</b>	<b>(1,659,998)</b>	<b>(187,288)</b>	<b>1,835,549</b>	<b>2,022,837</b>
<b>Fund Balances - Beginning of Year</b>	<b>1,886,835</b>	<b>1,886,835</b>	<b>1,886,835</b>	<b>-</b>
<b>Fund Balances - End of Year</b>	<b>\$ 226,837</b>	<b>\$ 1,699,547</b>	<b>\$ 3,722,384</b>	<b>\$ 2,022,837</b>

**COUNTY OF SUTTER**  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2023

	Risk Management		Fleet Management
	General Liability	Workers' Compensation	
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and investments	\$ 609,657	\$ 164,137	\$ 290,605
Cash with fiscal agent	1,916,924	9,746,069	-
Accounts receivable	5,629	3,504	12,189
Interest receivable	3,000	395	83
Due from other funds	-	-	150
Prepaid expenses	-	-	-
Inventory	-	-	12,812
Total Current Assets	2,535,211	9,914,105	315,838
<b>Noncurrent Assets:</b>			
<b>Capital assets:</b>			
Depreciable, net	-	670	70,929
Total Noncurrent Assets	-	670	70,929
Total Assets	2,535,211	9,914,776	386,767
<b>Deferred Outflows of Resources:</b>			
Deferred pension	134,060	78,068	146,456
Deferred OPEB	445	-	3,563
Total Deferred Outflow of Resources	134,505	78,068	150,019
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	274	72	43,467
Salaries and benefits payable	10,647	6,613	13,076
Subscription Payable	-	335	1,006
Other liabilities	-	-	7,298
Compensated absences payable	-	9,186	27,344
Interest payable	-	-	1,446
Total Current Liabilities	10,921	16,206	93,636
<b>Noncurrent Liabilities:</b>			
Compensated absences payable	-	3,177	9,457
Claims payable	1,974,494	4,907,961	-
Subscription Payable	-	337	1,013
Other liabilities	-	-	36,738
Net pension liability	352,298	205,156	384,875
Total OPEB liability	4,969	-	39,753
Total Noncurrent Liabilities	2,331,761	5,116,631	471,837
Total Liabilities	2,342,682	5,132,837	565,473
<b>Deferred Inflows of Resources:</b>			
Deferred pension	9,353	5,447	10,218
Deferred OPEB	2,637	-	21,094
Total Deferred Inflow of Resources	11,990	5,447	31,312
<b>Net Position:</b>			
Net investment in capital assets	-	(2)	24,874
Unrestricted (deficit)	315,045	4,854,562	(84,874)
Total Net Position	\$ 315,045	\$ 4,854,560	\$ (59,999)

continued

**COUNTY OF SUTTER**

Combining Statement of Net Position (continued)  
Internal Service Funds  
June 30, 2023

	Information Technology	Employee Wellness	Total
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and investments	\$ 1,062,785	\$ 524,334	\$ 2,651,517
Cash with fiscal agent	-	-	11,662,993
Accounts receivable	54,393	18,200	93,915
Interest receivable	847	3,192	7,517
Due from other funds	5,500	-	5,650
Prepaid expenses	393	-	393
Inventory	-	-	12,812
<b>Total Current Assets</b>	<b>1,123,918</b>	<b>545,725</b>	<b>14,434,797</b>
<b>Noncurrent Assets:</b>			
<b>Capital assets:</b>			
Depreciable, net	1,850,022	-	1,921,621
<b>Total Noncurrent Assets</b>	<b>1,850,022</b>	<b>-</b>	<b>1,921,621</b>
<b>Total Assets</b>	<b>2,973,940</b>	<b>545,725</b>	<b>16,356,418</b>
<b>Deferred Outflows of Resources:</b>			
Deferred pension	1,052,862	-	1,411,446
Deferred OPEB	16,031	-	20,039
<b>Total Deferred Outflow of Resources</b>	<b>1,068,894</b>	<b>-</b>	<b>1,431,486</b>
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	21,197	709	65,719
Salaries and benefits payable	78,502	-	108,837
Subscription Payable	101,337	-	102,678
Other liabilities	11,195	-	18,493
Compensated absences payable	212,282	-	248,812
Interest payable	2,350	-	3,796
<b>Total Current Liabilities</b>	<b>426,862</b>	<b>709</b>	<b>548,335</b>
<b>Noncurrent Liabilities:</b>			
Compensated absences payable	73,412	-	86,046
Claims payable	-	-	6,882,455
Subscription Payable	215,638	-	216,988
Other liabilities	59,785	-	96,523
Net pension liability	2,766,834	-	3,709,163
Total OPEB liability	178,891	-	223,613
<b>Total Noncurrent Liabilities</b>	<b>3,294,560</b>	<b>-</b>	<b>11,214,788</b>
<b>Total Liabilities</b>	<b>3,721,422</b>	<b>709</b>	<b>11,763,124</b>
<b>Deferred Inflows of Resources:</b>			
Deferred pension	73,454	-	98,472
Deferred OPEB	94,924	-	118,655
<b>Total Deferred Inflow of Resources</b>	<b>168,379</b>	<b>-</b>	<b>217,127</b>
<b>Net Position:</b>			
Net investment in capital assets	1,462,067	-	1,486,939
Unrestricted (deficit)	(1,309,034)	545,016	4,320,714
<b>Total Net Position</b>	<b>\$ 153,032</b>	<b>\$ 545,016</b>	<b>\$ 5,807,653</b>

**COUNTY OF SUTTER**  
Combining Statement of Revenues, Expenses and  
Changes in Net Position  
Internal Service Funds  
For the Year Ended June 30, 2023

	Risk Management		Fleet Management
	General Liability	Workers' Compensation	
Operating Revenues:			
Charges for services	\$ 3,238,198	\$ 2,850,448	\$ 1,250,372
Other revenue	70,000	-	105
<b>Total Operating Revenues</b>	<b>3,308,198</b>	<b>2,850,448</b>	<b>1,250,477</b>
Operating Expenses:			
Salaries and benefits	317,057	175,726	284,797
Services and supplies	2,612,817	33,378	542,734
Other charges	23,839	1,344	244,594
Depreciation	-	335	7,950
<b>Total Operating Expenses</b>	<b>2,953,713</b>	<b>210,783</b>	<b>1,080,074</b>
<b>Net Operating Income (Loss)</b>	<b>354,485</b>	<b>2,639,666</b>	<b>170,403</b>
Non-Operating Revenues (Expenses):			
Interest income (expense)	6,912	25,132	(8,375)
Gain (Loss) on Sale of Fixed Assets	-	-	401
<b>Total Non-Operating Revenues and Expenses</b>	<b>6,912</b>	<b>25,132</b>	<b>(7,974)</b>
<b>Net Income (Loss) Before Transfers</b>	<b>361,397</b>	<b>2,664,797</b>	<b>162,429</b>
Transfers in	-	-	-
Transfers out	-	(258)	(815)
<b>Change in Net Position</b>	<b>361,397</b>	<b>2,664,540</b>	<b>161,614</b>
<b>Net Position - Beginning of Year, restated</b>	<b>(46,353)</b>	<b>2,190,020</b>	<b>(221,613)</b>
<b>Net Position - End of Year</b>	<b>\$ 315,045</b>	<b>\$ 4,854,560</b>	<b>\$ (59,999)</b>

**COUNTY OF SUTTER**  
Combining Statement of Revenues, Expenses and  
Changes in Net Position (continued)  
Internal Service Funds  
For the Year Ended June 30, 2023

	Information Technology	Employee Wellness	Total
Operating Revenues:			
Charges for services	\$ 3,402,314	\$ 465,576	\$ 11,206,908
Other revenue	53,879	40	124,024
<b>Total Operating Revenues</b>	<b>3,456,194</b>	<b>465,616</b>	<b>11,330,933</b>
Operating Expenses:			
Salaries and benefits	2,347,834	-	3,125,414
Services and supplies	575,118	71,045	3,835,091
Other charges	504,662	34,011	808,450
Depreciation	559,382	-	567,668
<b>Total Operating Expenses</b>	<b>3,986,997</b>	<b>105,055</b>	<b>8,336,622</b>
<b>Net Operating Income (Loss)</b>	<b>(530,803)</b>	<b>360,560</b>	<b>2,994,310</b>
Non-Operating Revenues (Expenses):			
Interest income (expense)	47,337	2,878	73,884
Gain (Loss) on Sale of Fixed Assets	-	-	401
<b>Total Non-Operating Revenues and Expenses</b>	<b>47,337</b>	<b>2,878</b>	<b>74,285</b>
<b>Net Income (Loss) Before Transfers</b>	<b>(483,466)</b>	<b>363,438</b>	<b>3,068,595</b>
Transfers in	59,064	-	59,064
Transfers out	(17,633)	(125,000)	(143,705)
<b>Change in Net Position</b>	<b>(442,035)</b>	<b>238,438</b>	<b>2,983,954</b>
<b>Net Position - Beginning of Year, restated</b>	<b>595,067</b>	<b>306,578</b>	<b>2,823,699</b>
<b>Net Position - End of Year</b>	<b>\$ 153,032</b>	<b>\$ 545,016</b>	<b>\$ 5,807,653</b>

**COUNTY OF SUTTER**  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2023

	Risk Management		
	General Liability	Workers' Compensation	Fleet Management
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers	\$ 3,302,569	\$ 1,188,944	\$ 1,240,053
Cash paid to suppliers for goods and services	(2,781,251)	(34,707)	(780,192)
Cash paid to employees	(311,077)	(180,868)	(329,858)
Net Cash Provided (Used) by Operating Activities	<u>210,241</u>	<u>973,369</u>	<u>130,003</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Interfund loans received (paid)	-	-	(233)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>(233)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal payments on financed purchases	-	415	(3,806)
Payments related to the acquisition of capital assets	-	(1,006)	(3,017.46)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(590)</u>	<u>(6,823)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received (paid)	4,622	24,931	(7,426)
Net Cash Provided (Used) by Investing Activities	<u>4,622</u>	<u>24,931</u>	<u>(7,426)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	214,863	997,709	115,521
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>2,311,718</u>	<u>8,912,496</u>	<u>175,084</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 2,526,581</u>	<u>\$ 9,910,206</u>	<u>\$ 290,605</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	354,485	2,639,666	170,403
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	335	7,950
Loss on disposal of capital assets	-	-	401
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	(5,629)	(3,504)	(10,825)
Deposits and prepaid expenses	-	-	-
Inventory	-	-	33
Increase (decrease) in:			
Accounts payable	-	14	7,102
Salaries and benefits payable	1,878	1,301	3,219
Compensated absences payable	-	2,795	(1,630)
Claims liability	(144,595)	(1,658,000)	-
Interest payable	-	-	-
Unavailable/deferred revenue	-	-	-
Other liabilities	-	-	-
Net pension liability	3,432	(9,238)	(52,011)
Total OPEB liability	670	-	5,361
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 210,241</u>	<u>\$ 973,369</u>	<u>\$ 130,003</u>

**COUNTY OF SUTTER**  
Combining Statement of Cash Flows  
Internal Service Funds (continued)  
For the Year Ended June 30, 2023

	Information Technology	Employee Wellness	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers	\$ 3,405,857	\$ 465,616	\$ 9,603,039
Cash paid to suppliers for goods and services	(742,537)	(249,950)	(4,588,638)
Cash paid to employees	(2,361,188)	-	(3,182,991)
Net Cash Provided (Used) by Operating Activities	<u>302,132</u>	<u>215,665</u>	<u>1,831,410</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Interfund loans received (paid)	(22,745)	(125,000)	(147,978)
Miscellaneous cash received (paid)	59,064	(1,876)	57,188
Net Cash Provided (Used) by Noncapital Financing Activities	<u>36,319</u>	<u>(126,876)</u>	<u>(90,789)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal payments on financed purchases	308,261	-	304,870
Payments related to the acquisition of capital assets	(1,630,789)	-	(1,634,812)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,322,528)</u>	<u>-</u>	<u>(1,329,942)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received (paid)	46,631	963	69,720
Net Cash Provided (Used) by Investing Activities	<u>46,631</u>	<u>963</u>	<u>69,720</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(937,446)	89,752	480,399
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>2,000,231</u>	<u>434,581</u>	<u>13,834,111</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 1,062,785</u>	<u>\$ 524,334</u>	<u>\$ 14,314,510</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	(530,803)	360,560	2,994,310
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	559,382	-	567,668
Loss on disposal of capital assets	-	-	401
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	(50,337)	-	(70,295)
Deposits and prepaid expenses	1,089,911	-	1,089,911
Inventory	-	-	33
Increase (decrease) in:			
Accounts payable	(752,473)	(19,895)	(765,252)
Salaries and benefits payable	17,858	-	24,255
Compensated absences payable	17,141	-	18,305
Claims liability	-	-	(1,802,595)
Interest payable	(194)	-	(194)
Unavailable/deferred revenue	-	-	-
Other liabilities	-	(125,000)	(125,000)
Net pension liability	(111,421)	-	(169,238)
Total OPEB liability	63,069	-	69,100
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 302,132</u>	<u>\$ 215,665</u>	<u>\$ 1,831,410</u>



# Statistical Section

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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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 These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.

**Revenue Capacity** .....159  
 These schedules contain trend information to help the reader assess the County’s most significant local revenue source, the property tax.

**Debt Capacity** .....163  
 These schedules present information to help the reader assess the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future.

**Demographic and Economic Information** .....166  
 These schedules offer economic and demographic indicators to help the reader understand the socioeconomic environment within which the County’s financial activities take place.

**Operating Information** .....168  
 These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.

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)

	<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>	<u>2021-22</u>	<u>2022-23</u>
<b>Governmental activities</b>										
Net Investment in capital assets	\$ 70,414	\$ 72,133	\$ 69,203	\$ 68,552	\$ 81,277	\$ 88,678	\$ 92,732	\$ 93,918	\$ 95,853	\$ 99,719
Restricted for:										
General government	-	-	752	33,612	866	5,824	5,515	6,033	6,314	6,056
Taxes and fees	5,957	581	5,687	-	2,664	2,551	2,542	2,094	2,435	2,951
Public Protection	14,876	16,229	19,767	18,004	21,343	19,262	22,095	25,981	29,016	33,680
Public ways and facilities	9,510	10,691	11,980	16,610	16,186	18,094	19,791	20,228	23,285	18,522
Health and sanitation	31,417	36,034	38,804	14,189	29,349	26,391	24,112	26,857	32,049	35,688
Public assistance	1,808	1,583	1,612	14,068	1,784	11,001	12,242	11,161	16,326	18,085
Other	3,367	1,730	1,784	1,005	2,619	4,618	1,247	5,793	6,038	9,247
Unrestricted	<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>(129,489)</u>	<u>(114,539)</u>	<u>(97,765)</u>
Total governmental activities net position	\$ 149,187	\$ 43,092	\$ 46,839	\$ 48,152	\$ 40,277	\$ 57,623	\$ 54,373	\$ 62,576	\$ 96,778	\$ 126,184
<b>Business-type activities</b>										
Net Investment in capital assets	\$ 2,335	\$ 2,366	\$ 2,269	\$ 2,117	\$ 1,963	\$ 1,489	\$ 2,310	\$ 2,220	\$ 1,047	\$ 939
Unrestricted	<u>(1,102)</u>	<u>(1,032)</u>	<u>166</u>	<u>172</u>	<u>259</u>	<u>346</u>	<u>405</u>	<u>347</u>	<u>262</u>	<u>226</u>
Total business-type activities net position	\$ 1,234	\$ 1,335	\$ 2,435	\$ 2,289	\$ 2,222	\$ 1,835	\$ 2,715	\$ 2,568	\$ 1,309	\$ 1,165
<b>Primary Government</b>										
Net Investment in capital assets	\$ 72,749	\$ 74,499	\$ 71,472	\$ 70,670	\$ 83,240	\$ 90,167	\$ 95,041	\$ 96,138	\$ 96,900	\$ 100,659
Restricted for:										
General government	-	-	752	33,612	866	5,824	5,515	6,033	6,314	6,056
Taxes and fees	5,957	581	5,687	-	2,664	2,551	2,542	2,094	2,435	2,951
Public Protection	14,876	16,229	19,767	18,004	21,343	19,262	22,095	25,981	29,016	33,680
Public ways and facilities	9,510	10,691	11,980	16,610	16,186	18,094	19,791	20,228	23,285	18,522
Health and social services	31,417	36,034	38,804	14,189	29,349	26,391	24,112	26,857	32,049	35,688
Public assistance	1,808	1,583	1,612	14,068	1,784	11,001	12,242	11,161	16,326	18,085
Other	3,367	1,730	1,784	1,005	2,619	4,618	1,247	5,793	6,038	9,247
Unrestricted	<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>(129,141)</u>	<u>(114,277)</u>	<u>(97,539)</u>
Total primary governmental net position	<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>\$ 57,088</u>	<u>\$ 65,143</u>	<u>\$ 98,087</u>	<u>\$ 127,349</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)**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>Expenses</b>										
Governmental activities:										
General government	\$ 11,003	\$ 11,552	\$ 12,472	\$ 16,903	\$ 41,030	\$ 31,856	\$ 33,517	\$ 37,287	\$ 27,014	\$ 31,837
Public safety	47,486	42,752	44,724	44,711	46,834	59,864	52,735	55,407	49,365	57,806
Public ways and facilities	7,971	12,705	12,156	12,013	12,162	10,238	11,072	9,635	5,357	13,607
Health and sanitation	34,294	39,832	42,334	42,212	49,935	59,027	59,572	64,776	57,564	65,504
Public assistance	38,116	40,033	40,730	43,204	48,341	46,931	52,437	49,499	48,030	58,427
Education	1,486	1,596	1,635	1,582	1,759	1,744	1,867	1,615	1,646	2,174
Culture and recreation	649	709	741	760	929	566	988	586	644	660
Community development	177	30	12	-	-	-	-	-	-	-
Interest on long-term debt	265	347	350	50	367	353	283	406	534	389
Subtotal governmental										
activities expenses	\$ 141,447	\$ 149,555	\$ 155,153	\$ 161,436	\$ 201,357	\$ 210,579	\$ 212,471	\$ 219,211	\$ 190,155	\$ 230,403
Business-type activities:										
Waterworks District No. 1	431	379	508	453	374	833	427	461	1,547	299
Subtotal business-type										
activities expenses	431	379	508	453	374	833	427	461	1,547	299
Total expenses	\$ 141,878	\$ 149,934	\$ 155,661	\$ 161,888	\$ 201,731	\$ 211,412	\$ 212,898	\$ 219,672	\$ 191,702	\$ 230,702
<b>Program Revenues</b>										
Governmental activities:										
Fees, fines & charges for services	\$ 8,625	\$ 8,886	\$ 10,417	\$ 20,419	\$ 27,383	\$ 45,613	\$ 24,193	\$ 26,696	\$ 26,189	\$ 25,418
Operating grants & contributions	100,772	100,772	105,395	104,188	128,859	133,715	127,513	153,137	156,175	181,574
Capital grants & contributions	132	114	194	-	-	-	-	-	-	-
Subtotal governmental										
activities	109,529	109,772	116,006	124,607	156,242	179,328	151,706	179,834	182,365	206,992
Business-type activities:										
Fees, fines & charges for services	178	219	215	261	260	260	248	240	211	147
Operating Grants	-	246	48	58	-	-	-	-	-	-
Capital Grants	88	-	62	-	45	178	1,061	76	89	-
Unrestricted Interest & Investment Earnings	5	2	4	2	1	8	(2)	(3)	(12)	8
Miscellaneous	-	13	-	(14)	-	-	-	-	-	-
Subtotal business-type										
activities	272	480	328	307	306	446	1,307	313	288	156
Total program revenues	\$ 109,801	\$ 110,252	\$ 116,334	\$ 124,914	\$ 156,548	\$ 179,774	\$ 153,013	\$ 180,147	\$ 182,653	\$ 207,147
<b>Net (expense)/revenue</b>										
Governmental activities	(31,918)	(39,783)	(39,147)	(36,829)	(45,115)	(31,251)	(60,765)	(39,378)	(7,790)	(23,411)
Business-type activities	(160)	101	(180)	(146)	(68)	(387)	880	(148)	(1,259)	(143)
Total net expense	\$ (32,078)	\$ (39,682)	\$ (39,328)	\$ (36,975)	\$ (45,183)	\$ (31,638)	\$ (59,885)	\$ (39,526)	\$ (9,049)	\$ (23,555)
<b>General revenues and other changes in net position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 25,642	\$ 27,175	\$ 28,257	\$ 29,921	\$ 31,175	\$ 31,965	\$ 33,442	\$ 34,367	\$ 35,104	\$ 37,294
Property taxes in lieu of sales taxes	750	910	664	-	-	-	-	-	-	-
Franchise taxes	1,247	1,545	1,296	1,013	1,309	1,263	1,417	1,444	1,847	2,556
Sales and use taxes	2,974	2,853	3,241	2,845	4,348	4,745	4,487	4,236	5,925	6,510
Transportation taxes	801	1,516	1,060	734	860	976	1,015	886	1,018	230
Transient occupancy taxes	-	-	-	-	-	-	-	-	-	-
Transfer taxes	304	360	342	368	425	455	468	654	728	447
Other	318	298	304	-	436	366	498	406	469	311
Fire taxes	-	-	-	351	-	-	-	-	-	-
Unrestricted interest & investment earnings	1,662	968	2,010	817	523	3,867	2,909	1,215	(5,547)	2,393
Tobacco settlement	834	826	817	840	1,003	972	932	1,051	1,071	972
Miscellaneous	923	1,042	957	1,239	1,473	3,987	12,662	3,322	1,558	2,103
Transfers	-	-	(1,281)	14	-	-	-	-	-	-
Subtotal governmental activities	35,457	37,492	37,666	38,142	41,552	48,596	57,830	47,581	42,173	52,816
Total primary government	\$ 35,457	\$ 37,492	\$ 37,666	\$ 38,142	\$ 41,552	\$ 48,596	\$ 57,830	\$ 47,581	\$ 42,173	\$ 52,816
<b>Changes in net position</b>										
Governmental activities	\$ 3,539	\$ (2,291)	\$ (1,481)	\$ 1,313	\$ (3,563)	\$ 17,345	\$ (2,935)	\$ 8,203	\$ 34,383	\$ 29,405
Business-type activities	(160)	101	(180)	(146)	(68)	(387)	880	(148)	(1,259)	(143)
Total primary government	\$ 3,379	\$ (2,190)	\$ (1,661)	\$ 1,167	\$ (3,631)	\$ 16,958	\$ (2,055)	\$ 8,055	\$ 33,124	\$ 29,262

Note: Adjustment to 2021 is restatement related to Main Jail expansion

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

	<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>	<u>2021-22</u>	<u>2022-23</u>
<b>General Fund</b>										
Nonspendable	\$ 1,982	\$ 2,890	\$ 2,019	\$ 1,827	\$ 1,772	\$ 2,396	\$ 2,468	\$ 2,400	\$ 1,993	\$ 1,896
Restricted	-	2	2	20	45	2,518	69	5,643	5,949	7,533
Committed	12,488	13,213	16,493	11,938	8,776	5,673	9,645	7,175	13,850	20,433
Assigned	36	710	462	737	649	472	-	-	-	5
Unassigned	<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>8,081</u>	<u>14,898</u>	<u>11,712</u>	<u>15,336</u>
Subtotal General Fund	<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>20,263</u>	<u>30,116</u>	<u>33,504</u>	<u>45,203</u>
<b>All Other Governmental Funds</b>										
Nonspendable	207	172	207	2,598	2,321	2,459	107	151	144	191
Restricted	57,014	62,023	69,082	71,398	68,065	73,426	77,744	79,822	90,172	96,552
Committed	6,613	2,641	348	4,537	5,183	3,609	4,765	2,945	2,149	4,210
Assigned	256	-	-	1	2,802	29	56	497	874	93
Unassigned	<u>(106)</u>	<u>(116)</u>	<u>(701)</u>	<u>(6,649)</u>	<u>(3,405)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal all other governmental funds	<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>82,672</u>	<u>83,415</u>	<u>93,339</u>	<u>101,046</u>
Total government fund balance	<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>\$ 102,935</u>	<u>\$ 113,531</u>	<u>\$ 126,843</u>	<u>\$ 146,250</u>

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

	<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>	<u>2021-22</u>	<u>2022-23</u>
<b>Revenues (by source)</b>										
Taxes	\$ 30,791	\$ 33,112	\$ 33,868	\$ 34,219	\$ 37,245	\$ 38,507	\$ 39,909	\$ 40,549	\$ 43,245	\$ 44,792
Licenses and permits	2,194	2,690	2,530	2,003	2,353	2,657	2,718	3,039	4,490	4,339
Fines, forfeitures and penalties	1,111	1,366	1,032	882	1,073	1,197	1,145	1,123	1,136	974
Use of money and property	1,611	953	1,976	800	552	3,858	2,883	1,219	(5,395)	2,320
Intergovernmental	102,231	104,527	104,337	105,719	130,531	130,017	127,211	152,899	153,492	178,152
Charges for services	6,567	6,374	8,150	18,631	25,936	42,592	21,417	23,929	21,710	21,303
Other revenues	<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>	<u>2,552</u>	<u>2,859</u>
Total revenues	<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>	<u>221,230</u>	<u>254,739</u>
<b>Expenditures (by function)</b>										
General government	10,142	10,121	10,034	16,544	26,194	19,871	19,607	17,418	16,515	16,721
Public protection	46,205	42,340	43,516	45,208	58,483	73,551	57,476	59,741	60,253	65,327
Public ways and facilities	4,723	9,232	8,467	9,190	13,381	8,281	9,337	8,459	6,012	14,853
Health and sanitation	33,845	36,812	39,805	41,825	48,006	62,013	58,505	65,425	63,233	67,358
Public assistance	37,775	38,189	38,860	42,984	46,917	48,755	51,037	49,572	51,160	59,087
Education	1,463	1,441	1,470	1,572	1,735	1,905	1,825	1,682	1,966	2,219
Culture and recreation	643	686	683	745	1,116	694	941	565	672	657
Community development	177	30	12	-	-	-	-	-	-	-
Debt service:										
Principal	222	346	305	84	470	624	655	553	1,736	2,559
Interest	95	362	350	58	372	356	293	259	422	421
Issuance costs	-	-	-	-	-	-	-	-	-	-
Capital Outlay	<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>	<u>5,350</u>	<u>8,721</u>
Total expenditures	<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>206,002</u>	<u>223,457</u>	<u>207,319</u>	<u>237,921</u>
<b>Other Financing Sources (Uses)</b>										
Proceeds on sale of capital assets	-	-	-	106	-	-	-	-	-	92
Transfers in	68,906	77,453	74,973	83,846	102,068	107,637	113,818	136,543	129,208	131,308
Transfers out	(68,906)	(77,458)	(76,242)	(83,817)	(102,068)	(107,637)	(113,818)	(136,530)	(130,475)	(131,223)
Issuance of debt	<u>9,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>604</u>	<u>6,750</u>	<u>-</u>	<u>2,413</u>
Total other financing sources (uses)	<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>	<u>(1,267)</u>	<u>2,590</u>
<b>Net change in fund balance</b>	<u>\$ 16,226</u>	<u>\$ 4,216</u>	<u>\$ 5,701</u>	<u>\$ 1,631</u>	<u>\$ (10)</u>	<u>\$ 2,862</u>	<u>\$ 2,592</u>	<u>\$ 10,596</u>	<u>\$ 12,644</u>	<u>\$ 19,407</u>
Debt service as a percentage										
of noncapital expenditures:	0.23%	0.51%	0.46%	0.09%	0.43%	0.46%	0.48%	0.40%	1.08%	1.32%

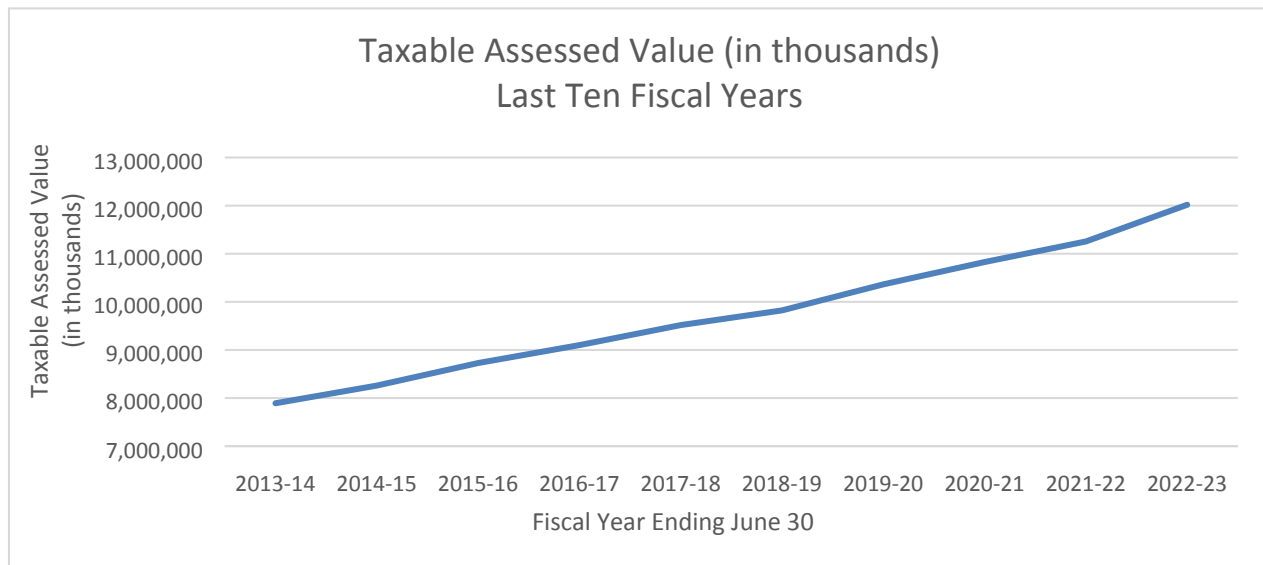
**COUNTY OF SUTTER**  
**Assessed Value of Taxable Property and Actual Value of Property (unaudited)**  
**Last Ten Fiscal Years (in thousands)**  
 (accrual basis of accounting)

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 (%)
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
2021 - 2022	10,823,561	578,079	330,595	(477,364)	11,254,871	1.0000
2022 - 2023	11,583,820	588,461	368,487	(522,783)	12,017,984	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)**

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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)		
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%
2021 - 2022	1.00000%	0.03144%	0.01803%		1.04947%
2022 - 2023	1.00000%	0.02939%	0.01609%		1.04549%

**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, 2023 AND June 30, 2014 (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, 2023 and June 30, 2014.

**June 30, 2023:**

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 2022-23	
Pacific Gas & Electric Co.	Utility	\$ 322,830.25	2.69%	\$ 3,807	2.78%
Sunsweet Growers Inc	Fruit Processor	77,593	0.65%	1,040	0.76%
CCFC Sutter Energy, LLC	Utility	74,300	0.62%	826	0.60%
ELVS LLC	Storage	44,687	0.37%	548	0.40%
Bains Properties LP	Real Estate	42,988	0.36%	547	0.40%
Sysco Food Srvs Sacramento Inc	Food Service	46,458	0.39%	521	0.38%
Miravista LLC	Real Estate	36,000	0.30%	431	0.31%
Pelger Road 1700 LLC	Agriculture	31,287	0.26%	428	0.31%
Sutter Valley Medical Foundation	Medical	36,792	0.31%	424	0.31%
Siller Bros Inc	Agriculture	30,270	0.25%	401	0.29%

**June 30, 2014:**

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 2013-14	
Pacific Gas & Electric Co.	Utility	\$ 167,498	2.12%	\$ 1,675	1.73%
Calpine Construction Finance	Utility	141,700	1.80%	1,417	1.46%
Sunsweet Growers Inc	Fruit Processor	74,096	0.94%	741	0.76%
Vintage Production California LLC	Oil & Gas	73,251	0.93%	733	0.75%
Pacific Bell Telephone Company	Phone	35,519	0.45%	355	0.37%
Calpine Greenleaf Holdings Inc	Utility	34,855	0.44%	349	0.36%
Miravista LLC	Retail	33,600	0.43%	336	0.35%
Sutter Medical Foundation	Medical	31,536	0.40%	315	0.33%
Steadfast Yuba City I LLC	Retail	26,669	0.34%	267	0.27%
Odysseus Farms	Agriculture	24,312	0.31%	243	0.25%

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)**

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

<b>Fiscal Year</b>	<b>(1) Taxes Levied</b>	<b>(2) Collections Within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>% of Levy</b>		<b>Amount</b>	<b>% of Levy</b>
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%	456	123,623	93.50%
2021 - 2022	137,058	122,298	89.23%	427	122,725	89.54%
2022 - 2023	146,079	139,211	95.30%		139,211	95.30%

**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			Percentage of Personal Income (2)	Per Capita (3)
	Certificates of Participation (1)	Lease Commitments (4)	SBITA Commitments (5)	Long-Term Liability	Liability for Self-Insurance	Compensated Absences	Lease Commitments	Long-Term Liability	Total Primary Government		
2013 - 2014	-	10,502		25	531	5,892	-	75	17,025	0.22%	177
2014 - 2015	-	9,916		-	720	6,314	-	67	17,017	0.23%	177
2015 - 2016	-	9,370		-	720	5,826	-	58	15,974	0.25%	165
2016 - 2017	-	8,775		-	720	6,168	-	49	15,712	0.26%	162
2017 - 2018	-	7,967		-	498	6,324	-	41	14,830	0.28%	153
2018 - 2019	-	7,330		-	863	6,169	-	32	14,395	0.29%	148
2019-2020	-	7,264		-	1,276	6,650	148	24	15,362	0.29%	152
2020-2021	-	6,701		6,750	1,720	8,014	136	16	23,336	0.20%	230
2021-2022	-	3,687		11,890	2,119	8,168	-	131	25,995	0.18%	262
2022-2023		3,426	2,181	11,539	1,974	8,622	-	108	27,850	0.17%	281

**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.
- (4) FY 2021-2022 Implementation of GASB 87 - Leases; Energy Efficient Upgrade was reclassified from lease to long-term liability.
- (5) FY 2022-2023 Implementation of GASB 96 - Subscription-Based Information Technology Arrangements

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

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

<b>Fiscal Year</b>	<b>(1) Assessed Value</b>	<b>(2) Legal Debt Limit</b>	<b>Total Net Applicable Debt</b>	<b>(3) Legal Debt Margin</b>	<b>Legal Debt Margin/Debt Limit</b>
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	10,827,297	135,341	-	135,341	100%
2021 - 2022	11,254,871	140,686	-	140,686	100%
2022 - 2023	12,017,984	150,225	-	150,225	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, 2023**

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Direct and overlapping debt is provided below.

**2022-2023 Assessed Valuation:**         \$           12,017,984

<b>Overlapping Tax and Assessment Debt:</b>	<b>Percent Applicable</b>	<b>Debt (2)</b>
	<b>(1)</b>	
Sutter Community Service District	100%	\$           -
Yuba City Unified - 1999	100%	6,593,821
Yuba City Unified - 2004	100%	11,895,781
East Nicolaus High School - 2000	100%	235,000
East Nicolaus High School - 2014	100%	3,425,000
Live Oak Unified School District - 2004	100%	7,470,000
Live Oak Unified School District - 2016	100%	12,505,000
Franklin Elementary School - 2006	100%	2,350,000
Sutter High School - 2008	100%	17,642,967
Woodland Joint Unified School District - 1999	1.00%	58,732
Yuba Community College District	30.32%	53,644,445
<b>Total Overlapping Tax and Assessment Debt</b>		<u>\$   115,820,745</u>

**Notes:**

- (1) Percentage of overlapping agency's assessed valuation located within the boundaries of the County.
- (2) Debt as of June 30, 2023

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

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

<b>(1)</b> <b>Year</b>	<b>(2)</b> <b>Population</b>	<b>(3), (4)</b> <b>Personal Income</b>	<b>Per Capita</b> <b>Personal Income</b>	<b>(5)</b> <b>School Enrollment</b>	<b>(6)</b> <b>Unemployment Rate</b>
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%
2022	99,145	4,671	47.1	24,444	8.7%
2023	98,952	4,790	48.4	24,463	8.8%

**Detail of estimated population, as of January 1, 2023 (whole numbers):**

(2) Incorporated Cities	
Live Oak	9,515
Yuba City	69,478
Total of Incorporated Cities	78,993
Total of Unincorporated Areas	19,959
Total Population	98,952

**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, 2023 and June 30, 2014**

The top ten employers in Sutter County for the fiscal years of 2014 and 2023 are presented below.

**June 30, 2023**

<b>Company or Organization</b>	<b>Type of Business</b>	<b>Jobs</b>	<b>Percent of Total County Employment</b>
Yuba City Unified School District	Education	1,416	2.97%
Sutter County	Government	1,019	2.14%
Legend Transportation, Inc	Transportation	1,000	2.10%
Sunsweet Grower's Inc.,	Fruit Processor	600	1.26%
Sutter North Yuba City	Healthcare	475	1.00%
Sysco Sacramento, Inc.	Food Distribution	460	0.96%
Rush Personnel	Employment Services	400	0.84%
Walmart - Yuba City	Retail	384	0.81%
Express Employment Professionals	Employment Services	315	0.66%
City of Yuba City	Government	300	0.63%

**June 30, 2014**

<b>Company or Organization</b>	<b>Type of Business</b>	<b>Jobs</b>	<b>Percent of Total County Employment</b>
Fremont - Rideout Health Group	Healthcare	1,840	4.10%
Yuba City Unified School District	Education	1,393	3.10%
Sutter County	Government	919	2.05%
Sunsweet Grower's Inc	Fruit Processor	640	1.43%
Sutter North Medical Foundation	Healthcare	525	1.17%
Walmart - Yuba City	Retail	500	1.11%
Sysco Sacramento, Inc.	Wholesale Food Distribution	377	0.84%
City of Yuba City	Government	300	0.67%
Sierra Gold Nurseries	Wholesale Tree Nursery	202	0.45%
Live Oak Unified School District	Education	199	0.44%

**Source:**

Sutter County Economic Development Corporation

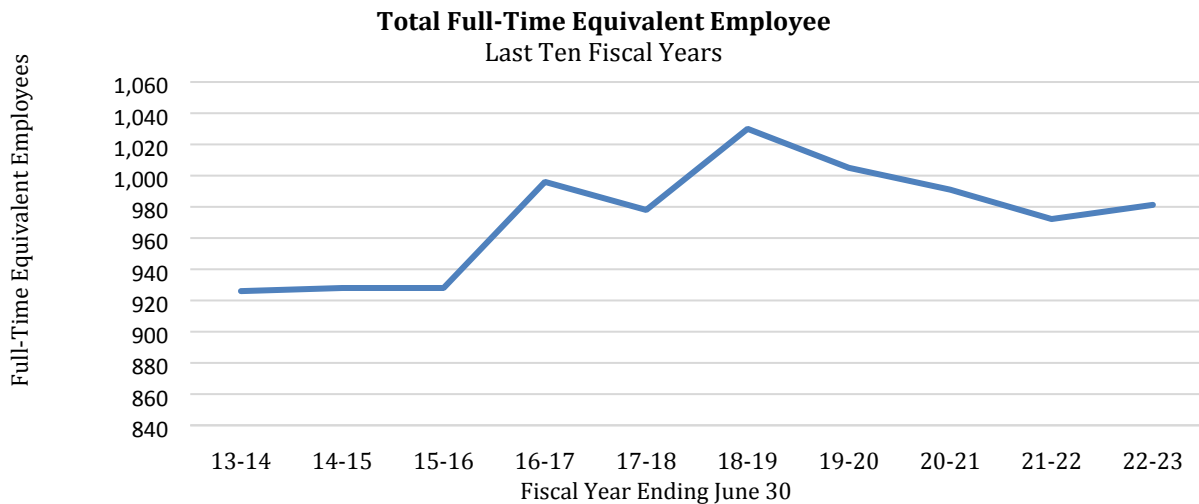
**COUNTY OF SUTTER**  
**County Employees by Function/Program (unaudited)**  
**Last Ten Fiscal Years**

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

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>Paid Employees (1)</b>										
General government	178	166	156	159	169	182	178	177	194	190
Public protection	384	425	394	401	433	403	411	400	409	427
Public ways and facilities	28	25	23	26	27	28	26	22	27	24
Health and sanitation	313	319	318	339	339	470	396	378	427	441
Public assistance	188	209	220	233	275	252	240	224	247	239
Education	21	23	20	21	21	24	20	19	24	30
Recreation and culture	5	6	8	5	6	5	4	3	4	5
Total County employees	<u>1,117</u>	<u>1,173</u>	<u>1,139</u>	<u>1,184</u>	<u>1,270</u>	<u>1,364</u>	<u>1,275</u>	<u>1,223</u>	<u>1,332</u>	<u>1,356</u>
<b>Actual full-time equivalent employees (2)</b>										
General government	146	139	133	141	135	146	144	150	147	150
Public protection	316	325	320	331	321	315	317	305	301	299
Public ways and facilities	22	21	21	22	21	21	24	21	22	24
Health and sanitation	253	251	258	279	271	321	293	299	294	290
Public assistance	165	168	173	202	208	206	205	196	187	194
Education	20	20	19	17	18	17	19	17	18	21
Recreation and culture	4	4	4	4	4	4	3	3	3	3
Total County employees	<u>926</u>	<u>928</u>	<u>928</u>	<u>996</u>	<u>978</u>	<u>1,030</u>	<u>1,005</u>	<u>991</u>	<u>972</u>	<u>981</u>

**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.





**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.

<b>Function/Program</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
<b>Public protection:</b>										
<b>Fire:</b>										
Fire emergency responses (1)	2,149	2,159	2,250	2,398	2,555	2,297	2,391	2,545	2,913	2,991
<b>Sheriff:</b>										
Calls for service	39,730	35,829	42,004	39,491	39,883	40,316	43,768	44,875	38,812	39,091
Numbers of bookings (1)	4,485	4,542	4,444	4,323	4,565	4,694	3,986	2,620	4,328	4,299
<b>Probation:</b>										
Juvenile referrals received	554	447	336	295	289	174	202	130	135	124
Adult cases supervised	1,076	1,159	1,067	1,074	1,068	1,053	1,063	929	792	834
Adult reports completed for court	1,418	1,088	1,049	924	1,174	1,571	1,423	1,270	1,733	1,719
Juvenile cases supervised	137	99	76	55	48	42	35	43	45	43
Juvenile Hall/Camp Singer bookings	149	129	98	114	83	55	54	25	32	33
<b>Child support:</b>										
Established orders for child support (3)	4,263	4,220	4,199	4,178	4,044	3,959	3,686	3,482	3,417	3,348
<b>Health and sanitation:</b>										
<b>Behavioral Health:</b>										
S-Y Behavioral Health clients served	5,987	6,250	6,511	6,781	6,056	5,676	4,784	4,561	4,529	4,565
<b>Public assistance:</b>										
CalFresh Households (2)	5,200	5,660	5,812	5,635	5,365	5,057	5,588	5,768	6,400	7,213
Medi-Cal Households (2)	15,181	16,944	17,609	16,728	16,859	16,774	16,724	18,864	19,400	20,366

**Note:**

(1) Calendar year

(2) October of Calendar year

(3) Federal Fiscal Year

Sutter County Child Support regionalized effective January 2, 2021 with Colusa and Yolo Counties. See nongovernmental funds for additional information.

**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.

<b>Function/Program</b>	<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>	<u>2021-22</u>	<u>2022-23</u>
<b>General government:</b>										
Land (acreage)	262.83	262.83	262.83	262.83	262.83	262.83	264.83	278.23	282.95	280.04
Buildings	16	16	16	16	16	16	16	19	19	20
Vehicles	27	27	30	31	36	33	31	23	22	22
Equipment	162	166	186	195	216	214	181	118	117	113
<b>Public protection:</b>										
Land (acreage)	0.79	0.79	0.79	0.79	0.79	0.79	0.79	1.99	1.99	1.99
Fire Stations	2	2	2	2	2	2	2	2	4	4
Jail Facilities	1	1	1	1	1	1	1	1	2	4
Vehicles	134	128	129	138	127	114	143	146	140	141
Fire Trucks	11	11	13	12	10	10	9	9	9	9
Equipment	259	352	387	402	420	414	374	427	411	409
<b>Public ways &amp; facilities:</b>										
Land (acreage)	165.24	165.24	165.24	165.24	165.24	184.5	179.9	178.7	178.7	178.7
Bridges	7	7	7	7	7	7	7	10	10	11
Vehicles	38	38	42	39	39	33	41	31	35	35
Equipment	164	197	200	206	219	218	158	116	123	123
<b>Health &amp; sanitation:</b>										
Vehicles	35	33	32	32	34	32	42	49	52	55
Equipment	54	54	65	69	71	66	60	77	77	67
<b>Public assistance:</b>										
Vehicles	29	28	28	28	29	29	30	27	29	29
Equipment	25	29	33	34	36	36	28	29	29	21
<b>Education:</b>										
Libraries	3	3	3	3	3	3	3	3	3	3
Vehicles	6	6	5	6	6	5	4	4	5	6
Equipment	7	7	13	14	14	14	14	14	15	20
Others										
<b>Recreation &amp; cultural:</b>										
Vehicles	1	1	0	0	0	0	0	0	0	0
Equipment	2	2	9	9	11	11	12	11	11	11

**Notes:**

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

# Glossary

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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.

**Rebatable 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.

