

**COUNTY OF EL DORADO
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2021**



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

**COUNTY OF EL DORADO
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Governmental Funds:	
Balance Sheet	17
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balances	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities	20
Proprietary Funds:	
Statement of Net Position	21
Statement of Revenues, Expenses, and Changes in Net Position	22
Statement of Cash Flows	23
Fiduciary Funds:	
Statement of Fiduciary Net Position	25
Statement of Changes in Fiduciary Net Position	26
Notes to Basic Financial Statements	27
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in Net Pension Liability and Related Ratios – Miscellaneous Plan	70
Schedule of Plan Contributions – Miscellaneous Plan	71
Schedule of Changes in Net Pension Liability and Related Ratios – Safety Plan	72
Schedule of Plan Contributions – Safety Plan	73
Schedule of Changes in Total OPEB Liability and Related Ratios	74
Budgetary Comparison Schedule – General Fund	75
Budgetary Comparison Schedule – Road Fund	86
Notes to Budgetary Comparison Schedules	88

**COUNTY OF EL DORADO
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

SUPPLEMENTARY INFORMATION

Combining and Individual Fund Statements and Schedules

Internal Service Funds:

Combining Statement of Net Position	89
Combining Statement of Revenues, Expenses, and Changes in Net Position	90
Combining Statement of Cash Flows	91



INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of El Dorado
Placerville, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of El Dorado, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Children and Families Commission, El Dorado County Transit Authority and El Dorado County Transportation Commission, which represent the following percentages of assets and revenues/additions as of and for the fiscal year ended June 30, 2021.

<u>Opinion Unit</u>	<u>Assets</u>	<u>Revenues/ Additions</u>
Discretely Presented Component Units	100.0%	100.0%

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Children and Families Commission, El Dorado County Transit Authority and El Dorado County Transportation Commission are based on the report of other auditors. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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

Emphasis of Matter

Prior Period Adjustments

As disclosed in Note 15 to the financial statements, the County adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the County reported a restatement for the change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of El Dorado's basic financial statements. The combining and individual fund statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2022 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
March 24, 2022



County of El Dorado

OFFICE OF AUDITOR-CONTROLLER

360 FAIR LANE
PLACERVILLE, CALIFORNIA 95667
(530) 621-5487

JOE HARN
Auditor-Controller

BOB TOSCANO
Assistant Auditor-Controller

March 24, 2022

Members of the Board of Supervisors and
Citizens of the County of El Dorado:

This **Management's Discussion and Analysis** and letter of transmittal of the County of El Dorado's (County) financial statements presents a narrative overview and analysis of the County's financial activities during the fiscal year ended June 30, 2021. Please read it in conjunction with the County's financial statements following this section.

FINANCIAL HIGHLIGHTS

- The combined assets and deferred outflows of resources of the County exceeded its combined liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$258.9 million (net position). Of this, \$168.8 million was restricted for specific purposes (restricted net position), and \$380.1 million was net investment in capital assets. Unrestricted net position was a negative \$290.0 million, primarily due to the reporting of long-term net pension liability and total other post-employment benefits (OPEB) liability as prescribed by Governmental Accounting Standards Board (GASB) Statements Nos. 68 and 75.
- The total fund balances for the County's governmental funds amounted to \$332.2 million, an increase of \$49.7 million from the prior year. Approximately \$195.7 million of this total, or 58.9 percent, was either nonspendable or restricted for specific uses; and \$136.4 million, or 41.1 percent, was unrestricted as either committed, assigned, or unassigned and would be available to meet the County's current and future spending needs.
- At the end of the fiscal year the County's primary operating fund, the General Fund, had a fund balance of \$106.7 million. Approximately \$6.7 million was either nonspendable or restricted for specific uses. The remaining \$100.0 million, which approximated to 40.3 percent of the General Fund's total expenditures for the year, was unrestricted.
- The County's net investment in capital assets as of June 30, 2021 was \$380.1 million. This balance consisted of \$377.0 million for governmental activities and \$3.1 million for business-type activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's financial statements. The County's financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements and 3) Notes to the financial statements. Required Supplementary Information is included in addition to the financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The statement of net position presents information on all County assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the residual amount reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator in determining if the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the

change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. earned but uncollected revenues and earned but unused vacation leave).

Both of these 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 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, recreation and cultural services. The business-type activities of the County include Airports.

Component units are included in our financial statements and consist of legally separate organizations for which the County is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Component units of the County include the El Dorado County Transit Authority, Children and Families Commission, and the El Dorado County Transportation Commission.

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

Governmental Funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements focus on current *inflows and outflows of spendable resources* as well as the *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the County's short-term financial position and the financial resources available in the near future to support the County's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

In addition to the *General Fund*, the County maintains several individual governmental funds organized according to their type (special revenue, capital projects, debt service, and permanent funds). Major funds are presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. Major governmental funds include the *General Fund*, the *Road Fund*, and the *American Rescue Plan Act Fund*. All other non-major governmental funds are presented in aggregate as *Other Governmental Funds*.

Proprietary Funds are comprised of *enterprise funds* and *internal service funds*. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses the enterprise fund to account for County Airports. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds for its fleet operations and maintenance (Fleet Management), and for its health insurance, worker's compensation, and self-insurance programs (Risk Management Authority), which includes employee health benefits, retiree health benefits, workers' compensation, and general liability. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund financial statements provide similar information as the government-wide financial statements, only in more detail. These statements present the County's *business type activities-enterprise funds* and *governmental activities- internal service funds*. The *proprietary fund statements* present the County's *enterprise fund* (County Airports) along with the aggregate of the *internal service funds* activity. Additional *internal service funds* financial statements have been provided for Fleet Management and the Risk Management Authority, which provide the detail for each of these funds.

Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's programs. The County retains and reports Investment Trust, Private-Purpose Trust, and Custodial type fiduciary funds.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information consists of the County's *pension plan contributions schedule, changes in net pension liability schedule, as well as changes in total OPEB liability schedule*. It also includes the County's *General Fund and major special revenue funds budgetary comparison schedules* to demonstrate compliance with the County's adopted budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position can serve over time as a useful indicator of whether the County's financial position is improving or deteriorating. Other factors, such as market conditions, should be considered in measuring the County's overall financial position. The County's combined assets and deferred outflows of resources exceeded its combined liabilities and deferred inflows of resources by \$258.9 million at June 30, 2021. A comparative analysis of government-wide data is presented below.

Net Position June 30, (in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 432,498	\$ 363,538	\$ 387	\$ 478	\$ 432,885	\$ 364,016
Capital assets	428,282	425,492	3,105	3,361	431,387	428,853
Total assets	860,780	789,030	3,492	3,839	864,272	792,869
Deferred outflows of resources:						
Deferred outflows related to pensions	59,194	53,238	-	-	59,194	53,238
Deferred outflows related to OPEB	21,009	7,449	-	-	21,009	7,449
Total deferred outflows of resources	80,203	60,687	-	-	80,203	60,687
Liabilities:						
Current and other liabilities	61,943	41,722	29	106	61,972	41,828
Long-term liabilities	598,570	560,355	23	-	598,593	560,355
Total liabilities	660,513	602,077	52	106	660,565	602,183
Deferred inflows of resources:						
Deferred inflows related to pensions	2,275	7,114	-	-	2,275	7,114
Deferred inflows related to OPEB	22,746	24,486	-	-	22,746	24,486
Total deferred inflows of resources	25,021	31,600	-	-	25,021	31,600
Net Position:						
Net investment in capital assets	376,982	373,612	3,105	3,361	380,087	376,973
Restricted net position	168,810	148,990	-	-	168,810	148,990
Unrestricted net position	(290,343)	(306,562)	335	372	(290,008)	(306,190)
Total net position	\$ 255,449	\$ 216,040	\$ 3,440	\$ 3,733	\$ 258,889	\$ 219,773

Analysis of Net Position

By far the largest portion of the County's net position is invested in capital assets (e.g., land, infrastructure, intangible assets, structures and improvements, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, this portion of net position is not available for future spending.

An additional portion of the County's net position, \$168.8 million or 65.2 percent, represents resources that are subject to external restrictions on how they may be used.

The County's unrestricted net position balance of negative \$290.0 million is the result of reporting the net pension liability and total OPEB liability on the statements to comply with accounting standards (GASB Statements Nos. 68 and 75).

At the end of the most current fiscal year, the County is able to report positive balance in total net position for the government as a whole. The following table indicates the changes in net position for governmental and business-type activities:

Change in Net Position June 30, (in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for services	\$ 64,130	\$ 56,426	\$ 621	\$ 671	\$ 64,751	\$ 57,097
Operating grants and contributions	211,813	192,495	-	-	211,813	192,495
Capital grants and contributions	5,059	4,850	20	460	5,079	5,310
General Revenues:						
Taxes	154,490	140,452	-	-	154,490	140,452
Use of money and property	1,710	5,520	1	6	1,711	5,526
California Statewide Community Infrastructure Program (SCIP) revenues	4,030	-	-	-	4,030	-
Other revenues	5,299	5,040	4	4	5,303	5,044
Total revenues	<u>446,531</u>	<u>404,783</u>	<u>646</u>	<u>1,141</u>	<u>447,177</u>	<u>405,924</u>
Expenses:						
General government	56,907	46,255	-	-	56,907	46,255
Public protection	145,451	151,164	-	-	145,451	151,164
Public ways and facilities	50,738	60,618	-	-	50,738	60,618
Health and sanitation	74,795	70,245	-	-	74,795	70,245
Public assistance	75,774	75,634	-	-	75,774	75,634
Education	3,873	4,155	-	-	3,873	4,155
Recreation and cultural	2,231	1,744	-	-	2,231	1,744
Interest on long-term debt	876	1,404	-	-	876	1,404
Airports	-	-	1,092	1,010	1,092	1,010
Total expenses	<u>410,645</u>	<u>411,219</u>	<u>1,092</u>	<u>1,010</u>	<u>411,737</u>	<u>412,229</u>
Excess (deficiency) before transfers	35,886	(6,436)	(447)	131	35,440	(6,305)
Transfers	(153)	(97)	153	97	-	-
Change in net position	35,733	(6,533)	(294)	228	35,440	(6,305)
Net position beginning of year	216,040	222,573	3,733	3,505	219,773	226,078
Restatement of net position	3,676	-	-	-	3,676	-
Net position beginning of year - restated	<u>219,716</u>	<u>222,573</u>	<u>3,733</u>	<u>3,505</u>	<u>223,449</u>	<u>226,078</u>
Net position end of year	<u>\$ 255,449</u>	<u>\$ 216,040</u>	<u>\$ 3,439</u>	<u>\$ 3,733</u>	<u>\$ 258,889</u>	<u>\$ 219,773</u>

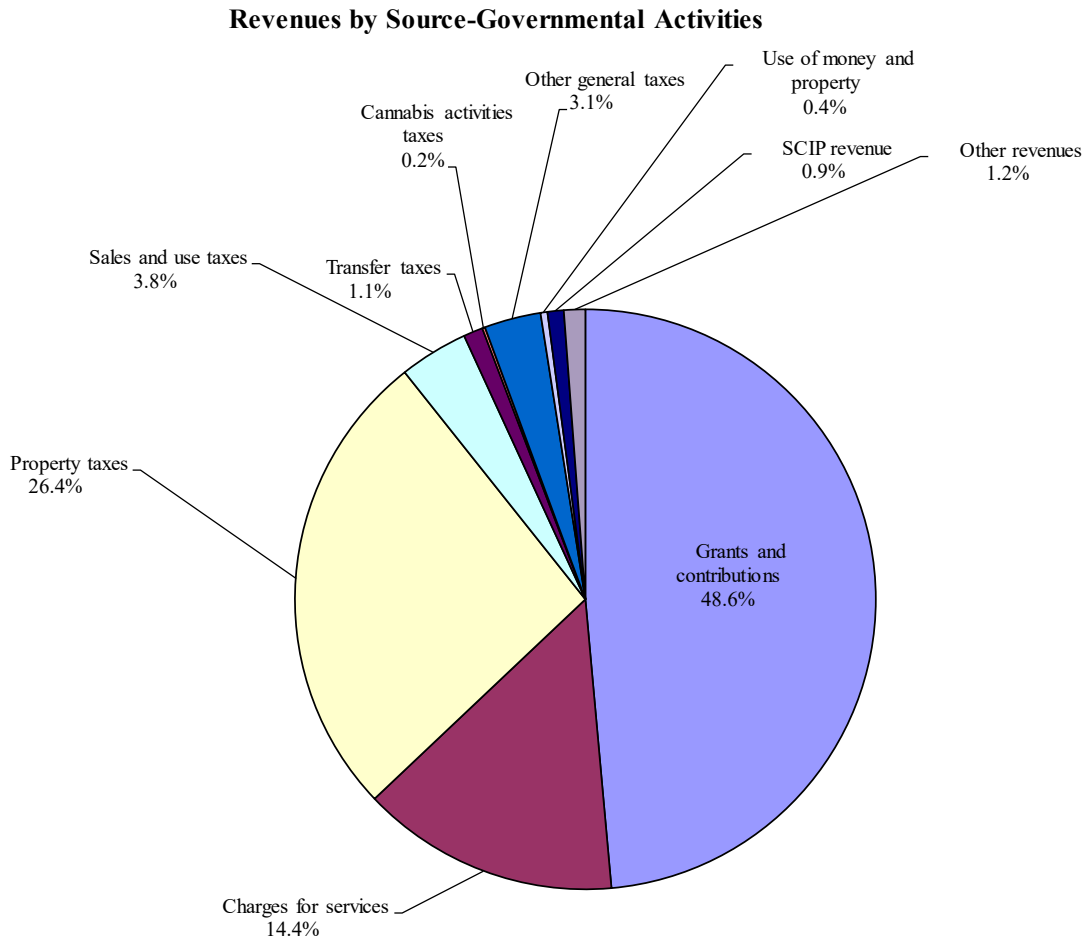
Restatement of net position. The net position at the beginning of 2021 was increased by \$3.7 million. This restatement was related to the implementation of GASB Statement No. 84 to report the tax loss reserve net position, which was originally reported in the agency fund prior to the implementation of GASB Statement No. 84.

Governmental activities. The County experienced an overall increase in net position of \$35.4 million in 2021, compared to a \$6.3 million decrease in 2020. This increase in net position was attributable almost entirely to the **governmental activities**. Specifically, the \$35.4 million increase in net position attributable to governmental activities, resulted from a \$41.7 million or 10.3 percent increase in revenues accompanied by a \$0.6 million or 0.1 percent decrease in expenses. The largest revenue increase, \$19.3 million, occurred in the operating grants and contributions category, followed by a \$14.0 million increase in taxes, a \$7.7 million increase in charges for services, and a \$4.0 million increase in California Statewide Community Infrastructure Program (SCIP) revenue. These revenue increases were offset by a \$3.8 million decrease in use of money and property. The \$19.3 million increase in operating grants and contributions was a result of the net increase of the various funding from State and Federal sources in general government and public protection functions, with an increase of \$15.5 million and \$3.2 million respectively. Specifically, the Federal funding of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was \$19.7 million in 2021. The \$14.0 million increase in taxes was mainly the result of \$5.4 million increase in property tax revenue, \$3.7 million increase in other general taxes, \$2.4 million increase in sales and use tax, and \$2.1 million increase in transfer tax revenue. The \$7.7 million increase in charge for services primarily resulted from \$3.4 million increase in ambulance service revenue, \$1.2 million increase in recording fees revenue, \$1.0 million increase in planning and building service revenue, and \$0.7 million increase in the garbage bill surcharge revenue. The \$3.8 million decrease in use of money and property was a result of the decreased investment income.

As mentioned, while total revenues increased by 10.3 percent, total expenses decreased by only 0.1 percent in 2021 when compared to 2020. Further, expenses decreased in some functional areas but increased in other functional areas. While the changes in most functional areas were moderate, the changes in some functional areas were significant. For example, general government expenses increased \$10.7 million or 23.0 percent, primarily due to the \$11.8 million spending of the CARES Act funding. Health and sanitation expenses increased by \$4.6 million or 6.5 percent as a result of \$1.7 million increase in public health administration, and \$2.6 million increase in mental health service expenses. In addition, public ways and facilities expenses decreased by \$9.9 million or 16.3 percent, mainly due to the \$2.1 million decrease in professional services and \$5.2 million decrease in construction and engineer contract expenses. Further, public protection expenses decreased by \$5.7 million or 3.8 percent as a result of the \$5.6 million reimbursement from the general government function for the personnel expenses related to the CARES Act program.

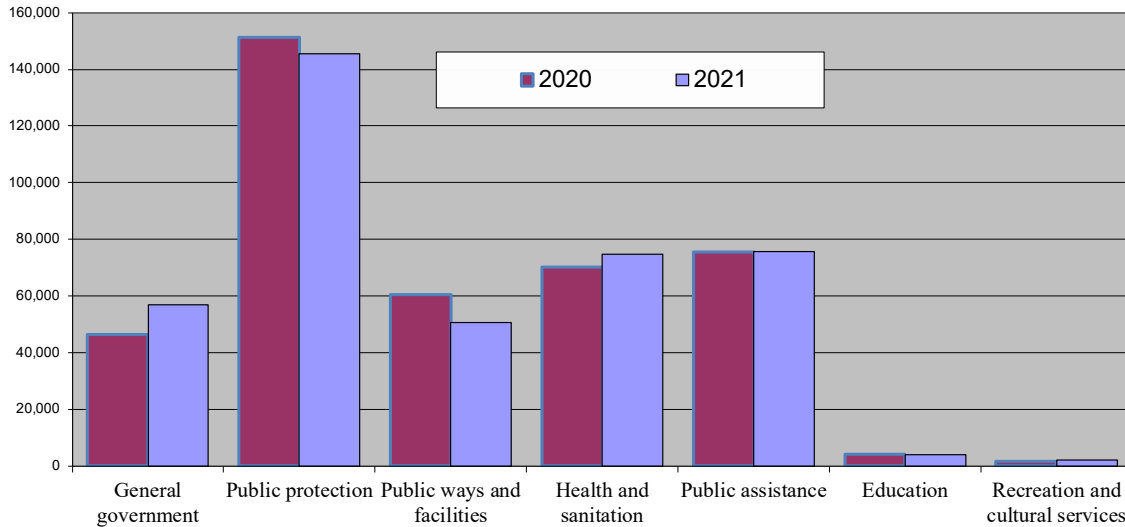
All functional expenses were affected by the recognition of the total OPEB liability, the net pension liability, the deferred OPEB inflows and outflows of resources, and the deferred pension inflows and outflows of resources. The County reported total OPEB liability of \$108.3 million and annual OPEB expense of \$5.1 million in 2021. Further, the County reported net pension liability of \$386.4 million and annual pension expense of \$52.5 million in 2021.

Following is a graphical presentation of the various revenue sources at the entity-wide level. As presented, the County received most of its recognized revenues from grants and contributions (48.6 percent), property taxes (26.4 percent), and charges for services (14.4 percent),



Below is a graph that presents a comparison of 2021 and 2020 expenses under each of the governmental activities,

**Comparison of 2020 and 2021 Expenses by Activity
(in thousands)**



Business-type activities. Business-type activities decreased the County’s net position by \$293 thousand. This net decrease was the result of \$471 thousand in operating losses, offset by \$5 thousand in non-operating revenues, \$20 thousand in capital grants contribution, and net transfers in of \$153 thousand. Similar to prior years, the County Airports continued to operate at a loss, \$471 thousand in 2021 compared to \$339 thousand last year.

To help finance the operations of business-type activities in 2021, County governmental funds contributed \$153 thousand to the County Airports during the year.

FINANCIAL ANALYSIS OF THE COUNTY’S FUNDS

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

Governmental funds. Governmental activities are accounted for under the general, special revenue, capital project, debt service, and permanent funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the County’s short-term financing requirements. In particular, the spendable and unrestricted fund balance may serve as a useful measure of the government’s net resources available for spending at the end of the fiscal year.

As of June 30, 2021, the County’s governmental funds reported a combined ending fund balance of \$332.2 million, compared to the \$282.5 million restated fund balance of the previous year. Approximately 41.1 percent of this fund balance, or \$136.4 million, was unrestricted and thus would be available to meet the County’s current and future spending needs. The remainder of the fund balance was either not spendable or restricted for specific uses.

The General Fund is the chief operating fund of the County. As of June 30, 2021, the General Fund's spendable and unrestricted fund balance was \$100.0 million; an increase of \$30.4 million from last year's spendable and unrestricted fund balance of \$69.6 million. This increase is primarily due to the net change or increase in the General Fund's fund balance of \$31.3 million during the year.

The June 30, 2021 spendable and unrestricted fund balance, as compared to General Fund expenditures for the year, was approximately 40.3 percent compared to 29.4 percent in 2020. Thus, without any additional revenue inflows, this fund balance could support the General Fund's activities for approximately 147 days compared to 107 days last year.

In addition to the General Fund, the County maintains two major governmental funds, the Road Fund, and the American Rescue Plan Act Fund. The Road Fund accounts for the planning, design, construction, maintenance, and administration of the County's transportation activities (public ways and facilities). The Road Fund recorded revenue of \$32.5 million in 2021, compared to \$40.7 million last year. This \$8.2 million decrease was primarily due to an \$11.1 million decrease in intergovernmental revenue and a \$3.1 million increase in miscellaneous revenue. The \$11.1 million decrease in intergovernmental revenue was a result of the net decrease of the funding from State and Federal sources, including \$3.9 million decrease in State transportation funding, \$3.3 million decrease in State road maintenance funding, \$1.6 million decrease in Federal HBRD funding, \$0.6 million decrease in Federal hazard elimination funding, and \$0.8 million decrease in Federal Congestion Mitigation Air Quality funding. The \$3.1 million increase in miscellaneous revenue was primarily due to the \$4.0 million increase in the SCIP revenue. Similarly, expenditures decreased from \$57.3 million in 2020 to \$48.4 million in 2021. Thus, the \$8.2 million decrease in revenues, coupled with the \$8.9 million decrease in expenditures resulted in a \$15.9 million deficiency of revenues under expenditures compared to \$16.7 million deficit last year. With the \$15.1 million in net transfers from other funds and the \$244 thousand of sale of capital assets, the relative net change in fund balance went from a \$3.0 million increase in fiscal year 2020 to a \$478 thousand decrease in 2021.

The American Rescue Plan Act Fund is a special revenue fund established in 2021 to receive the proceeds from the American Rescue Plan Act of 2021 (ARPA). Funds deposited here are going to be used to provide support to non-profit organizations residing in the County. The American Rescue Plan Act Fund reported unearned revenue of \$18.7 million in 2021.

The combined governmental fund balances increased by \$49.7 million during 2021, compared to a \$19.3 million increase last year. This \$30.4 million increase to the net change in governmental fund balances was the result of 9.9 percent increase in revenues and 1.7 percent decrease in expenditures in 2021 when compared to 2020, resulting in a \$49.5 million excess of revenues over expenditures in 2021, compared to a \$3.0 million excess of revenues over expenditures in 2020, with a \$146 thousand in other financing sources, compared to a \$16.3 million in other financing sources last year.

Proprietary funds. As described earlier, when certain activities are performed for which user fees or charges are designed to cover expenditures, proprietary funds are used. The County accounts for both governmental activities (internal service funds) and business-type activities (enterprise funds) using these types of funds.

The internal service funds include the Fleet Management and Risk Management Authority funds. In fiscal year 2021, the Fleet Management realized a net operating loss of \$94 thousand dollars, compared to a \$227 thousand of net operating loss last year. The Risk Management Authority reported a net operating loss of \$5.7 million dollars, compared to a net operating income of \$2.5 million dollars last year. The decrease of the net operating income was attributable to the \$6.3 million decrease in service fees.

Business-type activities are accounted for under enterprise funds and include the County Airports; see the business-type activities section for a further discussion regarding the County Airports.

GENERAL FUND BUDGETARY ANALYSIS

Compared to the original budget, the final amended budgeted amounts available for appropriations (and budgeted appropriations) increased by \$3.7 million, or 1.1 percent. The largest of the amounts available for appropriations budget modifications included:

- \$1.4 million decrease in budgetary fund balances,
- \$577 thousand increase in State intergovernmental revenues,
- \$936 thousand decrease in Federal intergovernmental revenues, and
- \$5.8 million increase in other financing sources.

The largest expenditure budget modifications included:

- \$4.2 million increase to the Other General appropriation, including \$3.1 million increase in services and supplies, \$5.4 million decrease in other charges, and \$6.6 million increase in intrafund transfers,
- \$3.6 million decrease to the Sheriff appropriation, including \$2.2 million increase in fixed assets, and \$5.7 million increase in intrafund abatement,
- \$1.7 million increase to the Public Health appropriation, including \$854 thousand increase in salaries and employee benefits, and \$523 thousand increase in intrafund transfers,

The overall variances between final resources budgeted and the actual amounts available for appropriations were significant, with a negative or deficit variance of \$15.9 million or 4.7 percent. Specifically, compared to the final amounts available for appropriations budget of \$337.1 million, actual funding equaled \$321.3 million. This variance included the following:

- \$16.6 million over budget in taxes and assessments,
- \$20.4 million under budget in State intergovernmental revenues,
- \$2.1 million over budget in charges for services, and
- \$13.4 million under budget in other financing sources.

The differences between the budgeted and actual expenditures, not including contingency, were significant. Specifically, expenditures fell \$63.0 million or 19.0 percent below the final budget. Variances occurred under each of the functions, whereby departments' expenditures fell below projections, the most significant of which included:

- General Government – Actual expenditures fell below final budget by \$15.1 million or 16.8 percent. While most of the general government operating units had expenditures that fell below their final budget, some showed considerable differences whereby actual expenditures fell below budget by \$500 thousand or more, including Personnel, Elections, Building and Grounds, Information Services and Support, Engineer, Other General, and Other General – SR Fund. The only operating unit that exceeded its final budget was the Courier and Messenger.
- Public Protection – Actual expenditures fell below final budget by \$35.2 million or 22.1 percent. Most of the departments under public protection fell below their budgets, with many departments falling significantly below budget (budget exceeded actual expenditures by over \$500 thousand) including Superior Court, District Attorney, Sheriff, Jail, Emergency Services, Planning and Zoning, and Animal Control. The only department that exceeded its final budget was the Building Inspector.
- Health and Sanitation – Actual expenditures fell below budget by \$1.3 million or 23.7 percent, mostly due to the Public Health, which fell below budget by \$1.0 million.
- Public Assistance – Actual expenditures fell below final budget by \$7.5 million or 11.2 percent, mostly due to the Welfare Administration and the Categorical Aids, which fell below budget by \$3.7 million and \$3.4 million, respectively.
- Education – County Library fell under budget by \$721 thousand or 17.2 percent, with salaries and benefits making up the majority, followed by services and supplies, and intrafund abatement.
- Recreational and Cultural Services – Actual expenditures fell below budget by \$3.2 million or 61.0 percent, mostly due to the Recreation, which fell below budget by \$3.2 million.

In general, both General Fund inflows and outflows fell below budget. Specifically, actual revenues, not including budgetary fund balance, fell \$15.9 million or 5.0 percent under budget while expenditures, not including contingency, fell \$63.0 million or 19.0 percent under budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The County's net investment in capital assets for its governmental and business-type activities as of June 30, 2021 amounts to \$380.1 million, specifically, capital assets of \$431.4 million net of related debt of \$51.3 million. The County's capital assets include land and improvements, construction in progress, infrastructure, intangible assets, structures and improvements, and equipment. Additions to capital assets totaled \$33.8 million in 2021.

Major capital asset additions during the current fiscal year included the following:

- \$2.2 million in additions to the intangible assets, including \$1.2 million in right of way acquisition, and \$1.0 million in commercially available computer software acquisition through licensing agreements,
- \$7.9 million in additions to construction in progress,
- \$5.4 million in new road construction, including \$5.0 million for the Silver Springs Parkway extension, and \$154 thousand for the Diamond Springs Parkway phase 1B,
- \$10.1 million in road reconstruction, including \$3.5 million for the Clear Creek Bridge, \$1.5 million for the Greenstone Road at Slate Creek Bridge, \$2.0 million for the Hanks Exchange at Squaw Hollow Bridge, and \$883 thousand for the Mosquito Road at South Fork American River Bridge,
- \$644 thousand for signals, safety devices, and road lighting, including \$460 thousand for the Tahoe Guardrail Replacement Project,
- \$238 thousand for pedestrian ways and bike paths, including \$105 thousand for the Merrychase and Country Club-Class II/III Bike Facilities and Sidewalks, and \$89 thousand for the Apache Pedestrian Safety and Connect Project,
- \$68 thousand for storm drains, including \$56 thousand for the Country Club Heights Area 1 Erosion Control Project,
- \$1.0 million for storm damage construction, including \$1.0 million for the Green Valley Road Slip out MP16.56 Project,
- \$134 thousand in additions to the structures and improvements, and
- \$6.1 million in additions to the equipment, including \$1.2 million in general government equipment, \$1.5 million in law enforcement equipment, \$2.5 million in road construction and maintenance equipment, and \$684 thousand of new vehicle purchases by Fleet Management.

Additional information on the County's capital assets can be found in note 4 in the notes to the financial statements.

Debt Administration and Long-Term Debt. As of June 30, 2021 the County's outstanding long-term debt totaled \$57.8 million. The components of this obligation consisted of the software licensing agreements totaling \$240 thousand, and notes payable associated with the Housing and Urban Development (HUD) Home program (\$6.0 million), HUD State Community Development Block Grant (CDBG) Program (\$483 thousand), and the U.S. Department of Agriculture (USDA) Rural Development Loans (\$51.1 million).

In 2016, the County entered into six loan agreements with the USDA Rural Development Program in an aggregate amount not to exceed \$57,140,000. The purpose of the loans was to fund the development and construction of a new public safety facility in Diamond Springs. The principal outstanding at June 30, 2021 was \$51,059,944.

Additional information on the County's long-term debt can be found in note 6 in the notes to the financial statements.

OTHER LONG-TERM OBLIGATIONS

In addition to long-term debt, as of June 30, 2021, the County had other long-term liabilities of \$549.8 million associated with compensated absences (\$18.7 million), landfill closure (\$21.6 million), self-insurance (\$14.8 million), other post-employment benefits (\$108.3 million), and pension benefits (\$386.4 million). Additional information on the County's long-term obligations follows.

Post Employment Retirement Benefits.

The County has contractually obligated itself with various labor organizations to provide post employment retirement benefits to its employees and former employees. As a result, the County has assumed significant obligations to its retirees and future retirees. These obligations are described in the notes to the financial statements.

The County has two pension plans: the miscellaneous plan and the safety plan. As prescribed by GASB Statement No. 68, the County reported net pension liability of \$232.4 million for its miscellaneous plan and \$154.0 million for its safety plan as of June 30, 2021.

Further, the Retiree's Health obligation has been presented as a liability on the County's financial statements as prescribed by GASB Statement No. 75. In prior fiscal years this OPEB obligation was partially funded in addition to pay-as-you-go via the Retiree Health internal service rates charges to the various County departments and programs. In fiscal year 2010 this practice was discontinued and the County reverted back to a pay-as-you-go basis. As a pay-as-you-go administered program, none of the additional costs were passed to the County funds, programs, or restricted funding sources via the internal service fund rates. While this pay-as-you-go funding reduced the expenditures incurred at the fund level, these liabilities and expenses are recognized in the government-wide level. Specifically, as of June 30, 2021, the County recognized total other post-employment benefits (OPEB) liability of \$108.3 million. This liability was based on the assumption that the Board of Supervisors has enforced and will continue to enforce a cap on the County's contribution. Because the Retiree's Health benefit plan is a defined benefit plan, generally accepted accounting principles required that the County recognize its retiree's health obligation without the cap limitation until it was enforced by the Board of Supervisors and began to impact the pattern of shared costs. The Board of Supervisors voted to enforce the cap in fiscal year 2012. The effect on benefits of the Retiree Health defined benefit plan was that the County's share of benefit costs has been reduced. The Retiree's Health plan has no assets held in a qualifying trust. However, the County has charged departments and programs to set aside cash to fund this obligation, which as of June 30, 2021 and 2020 totaled \$13,102,477 and 12,948,844, respectively.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the El Dorado County Auditor-Controller, 360 Fair Lane, Placerville, California 95667.

Respectfully submitted,

Joe Harn
El Dorado County Auditor-Controller

COUNTY OF EL DORADO
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government			Component Units
	Governmental	Business-Type	Total	
	Activities	Activities		
Assets				
Cash and investments	\$ 359,172,353	\$ 263,509	\$ 359,435,862	\$ 7,095,051
Restricted cash and investments	8,639,577	-	8,639,577	3,412,384
Accounts receivable	9,530,536	16,400	9,546,936	190,732
Taxes receivable	8,746,903	-	8,746,903	-
Interest receivable	816,023	-	816,023	1,044
Notes receivable	10,660,137	-	10,660,137	-
Due from other governments	28,138,963	10,583	28,149,546	7,216,242
Inventories and prepayments	6,793,711	96,615	6,890,326	284,534
Net OPEB assets	-	-	-	25,866
Capital assets:				
Nondepreciable assets	65,557,760	859,305	66,417,065	836,560
Depreciable, net	362,724,327	2,245,565	364,969,892	13,241,078
Total Assets	860,780,290	3,491,977	864,272,267	32,303,491
Deferred Outflows of Resources				
Deferred outflows related to pensions	59,193,517	-	59,193,517	1,193,270
Deferred outflows related to OPEB	21,009,039	-	21,009,039	121,973
Total Deferred Outflows of Resources	80,202,556	-	80,202,556	1,315,243
Liabilities				
Accounts payable	14,385,827	19,055	14,404,882	900,018
Accrued expenses	-	-	-	117,976
Accrued salaries and benefits	5,795,562	6,867	5,802,429	5,888
Accrued interest payable	1,420,662	-	1,420,662	-
Due to other governments	-	-	-	907,248
Deposits from others	1,838,059	-	1,838,059	-
Unearned revenue	29,513,160	-	29,513,160	4,981,765
Retainage Payable	-	-	-	20,221
Long-term liabilities:				
Total OPEB liability				
Due within one year	2,380,000	-	2,380,000	-
Due beyond one year	105,914,946	-	105,914,946	-
Liability for self-insurance				
Due within one year	3,208,088	-	3,208,088	-
Due beyond one year	11,622,912	-	11,622,912	-
Liability for landfill closure and post-closure				
Due beyond one year	21,617,355	-	21,617,355	-
Net pension liability				
Due beyond one year	386,406,817	-	386,406,817	3,993,974
Long-term debt				
Due within one year	1,113,178	-	1,113,178	245,807
Due beyond one year	56,643,542	-	56,643,542	319,018
Compensated Absences				
Due within one year	2,288,226	3,151	2,291,377	268,308
Due beyond one year	16,364,464	23,106	16,387,570	240,554
Net OPEB liability due beyond one year	-	-	-	119,166
Total Liabilities	660,512,798	52,179	660,564,977	12,119,943
Deferred Inflows of Resources				
Deferred inflows related to pensions	2,275,029	-	2,275,029	75,574
Deferred inflows related to OPEB	22,745,568	-	22,745,568	95,578
Total Deferred Inflows of Resources	25,020,597	-	25,020,597	171,152
Net Position				
Net investment in capital assets	376,982,532	3,104,870	380,087,402	13,512,813
Restricted for				
Capital projects	35,886,521	-	35,886,521	-
Public safety	39,450,892	-	39,450,892	-
Community resources and public facilities	44,708,203	-	44,708,203	4,147,627
Health and public assistance	33,958,216	-	33,958,216	-
General government and support programs	12,703,681	-	12,703,681	-
Other purposes	2,102,400	-	2,102,400	2,127,736
Unrestricted	(290,342,994)	334,928	(290,008,066)	1,539,463
Total Net Position	\$ 255,449,451	\$ 3,439,798	\$ 258,889,249	\$ 21,327,639

See accompanying Notes to Basic Financial Statements.

**COUNTY OF EL DORADO
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Government activities:								
General government	\$ 56,906,788	\$ 11,172,060	\$ 28,309,322	\$ 4,128,611	\$ (13,296,795)		\$ (13,296,795)	
Public protection	145,450,507	16,941,733	40,173,293	44,869	(88,290,612)		(88,290,612)	
Public ways and facilities	50,738,232	13,048,182	32,038,701	717,023	(4,934,326)		(4,934,326)	
Health and sanitation	74,794,595	21,938,341	42,359,497	168,884	(10,327,873)		(10,327,873)	
Public assistance	75,774,052	323,160	67,790,020	-	(7,660,872)		(7,660,872)	
Education	3,873,307	361,975	359,850	-	(3,151,482)		(3,151,482)	
Recreation and cultural services	2,231,232	344,052	781,919	-	(1,105,261)		(1,105,261)	
Debt Service:								
Interest and fiscal charges on long-term debt	876,155	-	-	-	(876,155)		(876,155)	
Total governmental activities	410,644,868	64,129,503	211,812,602	5,059,387	(129,643,376)		(129,643,376)	
Business-type activities:								
Airports	1,092,232	621,317	-	20,081	-	\$ (450,834)	(450,834)	
Total business-type activities	1,092,232	621,317	-	20,081	-	(450,834)	(450,834)	
Total Primary Government	\$ 411,737,100	\$ 64,750,820	\$ 211,812,602	\$ 5,079,468	(129,643,376)	(450,834)	(130,094,210)	
Component Units:								
El Dorado County Transit Authority	\$ 8,821,632	\$ 217,169	\$ 6,689,397	\$ 2,777,967				\$ 862,901
Children and Families Commission	2,106,355	-	2,245,196	-				138,841
El Dorado County Transportation Commission	8,204,165	-	1,831,543	-				(6,372,622)
Total Component Units	\$ 19,132,152	\$ 217,169	\$ 10,766,136	\$ 2,777,967				(5,370,880)
General Revenues:								
Taxes:								
Property					117,811,782	-	117,811,782	-
Sales and use					17,108,336	-	17,108,336	7,990,039
Transfer taxes					4,814,028	-	4,814,028	-
Cannabis activities taxes					696,160	-	696,160	-
Other general taxes					14,060,052	-	14,060,052	-
Unrestricted interest and investment earnings					1,710,128	1,410	1,711,538	9,214
California Statewide Community Infrastructure Program (SCIP) revenue					4,030,271	-	4,030,271	-
Other revenues (expenses)					5,299,264	3,806	5,303,070	98,909
Transfers					(152,735)	152,735	-	-
Total General Revenues and Transfers					165,377,286	157,951	165,535,237	8,098,162
Change in Net Position					35,733,910	(292,883)	35,441,027	2,727,282
Net position - July 1 (restated)					219,715,541	3,732,681	223,448,222	18,600,357
Net position - June 30	\$ 255,449,451	\$ 3,439,798	\$ 258,889,249	\$ 21,327,639				

See accompanying Notes to Basic Financial Statements.

**COUNTY OF EL DORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General Fund	Road Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 85,151,445	\$ 6,604,699	\$ 18,728,746	\$ 210,236,168	\$ 320,721,058
Restricted cash and investments	3,832,762	83,776	-	4,723,039	8,639,577
Accounts receivable	2,977,904	590,031	-	5,708,316	9,276,251
Taxes receivable	8,746,903	-	-	-	8,746,903
Notes receivable	-	-	-	10,660,137	10,660,137
Due from other funds	3,581,489	-	-	519,883	4,101,372
Due from other governments	12,054,547	1,450,478	-	14,633,938	28,138,963
Advances to other funds	430,000	-	-	-	430,000
Inventories	-	339,745	-	98,564	438,309
Prepaid expenses	2,404,465	71,070	-	1,139,118	3,614,653
Total Assets	\$ 119,179,515	\$ 9,139,799	\$ 18,728,746	\$ 247,719,163	\$ 394,767,223
Liabilities					
Accounts payable	\$ 6,070,457	\$ 2,293,567	\$ -	\$ 5,557,547	\$ 13,921,571
Salaries and benefits payable	4,691,944	417,835	-	658,250	5,768,029
Due to other funds	-	-	-	4,101,372	4,101,372
Advances from other funds	-	-	-	430,000	430,000
Deposits from others	-	-	-	1,838,059	1,838,059
Unearned revenue	184,301	252,173	18,727,746	10,348,940	29,513,160
Total Liabilities	10,946,702	2,963,575	18,727,746	22,934,168	55,572,191
Deferred Inflows of Resources					
Unavailable revenue	1,518,883	271,417	-	5,252,148	7,042,448
Fund Balances					
Nonspendable	2,834,465	410,815	-	4,840,296	8,085,576
Restricted	3,832,762	5,493,992	1,000	178,291,559	187,619,313
Committed	42,903,555	-	-	17,440,488	60,344,043
Assigned	1,264,283	-	-	19,357,370	20,621,653
Unassigned	55,878,865	-	-	(396,866)	55,481,999
Total Fund Balances	106,713,930	5,904,807	1,000	219,532,847	332,152,584
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 119,179,515	\$ 9,139,799	\$ 18,728,746	\$ 247,719,163	\$ 394,767,223

See accompanying Notes to Basic Financial Statements.

**COUNTY OF EL DORADO
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
JUNE 30, 2021**

Fund balances - total governmental funds	\$ 332,152,584
Amounts reported for governmental activities in the statement of net position are different because:	
Long-term interest receivables are not financial resources and therefore are not reported in the governmental funds	816,023
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds	420,464,369
Unavailable revenues are not available to pay for current period expenditures, and therefore, are deferred inflows of resources in the governmental funds	7,042,448
Deferred outflows of resources related to OPEB and pensions reported in statement of net position	80,202,556
Internal service funds are used by the County to charge the cost of self-insurance risk management and management of fleet maintenance to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in governmental activities in the statement of net position. The net position of internal service funds is:	33,834,459
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	(1,420,662)
Deferred inflows of resources related to OPEB and pensions reported in statement of net position	(25,020,597)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds:	
Notes payable	(57,517,109)
Software licensing agreement liability	(239,611)
Compensated absences	(18,545,891)
Liability for landfill closure and post-closure	(21,617,355)
Net pension liability	(386,406,817)
Total OPEB liability	<u>(108,294,946)</u>
Net position of governmental activities	<u>\$ 255,449,451</u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF EL DORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General Fund	Road Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 133,763,863	\$ 10,002	\$ -	\$ 20,716,493	\$ 154,490,358
Licenses, permits and franchises	12,496,394	1,027,963	-	1,156,664	14,681,021
Intergovernmental revenues	89,691,706	26,265,800	1,000	100,627,909	216,586,415
Use of money and property	437,479	(5,978)	-	991,564	1,423,065
Charges for services	13,147,776	1,469,752	-	30,198,929	44,816,457
Fines, forfeits and penalties	1,280,311	-	-	1,115,929	2,396,240
Miscellaneous revenues	1,822,989	3,761,736	-	3,076,662	8,661,387
Total Revenues	252,640,518	32,529,275	1,000	157,884,150	443,054,943
Expenditures					
Current					
General government	55,108,609	-	-	1,065,896	56,174,505
Public protection	121,080,202	-	-	7,096,940	128,177,142
Public ways and facilities	-	42,716,488	-	696,050	43,412,538
Health and sanitation	3,950,505	-	-	66,997,494	70,947,999
Public assistance	59,205,744	-	-	14,543,413	73,749,157
Education	3,408,095	-	-	-	3,408,095
Recreation and cultural services	1,901,760	-	-	-	1,901,760
Debt Service					
Interest	-	-	-	1,077,470	1,077,470
Capital Outlay	3,434,403	5,672,320	-	5,574,988	14,681,711
Total Expenditures	248,089,318	48,388,808	-	97,052,251	393,530,377
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,551,200	(15,859,533)	1,000	60,831,899	49,524,566
Other Financing Sources (Uses)					
Issuance of notes payable	-	-	-	6,749	6,749
Sale of capital assets	130,545	244,023	-	-	374,568
Transfers in	37,765,664	17,153,536	-	13,505,646	68,424,846
Transfers out	(11,185,849)	(2,015,932)	-	(55,457,957)	(68,659,738)
Total Other Financing Sources (Uses)	26,710,360	15,381,627	-	(41,945,562)	146,425
Net Change in Fund Balances	31,261,560	(477,906)	1,000	18,886,337	49,670,991
Fund Balances - Beginning of Year	71,776,643	6,382,713	-	200,646,510	278,805,866
Restatement of Beginning Fund Balances	3,675,727	-	-	-	3,675,727
Fund Balances - Beginning of Year	75,452,370	6,382,713	-	200,646,510	282,481,593
Fund Balances - End of Year	\$ 106,713,930	\$ 5,904,807	\$ 1,000	\$ 219,532,847	\$ 332,152,584

See accompanying Notes to Basic Financial Statements.

COUNTY OF EL DORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds	\$	49,670,991
Amounts reported for governmental activities in the statement of activities are different because:		
Government 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:		
Capital outlays	\$ 33,068,401	
Depreciation	<u>(29,423,925)</u>	3,644,476
Disposal of capital assets: proceeds from the sale of capital assets are a financial resource in governmental funds, but only the net gain or loss is presented in the statement of activities		
		(508,494)
Because long-term receivables will not be collected within the year, they are reported as deferred inflows of resources in the governmental funds. Unavailable revenues decreased by this amount this year		
		2,521,359
Because long-term interest receivables will not be collected within the year, they are not considered available resources and are not reported in governmental funds. Long-term interest receivables increased by this amount		
		106,115
Resources from debt issuance are recognized as inflows in governmental funds, but are reported as increases to liabilities in the statement of net position		
		(6,749)
Some revenues reported in the statement of activities do not result in the increase of current financial resources and, therefore, are not reported as revenues in governmental funds:		
Donated capital assets		7,000
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		(633,780)
Change in accrued interest payable		201,315
Change in software licensing agreement liability		587,954
Change in notes payable		813
Change in liability for closure and post-closure		(2,179,637)
Change in net pension liability and deferred inflows/outflows related to pensions		(10,926,821)
Change in total OPEB liability and deferred inflows/outflows related to OPEB		(2,027,044)
Internal service funds are used by the County to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities		
		<u>(4,723,588)</u>
Change in net position of governmental activities	\$	<u>35,733,910</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF EL DORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021**

	<u>Business - Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Assets			
Current Assets:			
Cash and investments	\$ 263,509	\$ 263,509	\$ 38,451,295
Accounts receivable	16,400	16,400	254,285
Due from other governments	10,583	10,583	-
Deposits	64,170	64,170	83,100
Inventories	26,049	26,049	37,320
Prepaid expenses	6,396	6,396	2,620,329
	<u>387,107</u>	<u>387,107</u>	<u>41,446,329</u>
Total Current Assets			
Noncurrent Assets:			
Capital Assets:			
Land	319,665	319,665	40,000
Construction in progress	539,640	539,640	-
Structures and improvements	9,849,469	9,849,469	213,088
Equipment	58,906	58,906	13,763,530
Accumulated depreciation	(7,662,810)	(7,662,810)	(6,198,900)
Total Capital Assets, Net of Accumulated Depreciation	<u>3,104,870</u>	<u>3,104,870</u>	<u>7,817,718</u>
Total Noncurrent Assets	<u>3,104,870</u>	<u>3,104,870</u>	<u>7,817,718</u>
	<u>3,491,977</u>	<u>3,491,977</u>	<u>49,264,047</u>
Total Assets			
Liabilities			
Current Liabilities			
Accounts payable	19,055	19,055	464,256
Salaries and benefits payable	6,867	6,867	27,533
Liability for self-insurance	-	-	3,208,088
Compensated absences - due in one year	3,151	3,151	12,817
	<u>29,073</u>	<u>29,073</u>	<u>3,712,694</u>
Total Current Liabilities			
Noncurrent Liabilities			
Liability for self-insurance	-	-	11,622,912
Compensated absences - due beyond one year	23,106	23,106	93,982
	<u>23,106</u>	<u>23,106</u>	<u>11,716,894</u>
Total Noncurrent Liabilities			
	<u>52,179</u>	<u>52,179</u>	<u>15,429,588</u>
TOTAL LIABILITIES			
Net Position			
Net investment in capital assets	3,104,870	3,104,870	7,817,718
Restricted	-	-	3,195,425
Unrestricted	334,928	334,928	22,821,316
	<u>3,439,798</u>	<u>3,439,798</u>	<u>22,821,316</u>
Total Net Position (Deficit)	<u>\$ 3,439,798</u>	<u>\$ 3,439,798</u>	<u>\$ 33,834,459</u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF EL DORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Business -Type Activities</u>		<u>Governmental</u>
	<u>County Airports</u>	<u>Total Enterprise</u>	<u>Internal Service</u>
		<u>Funds</u>	<u>Funds</u>
Operating Revenues			
Service fees	\$ 621,317	\$ 621,317	\$ 35,471,069
Total Operating Revenues	<u>621,317</u>	<u>621,317</u>	<u>35,471,069</u>
Operating Expenses			
Salaries and benefits	275,203	275,203	1,109,471
Services and supplies	533,000	533,000	39,187,953
Depreciation	284,029	284,029	923,700
Total Operating Expenses	<u>1,092,232</u>	<u>1,092,232</u>	<u>41,221,124</u>
Operating Income (Loss)	<u>(470,915)</u>	<u>(470,915)</u>	<u>(5,750,055)</u>
Non-Operating Revenues (Expenses)			
Interest income	1,410	1,410	180,948
Gain (Loss) on sale of fixed assets	-	-	9,973
Miscellaneous nonoperating revenue	3,806	3,806	753,389
Total Non-Operating Revenues (Expenses)	<u>5,216</u>	<u>5,216</u>	<u>944,310</u>
Income (Loss) Before Transfers and Capital Contributions	<u>(465,699)</u>	<u>(465,699)</u>	<u>(4,805,745)</u>
Transfers In (Out) and Capital Contributions			
Transfers in	152,928	152,928	82,580
Transfers out	(193)	(193)	(423)
Capital contributions (deductions)	20,081	20,081	-
Total Transfers and Capital Contributions	<u>172,816</u>	<u>172,816</u>	<u>82,157</u>
Change in Net Position	<u>(292,883)</u>	<u>(292,883)</u>	<u>(4,723,588)</u>
Net Position - Beginning of Year	<u>3,732,681</u>	<u>3,732,681</u>	<u>38,558,047</u>
Net Position - End of Year	<u>\$ 3,439,798</u>	<u>\$ 3,439,798</u>	<u>\$ 33,834,459</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF EL DORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021**

	<u>Business -Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Cash Flows From Operating Activities:			
Cash receipts from customers	\$ 611,396	\$ 611,396	\$ -
Cash receipts from interfund services provided	-	-	35,247,349
Cash paid to suppliers for goods and services	(620,662)	(620,662)	(41,603,115)
Cash paid to employees for salaries and benefits	(247,847)	(247,847)	(1,080,399)
Net cash provided (used) by operating activities	<u>(257,113)</u>	<u>(257,113)</u>	<u>(7,436,165)</u>
Cash Flows From Noncapital Financing Activities:			
Cash received from (paid to) other funds	121,735	121,735	82,157
Non-operating receipts	3,806	3,806	753,389
Net cash provided (used) by noncapital financing activities	<u>125,541</u>	<u>125,541</u>	<u>835,546</u>
Cash Flows From Capital and Related Financing Activities:			
Proceeds from sale of capital assets	-	-	123,459
Payments related to the acquisition of capital assets	(27,470)	(27,470)	(684,016)
Capital contributions	418,767	418,767	-
Net cash provided (used) by capital and related financing activities	<u>391,297</u>	<u>391,297</u>	<u>(560,557)</u>
Cash Flows From investing Activities:			
Interest received (paid)	1,410	1,410	180,948
Net cash provided (used) by investing activities	<u>1,410</u>	<u>1,410</u>	<u>180,948</u>
Net Increase (Decrease) in Cash and Cash Equivalents	261,135	261,135	(6,980,228)
Cash and Cash Equivalents, Beginning of Year	<u>2,374</u>	<u>2,374</u>	<u>45,431,523</u>
Cash and Cash Equivalents, End of year	<u>\$ 263,509</u>	<u>\$ 263,509</u>	<u>\$ 38,451,295</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position			
Cash and investments	\$ 263,509	\$ 263,509	\$ 38,451,295
Total Cash and Cash Equivalents	<u>\$ 263,509</u>	<u>\$ 263,509</u>	<u>\$ 38,451,295</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF EL DORADO
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021**

	<u>Business -Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (470,915)	\$ (470,915)	\$ (5,750,055)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	284,029	284,029	923,700
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(9,921)	(9,921)	(223,720)
Inventory	5,321	5,321	(5,971)
Deposits and prepaid expenses	(11,160)	(11,160)	(79,078)
Increase (decrease) in:			
Accounts payable	(81,823)	(81,823)	(440,113)
Salaries payable	1,572	1,572	5,664
Liability for compensated absences	25,784	25,784	23,408
Liability for self-insurance	-	-	(1,890,000)
Net Cash Provided (Used) by Operating Activities	<u>\$ (257,113)</u>	<u>\$ (257,113)</u>	<u>\$ (7,436,165)</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF EL DORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds	
			External Investment Pool Funds	Other Custodial Funds
Assets				
Cash and investments	\$ 139,036,389	\$ 2,737,417	\$ 116,348,792	\$ 8,338,029
Receivables:				
Interest	344,228	6,115	288,017	12,231
Taxes	-	-	-	13,383,002
Total Assets	<u>139,380,617</u>	<u>2,743,532</u>	<u>116,636,809</u>	<u>21,733,262</u>
Liabilities				
Accounts payable and other liabilities	5,524,715	-	4,182,248	1,990,514
Due to other governments	-	-	-	16,083,002
Total Liabilities	<u>5,524,715</u>	<u>-</u>	<u>4,182,248</u>	<u>18,073,516</u>
Net Position				
Restricted for:				
Pool participants	133,855,902	-	112,454,561	-
Individuals, organizations and other governments	-	2,743,532	-	3,659,746
Total Net Position	<u>\$ 133,855,902</u>	<u>\$ 2,743,532</u>	<u>\$ 112,454,561</u>	<u>\$ 3,659,746</u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF EL DORADO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2021

	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds	
			External Investment Pool Funds	Other Custodial Funds
Additions:				
Contributions to investment pool	\$ 1,379,995,529	\$ -	\$ 196,038,532	\$ 34,017,026
Contributions - gifts and bequests	-	3,895,612	-	-
Property taxes collected for other governments	-	-	-	475,176,132
Net investment earnings	730,258	12,065	508,646	14,663
Total Additions	<u>1,380,725,787</u>	<u>3,907,677</u>	<u>196,547,178</u>	<u>509,207,821</u>
Deductions:				
Distributions from investment pool	1,358,493,768	-	189,221,765	33,992,552
Beneficiary payments to individuals	-	4,076,385	-	-
Property taxes distributed to other governments	-	-	-	474,687,986
Total Deductions	<u>1,358,493,768</u>	<u>4,076,385</u>	<u>189,221,765</u>	<u>508,680,538</u>
Changes in Net Position	22,232,019	(168,708)	7,325,413	527,283
Net Position - Beginning of Year	216,753,031	-	-	-
Restatement of Beginning Net Position	(105,129,148)	2,912,240	105,129,148	3,132,463
Net Position - Beginning of Year (restated)	<u>111,623,883</u>	<u>2,912,240</u>	<u>105,129,148</u>	<u>3,132,463</u>
Net Position - Ending	<u>\$ 133,855,902</u>	<u>\$ 2,743,532</u>	<u>\$ 112,454,561</u>	<u>\$ 3,659,746</u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Description of the Reporting Entity

The County of El Dorado (the "County") is a political subdivision of the State of California (the "State"). As such, it can exercise the powers specified by the Constitution and statutes of the State. The County's powers are exercised through a Board of Supervisors (the "Board"), which acts as the governing body of the County. The Board is responsible for the legislative and executive control of the County. The County provides various services on a countywide basis including law and justice, education, detention, social, health, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning and tax collection.

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The following circumstances set forth the County's financial accountability for a legally separate organization.

- The County is financially accountable if it appoints a voting majority of the organization's governing body *and* (1) it is able to impose its will on that organization *or* (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.
- The County is financially accountable if an organization is fiscally dependent on *and* there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

The financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities, are in substance, part of the County's operations and so data from these units are combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County. For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon activities taken by the County's Board. Financial information on these component units may be obtained from the County Auditor-Controller's Office.

Blended Component Units: The following component units are blended into the County's financial statements because the governing board members are substantively the same as the County Board of Supervisors and the County's management has operational responsibility for these component units.

- The County Service Areas are separate legal entities created to provide services such as water, sewer, lighting and road maintenance throughout the County.
- The Air Quality Management District was established as a separate legal entity to maintain and improve the County's air quality.
- The In-Home Supportive Services Public Authority was created for the purpose of collective bargaining for in-home supportive services (IHSS) providers.
- The El Dorado County Housing Authority was formed to issue certificates and vouchers for Section 8 housing.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A. **Description of the Reporting Entity** (continued)

Blended Component Units: (continued)

- The El Dorado County Bond Authority was established pursuant to a joint exercise of powers agreement between the County and the El Dorado Redevelopment Agency to obtain financing for public capital improvements.
- The El Dorado Hills Business Park Light and Landscape District was formed to provide lighting and landscaping to the business park in El Dorado Hills.

The following component unit is blended into the County's financial statements because its total debt outstanding, if any, is expected to be repaid entirely or almost entirely with the County's resources.

- The County Water Agency is a separate legal entity formed to provide water service within the County.

Discretely Presented Component Units: The following component units are discretely presented because their governing boards are not substantively the same as that of the County and they do not meet other criteria as blending component units.

- The Children and Families Commission of El Dorado County (the Commission) was established in December 1998, under the authority of the California Children and Families First Act of 1998 and sections 130100, et seq. of the Health and Safety Code. The County Board appointed all members of the Commission. The Board can remove appointed members at will. The Commission accounts for receipts and disbursements of California Children and First Families Trust Fund (Proposition 10) allocations and appropriations for the Commission.
- The El Dorado County Transit Authority (EDCTA) was established pursuant to a joint exercise of powers agreement by and between the County and the City of Placerville to provide transit services. The County Board appoints three of the five EDCTA board members.
- The El Dorado County Transportation Commission (EDCTC) was created pursuant to Section 29532(b) of the California Government Code as a local transportation commission for the western slope of the County in 1975 to administer transportation planning and allocate the funds in accordance with the Transportation Development Act. Provided by the law change through California Assembly Bill No. 1204, the County Board appoints four of the seven EDCTC voting board members.

The reporting entity excludes certain separate legal entities which may have "El Dorado" in their title, or which are required to keep their funds in the County Treasury or receive their tax apportionment from the County. Examples are school districts and a variety of special purpose districts for fire protection, recreation and parks, etc. These entities are autonomous organizations with their own governmental powers and constituencies over which the County Board has no oversight responsibility. Accordingly, they are not included in the accompanying combined financial statements, except as to their assets held by the County (principally cash and investments held by the County Treasury) as discussed under "Fiduciary Funds".

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A. **Description of the Reporting Entity** (continued)

Also, excluded from the reporting entity are the following Joint Power Authorities (JPA):

- American River Authority. The County participates with Placer County, Placer County Water Agency, El Dorado County Water Agency, and San Joaquin County in this Joint Powers Authority that was created to facilitate construction of a dam, reservoir and hydroelectric power facilities at the Auburn Dam Site. The participants share the costs of operating the JPA equally. The governing board consists of one member from each of the participants and a public resident who alternates among El Dorado, Placer and San Joaquin County.
- El Dorado County-Folsom Joint Powers Agreement. The County participates with the City of Folsom in this JPA, the purpose of which is to manage growth toward the goal of achieving an improved quality of life for the citizens of both political jurisdictions. The governing board consists of two members from each of the participating entities.
- Sacramento-Placerville Transportation Corridor Joint Powers Agreement. The County participates with Sacramento County, the City of Folsom and Regional Transit in this JPA. The agency was formed to acquire the Placerville Branch of the Southern Pacific Railroad Right of Way. The participants share the costs of operating the Joint Powers Authority equally. The board is made up of one member from each participant and one public member at large.

B. **Basis of Presentation**

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except fiduciary activities. These statements distinguish between the *governmental* and *business-type activities* of the County and between the County and its discretely presented component units. 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 charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County 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. Certain indirect costs, which cannot be identified and broken down, are included in the program expenses reported for individual functions and activities. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs 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.

When both restricted and unrestricted components of net position are available, restricted resources are used just before the unrestricted resources are used.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. Basis of Presentation (continued)

Fund Financial Statements

The fund financial statements provide information about the County's funds, including blended component units and fiduciary funds. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. *Operating* revenues, such as charges for services, result from exchange transactions associated with the principal activities of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. *Operating* expenses include costs of providing services and delivering goods. All other expenses not meeting this definition are reported as nonoperating expenses.

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, health and sanitation, public assistance, education, and recreation and cultural services.
- The Road Fund is a special revenue fund used to account for funds allocated for the planning, design, construction, maintenance and administration of County transportation activities (public ways and facilities). The Road Fund's revenues primarily come from intergovernmental sources. The State provides the allocation to the Road Fund from sources such as gas taxes, transportation planning funds and Proposition 1B. The federal government also provides funding through various federal construction funds. In addition, Road Fund receives operating transfers of local revenues generated from road improvement fees and traffic impact mitigation fees charged on new development.
- The American Rescue Plan Act fund is a special revenue fund established to receive all proceeds from the American Rescue Plan Act of 2021 (ARPA). Funds deposited here are going to be used to provide support to non-profit organizations residing in the County. Upon approval of applications, grants will be distributed to non-profit organizations to offset their net income losses in 2020 as a result of COVID-19.

The County reports the following nonmajor enterprise fund:

- The County Airports Fund accounts for the activities of the County airports.

In addition, the County reports the following additional fund types:

- Internal Service Funds – Fleet Management and Risk Management Authority are internal service funds used to account for the County's fleet maintenance provided to other departments, and for employee and retiree health benefits and the self-insurance program for personal injury and property damage on a cost-reimbursement basis.
- Investment Trust Funds – Investment Trust Funds are used to report fiduciary activities from the external portion of an investment pool and individual investment accounts that are held in a trust. Participants include school and community college districts, other special districts governed by local boards, regional boards and authorities that are required to keep cash in the County Treasury.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

B. Basis of Presentation (continued)

Fund Financial Statements (continued)

- Private-Purpose Trust Funds – Private-Purpose Trust Funds are used to report all fiduciary activities that (a) are not required to be reported in pension (and other employee benefits) trust funds or investment trust funds and (b) are held in a trust. These include Public Guardian, Public Administrator, Substitute Payee and Representative Payee trust funds.
- Custodial Funds – Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Other Custodial Funds include unapportioned property taxes and other custodial funds. External Investment Pool Funds are used to report fiduciary activities from external portion of investment pool for participants that are not required to keep cash in the County Treasury.

C. Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide, proprietary, and fiduciary 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 does not give (or receive) equal value in exchange, includes property and sales taxes, 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 taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year for 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 earned, measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within 180 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 compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

D. Cash and Investments

The County maintains an investment pool that is managed by the County Treasurer. The County Treasury 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. The State of California (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 acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Investments (continued)

Participants' 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 accredited discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants every month. Unrealized gains or losses are not apportioned to pool participants.

Income from pooled investments is allocated to the individual funds or external participants based on the fund or participants' average daily cash balance at month end in relation to the total pool investments.

E. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the enterprise and internal service funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasury investment pool, to be cash equivalents.

F. Mortgages Receivables

Governmental fund long-term mortgage receivables arise from mortgage subsidiary programs. These long-term receivables are recorded in the governmental fund balance sheet as well as in the governmental activities of the government-wide statement of net position.

G. Inventories and Prepaid Expenses

Inventories of expendable supplies are valued at the lower of cost (first-in, first-out) or market. The cost is recorded as an expenditure at the time individual inventory items are consumed. Reported inventories are equally offset by the nonspendable fund balance to indicate that portion of fund balance is not in spendable form.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. Similarly, reported prepaid expenses are equally offset by the nonspendable fund balance.

H. Capital Assets and Depreciation

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, water/sewer, lighting system, drainage systems, and flood control. The County defines infrastructure and building and improvements as purchases or improvements with an aggregate cost of more than \$25,000 and with useful life of more than one year. This threshold was increased from \$10,000 during fiscal year 2018-2019. The County defines intangible assets with the acquirement or development with an aggregate cost of more than \$100,000 and with useful life in excess of one year. The County defines equipment with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. This threshold was increased from \$1,500 to \$5,000 effectively July 1, 2015.

The estimated useful lives are as follows:

Infrastructure (except for the maintained pavement subsystem)	15 to 25 years
Depreciable intangible assets	3 to 20 years
Structures and improvements	8 to 50 years
Equipment	3 to 20 years

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets and Depreciation (continued)

Governmental Funds – Capital assets that the County acquires through the use of resources from a governmental fund are recorded as an outflow/expenditure for the period. Further, since the governmental fund balance sheet presents only those assets that represent financial resources available for current appropriation and expenditure, capital assets are not reported in a specific governmental fund but, rather, are reported in the government-wide statement of net position. Leasehold improvements of governmental funds are amortized in the government-wide statements using the straight-line method over the lesser of the lease period or their estimated useful lives. Other capital assets of governmental funds are depreciated in the government-wide statements using the straight-line method over their estimated useful lives.

Proprietary Funds – Capital assets are capitalized and depreciated using the straight-line method over their estimated useful lives; however, the Fleet Management Fund uses the “per mile” depreciation method, which approximates the straight-line method.

I. Property Tax Levy, Collection and Maximum Rates

The State Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed one percent (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 two percent (2%) per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a one percent (1%) tax levy among the County, cities, school districts, and other districts. The total 2020-2021 net assessed valuation of the County was \$36,435,317,572.

Secured property taxes are recorded as revenues when levied under the alternate plan described in Division I, Part 8, Chapter 3 of the Revenue and Taxation Code of the State so that fund balances include property taxes apportioned but not collected. Unsecured taxes are recorded as revenues when collected. The County’s property tax calendar is as follows:

	<u>Secured</u>	<u>Unsecured</u>
Lien date	January 1	January 1
Levy date	July 1	July 1
Due dates:		
First installment	November 1	January 1
Second installment	February 1	
Delinquent dates:		
First installment	December 10	August 31
Second installment	April 10	

J. Compensated Absences (Accrued Vacation, Sick Leave and Compensatory Items)

The County’s policy allows employees to accumulate earned but unused vacation, sick leave, and compensatory time-off. Vacation pay may be accumulated to a maximum of six to eight weeks depending on the employee’s years of service and is payable upon termination. Employees with at least five years of service receive a percentage of their unused sick leave upon termination ranging from 20% at five years to 100% at twenty years up to a maximum cap between 500 to 504 hours. Compensated time off may be accumulated up to a maximum of 160 to 200 hours depending on the employee’s bargaining unit and, similar to vacation pay, is payable upon termination.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

J. Compensated Absences (Accrued Vacation, Sick Leave and Compensatory Items)
(continued)

Governmental Funds – Because vacation, sick leave and compensatory time-off balances do not require the use of expendable financial resources, no liability is recorded within the governmental funds. However, this liability is reflected in the government-wide statement of net position.

Proprietary Funds – Vacation, sick leave and compensatory time-off are recorded as an expense and the related salaries and benefits liability in the year earned. Accrued but unpaid liabilities at year-end are recorded in the respective funds.

K. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due from/to other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the *governmental activities* and the *business-type activities* are reported in the government-wide financial statements as “internal balances”. Advances to other funds reported in the General Fund financial statement are offset by the nonspendable fund balance to indicate that they are not in spendable form.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between *governmental activities* or *business-type activities* are netted as part of the reconciliation to the government-wide presentation.

L. Self-Insurance

The County self-insures for property damage, liability, and unemployment claims. Self-insurance programs are accounted for in an internal service fund and interfund charges are treated as quasi-external transactions.

M. Pensions

For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the fiduciary net positions of the County’s pension plans (the Plans) and additions to/deductions from the Plans’ fiduciary net positions have been determined on the same basis as they are reported by the California Public Employees’ Retirement System (CalPERS) Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Other Postemployment Benefits (OPEB)

For purposes of measuring the total other postemployment benefits (OPEB) liabilities, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expenses, benefit payments are recognized when due and payable in accordance with the benefit terms. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

O. Deferred Outflows and Inflows of Resources

Pursuant to Governmental Accounting Standards Board (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 and 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 by the County that is applicable to a future reporting period and will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two types of deferred outflows of resources. The first type is from pension activities. The second type is from other post-employment benefit (OPEB) activities. Both types are reported in the government-wide statement of net position.

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, deferred inflows of resources, represents an acquisition of net assets by the County that is applicable to a future reporting period and will not be recognized as an inflow of resources (revenue) until that time. The County has three types of deferred inflows of resources. The first type, unavailable revenue, arises under the modified accrual basis of accounting and therefore, is reported only in the governmental fund balance sheet. The second type is from pension activities and is reported in the government-wide statement of net position. The third type is from other post-employment benefit (OPEB) activities and is reported in the government-wide statement of net position.

P. Net Position and Fund Balances

Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets*: This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position*: This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Included in governmental activities restricted net position at June 30, 2021, is net position restricted by enabling legislation of \$165.5 million.
- *Unrestricted Net Position*: This category represents net position of the County, not restricted for any project or other purpose.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

P. **Net Position and Fund Balances** (continued)

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balances in classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources reported in those funds. As of June 30, 2021, fund balances for governmental funds comprise the following based on the relative strength of the constraints that control how specific amounts can be spent:

- *Nonspendable Fund Balance*: This category 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. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories, and prepaid amounts.
- *Restricted Fund Balance*: This category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance*: This category includes amounts that can be used only for the specific purposes determined by a formal action of the County’s highest level of decision-making authority (resolution by the County’s Board). Commitments may be changed or lifted only by the County’s Board taking the same formal action that imposed the constraint originally.
- *Assigned Fund Balance*: This category comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the County’s Board or (b) a body (a budget or finance committee, for example) or official to which the County’s Board has delegated the authority to assign amounts to be used for specific purposes.
- *Unassigned Fund Balance*: This category is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification was used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

General Fund General Reserves and Contingency

The County’s Board has established policies with adoption of the annual budget to establish and maintain General Fund General Reserves and Contingency.

- *General Reserves*: should be maintained at a target of five percent (5%) of adjusted General Fund budget. General Reserves are to be maintained at this level at all times, except in the case of a Board recognized fiscal emergency.
- *Appropriation for Contingencies*: should be established annually at a minimum of three percent (3%) of adjusted General Fund appropriations. Funds are to be used during the fiscal year to address unanticipated expenditure increases or revenue decreases. The use of contingency funds requires the County’s Board and the Chief Administrative Office approval.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

P. Net Position and Fund Balances (continued)

General Fund General Reserves and Contingency (continued)

For 2020-2021, the appropriation for contingencies in General Fund budget was \$6.0 million. As of June 30, 2021, the balance of General Fund General Reserves was \$10.0 million. General Fund General Reserves and Contingency are reported within unassigned fund balances because they do not meet the criteria to be reported within the restricted or committed classifications.

Q. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenditures/expenses during the reporting period. Actual results could differ from these estimates and the differences may be material.

R. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

S. Implementation of GASB Statements

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*, which is effective for periods beginning after December 15, 2019 (as postponed by one year per GASB Statement No. 95). The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement was implemented by the County as of fiscal year ended June 30, 2021.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2: CASH AND INVESTMENTS

The County Treasurer manages an investment pool as prescribed in the County's investment policy. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily cash balance of each fund.

The investment pool includes both voluntary and involuntary participation from external entities. The State of California statutes require schools, certain special districts and other governmental entities to maintain their cash surplus with the County Treasury pool.

The County investment pool is not registered with the Securities and Exchange Commission (SEC) as an investment company. Investments made by the County Treasury are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority, safety, liquidity, public trust, and yield.

The County Board of Supervisors reviews and approves the investment policy annually. The County Treasury prepares and submits a comprehensive investment report to the investment pool participants every quarter. The report covers the type of investments in the pool, maturity dates, par value, actual costs and fair value.

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

	Pooled Treasury	External to Pool	Total
Cash:			
Imprest cash	\$ -	\$ 247,900	\$ 247,900
Cash on hand	500	-	500
Deposits	27,505,127	5,039,418	32,544,545
Total Cash	<u>27,505,627</u>	<u>5,287,318</u>	<u>32,792,945</u>
Investments	<u>610,971,651</u>	<u>1,278,905</u>	<u>612,250,556</u>
Total Cash and Investments	<u>\$ 638,477,278</u>	<u>\$ 6,566,223</u>	<u>\$ 645,043,501</u>

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

	Primary Government	Fiduciary Funds	Component Units	Total
County Investment Pool:				
Unrestricted	\$ 359,188,362	\$ 265,928,345	\$ 1,597,691	\$ 626,714,398
Restricted	8,555,801	-	3,207,079	11,762,880
Total in County Investment Pool	<u>367,744,163</u>	<u>265,928,345</u>	<u>4,804,770</u>	<u>638,477,278</u>
External to Pool:				
Other restricted cash and investments	83,776	-	205,305	289,081
Other unrestricted cash and investments	-	532,282	5,496,960	6,029,242
Imprest cash	247,500	-	400	247,900
Total External to Pool	<u>331,276</u>	<u>532,282</u>	<u>5,702,665</u>	<u>6,566,223</u>
Total Cash and Investments	<u>\$ 368,075,439</u>	<u>\$ 266,460,627</u>	<u>\$ 10,507,435</u>	<u>\$ 645,043,501</u>

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Cash and investments were restricted as of June 30, 2021, for the following purposes:

	Primary Government	Component Units	Total
Closure and post-closure costs	\$ 2,934,980	\$ -	\$ 2,934,980
Tax loss reserve	3,832,762	-	3,832,762
Deposits from developers	1,788,059	-	1,788,059
Retainage held in escrow	83,776	-	83,776
Transit and transportation grant expenditures	-	3,412,384	3,412,384
	<u>\$ 8,639,577</u>	<u>\$ 3,412,384</u>	<u>\$ 12,051,961</u>

Investments

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer *
U.S. Treasury Obligations (Notes, Bonds, Bills)	5 years	100%	100%
Cash Management Bills	5 years	100%	100%
U.S. Agency Obligations	5 years	100%	25%
Money Market Mutual Funds	N/A	20%	10%
Public Investment Money Market Accounts, Collateralized	N/A	30%	20%
Certificates of Deposit, Non-negotiable	5 years	30%	5%
Collateralized Certificates of Deposit, Non-negotiable	5 years	30%	5%
Certificates of Deposits, Negotiable	5 years	30%	5%
Bankers Acceptances	180 days	40%	5%
Domestic Commercial Paper	270 days	25%	10%
Repurchase Agreements (REPO)	1 year	20%	5%
Medium-Term Corporate Notes	5 years	30%	10%
State and Local Government Bonds	5 years	20%	5%
Local Agency Investment Fund (LAIF)	N/A	100%	**
Deposit Placement Services	5 years	30%	***
California Asset Management Program (CAMP)	N/A	100%	****
Registered California State Warrants, Notes or Bonds	5 years	100%	100%

* Limitations apply only at the time an investment is purchased.

** Subject to a \$75 million cap set by LAIF.

*** Individual deposit no more than can be federally insured.

**** Subject to a cap of twice the LAIF investment.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

As of June 30, 2021, the County had the following investments:

	Interest Rates	Maturities	Par Value	Book Value	Fair Value	WAM (Years)
Investments in Investment Pool						
California Local Agency Investment Fund	0.240%-0.540%	On Demand	\$ 93,728,746	\$ 93,728,746	\$ 93,728,746	0.00
Treasury Securities - Coupon	0.125%-0.375%	03/31/22-07/31/22	20,000,000	20,005,526	20,013,580	0.96
Commercial Paper - Discount	0.110%-0.140%	07/09/21-08/24/21	18,000,000	17,994,405	17,998,656	0.09
Negotiable CDs - Bank	0.150%	08/05/21-08/06/21	12,000,000	12,000,475	12,001,555	0.10
Federal Agencies - Coupon	0.110%-2.000%	07/21/21-06/17/26	287,195,000	287,141,287	286,245,250	2.97
California Asset Management Program	0.050%	On Demand	20,000	20,000	20,000	0.00
State and Local Government Bonds	0.274%-4.000%	12/01/21-12/01/24	20,295,000	20,397,341	20,349,541	2.21
Medium Term Notes	0.300%-2.900%	05/26/22-02/08/26	126,867,000	127,454,004	126,860,497	2.34
Money Market Account	0.050%-0.320%	On Demand	32,229,867	32,229,867	32,229,867	0.00
Total Investments in Investment Pool			\$ 610,335,613	\$ 610,971,651	\$ 609,447,692	1.99
Investments Outside Investment Pool						
Component Units:						
<i>El Dorado County Transit Authority</i>						
California Local Agency Investment Fund	0.240%-0.540%	On Demand	\$ 1,278,905	\$ 1,278,905	\$ 1,278,905	--
Total Investments Outside Investment Pool			\$ 1,278,905	\$ 1,278,905	\$ 1,278,905	--

As of June 30, 2021 the difference between the carrying value and fair value of cash and investments was not material (fair value was 99.751% of carrying value). No adjustment has been recorded on the financial statements.

Interest Rate Risk

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy. As of June 30, 2021, the investment pool had a weighted average maturity of 1.99 years.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligation. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

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 fair value as of June 30, 2021.

	Moody's Rating	% of Portfolio
California Local Agency Investment Fund	Aaa	15.38%
Treasury Securities - Coupon	Aaa	3.28%
Commercial Paper - Discount	A	2.95%
Negotiable CDs - Bank	A	1.97%
Federal Agencies - Coupon	Aaa	46.97%
California Asset Management Program	AAA*	0.00%
State and Local Government Bonds	Baa	3.34%
Medium Term Notes	A	20.82%
Money Market Account	Unrated	5.29%
Total		100.00%

* Standard & Poor's fund rating.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

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. As of June 30, 2021, the County's investment pool had no deposit accounts or securities exposed to custodial credit risk.

To mitigate custodial credit risk the County requires that all of its managed investments be held in safekeeping by a third party under contract with the County.

The County's investment policy requires that deposits in financial institutions must meet the requirements of the California Government Code. Therefore, deposits of more than \$250,000 must be collateralized to guarantee the safety of public funds. The first \$250,000 of the County's deposits with each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC), which serves to mitigate the County's risk.

Fair Value Hierarchy

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Treasury Securities – Coupon, valued at 20.0 million in total, are classified in Level 1 of the fair value hierarchy, valued using quoted prices in active markets. Commercial Paper – Discount, Negotiable CDs, Federal Agency Issues – Coupon, State and Local Government Bonds and Medium Term Notes, valued at 463.5 million in total, are classified in Level 2 of the fair value hierarchy, valued using significant other observable inputs. Deposits and withdrawals in governmental investment pools, such as the State of California Local Agency Investment Fund (LAIF) and California Asset Management Program (CAMP), are made on the basis of one dollar and not fair value. Accordingly, the fair value of the County's proportionate share in this type of investment is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input. Money Market Accounts are nonparticipating interest-bearing savings accounts. They are measured using a cost-based measure, not fair value and therefore, not subject to fair value hierarchy.

Local Agency Investment Fund

The County Treasury pool maintains an investment in the State of California LAIF, managed by the State Treasurer. 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 (LIAB) has oversight responsibility for LAIF. The LIAB consists of five members as designated by State Statute.

As of June 30, 2021, the County's investment position in LAIF was \$93.7 million, which consisted of multiple accounts with each account no more than \$75 million. The County's investment position in LAIF of \$93.7 million approximates fair value and is the same as value of the pool shares. The total amount invested by all public agencies in LAIF on that day was \$37.1 billion. LAIF is part of the State of California Pooled Money Investment Account (PMIA), whose balance as of June 30, 2021 was \$193.3 billion. Of that amount, 2.31% was invested in medium-term and short-term structured notes and asset-backed securities.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

County Investment Pool Condensed Financial Statements

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

Statement of Net Position

Net position held for pool participants	\$ 638,477,278
Equity of internal pool participants	\$ 383,092,097
Equity of external pool participants	255,385,181
Total net position	<u>\$ 638,477,278</u>

Statement of Changes in Net Position

Net position, July 1, 2020	\$ 528,887,841
Investment income	3,399,562
Investment expenses	(646,028)
Net contributions (withdrawals) by pool participants	106,835,903
Net position, June 30, 2021	<u>\$ 638,477,278</u>

NOTE 3: LONG-TERM RECEIVABLES

The accounts receivable balances reported in the governmental funds include an allowance for uncollectible amounts of \$12,271,038. Among the accounts receivables, \$5,426,601 (net of uncollectible amount) are long-term accounts receivables. In addition, the due from other government balances reported in the governmental funds include long-term receivables of \$1,615,847. These long-term receivables are not expected to be fully collected in the next fiscal year and are therefore equally offset by the deferred inflows of resources (unavailable revenue). Further, the governmental funds and the governmental activities report long-term notes receivables of \$10,660,137. The governmental activities also report long-term interest receivables of \$816,023.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4: CAPITAL ASSETS

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

	Balance July 1, 2020	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2021
Governmental Activities					
Capital assets, not being depreciated					
Land and improvements	\$ 28,911,930	\$ -	\$ (96,628)	\$ -	\$ 28,815,302
Intangible assets (Right of Way)	31,707,599	1,248,126	-	-	32,955,725
Construction in progress	3,673,237	7,913,664	-	(7,800,168)	3,786,733
Total capital assets not being depreciated	64,292,766	9,161,790	(96,628)	(7,800,168)	65,557,760
Capital assets, being depreciated					
Infrastructure	455,298,184	17,410,642	-	-	472,708,826
Intangible assets (Software)	9,679,973	958,000	(1,260,180)	-	9,377,793
Structures and improvements	212,271,208	133,537	(732,155)	7,800,168	219,472,758
Equipment	57,119,685	6,095,448	(3,265,545)	-	59,949,588
Total capital assets being depreciated	734,369,050	24,597,627	(5,257,880)	7,800,168	761,508,965
Less accumulated depreciation for					
Infrastructure	(274,243,883)	(21,129,313)	-	-	(295,373,196)
Intangible assets (Software)	(2,855,839)	(1,225,778)	1,260,180	-	(2,821,437)
Structures and improvements	(60,864,018)	(4,419,753)	602,951	-	(64,680,820)
Equipment	(35,205,801)	(3,572,781)	2,869,397	-	(35,909,185)
Total accumulated depreciation	(373,169,541)	(30,347,625)	4,732,528	-	(398,784,638)
Total capital assets being depreciated, net	361,199,509	(5,749,998)	(525,352)	7,800,168	362,724,327
Governmental activities capital assets, net	\$ 425,492,275	\$ 3,411,792	\$ (621,980)	\$ -	\$ 428,282,087
Business Type Activities					
Capital assets, not being depreciated					
Land	\$ 319,665	\$ -	\$ -	\$ -	\$ 319,665
Construction in progress	859,192	12,267	-	(331,819)	539,640
Total capital assets not being depreciated	1,178,857	12,267	-	(331,819)	859,305
Capital assets, being depreciated					
Structures and improvements	9,517,650	-	-	331,819	9,849,469
Equipment	43,703	15,203	-	-	58,906
Total capital assets being depreciated	9,561,353	15,203	-	331,819	9,908,375
Less accumulated depreciation for					
Structures and improvements	(7,338,268)	(279,452)	-	-	(7,617,720)
Equipment	(40,513)	(4,577)	-	-	(45,090)
Total accumulated depreciation	(7,378,781)	(284,029)	-	-	(7,662,810)
Total capital assets being depreciated, net	2,182,572	(268,826)	-	331,819	2,245,565
Business type activities capital assets, net	\$ 3,361,429	\$ (256,559)	\$ -	\$ -	\$ 3,104,870

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4: CAPITAL ASSETS (CONTINUED)

Depreciation

Depreciation expense was charged to governmental activities as follows:

General government	\$	1,897,124
Public protection		3,910,312
Public ways and facilities		22,303,432
Health and sanitation		397,820
Public assistance		450,167
Education		281,551
Recreation and cultural services		183,519
Internal Service Funds - depreciation on capital assets held by the County's internal service funds are charged to the various functions based on their usage of service		923,700
Total depreciation expense governmental activities	\$	30,347,625

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

Airports	\$	284,029
Total depreciation expense business-type activities	\$	284,029

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5: UNEARNED REVENUE AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Unearned Revenues

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when earned. Therefore, the government-wide statement of net position as well as governmental and proprietary funds delay revenue recognition in connection with resources that have been received as of year-end, but not yet earned. Assets recognized in connection with a transaction before the earning process is complete are offset by a corresponding liability for unearned revenue.

As of June 30, 2021, governmental funds and governmental activities report unearned revenue in connection with resources that have been received, but not yet earned. The various components of unearned revenue were reported as follows:

	Governmental Funds	Governmental Activities
	Unearned Revenue	Unearned Revenue
Governmental Funds/Governmental Activities:		
General Fund:		
Various grants and charges	\$ 184,301	\$ 184,301
Road Fund:		
Various grants and charges	252,173	252,173
American Rescue Plan Act Fund:		
Various grants and charges	18,727,746	18,727,746
Other Governmental Funds:		
Various grants, charges, and special assessments	10,348,940	10,348,940
Total	\$ 29,513,160	\$ 29,513,160

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5: UNEARNED REVENUE AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES
(CONTINUED)

Deferred Outflows and Inflows of Resources

As described in Note 1, pursuant to GASB Statement No. 63 and Statement No. 65, the County recognizes deferred outflows and inflows of resources in the financial statements. Under the modified accrual basis of accounting, in addition to “having been earned”, revenue must also be available to finance expenditures of the current period for it to be recognized in the current period. When an asset is recorded in governmental fund financial statements but the revenue is not available, governmental funds report a deferred inflow of resources until such time as the revenue becomes available. These deferred inflows of resources are in connection with receivables for revenues considered unavailable for the current period. Further, the County reports deferred outflows and inflows of resources related to pensions and other post-employment benefits (OPEB) in its governmental activities.

The summary of the deferred outflows and inflows of resources reported for the year ended June 30, 2021, is as follows:

	Governmental Funds (Unavailable Revenue)	Governmental Activities	
	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Funds:			
General Fund:			
Various grants and charges	\$ 1,518,883	\$ -	\$ -
Road Fund:			
Various grants and charges	271,417	-	-
Other Governmental Funds:			
Various grants, charges, and special assessments	5,252,148	-	-
Governmental Activities:			
Deferred pension outflows	-	59,193,517	-
Deferred OPEB outflows	-	21,009,039	-
Deferred pension inflows	-	-	2,275,029
Deferred OPEB inflows	-	-	22,745,568
Total	<u>\$ 7,042,448</u>	<u>\$ 80,202,556</u>	<u>\$ 25,020,597</u>

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6: LONG-TERM LIABILITIES

Long-term debt at June 30, 2021 consisted of the following:

	Date of Issue	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2021
Governmental Activities:						
Note Payable:						
HUD Home Program ¹⁾	2003	2058	0.00%	2)	3,000,000	\$ 2,974,165
HUD Home Program ¹⁾	2013	2067	3.00%	2)	3,000,000	3,000,000
HUD State CDBG Program ¹⁾	2013	2068	3.00%	2)	483,000	483,000
USDA Rural Development Loans	2018	2058	2.375%	\$892,000 - \$1,865,000	51,059,944 ³⁾	51,059,944
Software Licensing Agreements:						
Kronos	2019	2022	0.00%	\$128,958	386,874	91,345
Microsoft Enterprise	2018	2021	0.00%	\$419,046	1,257,138	69,841
Nexus	2019	2022	0.00%	\$10,200 - \$63,200	125,600	78,425
Total Governmental Activities						<u>\$ 57,756,720</u>

1) Note payable is offset by a long-term note receivable secured by a deed of trust.

2) Outstanding principal is due in total at the end of the note maturity.

3) See below.

USDA Rural Development Loans

In 2016, the County entered into six loan agreements with the U.S. Department of Agriculture (USDA) Rural Development Program in an aggregate amount not to exceed \$57,140,000. The purpose of the loans was to fund the development and construction of a new public safety facility in Diamond Springs. The principal outstanding at June 30, 2021 is \$51,059,944.

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

	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021	Amounts Due Within One Year
Governmental Activities					
Notes payable:					
* HUD HOME Program	\$ 5,974,978	\$ -	\$ 813	\$ 5,974,165	\$ -
* HUD State CDBG Program	483,000	-	-	483,000	-
* USDA Rural Development Loans	51,053,195	6,749	-	51,059,944	892,000
Compensated absences	17,995,502	2,938,024	2,280,836	18,652,690	2,288,226
* Software licensing agreements	827,565	-	587,954	239,611	221,178
Landfill closure / post-closure liability	19,437,718	2,179,637	-	21,617,355	-
Liability for self-insurance claims	16,721,000	29,260,394	31,150,394	14,831,000	3,208,088
Other postemployment benefits	90,966,859	23,933,303	6,605,216	108,294,946	2,380,000
Net pension liability	364,685,927	109,646,704	87,925,814	386,406,817	-
	<u>\$ 568,145,744</u>	<u>\$ 167,964,811</u>	<u>\$ 128,551,027</u>	<u>\$ 607,559,528</u>	<u>\$ 8,989,492</u>
Business-Type Activities					
Compensated absences	\$ 473	\$ 25,784	\$ -	\$ 26,257	\$ 3,151
	<u>\$ 473</u>	<u>\$ 25,784</u>	<u>\$ -</u>	<u>\$ 26,257</u>	<u>\$ 3,151</u>

* *Direct borrowings and direct placements*

The County acquired commercially available computer software through licensing agreements. Under the term of the agreements, the County is required to make annual installment payments to the software vendors for the right to use the software over the lives of the agreements. Software licensing agreement liability is generally liquidated by the General Fund.

The liability for self-insurance claims is liquidated by the cumulative charge for services recorded in the internal service fund. Compensated absences, other postemployment benefits, and net pension liability are generally liquidated by the General Fund and related special revenue funds. Landfill closure / post-closure liability is liquidated from special revenue funds.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

As of June 30, 2021, annual debt service requirements of governmental activities having fixed maturities are shown below. The HUD State CDBG Program note payable and both of the HUD Home Program notes payable are not included in the schedule.

Year Ending June 30:	Governmental Activities		
	Notes Payables*		Software Licensing Agreement*
	Principal	Interest	Principal
2022	\$ 892,000	\$ 1,202,009	\$ 221,178
2023	965,000	1,180,029	18,433
2024	988,000	1,156,838	-
2025	1,012,000	1,133,088	-
2026	1,035,000	1,108,779	-
2027-2031	5,558,000	5,158,683	-
2032-2036	6,249,000	4,458,379	-
2037-2041	6,625,944	3,679,369	-
2042-2046	6,569,000	2,910,764	-
2047-2051	7,388,000	2,083,018	-
2052-2056	8,308,000	1,152,065	-
2057-2059	5,470,000	174,693	-
	<u>\$ 51,059,944</u>	<u>\$ 25,397,714</u>	<u>\$ 239,611</u>

* Direct borrowings and direct placements

As of June 30, 2021, there are no annual debt service requirements of business-type activities to maturity.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7: LIMITED OBLIGATION DEBT

Pursuant to various development agreements, the County has formed a number of community facility districts (CFDs) and has issued limited obligation bonds to finance infrastructure. The bonds are limited obligation debt repayable solely from the special taxes collected with each CFD. The only foreseeable circumstances that would make the County partially responsible for debt service payments or damages to bond investors would be if an error or omission is made by the County in the formation of the CFD, in the preparation of the offering statement, in the ongoing SEC required disclosures, or in the administration of the CFD. No adjustments were made to the County's financial statements for these limited obligation debt. As of June 30, 2021, the balances of these districts' outstanding debt were as follows:

Community Facilities District No. 1992-1 (EDH Serrano)	\$ 25,615,000
Community Facilities District No. 2001-1 (Promontory)	\$ 20,850,000
Community Facilities District No. 2005-1 (Blackstone)	\$ 24,195,000
Community Facilities District No. 2005-2 (Laurel Oaks)	\$ 2,795,000
Community Facilities District No. 2014-1 (Carson Creek)	\$ 31,925,000
Community Facilities District No. 2018-1 (Bass Lake)	\$ 11,970,000

NOTE 8: LEASES

Operating Lease Obligations

The County leases various office space, equipment, and buildings under various operating leases. Annual rent expenditures were approximately \$3.5 million for the year ended June 30, 2021.

Future minimum operating lease commitments are as follows:

Year Ending June 30	
2022	\$ 2,834,070
2023	2,783,147
2024	2,060,557
2025	850,064
2026	695,118
2027-2028	815,850
	<u>\$ 10,038,806</u>

NOTE 9: LIABILITY FOR CLOSURE AND POST-CLOSURE COSTS

State and federal laws and regulations require the County to place a final cover on its Union Mine landfill site and perform certain maintenance and monitoring functions at the site for thirty years after final closure. In addition to operating expenditures related to current activities of the landfill, an estimated liability is being recognized based on the future closure and postclosure maintenance costs that will be incurred near or after the date the landfill no longer accepts waste.

The County ceased accepting waste from the public in 1997 and 8.2 acres or 19.4 percent of the landfill's 42.3 acres remain open to waste generated onsite. The estimated landfill closure care liability of \$2,934,980 reported as of June 30, 2021, is the current cost estimate of closing the remaining 8.2 acres. Because the landfill is no longer accepting waste from the public, the additional liability of \$18,682,374 representing postclosure costs for the entire 42.3 acres has been recognized and is a cumulative amount reported to date based on County staff estimates and adjustments for CPI (Consumer Price Index) rate changes.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9: LIABILITY FOR CLOSURE AND POST-CLOSURE COSTS (CONTINUED)

State and federal laws require the County to make contributions to a special fund in order to finance closure care. At June 30, 2021, cash and investments held of \$2,934,980 in this special fund are part of the pooled funds held by the County Treasury and are reported as restricted assets on the Statement of Net Position. Currently, the amount held as restricted cash is sufficient to cover the entire closure liability.

The County has filed a Pledge of Revenue with the California Integrated Waste Management Board that waives the requirement to make contributions to a special fund to finance postclosure costs. The estimated postclosure costs of \$18,682,374, to be paid over a 30-year period upon final closure, may need to be funded by charges to future landfill users and/or from future tax revenue.

NOTE 10: INTERFUND TRANSACTIONS

The composition of interfund balances as of June 30, 2021 is as follows:

Due From/To Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 220,068	Realignment Funds
	Other Governmental Funds	1,103,000	Advance to Community Services Funds to cover cash shortfall
	Other Governmental Funds	1,000	Advance to HCED Fund to cover cash shortfall
	Other Governmental Funds	79,000	Advance to Public Health Fund to cover cash shortfall
	Other Governmental Funds	1,405,000	Advance to Mental Health Fund to cover cash shortfall
	Other Governmental Funds	83,000	Advance to Social Services Fund to cover cash shortfall
	Other Governmental Funds	24,000	Advance to IHSS Public Authority Fund to cover cash shortfall
	Other Governmental Funds	1,000	Advance to CSA #9 Fund to cover cash shortfall
	Other Governmental Funds	261,175	Reimbursement for EMS Expenditures
	Other Governmental Funds	72,575	Reimbursement for Insurance Fraud Program Expenditures
	Other Governmental Funds	63,453	Reimbursement for SB678 Expenditures
	Other Governmental Funds	268,218	Reimbursement for Title IV-E Expenditures
			<u>3,581,489</u>
Other Governmental Funds	Other Governmental Funds	255,952	County Local Revenue Funds for Mental Health programs
	Other Governmental Funds	263,931	Sales Tax Realignment Funds for Mental Health Programs
		<u>519,883</u>	
	Total	<u>\$ 4,101,372</u>	

Advance To/From Other Funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 330,000	Advance to IHSS Public Authority
	Other Governmental Funds	100,000	Advance to Public Housing Authority
		<u>430,000</u>	
	Total	<u>\$ 430,000</u>	

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10: **INTERFUND TRANSACTIONS (CONTINUED)**

Transfers

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfer to	Transfer from	Amount	Purpose
General Fund	Other Governmental Funds	\$ 99,642	Timber Tax to Sheriff's Office Patrol, Search and Rescue
	Other Governmental Funds	139,784	Community Services Payments for Probation's Transitional Housing Placement Services and Meals Reimbursement
	Other Governmental Funds	10,776	Public Health Special Revenue Fund to Environmental Management For Vector Control
	Other Governmental Funds	25,076	Public Health Special Revenue Fund to EMS For Emergency Preparedness
	Other Governmental Funds	45,710	Mental Health Special Revenue Fund to Social Services For PEI Expenses
	Other Governmental Funds	381,240	EMS Fund Reimbursements to General Fund
	Other Governmental Funds	172,179	County Service Area #3 to EMS/Ambulance General Fund Operating
	Other Governmental Funds	566,812	County Service Area #7 to EMS/Ambulance General Fund Operating
	Other Governmental Funds	1,105,233	County Service Area #10 Special Tax Revenues to Library General Fund Operating
	Other Governmental Funds	6,909	Air Quality to General Fund for Reimbursement
	Other Governmental Funds	391,472	Time Share, Overpayment, and Redemption Fees to BOS / Auditor / TTC / Assessor
	Other Governmental Funds	1,580	Overages to Treasurer Tax Collector Operating
	Other Governmental Funds	321,492	State Off-Highway Vehicle & El Dorado-SMUD Agreement Funds to Parks
	Other Governmental Funds	112,090	State Off-Highway Vehicle & ED-SMUD to Sheriff Operation
	Other Governmental Funds	597	Veteran's House Committee Reimbursement to General Fund Maintenance
	Other Governmental Funds	121,131	Park / River Fees to Parks and Rivers General Fund Operating
	Other Governmental Funds	28,067	Ponderosa Quimby Reimbursement to Parks and Rivers General Fund Operating
	Other Governmental Funds	606,823	Grant Revenues, Prop 64, Environmental & Real Estate Funds to District Attorney General Fund Operating
	Other Governmental Funds	1,508,904	Grant Revenues & Program Revenues to Sheriff's Operating
	Other Governmental Funds	265,696	Probation CCPIF SB678 Reimbursement to General Fund
	Other Governmental Funds	199,715	Developer Deposits to DOT County Engineer
	Other Governmental Funds	179,320	Planning Projects Revenues to Planning
	Other Governmental Funds	66,590	Commercial Grading to Building Operating
	Other Governmental Funds	24,000	TRPA Building Allocations to Building Services
	Other Governmental Funds	61,896	CAS Fund Reimbursement to General Fund
	Other Governmental Funds	5,076	License Plate Fees to Veteran Services Operating
	Other Governmental Funds	97,910	Library Trust Funds to Library Operating
	Other Governmental Funds	156,756	Realignment Funds to Probation
	Other Governmental Funds	193,800	Realignment Funds to Environmental Management
	Other Governmental Funds	14,038,794	Realignment Funds to Social Services
	Other Governmental Funds	229,036	Realignment Funds to Animal Services
	Other Governmental Funds	28,168	County Local Revenue Funds to DA
	Other Governmental Funds	3,777	County Local Revenue Funds to Public Defender
	Other Governmental Funds	4,347,026	County Local Revenue Funds to Sheriff
	Other Governmental Funds	2,552,261	County Local Revenue Funds to Probation
	Other Governmental Funds	8,393,124	County Local Revenue Funds to Social Services
	Other Governmental Funds	707,850	Supplemental Law Enforcement Services Fund (SLESF) to DA/Sheriff/Probation Operating
	Other Governmental Funds	569,352	ACO Fund Reimbursements to General Fund
		<u>37,765,664</u>	

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10: INTERFUND TRANSACTIONS (CONTINUED)

Transfers (continued)

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>	<u>Purpose</u>
Road Fund	General Fund	\$ 2,588	General Fund Billing
	Other Governmental Funds	153,373	ACO Fund Billing
	Other Governmental Funds	7,586,577	Road District Tax to Road Fund Operating
	Other Governmental Funds	18,947	El Dorado-SMUD Cooperation Agreement Fund Billing
	Other Governmental Funds	9,392,051	Road Projects Billing and Traffic Impact Fees to Road Fund Operating
		<u>17,153,536</u>	
Internal Services Fund - Fleet	General Fund	71,814	General Fund Contribution
	Other Governmental Funds	10,766	AQMD Fund Vehicle Reimbursement
		<u>82,580</u>	
Enterprise Fund - Airports	General Fund	132,892	General Fund Contribution
	Other Governmental Funds	20,036	Special Aviation Funding
		<u>152,928</u>	
Other Governmental Funds	General Fund	1,908,143	General Fund Contribution to Community Services
	General Fund	113,373	General Fund Contribution to HCED
	General Fund	3,756,539	General Fund Contribution to Public Health
	General Fund	16,510	Transfer 1991 SLPR Match
	General Fund	11,074	General Fund Labor Reimbursement to CSA#9
	General Fund	12,975	General Fund Contribution to IHSS Public Authority Fund
	General Fund	52,943	General Fund Contribution to Housing Authority
	General Fund	15,000	General Fund Contribution For Veterans Hall
	General Fund	2,092	General Fund Transfer to Change Difference Shortage
	General Fund	131,419	General Fund Contribution to Veterans
	General Fund	704,192	General Fund Contribution to Health and Welfare
	General Fund	4,254,295	General Fund Reimbursements to ACO Fund
	Road Fund	18,369	Road Fund Labor Reimbursement to CSA#9
	Road Fund	1,822,881	Road Fund SB1 Fund Transfer to DOT
	Road Fund	174,682	Road Fund Reimbursements to ACO
	Other Governmental Funds	139,944	Health Fund to ACO Fund for Project Billing
	Other Governmental Funds	28,940	Mental Health Fund to ACO Fund for Project Billing
	Other Governmental Funds	44,869	Air Quality to ACO Fund for Project Billing
	Other Governmental Funds	296,790	Central Services Designated Fund to ACO Fund for Billing and USDA Loan Proceeds
	Internal Services Fund - Fleet	423	Labor Reimbursement to CSA#9
Enterprise Fund - Airports	193	Labor Reimbursement to CSA#9	
		<u>13,505,646</u>	
Total		<u>\$ 68,660,354</u>	

NOTE 11: PENSIONS

A. General Information about the Pension Plans

Plan Description

The County has two pension plans (the Plans): the miscellaneous plan and the safety plan. Both Plans are agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers within the State of California. Benefit provisions under the Plans are established by State statutes and County's resolutions. CalPERS issues publicly available reports that include a full description of the Plans regarding benefit provisions, assumptions and membership information. These reports and CalPERS' audited financial statements can be viewed at CalPERS' website.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11: PENSIONS (CONTINUED)

A. General Information about the Pension Plans (continued)

Benefits Provided

CalPERS provides service retirement, disability benefits, annual cost-of-living adjustments, and death benefits to plan members, who must be public employees, and beneficiaries. Benefits are based on years of credited service, each equal to a year of full time employment. Members with five years of total service are eligible to retire at age 50 (52 for miscellaneous PEPRA members hired on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, the Optional Settlement 2 Death Benefit, or the Special Death Benefit (for safety members only). The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law (PERL).

Below is a summary of the Plans' provisions and benefits in effect at June 30, 2021:

	Miscellaneous		
	Classic	On or after October 5, 2012	PEPRA On or after January 1, 2013
Hire Date	Prior to October 5, 2012	On or after October 5, 2012	On or after January 1, 2013
Benefit formula	2% @ 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 eligibility age	50	50	52
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.092% to 2.418%	1% to 2.5%
Required employee contribution rates	7% *	7% *	7.75% *
Required employer contribution - normal cost %	9.804% *	9.804% *	9.804% *
Required employer contribution - payment of unfunded accrued liability:	\$16,124,120 *		

	Safety		
	Classic	On or after October 5, 2012	PEPRA On or after January 1, 2013
Hire Date	Prior to October 5, 2012	On or after October 5, 2012	On or after January 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 eligibility age	50	50	50
Monthly benefits, as a % of eligible compensation	3%	2% to 2.7%	2% to 2.7%
Required employee contribution rates	9% *	9% *	12.00% *
Required employer contribution - normal cost %	19.152% *	19.152% *	19.152% *
Required employer contribution - payment of unfunded accrued liability:	\$10,047,355 *		

* The required contribution for fiscal year 2020-2021 was determined as part of the June 30, 2018 actuarial.

Employees Covered

Listed below is the summary of number of employees covered by the benefit terms as of June 30, 2020, the most recent actuarial valuation date:

	Miscellaneous	Safety
Active employees	1,372	358
Inactive employees entitled to but not yet receiving benefits (Transferred + Terminated)	1,494	301
Inactive employees or beneficiaries currently receiving benefits	2,031	456
Total	<u>4,897</u>	<u>1,115</u>

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11: PENSIONS (CONTINUED)

A. General Information about the Pension Plans (continued)

Contribution

Section 20814(c) of the PERL requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2020 (the measurement date), the active employee contribution rate is 7 percent of annual pay for miscellaneous employees (7 percent for miscellaneous PEPRA employees hired on or after January 1, 2013), and 9 percent for safety employees (11.50 percent for safety PEPRA employees hired on or after January 1, 2013). The County's required contribution for miscellaneous employees include the employer normal cost rate (9.239 percent of annual payroll) and employer amortization of unfunded accrued liability of \$14,378,734. The County's required contribution for safety employees include the employer normal cost rate (18.396 percent of annual payroll) and employer amortization of unfunded accrued liability of \$8,956,510. Employer contribution rates may change if plan contracts are amended. Further, the employees pay a portion or all of their required CalPERS contribution to CalPERS depending on their labor agreements with the County. When employees are required to pay only a portion of their required contribution, the County pays the remaining portion on their behalf and for their account. Payments made by the County to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

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 Plan is measured as of June 30, 2020, using standard update procedures.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2019 valuation was rolled forward to determine the June 30, 2020 (the measurement date) total pension liability for each Plan, based on the following actuarial methods and assumptions:

	<u>Miscellaneous and Safety</u>
Actuarial cost method	Entry age normal in accordance with the requirements of GASB 68
Actuarial assumptions	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Mortality rate table ⁴⁾	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	The lesser of contract COLA or 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

⁴⁾ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11: PENSIONS (CONTINUED)

B. Net Pension Liability (continued)

Change of Assumptions

There was no change of assumptions in 2020.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. 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. Therefore, 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 historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each 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 rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class⁵⁾	Assumed Asset Allocation	Real Return Years 1 – 10⁶⁾	Real Return Years 11+⁷⁾
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	-	(0.92%)

⁵⁾ In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

⁶⁾ An expected inflation of 2.00% used for this period

⁷⁾ An expected inflation of 2.92% used for this period

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11: PENSIONS (CONTINUED)

C. Changes in the Net Pension Liability

The change in the net pension liability for each Plan follows:

	Miscellaneous Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/19	\$ 734,968,389	\$ 512,284,802	\$ 222,683,587
Changes for the year:			
Service cost	14,680,366	-	14,680,366
Interest	51,505,279	-	51,505,279
Differences between expected and actual experience	(2,612,674)	-	(2,612,674)
Net plan to plan resource movement	-	(135,720)	135,720
Contributions - employer	-	22,808,097	(22,808,097)
Contributions - employees	-	6,609,305	(6,609,305)
Net investment income	-	25,292,265	(25,292,265)
Benefit payments, including refunds of employee contributions	(38,684,669)	(38,684,669)	-
Administrative expense	-	(722,195)	722,195
Net changes	24,888,302	15,167,083	9,721,219
Balances at 6/30/20	\$ 759,856,691	\$ 527,451,885	\$ 232,404,806

	Safety Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/19	\$ 391,537,660	\$ 249,535,320	\$ 142,002,340
Changes for the year:			
Service cost	8,663,299	-	8,663,299
Interest	28,003,496	-	28,003,496
Differences between expected and actual experience	5,584,565	-	5,584,565
Net plan to plan resource movement	-	144,382	(144,382)
Contributions - employer	-	14,805,804	(14,805,804)
Contributions - employees	-	3,261,748	(3,261,748)
Net investment income	-	12,391,539	(12,391,539)
Benefit payments, including refunds of employee contributions	(19,593,164)	(19,593,164)	-
Administrative expense	-	(351,784)	351,784
Net changes	22,658,196	10,658,525	11,999,671
Balances at 6/30/20	\$ 414,195,856	\$ 260,193,845	\$ 154,002,011

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:

		Miscellaneous		Safety	
		Net Pension Liability		Net Pension Liability	
1% Decrease	6.15%	\$	324,504,299	\$	211,335,337
Current Discount Rate	7.15%	\$	232,404,806	\$	154,002,011
1% Increase	8.15%	\$	155,357,358	\$	106,960,846

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11: **PENSIONS (CONTINUED)**

C. **Changes in the Net Pension Liability** (continued)

Pension Plan Fiduciary Net Position

Detailed information about each Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

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

For the year ended June 30, 2021, the County recognized total pension expense of \$52,500,215 (\$27,665,760 for its miscellaneous plan and \$24,834,455 for its safety plan). At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions		
Safety	\$ 1,416,483	\$ 398,126
Differences between expected and actual experience		
Miscellaneous	2,130,711	1,679,576
Safety	7,326,362	197,327
Net difference between projected and actual earnings on plan investments		
Miscellaneous	4,373,786	-
Safety	2,316,022	-
County contributions subsequent to the measurement date		
Miscellaneous	25,253,348	-
Safety	16,376,805	-
Total	\$ 59,193,517	\$ 2,275,029

\$41,630,153 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources related to pensions and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amounts
2022	\$ 2,283,408
2023	3,934,596
2024	5,675,852
2025	3,394,479
Total	\$ 15,288,335

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. General Information about the OPEB Plan

Plan Description. The County of El Dorado (County) Retiree Healthcare Plan (OPEB Plan) is a single-employer defined benefit healthcare plan administered by the County. The benefit terms, and the contribution requirements of the plan members and the County are established and may be amended by the County. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided. The County's OPEB Plan provides healthcare insurance benefits to employees who retire from active service due to disability or after the age of 50 and are eligible to commence pension benefits.

- **County Contribution Subsidy** – The County pays a monthly amount up to a percentage of the premium for the County sponsored Blue Shield PPO Standard plan plus dental single coverage for the retirees prior to age 65. For the age 65 or older retirees, the County pays a monthly amount up to a percentage of the premium for the highest cost Medicare eligible plan plus dental single coverage. The applicable percentage is based on the retiree's years of service with the County, and multiplied by a calculated percentage each year for payroll cap adjustment.
- **Implicit Subsidy** – For coverage prior to age 65, the retiree pays premiums that are developed by blending active and retiree costs. Since retirees are older and generally cost more than actives, the premium paid by the retiree is less than the "true cost" of coverage for retirees.

New hires were no longer eligible for the County Contribution Subsidy. The new hire cut off dates ranged from January 2009 to January 2010, depending on the bargaining unit. While not eligible for the County Contribution Subsidy, new hires are allowed to participate in the plan with payment of premiums and, as a result, benefit from the Implicit Subsidy. The County's OPEB Plan agreement places a cap on the County's contribution so that the amount paid to each individual retiree will be limited such that total County contributions do not exceed 1.2% of total payroll. This 1.2% payroll cap applies to the County's Contribution Subsidy only, and because this cap is a limitation on the employer's contribution, and not a limitation of retiree benefits, it cannot be considered to reduce the County's liability until the cap is enforced and thereby begins to alter the established pattern of shared costs. Effective July 1, 2011, the County contribution cap (1.2%) has been enforced and the rate has been adjusted to meet the cap.

Employees Covered by Benefit Terms. At June 30, 2020, the measurement date, the following numbers of employees were covered by the benefit terms:

Inactive employees currently receiving benefits	528
Active employees	1,618
Total	2,146

The County's total OPEB liability of \$108,294,946 was measured as of June 30, 2020, and was determined based on an actuarial valuation as of June 30, 2020.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

B. Total OPEB Liability

Actuarial Assumptions and Other Inputs

The following actuarial assumptions and other inputs were used to determine the June 30, 2020 (the measurement date) total OPEB liability in the June 30, 2020 actuarial valuation:

Contribution policy	No pre-funding
Discount rate	2.21% at June 30, 2020 (Bond Buyer 20-Bond Index) 3.50% at June 30, 2019 (Bond Buyer 20-Bond Index)
General inflation	2.75% annually
Mortality, retirement, disability, termination	CalPERS 1997-2015 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2020
Salary increases	Aggregate: 3% annually Merit: CalPERS 1997-2015 Experience Study
Medical trend	Non-Medicare: 7% for 2022, decreasing to an ultimate rate of 4.0% in 2076 Medicare (Non-Kaiser): 6.1% for 2022, decreasing to an ultimate rate of 4.0% in 2076 Medicare (Kaiser): 5% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Healthcare participation at retirement	Eligible for cash subsidy: 80% Not eligible for cash subsidy: 50%

C. Changes in the Total OPEB Liability

The change in the total OPEB liability for the OPEB Plan follows:

	<u>Total OPEB Liability</u>
Balances at 6/30/19	\$ 90,966,859
Changes for the year:	
Service cost	4,274,597
Interest	3,277,859
Differences between expected and actual experience	(3,428,537)
Changes in assumptions or other inputs	16,380,847
Benefit payments	(3,176,679)
Net changes	17,328,087
Balances at 6/30/20	\$ 108,294,946

There are no changes of benefit terms during the measurement period. Changes of assumptions and other inputs reflect the following:

Discount rate	Changed from 3.50% at June 30, 2019 to 2.21% at June 30, 2020
Mortality improvement	Mortality improvement scale was updated to Scale MP-2020
Medical trend	Decreased medical trend rate for Kaiser Senior Advantage plans
Affordable Care Act (ACA) excise tax	2% load on cash liabilities for ACA excise tax was removed

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12: **OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

C. Changes in the Total OPEB Liability (continued)

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 1 percentage-point lower or 1 percentage-point higher than the current discount rate:

	Discount Rate		
	1% Decrease (1.21%)	Current Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability	\$ 127,501,253	\$ 108,294,946	\$ 93,071,161

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

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 healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	Healthcare Trend Rate		
	1% Decrease (Non-Medicare: 6% decreasing to 3%; Non-Kaiser Medicare: 5.1% decreasing to 3% Kaiser Medicare: 4% decreasing to 3%)	Current Rate (Non-Medicare: 7% decreasing to 4%; Non-Kaiser Medicare: 6.1% decreasing to 4% Kaiser Medicare: 5% decreasing to 4%)	1% Increase (Non-Medicare: 8% decreasing to 5%; Non-Kaiser Medicare: 7.1% decreasing to 5% Kaiser Medicare: 6% decreasing to 5%)
Total OPEB Liability	\$ 105,414,900	\$ 108,294,946	\$ 111,701,817

D. OPEB Expense and Deferred Outflows / Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the County recognized OPEB expense of \$5,138,891. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,283,675
Changes of assumptions or other inputs	17,897,192	12,461,893
County contributions subsequent to the measurement date	3,111,847	-
Total	<u>\$ 21,009,039</u>	<u>\$ 22,745,568</u>

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

D. OPEB Expense and Deferred Outflows / Inflows of Resources Related to OPEB (continued)

\$3,111,847 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources related to OPEB, if any, and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amounts
2022	\$ (2,413,565)
2023	(2,413,565)
2024	(2,413,565)
2025	(1,748,985)
2026	779,119
Thereafter	3,362,185
Total	<u>\$ (4,848,376)</u>

NOTE 13: 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 established the Risk Management Fund (an internal service fund) to account for and finance its uninsured risks of loss. During fiscal year 2020-2021, under this program, the Risk Management Fund provided coverage for up to a maximum of \$1,000,000 for each general liability claim, and \$25,000 for each property damage claim. The County purchases commercial insurance for claims in excess of coverage provided by the Risk Management Fund and for all other risks of loss, including the workers' compensation insurance coverage effective September 1, 2018. The amount of settlements did not exceed coverage provided by the Risk Management Fund in each of the last three years.

All funds of the County participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$14,831,000 reported in the Risk Management Fund at June 30, 2021 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the County's claims liability for the fiscal years ended June 30, 2021 and 2020 were as follows:

	2021	2020
Unpaid claims, beginning of year	\$ 16,721,000	\$ 18,878,000
Plus estimate claims incurred	29,260,394	28,258,216
Less claims payments	(31,150,394)	(30,415,216)
Unpaid claims, end of year	<u>\$ 14,831,000</u>	<u>\$ 16,721,000</u>

The Risk Management Fund also accounts for the health insurance program. Effective July 1, 2011, the County entered into an agreement with CSAC Excess Insurance Authority (Authority) and participated in the Authority's health program. All funds of the County participate in the program and make payments to the Risk Management Fund based on the premiums established by the Authority's health program committee.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14: **COMMITMENTS AND CONTINGENCIES**

Grants

The County recognizes as revenue, grant monies received as reimbursement for costs incurred in certain Federal and State programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Pending Litigation

The County is also a defendant in several lawsuits arising in the normal course of business. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable loss to the County, such loss has been accrued in the accompanying financial statements. Litigation where loss to the County is reasonably possible has not been accrued. The outcome of the remaining claims cannot be determined at this time.

Encumbrances

The County uses an encumbrances system to control expenditures for the year and to enhance cash management. Under this system, purchase orders and contracts are recorded in order to reserve that portion of applicable appropriations. Encumbrances still open at the end of the year are not accounted for as expenditures and liabilities but rather as part of the fund balances. As of June 30, 2021, General Fund had a total of \$1,264,283 in encumbrances, which were reported as part of the assigned fund balances on the governmental fund balance sheet. Road Fund had a total of \$511,130 in encumbrances, which were reported as part of the restricted fund balances. Other (nonmajor) governmental funds had a total of \$119,581 in encumbrances, which were reported as part of the restricted, committed or assigned fund balances.

Construction Commitments and Other Significant Commitments

At June 30, 2021, the County has ongoing construction commitments that totaled approximately \$6.8 million and no other significant commitments.

Road Improvement Reimbursement Agreements

The County has entered into reimbursement agreements with various developers and homebuilders (developers) in the El Dorado Hills Traffic Impact Mitigation Fee (TIM Fee) zone. The developers build road improvements in the El Dorado Hills area and the County is required to reimburse the developers in accordance with the terms of the reimbursement agreements. In accordance with the agreements, the County is only required to make reimbursements to the developers if TIM Fee revenues are available. Accordingly, the County is only contingently liable for these reimbursements and these obligations are not included on the County's statement of net position.

Further, in the reimbursement agreements, the County has offered the developers credits against their TIM Fee payments in lieu of cash. The amount of credits utilized by the developers offsets the County's TIM fee revenue and also reduces the County's outstanding reimbursement obligations. Similar to the reimbursement obligations, these eligible but unutilized credits are not included on the County's statement of net position.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 14: COMMITMENTS AND CONTINGENCIES (CONTINUED)

Road Improvement Reimbursement Agreements (continued)

The County's outstanding reimbursement obligations and the developers' eligible but unutilized credits as of June 30, 2021 are as follows:

	County's Outstanding Reimbursement Obligations	Developers' Eligible but Unutilized Credits
Latrobe Road Connector Study	\$ 27,517	\$ -
Bass Lake Road (SIA)	738,430	-
Saratoga Road Extension	9,873,414	4,241,623
Country Club Drive, Bass Lake Road to Tierra De Dios	10,220,037	2,610,198
Silva Valley Interchange	3,660,314	-
Silver Springs Pkwy & GV/SS Intersect	2,126,995	1,117,895
Silver Springs Pkwy - Offsite	4,274,262	1,651,815
Silver Springs Pkwy - Deer Valley	61,230	-
Total	<u>\$ 30,982,199</u>	<u>\$ 9,621,531</u>

Facility Improvement Credit/Reimbursement Agreement

The County has entered into a credit/reimbursement agreement with Lennar Winncrest, LLC (developer) for Bass Lake Hills Specific Plan (BLHSP) Public Facility Finance Plan (PFFP) improvements. The developer is obligated to construct improvements according to the agreement such as transportation, sewer and water improvements in the BLHSP area and the County is required to reimburse the developer in accordance with the terms of the agreement. In accordance with the agreement, the County is only required to make reimbursements to the developer if PFFP Fee revenues are available. Accordingly, the County is only contingently liable for these reimbursements and these obligations are not included on the County's statement of net position.

Further, in the agreement, the County has offered the developer credits against their PFFP Fee payments in lieu of cash. The amount of credits utilized by the developer offsets the County's PFFP fee revenue and also reduces the County's outstanding reimbursement obligations. Similar to the reimbursement obligations, these eligible but unutilized credits are not included on the County's statement of net position.

As of June 30, 2021, the County had outstanding reimbursement obligation balance of \$7,378,000 with the developer's eligible but unutilized credit balance of \$3,544,774.

Tax Abatement Agreement

The California Land Conservation Act of 1965 was commonly referred to as the "Williamson Act" (Act). Pursuant to the Act, the County enters into contracts with property owners for the purpose of limiting the use of specific properties to agricultural and compatible uses. To be established as an agricultural preserve, the property needs to meet all criteria, including minimum acreage, minimum capital outlay, and minimum income, set forth by the Act and the County's Board. The initial term of a contract is ten years. On each anniversary date of a contract, a year shall be automatically added to the initial term unless written notice of non-renewal is given. If the property owner or the County in any year serves written notice of non-renewal, the contract shall remain in effect for the balance of the unexpired term. During the term of the contract, the property owner pays substantially reduced property tax through a reduction of the assessed value on the property and in return agrees to limit the use of the property to agricultural and compatible uses. The assessed value of the property under the Act contract is determined by the capitalization of the property income stream. In fiscal year 2020-2021, the County' tax revenues were reduced by \$234,068 as a result of the Williamson Act contracts.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14: **COMMITMENTS AND CONTINGENCIES (CONTINUED)**

Mitigation Fee Act Litigation – The Austins

In December of 2015 Thomas and Helen Austin of El Dorado Hills filed a lawsuit against the County seeking a writ of Mandate that would force the County to refund fees collected under the Mitigation Fee Act on behalf of the El Dorado Hills Community Services District, the El Dorado Hills County Water District, the Ecological Preserve Program, and the County's Traffic Impact Mitigation Fee program. The County and the Austins sought to resolve the matter through mediation without success. The total of fees collected in the various accounts at the time findings were required to be made is approximately \$35 million, approximately \$15 million of which have been collected on behalf of the two aforementioned special districts. It is the County's position, among other asserted arguments, that this lawsuit was not filed on a timely basis. The County filed a demurrer asserting that the lawsuit should be barred by the statute of limitations. That demurrer was overruled by the trial court. The County petitioned the Court of Appeals for an Extraordinary Writ of Mandate seeking to reverse the trial court's decision. The Court of Appeals issued its decision on the Extraordinary Writ on October 30, 2019, and found for the County on some issues and found for the Austins on some issues. The ultimate resolution of this matter is not determinable at this time; regardless, the County's cost of defense will likely be material.

Davis Litigation

In 2005, Ricky Davis was convicted of murder. On the basis of new DNA evidence, the El Dorado County District Attorney moved to dismiss the murder conviction and request a finding of factual innocence. The court granted the motion on February 13, 2020. Mr. Davis has recently filed a claim for damages alleging malicious, negligent investigation by the county. The ultimate resolution of this claim is not determinable at this time, but could have a material effect on the financial statements.

Medicaid Administrative Activities (MAA) / Targeted Case Management (TCM) Program Audit

The State has issued an interim settlement for the 2017-2018 MAA/TCM cost report in which the actual settlement amount will be determined upon final audit by the State Department of Health Care Services (DHCS). No liability or allowance has been recognized in the financial statements for any potential future revenue offsets; however, an audit reserve has been established since 2016-2017 to mitigate the impact of this type of future audits to the General Fund.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 15: FUND BALANCES / NET POSITION

A. Fund Balances

Fund balances for all the major and nonmajor governmental funds as of June 30, 2021, were presented as follows:

	General	Road Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Advances	\$ 430,000	\$ -	\$ -	\$ -	\$ 430,000
Inventory	-	339,745	-	98,564	438,309
Prepaid expenses	2,404,465	71,070	-	1,139,118	3,614,653
Permanent fund principal	-	-	-	3,602,614	3,602,614
Subtotal	<u>2,834,465</u>	<u>410,815</u>	<u>-</u>	<u>4,840,296</u>	<u>8,085,576</u>
Restricted for:					
Capital projects	-	-	-	35,886,521	35,886,521
Tax loss reserve	3,832,762	-	-	-	3,832,762
Public protection	-	-	-	39,978,788	39,978,788
Public ways and facilities	-	5,493,992	-	38,493,370	43,987,362
Health and sanitation	-	-	-	40,089,854	40,089,854
Public assistance	-	-	-	15,760,079	15,760,079
General government	-	-	1,000	5,996,547	5,997,547
Education	-	-	-	1,881,357	1,881,357
Recreation & cultural services	-	-	-	205,043	205,043
Subtotal	<u>3,832,762</u>	<u>5,493,992</u>	<u>1,000</u>	<u>178,291,559</u>	<u>187,619,313</u>
Committed to:					
Capital projects	27,106,502	-	-	8,260,359	35,366,861
Debt service	9,997,658	-	-	-	9,997,658
Public protection	-	-	-	333,947	333,947
Public ways and facilities	-	-	-	8,816,788	8,816,788
Public assistance	-	-	-	29,394	29,394
General government	5,799,395	-	-	-	5,799,395
Subtotal	<u>42,903,555</u>	<u>-</u>	<u>-</u>	<u>17,440,488</u>	<u>60,344,043</u>
Assigned to:					
Debt service	-	-	-	1,928,672	1,928,672
Public protection	-	-	-	1,978,639	1,978,639
Public ways and facilities	-	-	-	773	773
Health and sanitation	-	-	-	11,436,882	11,436,882
Public assistance	-	-	-	3,255,536	3,255,536
General government	1,264,283	-	-	229,656	1,493,939
Education	-	-	-	50,728	50,728
Recreation & cultural services	-	-	-	476,484	476,484
Subtotal	<u>1,264,283</u>	<u>-</u>	<u>-</u>	<u>19,357,370</u>	<u>20,621,653</u>
Unassigned	<u>55,878,865</u>	<u>-</u>	<u>-</u>	<u>(396,866)</u>	<u>55,481,999</u>
Total	<u>\$ 106,713,930</u>	<u>\$ 5,904,807</u>	<u>\$ 1,000</u>	<u>\$ 219,532,847</u>	<u>\$ 332,152,584</u>

B. Prior Period Adjustments

Adjustments resulting from errors or changes to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning fund balances and/or net position.

**COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15: FUND BALANCES / NET POSITION (CONTINUED)

B. Prior Period Adjustments (continued)

The impact of the restatements on the fund balances and/or net position as previously reported is presented below:

	Primary Government		Fiduciary Funds				Component Units	
	Statement of Net Position		Statement of Net Position				Statement of Net Position	
	General Funds	Total Governmental Activities	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds		El Dorado County Transit Authority	Total Component Units
					External Investment Funds	Other Custodial Funds		
Net Position, June 30, 2020, as previously reported	\$ 71,776,643	\$ 216,039,814	\$ 216,753,031	\$ -	\$ -	\$ -	\$ 14,052,925	\$ 18,350,357
Restatements:								
Understatement of due from other governments	-	-	-	-	-	-	172,726	172,726
Overstatement of unearned revenue	-	-	-	-	-	-	77,274	77,274
GASB 84 implementation restatements	3,675,727	3,675,727	(105,129,148)	2,912,240	105,129,148	3,132,463	-	-
Total restatements	3,675,727	3,675,727	(105,129,148)	2,912,240	105,129,148	3,132,463	250,000	250,000
Net Position, June 30, 2020, as restated	\$ 75,452,370	\$ 219,715,541	\$ 111,623,883	\$ 2,912,240	\$ 105,129,148	\$ 3,132,463	\$ 14,302,925	\$ 18,600,357

C. Deficit Fund Balances / Net Position

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

Nonmajor Governmental Funds:	
BSCC - Recidivism Reduction Grant	\$ 9,500
Developer Deposits	1,600
Planning Projects	241,932
Zone Administration	253

The deficits in the nonmajor governmental funds are expected to be eliminated in future years through future revenues and/or transfers from other funds.

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 16: CONDENSED SEGMENT INFORMATION ON COMPONENT UNITS

Component Units Statement of Net Position
June 30, 2021

	Children and Families Commission	El Dorado County Transit Authority	El Dorado County Transportation Commission	Total
<u>ASSETS</u>				
Current and other assets	\$ 2,464,334	\$ 10,014,467	\$ 2,308,802	\$ 14,787,603
Capital assets	16,409	14,052,750	8,479	14,077,638
Restricted cash	-	-	3,412,384	3,412,384
Other long-term assets	-	-	25,866	25,866
Total Assets	2,480,743	24,067,217	5,755,531	32,303,491
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred pension outflows	-	1,040,872	152,398	1,193,270
Deferred OPEB outflows	-	111,358	10,615	121,973
Total Deferred Outflows of Resources	-	1,152,230	163,013	1,315,243
<u>LIABILITIES</u>				
Current liabilities	348,798	5,739,067	1,359,366	7,447,231
Long-term liabilities	-	4,164,251	508,461	4,672,712
Total Liabilities	348,798	9,903,318	1,867,827	12,119,943
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred pension inflows	-	66,613	8,961	75,574
Deferred OPEB inflows	-	75,878	19,700	95,578
Total Deferred Inflows of Resources	-	142,491	28,661	171,152
<u>NET POSITION</u>				
Net investment in capital assets	16,409	13,487,925	8,479	13,512,813
Restricted	2,115,536	12,200	4,147,627	6,275,363
Unrestricted	-	1,673,513	(134,050)	1,539,463
Total Net Position	\$ 2,131,945	\$ 15,173,638	\$ 4,022,056	\$ 21,327,639

Component Units Statement of Activities
For the Year Ended June 30, 2021

	Children and Families Commission	El Dorado County Transit Authority	El Dorado County Transportation Commission	Total
Revenues:				
Program Revenues:				
Charges for current services	\$ -	\$ 217,169	\$ -	\$ 217,169
Operating grants and contributions	2,245,196	6,689,397	1,831,543	10,766,136
Capital grants and contributions	-	2,777,967	-	2,777,967
General Revenues:				
Taxes	-	-	7,990,039	7,990,039
Interest and investment earnings (expenses)	7,404	(8,634)	10,444	9,214
Other revenues (expenses)	800	16,446	81,663	98,909
Total Revenues	2,253,400	9,692,345	9,913,689	21,859,434
Expenses:				
Health and sanitation	2,106,355	-	-	2,106,355
Public ways and facilities	-	8,821,632	8,204,165	17,025,797
Total Expenses	2,106,355	8,821,632	8,204,165	19,132,152
Change in net position	147,045	870,713	1,709,524	2,727,282
Net Position - Beginning of Year (restated)	1,984,900	14,302,925	2,312,532	18,600,357
Net Position - End of Year	\$ 2,131,945	\$ 15,173,638	\$ 4,022,056	\$ 21,327,639

COUNTY OF EL DORADO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 17: **SUBSEQUENT EVENTS**

Demolition of the Old Sheriff Administration Building

Subsequent to year end, the old Sheriff administration building located at 300 Fair Lane in Placerville was demolished. The demolition work was completed in July 2021. This building had a net book value of \$742,363 as of June 30, 2021.

Tentative Approval of the Juvenile Hall Facility Construction

On November 2, 2021, the Board of Supervisors tentatively approved the construction of a new juvenile hall facility with an estimated cost of approximately \$18 million. A portion of the final total costs will be funded from a \$9.6 million State grant with the remainder paid by the County. The Board has approved a contract for \$569,800 for the preparation of bridging documents as a first step in the process. The final approval for the actual construction will be made at a later date. Potential actual construction is not expected to begin until the 2023-2024 fiscal year.

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - MISCELLANEOUS PLAN

Last 10 Fiscal Years

Measurement period	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
TOTAL PENSION LIABILITY							
Service cost	\$ 14,680,366	\$ 14,698,937	\$ 14,891,508	\$ 14,801,381	\$ 12,811,520	\$ 12,078,733	\$ 11,725,418
Interest	51,505,279	49,738,994	47,291,119	45,739,429	44,067,819	41,382,955	39,506,575
Changes of assumptions	-	-	(4,046,853)	35,910,002	-	(9,496,499)	-
Differences between expected and actual experience	(2,612,674)	6,865,623	(2,556,049)	(110,058)	9,494,835	(1,425,729)	-
Benefit payments, including refunds of employee contributions	(38,684,669)	(35,540,665)	(33,891,226)	(30,670,813)	(29,352,908)	(27,100,337)	(25,473,913)
Net change in total pension liability	24,888,302	35,762,889	21,688,499	65,669,941	37,021,266	15,439,123	25,758,080
Total pension liability - beginning	734,968,389	699,205,500	677,517,001	611,847,060	574,825,794	559,386,671	533,628,591
Total pension liability - ending (a)	\$ 759,856,691	\$ 734,968,389	\$ 699,205,500	\$ 677,517,001	\$ 611,847,060	\$ 574,825,794	\$ 559,386,671
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 22,808,097	\$ 20,095,711	\$ 17,626,714	\$ 16,577,036	\$ 15,708,862	\$ 13,708,979	\$ 11,938,552
Contributions - employee	6,609,305	6,627,077	6,262,153	6,205,211	6,021,392	6,127,135	5,440,632
Net investment income	25,292,265	31,899,887	38,887,824	47,314,474	2,206,776	9,597,580	64,244,763
Benefit payments, including refunds of employee contributions	(38,684,669)	(35,540,665)	(33,891,226)	(30,670,813)	(29,352,908)	(27,100,337)	(25,473,913)
Net plan to plan resource movement	(135,720)	297,504	(345,983)	(640,517)	-	-	-
Administrative expense	(722,195)	(349,141)	(721,176)	(626,961)	(262,260)	(484,087)	-
* Other miscellaneous income	-	1,136	(1,369,528)	-	-	-	-
Net change in plan fiduciary net position	15,167,083	23,031,509	26,448,778	38,158,430	(5,678,138)	1,849,270	56,150,034
** Plan fiduciary net position - beginning	512,284,802	489,253,293	462,804,515	424,646,085	430,324,223	428,474,953	372,324,919
Plan fiduciary net position - ending (b)	\$ 527,451,885	\$ 512,284,802	\$ 489,253,293	\$ 462,804,515	\$ 424,646,085	\$ 430,324,223	\$ 428,474,953
Plan net pension liability (asset) - ending (a) - (b)	\$ 232,404,806	\$ 222,683,587	\$ 209,952,207	\$ 214,712,486	\$ 187,200,975	\$ 144,501,571	\$ 130,911,718
Plan fiduciary net position as a percentage of the total pension liability	69.41%	69.70%	69.97%	68.31%	69.40%	74.86%	76.60%
Covered payroll	\$ 91,924,740	\$ 90,920,794	\$ 89,965,916	\$ 88,269,627	\$ 86,583,597	\$ 82,336,210	\$ 76,231,096
Plan net pension liability as a percentage of covered payroll	252.82%	244.92%	233.37%	243.25%	216.21%	175.50%	171.73%

* During Fiscal Year 2017-2018, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-2018, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

** Includes any beginning of year adjustment.

Notes to Schedule For the Year Ended June 30, 2021:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

GASB Statement No. 68 was first implemented during the year ended June 30, 2015.

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021**

SCHEDULE OF PLAN CONTRIBUTIONS - MISCELLANEOUS PLAN

Fiscal year	(restated)							
	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Actuarially determined contribution	\$ 25,253,348	\$ 22,808,097	\$ 20,095,711	\$ 17,626,714	\$ 16,577,036	\$ 15,708,862	\$ 13,708,979	\$ 11,938,552
Contributions in relation to the actuarially determined contribution	(25,253,348)	(22,808,097)	(20,095,711)	(17,626,714)	(16,577,036)	(15,708,862)	(13,708,979)	(11,938,552)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 93,132,974	\$ 91,924,740	\$ 90,920,794	\$ 89,965,916	\$ 88,269,627	\$ 86,583,597	\$ 82,336,210	\$ 76,231,096
Contributions as a percentage of covered payroll	27.115%	24.812%	22.102%	19.593%	18.780%	18.143%	16.650%	15.661%

Notes to Schedule For the Year Ended June 30, 2021:

Actuarially determined contribution rates are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported.

Valuation date: 6/30/2018

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll
Asset valuation method	Market Value
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll growth	2.75%
Investment rate of return	7.00%, net of pension plan investment and administrative expenses; including inflation
Retirement age	The probabilities of retirement are based on the CalPERS experience study.
Mortality	The probabilities of retirement are based on the CalPERS experience study. Post-retirement mortality rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

GASB Statement No. 68 was first implemented during the year ended June 30, 2015.

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - SAFETY PLAN

Last 10 Fiscal Years

Measurement period	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
TOTAL PENSION LIABILITY							
Service cost	\$ 8,663,299	\$ 8,778,029	\$ 8,809,579	\$ 8,491,956	\$ 7,236,448	\$ 7,200,973	\$ 7,156,945
Interest	28,003,496	26,430,233	24,988,667	23,650,313	22,782,825	21,518,049	20,468,275
Changes of assumptions	-	-	(1,194,377)	20,302,919	-	(5,396,169)	-
Differences between expected and actual experience	5,584,565	3,544,191	3,624,469	(2,828,359)	2,171,978	(373,791)	-
Benefit payments, including refunds of employee contributions	(19,593,164)	(17,870,378)	(16,459,423)	(15,566,486)	(14,758,855)	(13,992,567)	(13,019,302)
Net change in total pension liability	22,658,196	20,882,075	19,768,915	34,050,343	17,432,396	8,956,495	14,605,918
Total pension liability - beginning	391,537,660	370,655,585	350,886,670	316,836,327	299,403,931	290,447,436	275,841,518
Total pension liability - ending (a)	\$ 414,195,856	\$ 391,537,660	\$ 370,655,585	\$ 350,886,670	\$ 316,836,327	\$ 299,403,931	\$ 290,447,436
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 14,805,804	\$ 13,055,406	\$ 11,747,848	\$ 11,063,176	\$ 9,978,939	\$ 9,161,922	\$ 8,185,724
Contributions - employee	3,261,748	3,141,935	2,976,981	3,157,738	2,976,868	2,655,620	2,581,344
Net investment income	12,391,539	15,456,819	18,533,469	22,262,639	986,537	4,431,631	29,611,782
Benefit payments, including refunds of employee contributions	(19,593,164)	(17,870,378)	(16,459,423)	(15,566,486)	(14,758,855)	(13,992,567)	(13,019,302)
Net plan to plan resource movement	144,382	(316,494)	(547)	-	(23,001)	23,897	-
Administrative expense	(351,784)	(168,583)	(343,496)	(295,008)	(122,361)	(225,994)	-
* Other miscellaneous income	-	547	(652,305)	-	-	-	-
Net change in plan fiduciary net position	10,658,525	13,299,252	15,802,527	20,622,059	(961,873)	2,054,509	27,359,548
Plan fiduciary net position - beginning	249,535,320	236,236,068	220,433,541	199,811,482	200,773,355	198,718,846	171,359,298
Plan fiduciary net position - ending (b)	\$ 260,193,845	\$ 249,535,320	\$ 236,236,068	\$ 220,433,541	\$ 199,811,482	\$ 200,773,355	\$ 198,718,846
Plan net pension liability (asset) - ending (a) - (b)	\$ 154,002,011	\$ 142,002,340	\$ 134,419,517	\$ 130,453,129	\$ 117,024,845	\$ 98,630,576	\$ 91,728,590
Plan fiduciary net position as a percentage of the total pension liability	62.82%	63.73%	63.73%	62.82%	63.06%	67.06%	68.42%
Covered payroll	\$ 31,840,476	\$ 31,621,802	\$ 31,072,925	\$ 30,429,287	\$ 29,868,120	\$ 28,517,826	\$ 27,344,994
Plan net pension liability as a percentage of covered payroll	483.67%	449.06%	432.59%	428.71%	391.81%	345.86%	335.45%

* During Fiscal Year 2017-2018, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-2018, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

** Includes any beginning of year adjustment.

Notes to Schedule For the Year Ended June 30, 2021:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

GASB Statement No. 68 was first implemented during the year ended June 30, 2015.

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021**

SCHEDULE OF PLAN CONTRIBUTIONS - SAFETY PLAN

Fiscal year	(restated)							
	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Actuarially determined contribution	\$ 16,376,805	\$ 14,805,804	\$ 13,055,406	\$ 11,747,848	\$ 11,063,176	\$ 9,978,939	\$ 9,161,922	\$ 8,185,724
Contributions in relation to the actuarially determined contribution	(16,376,805)	(14,805,804)	(13,055,406)	(11,747,848)	(11,063,176)	(9,978,939)	(9,161,922)	(8,185,724)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 33,050,567	\$ 31,840,476	\$ 31,621,802	\$ 31,072,925	\$ 30,429,287	\$ 29,868,120	\$ 28,517,826	\$ 27,344,994
Contributions as a percentage of covered payroll	49.551%	46.500%	41.286%	37.807%	36.357%	33.410%	32.127%	29.935%

Notes to Schedule For the Year Ended June 30, 2021:

Actuarially determined contribution rates are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported.

Valuation date: 6/30/2018

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll
Asset valuation method	Market Value
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll growth	2.75%
Investment rate of return	7.00%, net of pension plan investment and administrative expenses; including inflation
Retirement age	The probabilities of retirement are based on the CalPERS experience study.
Mortality	The probabilities of retirement are based on the CalPERS experience study. Post-retirement mortality rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

GASB Statement No. 68 was first implemented during the year ended June 30, 2015.

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2021**

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

Measurement period	2019-2020	2018-2019	2017-2018	2016-2017
TOTAL OPEB LIABILITY				
Service cost	\$ 4,274,597	\$ 3,982,946	\$ 5,424,074	\$ 6,569,576
Interest	3,277,859	3,262,809	3,679,635	3,131,916
Differences between expected and actual experience	(3,428,537)	-	(12,167,339)	-
Changes in assumptions or other inputs	16,380,847	4,900,186	(10,801,060)	(12,627,092)
Benefit payments	(3,176,679)	(3,012,908)	(3,320,971)	(2,754,246)
Net change in total OPEB liability	<u>17,328,087</u>	<u>9,133,033</u>	<u>(17,185,661)</u>	<u>(5,679,846)</u>
Total OPEB liability - beginning	<u>90,966,859</u>	<u>81,833,826</u>	<u>99,019,487</u>	<u>104,699,333</u>
Total OPEB liability - ending (a)	<u>\$ 108,294,946</u>	<u>\$ 90,966,859</u>	<u>\$ 81,833,826</u>	<u>\$ 99,019,487</u>
 Covered-employee payroll	 \$ 54,535,115	 \$ 59,988,545	 \$ 66,221,379	 \$ 69,517,840
 Total OPEB liability as a percentage of covered-employee payroll	 198.578%	 151.640%	 123.576%	 142.438%

Notes to Schedule For the Year Ended June 30, 2021:

There were no changes of benefit terms.

Changes of assumptions and other inputs: Changes of assumptions include the reflection of the effects of changes in the discount rate each period. The following are the discount rates used in each measurement period:

2019-2020	2.21%
2018-2019	3.50%
2017-2018	3.87%
2016-2017	3.58%
2015-2016	2.85%

Further, the following reflects other changes of assumptions and other inputs in June 30, 2020 measurement date valuation:

Mortality improvement	Mortality improvement scale was updated to Scale MP-2020
Medical trend	Decreased medical trend rate for Kaiser Senior Advantage plans
Affordable Care Act (ACA) excise tax	2% load on cash liabilities for ACA excise tax was removed

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

GASB Statement No. 75 was first implemented during the year ended June 30, 2018.

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Budgetary fund balances, July 1	\$ 23,230,159	\$ 21,839,159	\$ 21,839,159	\$ -
Resources (inflows):				
Taxes and assessments	117,184,933	117,184,933	133,763,863	16,578,930
Licenses, permits and franchises	12,598,118	12,598,118	12,496,394	(101,724)
Fines, forfeitures and penalties	958,859	958,859	1,280,311	321,452
Revenue from use of money and property	1,012,600	1,012,600	437,479	(575,121)
Intergovernmental revenues-State	50,078,160	50,655,287	30,301,652	(20,353,635)
Intergovernmental revenues-Federal	51,098,909	50,163,300	50,218,386	55,086
Revenue other governmental agencies	9,076,362	9,106,362	9,171,668	65,306
Charges for services	20,392,041	19,940,976	22,048,895	2,107,919
Miscellaneous revenues	2,298,271	2,424,900	1,822,989	(601,911)
Other financing sources	45,463,836	51,247,681	37,896,209	(13,351,472)
	<u>310,162,089</u>	<u>315,293,016</u>	<u>299,437,846</u>	<u>(15,855,170)</u>
Amounts available for appropriations	<u>333,392,248</u>	<u>337,132,175</u>	<u>321,277,005</u>	<u>(15,855,170)</u>
Charges to appropriations (outflows):				
<u>General Government</u>				
Board of Supervisors				
Salaries and employee benefits	1,558,334	1,518,334	1,454,704	63,630
Services and supplies	98,059	98,059	81,732	16,327
Intrafund transfers	16,283	56,283	48,648	7,635
	<u>1,672,676</u>	<u>1,672,676</u>	<u>1,585,084</u>	<u>87,592</u>
County Administrative Office				
Salaries and employee benefits	1,843,782	1,838,782	1,684,460	154,322
Services and supplies	73,395	73,395	30,082	43,313
Intrafund transfers	59,547	64,547	61,759	2,788
Intrafund abatement	-	(66,781)	(36,098)	(30,683)
	<u>1,976,724</u>	<u>1,909,943</u>	<u>1,740,203</u>	<u>169,740</u>
Annual Audit				
Services and supplies	80,000	80,000	69,900	10,100
	<u>80,000</u>	<u>80,000</u>	<u>69,900</u>	<u>10,100</u>
Auditor-Controller				
Salaries and employee benefits	4,044,588	4,128,588	3,947,285	181,303
Services and supplies	70,990	70,990	54,220	16,770
Intrafund transfers	10,776	10,776	10,260	516
Intrafund abatement	(47,550)	(47,550)	(74,712)	27,162
	<u>4,078,804</u>	<u>4,162,804</u>	<u>3,937,053</u>	<u>225,751</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Treasurer/Tax Collector				
Salaries and employee benefits	2,415,097	2,415,097	2,335,651	79,446
Services and supplies	623,397	623,397	498,991	124,406
Fixed assets	13,618	13,618	-	13,618
Other financing uses	8,600	8,600	2,445	6,155
Intrafund transfers	22,993	22,993	17,492	5,501
Intrafund abatement	(20,400)	(35,400)	(20,807)	(14,593)
	<u>3,063,305</u>	<u>3,048,305</u>	<u>2,833,772</u>	<u>214,533</u>
Assessor				
Salaries and employee benefits	4,243,231	4,243,231	4,071,080	172,151
Services and supplies	120,541	120,541	91,127	29,414
Other charges	500	500	-	500
Intrafund transfers	8,131	8,131	7,795	336
	<u>4,372,403</u>	<u>4,372,403</u>	<u>4,170,002</u>	<u>202,401</u>
Purchasing				
Salaries and employee benefits	1,363,517	1,363,517	1,200,134	163,383
Services and supplies	39,025	39,025	41,176	(2,151)
Intrafund transfers	81,257	81,257	78,501	2,756
Intrafund abatement	-	-	(11,291)	11,291
	<u>1,483,799</u>	<u>1,483,799</u>	<u>1,308,520</u>	<u>175,279</u>
Revenue Recovery				
Salaries and employee benefits	57,517	57,517	37,659	19,858
Services and supplies	8,651	8,651	6,383	2,268
Intrafund abatement	(7,650)	(7,650)	(6,110)	(1,540)
	<u>58,518</u>	<u>58,518</u>	<u>37,932</u>	<u>20,586</u>
County Counsel				
Salaries and employee benefits	3,368,016	3,368,016	3,229,492	138,524
Services and supplies	357,373	356,873	257,041	99,832
Fixed assets	75,000	75,000	-	75,000
Intrafund transfers	4,880	5,380	5,374	6
Intrafund abatement	-	-	(86,287)	86,287
	<u>3,805,269</u>	<u>3,805,269</u>	<u>3,405,620</u>	<u>399,649</u>
Personnel				
Salaries and employee benefits	2,030,009	2,000,009	1,540,076	459,933
Services and supplies	378,297	378,297	282,065	96,232
Intrafund transfers	69,710	99,710	82,476	17,234
	<u>2,478,016</u>	<u>2,478,016</u>	<u>1,904,617</u>	<u>573,399</u>
Elections				
Salaries and employee benefits	1,005,771	1,005,771	942,917	62,854
Services and supplies	1,669,520	2,038,795	920,788	1,118,007
Fixed assets	280,000	275,274	50,628	224,646
Other financing uses	-	4,726	4,725	1
Intrafund transfers	4,710	4,731	4,730	1
Intrafund abatement	-	-	(3,749)	3,749
	<u>2,960,001</u>	<u>3,329,297</u>	<u>1,920,039</u>	<u>1,409,258</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Courier and Messenger				
Salaries and employee benefits	144,262	144,262	173,086	(28,824)
Services and supplies	302,050	302,050	232,124	69,926
Services and supplies abatements	(277,875)	(277,875)	(203,746)	(74,129)
Intrafund transfers	5,211	5,211	6,972	(1,761)
Intrafund abatement	(141,202)	(141,202)	(135,043)	(6,159)
	<u>32,446</u>	<u>32,446</u>	<u>73,393</u>	<u>(40,947)</u>
Building and Grounds				
Salaries and employee benefits	3,707,782	3,707,782	3,342,904	364,878
Services and supplies	3,224,770	3,342,270	3,052,496	289,774
Other charges	14,000	14,000	33,685	(19,685)
Fixed assets	10,000	10,000	23,765	(13,765)
Other financing uses	40,000	40,000	-	40,000
Intrafund transfers	430,287	430,287	402,297	27,990
Intrafund abatement	(373,500)	(473,500)	(440,282)	(33,218)
	<u>7,053,339</u>	<u>7,070,839</u>	<u>6,414,865</u>	<u>655,974</u>
County Promotion				
Salaries and employee benefits	336,510	336,510	469,308	(132,798)
Services and supplies	1,187,691	1,187,691	801,358	386,333
Other charges	15,000	15,000	-	15,000
Other financing uses	-	-	69	(69)
Intrafund transfers	136,043	136,043	206	135,837
Intrafund abatement	-	-	(10,912)	10,912
	<u>1,675,244</u>	<u>1,675,244</u>	<u>1,260,029</u>	<u>415,215</u>
Information Services & Support				
Salaries and employee benefits	5,824,675	5,879,475	5,297,283	582,192
Services and supplies	4,367,476	4,367,476	3,388,707	978,769
Fixed assets	185,150	185,150	90,738	94,412
Intrafund transfers	148,011	173,011	164,011	9,000
	<u>10,525,312</u>	<u>10,605,112</u>	<u>8,940,739</u>	<u>1,664,373</u>
Surveyor				
Salaries and employee benefits	1,602,190	1,602,190	1,563,477	38,713
Services and supplies	124,393	106,893	49,559	57,334
Other charges	200	2,200	342	1,858
Intrafund transfers	17,211	32,711	32,308	403
Intrafund abatement	(8,000)	(8,000)	-	(8,000)
	<u>1,735,994</u>	<u>1,735,994</u>	<u>1,645,686</u>	<u>90,308</u>
Central Service Fiscal				
Salaries and employee benefits	1,694,873	1,778,873	1,761,439	17,434
Services and supplies	23,250	23,250	14,468	8,782
Intrafund transfers	2,181	2,181	9,032	(6,851)
Intrafund abatement	(1,398,371)	(1,543,232)	(1,605,359)	62,127
	<u>321,933</u>	<u>261,072</u>	<u>179,580</u>	<u>81,492</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Engineer				
Salaries and employee benefits	795,104	795,104	361,607	433,497
Services and supplies	939,869	897,869	29,664	868,205
Other charges	732,504	732,504	467,398	265,106
Intrafund transfers	71,500	113,500	87,689	25,811
	<u>2,538,977</u>	<u>2,538,977</u>	<u>946,358</u>	<u>1,592,619</u>
Contributions to Other Funds				
Other financing uses	720,702	720,702	720,702	-
	<u>720,702</u>	<u>720,702</u>	<u>720,702</u>	<u>-</u>
Contributions to Other Agencies				
Other charges	3,409,522	3,500,951	3,494,775	6,176
	<u>3,409,522</u>	<u>3,500,951</u>	<u>3,494,775</u>	<u>6,176</u>
Other General				
Salaries and employee benefits	9,347,722	9,350,122	8,774,154	575,968
Services and supplies	12,689,891	15,790,891	13,379,709	2,411,182
Services and supplies abatements	(1,604,183)	(1,654,183)	(439,867)	(1,214,316)
Other charges	7,295,236	1,865,236	1,445,544	419,692
Fixed assets	749,265	792,265	780,663	11,602
Other financing uses	-	95,000	211,419	(116,419)
Intrafund transfers	1,048,747	7,631,487	7,422,667	208,820
Intrafund abatement	(12,597,076)	(12,756,468)	(12,859,937)	103,469
	<u>16,929,602</u>	<u>21,114,350</u>	<u>18,714,352</u>	<u>2,399,998</u>
Other General - SR Fund				
Services and supplies	66,100	66,100	60,580	5,520
Other financing uses	14,233,574	14,293,574	9,567,040	4,726,534
	<u>14,299,674</u>	<u>14,359,674</u>	<u>9,627,620</u>	<u>4,732,054</u>
General Government	<u>85,272,260</u>	<u>90,016,391</u>	<u>74,930,841</u>	<u>15,085,550</u>
<u>Public Protection</u>				
Superior Court				
Services and supplies	2,132,340	1,967,340	1,112,705	854,635
Other charges	1,099,000	1,199,000	1,183,898	15,102
Other financing uses	-	50,000	29,721	20,279
Intrafund transfers	25,659	40,659	39,552	1,107
	<u>3,256,999</u>	<u>3,256,999</u>	<u>2,365,876</u>	<u>891,123</u>
Grand Jury				
Services and supplies	57,348	57,348	29,716	27,632
Intrafund transfers	2,652	2,652	2,322	330
	<u>60,000</u>	<u>60,000</u>	<u>32,038</u>	<u>27,962</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
District Attorney				
Salaries and employee benefits	11,979,713	11,859,483	10,691,411	1,168,072
Services and supplies	1,410,194	1,656,675	1,307,642	349,033
Other charges	11,000	11,800	5,881	5,919
Fixed assets	20,000	239,000	214,426	24,574
Intrafund transfers	357,776	357,776	263,983	93,793
Intrafund abatement	(377,973)	(377,973)	(322,005)	(55,968)
	<u>13,400,710</u>	<u>13,746,761</u>	<u>12,161,338</u>	<u>1,585,423</u>
Child Support Services				
Salaries and employee benefits	3,638,226	3,638,226	3,534,655	103,571
Services and supplies	566,768	566,768	487,058	79,710
Fixed assets	8,000	8,000	7,142	858
Intrafund transfers	277,572	277,572	271,698	5,874
Intrafund abatement	-	-	(14,401)	14,401
	<u>4,490,566</u>	<u>4,490,566</u>	<u>4,286,152</u>	<u>204,414</u>
Public Defender				
Salaries and employee benefits	4,037,886	4,022,886	3,696,534	326,352
Services and supplies	410,015	410,015	315,341	94,674
Other financing uses	8,000	8,000	3,621	4,379
Intrafund transfers	51,736	66,736	61,810	4,926
Intrafund abatement	-	-	(10,267)	10,267
	<u>4,507,637</u>	<u>4,507,637</u>	<u>4,067,039</u>	<u>440,598</u>
Sheriff - Bailiff				
Salaries and employee benefits	3,245,800	3,245,800	2,876,527	369,273
Services and supplies	11,653	11,653	10,522	1,131
Other charges	-	-	616	(616)
	<u>3,257,453</u>	<u>3,257,453</u>	<u>2,887,665</u>	<u>369,788</u>
Sheriff				
Salaries and employee benefits	38,563,346	38,563,346	37,289,264	1,274,082
Services and supplies	6,908,050	6,780,373	5,661,320	1,119,053
Other charges	194,230	194,230	14,775	179,455
Fixed assets	1,545,499	3,783,491	1,031,064	2,752,427
Other financing uses	604,600	604,600	-	604,600
Intrafund transfers	251,535	251,535	62,343	189,192
Intrafund abatement	(41,677)	(5,714,417)	(5,688,783)	(25,634)
	<u>48,025,583</u>	<u>44,463,158</u>	<u>38,369,983</u>	<u>6,093,175</u>
Central Dispatch				
Salaries and employee benefits	435,407	435,407	401,097	34,310
Services and supplies	91,450	91,450	125,892	(34,442)
Fixed assets	321,000	423,500	383,771	39,729
Intrafund abatement	(2,000)	(2,000)	(2,996)	996
	<u>845,857</u>	<u>948,357</u>	<u>907,764</u>	<u>40,593</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Jail				
Salaries and employee benefits	16,299,959	16,299,959	15,507,823	792,136
Services and supplies	2,056,468	2,056,468	1,868,476	187,992
Other charges	5,000	5,000	1,342	3,658
Fixed assets	36,000	36,000	17,397	18,603
Other financing uses	18,368,175	18,368,175	121,334	18,246,841
Intrafund transfers	-	-	58,249	(58,249)
	<u>36,765,602</u>	<u>36,765,602</u>	<u>17,574,621</u>	<u>19,190,981</u>
Juvenile Hall				
Salaries and employee benefits	4,012,967	4,012,967	3,778,515	234,452
Services and supplies	690,831	690,831	624,583	66,248
Other charges	10,000	10,000	-	10,000
Fixed assets	37,600	30,600	-	30,600
Other financing uses	15,000	15,000	-	15,000
Intrafund transfers	13,028	91,028	13,986	77,042
Intrafund abatement	-	-	(16,882)	16,882
	<u>4,779,426</u>	<u>4,850,426</u>	<u>4,400,202</u>	<u>450,224</u>
Probation				
Salaries and employee benefits	10,588,142	10,588,142	10,572,858	15,284
Services and supplies	1,990,997	1,936,708	1,688,171	248,537
Other charges	300,025	300,025	89,895	210,130
Fixed assets	112,000	41,000	22,523	18,477
Other financing uses	-	54,289	54,288	1
Intrafund transfers	30,207	30,207	104,399	(74,192)
Intrafund abatement	-	-	(18,842)	18,842
	<u>13,021,371</u>	<u>12,950,371</u>	<u>12,513,292</u>	<u>437,079</u>
Agricultural Commissioner				
Salaries and employee benefits	1,301,701	1,301,701	1,210,615	91,086
Services and supplies	287,178	287,178	181,962	105,216
Other charges	3,000	3,000	-	3,000
Fixed assets	28,900	3,900	-	3,900
Other financing uses	-	33,307	33,307	-
Intrafund transfers	17,997	9,690	3,047	6,643
	<u>1,638,776</u>	<u>1,638,776</u>	<u>1,428,931</u>	<u>209,845</u>
Building Inspector				
Salaries and employee benefits	6,475,362	6,475,362	6,031,565	443,797
Services and supplies	1,195,768	1,046,268	356,957	689,311
Fixed assets	12,000	12,000	-	12,000
Other financing uses	-	-	5,914	(5,914)
Intrafund transfers	3,797,027	3,797,027	2,651,233	1,145,794
Intrafund abatement	(2,653,200)	(2,653,200)	(58,336)	(2,594,864)
	<u>8,826,957</u>	<u>8,677,457</u>	<u>8,987,333</u>	<u>(309,876)</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Coroner				
Salaries and employee benefits	1,665,633	1,665,633	1,385,022	280,611
Services and supplies	674,000	674,000	735,064	(61,064)
Intrafund transfers	-	-	150	(150)
	<u>2,339,633</u>	<u>2,339,633</u>	<u>2,120,236</u>	<u>219,397</u>
Emergency Services				
Salaries and employee benefits	882,356	882,356	741,742	140,614
Services and supplies	302,465	402,338	98,018	304,320
Other charges	1,200	1,200	15,273	(14,073)
Fixed assets	758,500	758,500	499,834	258,666
Other financing uses	35,000	328,490	293,490	35,000
Intrafund transfers	-	-	278	(278)
	<u>1,979,521</u>	<u>2,372,884</u>	<u>1,648,635</u>	<u>724,249</u>
Recorder - Clerk				
Salaries and employee benefits	1,295,258	1,275,708	930,772	344,936
Services and supplies	265,300	265,300	190,100	75,200
Fixed assets	201,876	201,876	148,952	52,924
Other financing uses	25,000	44,550	24,258	20,292
Intrafund transfers	10,200	10,200	9,058	1,142
	<u>1,797,634</u>	<u>1,797,634</u>	<u>1,303,140</u>	<u>494,494</u>
Planning and Zoning				
Salaries and employee benefits	3,333,918	3,333,918	3,078,061	255,857
Services and supplies	2,641,274	2,755,038	941,139	1,813,899
Other charges	163,550	163,550	161,143	2,407
Other financing uses	-	-	2,702	(2,702)
Intrafund transfers	1,146,644	1,146,644	2,893	1,143,751
Intrafund abatement	(70,000)	(70,000)	(54,634)	(15,366)
	<u>7,215,386</u>	<u>7,329,150</u>	<u>4,131,304</u>	<u>3,197,846</u>
Animal Control				
Salaries and employee benefits	1,996,940	1,996,940	1,758,393	238,547
Services and supplies	531,275	524,775	433,633	91,142
Other charges	1,000	7,500	4,361	3,139
Fixed assets	45,000	45,000	-	45,000
Other financing uses	160,000	160,000	36,610	123,390
Intrafund transfers	990,827	990,827	953,564	37,263
Intrafund abatement	-	-	(1,204)	1,204
	<u>3,725,042</u>	<u>3,725,042</u>	<u>3,185,357</u>	<u>539,685</u>
Public Guardian				
Salaries and employee benefits	1,239,816	1,239,816	1,166,645	73,171
Services and supplies	256,413	256,413	130,233	126,180
Other charges	50,000	50,000	579	49,421
Intrafund transfers	391,798	391,798	388,667	3,131
	<u>1,938,027</u>	<u>1,938,027</u>	<u>1,686,124</u>	<u>251,903</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Cemeteries				
Salaries and employee benefits	164,276	164,276	140,103	24,173
Services and supplies	124,898	104,798	19,482	85,316
Other charges	-	100	78	22
Intrafund transfers	48,980	68,980	52,439	16,541
	<u>338,154</u>	<u>338,154</u>	<u>212,102</u>	<u>126,052</u>
Public Protection	<u>162,210,334</u>	<u>159,454,087</u>	<u>124,269,132</u>	<u>35,184,955</u>
<u>Health and Sanitation</u>				
Public Health				
Salaries and employee benefits	434,561	1,288,247	997,976	290,271
Services and supplies	638,449	967,793	350,170	617,623
Other charges	-	100,000	100,000	-
Fixed assets	-	40,900	24,778	16,122
Other financing uses	-	50,000	-	50,000
Intrafund transfers	130,814	653,379	612,668	40,711
Intrafund abatement	(38,168)	(184,699)	(202,370)	17,671
	<u>1,165,656</u>	<u>2,915,620</u>	<u>1,883,222</u>	<u>1,032,398</u>
Environmental Management				
Salaries and employee benefits	2,340,963	2,151,963	2,151,838	125
Services and supplies	196,587	179,187	131,295	47,892
Other charges	300	15,300	273	15,027
Other financing uses	-	2,400	2,311	89
Intrafund transfers	350,876	539,876	171,519	368,357
Intrafund abatement	(233,435)	(233,435)	(90,281)	(143,154)
	<u>2,655,291</u>	<u>2,655,291</u>	<u>2,366,955</u>	<u>288,336</u>
Health and Sanitation	<u>3,820,947</u>	<u>5,570,911</u>	<u>4,250,177</u>	<u>1,320,734</u>
<u>Public Assistance</u>				
Welfare Administration				
Salaries and employee benefits	24,571,097	24,571,097	23,194,773	1,376,324
Services and supplies	2,510,392	2,510,392	2,104,080	406,312
Other charges	3,280,301	3,280,301	1,762,765	1,517,536
Other financing uses	100,000	100,000	-	100,000
Intrafund transfers	7,716,499	7,716,499	7,387,136	329,363
	<u>38,178,289</u>	<u>38,178,289</u>	<u>34,448,754</u>	<u>3,729,535</u>
Social Services Programs				
Salaries and employee benefits	88,542	88,542	50,257	38,285
Services and supplies	15,094	15,094	34,237	(19,143)
Other charges	3,448,766	3,448,766	3,409,482	39,284
Intrafund transfers	90,941	90,941	54,019	36,922
	<u>3,643,343</u>	<u>3,643,343</u>	<u>3,547,995</u>	<u>95,348</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Categorical Aids				
Other charges	23,812,704	23,812,704	20,411,557	3,401,147
	<u>23,812,704</u>	<u>23,812,704</u>	<u>20,411,557</u>	<u>3,401,147</u>
Aid to Indigents				
Salaries and employee benefits	103,152	103,152	-	103,152
Services and supplies	5,600	5,600	6,550	(950)
Other charges	201,100	201,100	217,252	(16,152)
Intrafund transfers	15,312	15,312	-	15,312
	<u>325,164</u>	<u>325,164</u>	<u>223,802</u>	<u>101,362</u>
Veterans' Services				
Salaries and employee benefits	580,518	565,518	447,594	117,924
Services and supplies	76,429	91,429	54,708	36,721
Intrafund transfers	82,894	82,894	71,334	11,560
	<u>739,841</u>	<u>739,841</u>	<u>573,636</u>	<u>166,205</u>
Public Assistance	<u>66,699,341</u>	<u>66,699,341</u>	<u>59,205,744</u>	<u>7,493,597</u>
<u>Education</u>				
County Library				
Salaries and employee benefits	3,093,913	3,094,913	2,712,739	382,174
Services and supplies	920,514	966,393	723,943	242,450
Other charges	2,000	2,000	-	2,000
Other financing uses	113,000	113,000	71,814	41,186
Intrafund transfers	24,174	24,174	15,771	8,403
Intrafund abatement	-	-	(44,358)	44,358
	<u>4,153,601</u>	<u>4,200,480</u>	<u>3,479,909</u>	<u>720,571</u>
Education	<u>4,153,601</u>	<u>4,200,480</u>	<u>3,479,909</u>	<u>720,571</u>
<u>Recreation and Cultural Services</u>				
Recreation				
Salaries and employee benefits	644,374	644,374	478,302	166,072
Services and supplies	1,403,422	1,043,422	628,202	415,220
Other charges	667,038	1,027,038	531,272	495,766
Fixed assets	2,245,500	2,245,500	138,722	2,106,778
Intrafund transfers	105,736	105,736	121,438	(15,702)
	<u>5,066,070</u>	<u>5,066,070</u>	<u>1,897,936</u>	<u>3,168,134</u>
Historical Museum				
Salaries and employee benefits	122,003	122,003	122,880	(877)
Services and supplies	46,692	46,692	19,847	26,845
Intrafund transfers	1,000	1,000	-	1,000
Intrafund abatement	-	-	(180)	180
	<u>169,695</u>	<u>169,695</u>	<u>142,547</u>	<u>27,148</u>
Recreation and Cultural Services	<u>5,235,765</u>	<u>5,235,765</u>	<u>2,040,483</u>	<u>3,195,282</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Contingency</u>				
Contingency				
Appropriation for contingencies	6,000,000	5,955,200	-	5,955,200
	<u>6,000,000</u>	<u>5,955,200</u>	<u>-</u>	<u>5,955,200</u>
Contingency	<u>6,000,000</u>	<u>5,955,200</u>	<u>-</u>	<u>5,955,200</u>
Total charges to appropriations	<u>333,392,248</u>	<u>337,132,175</u>	<u>268,176,286</u>	<u>68,955,889</u>
Budgetary fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,100,719</u>	<u>\$ 53,100,719</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

An explanation of the differences between budgetary inflows and outflows, and GAAP revenues and expenditures:

Sources/inflows of resources:

Actual amount (budgetary basis) "available for appropriations" from the budgetary comparison schedule	\$ 321,277,005
Difference budget to GAAP	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(21,839,159)
Transfers in from other funds are inflows of budgetary resources, but are not revenues for financial reporting purposes	(37,765,664)
Interfund revenues from other governmental funds are inflows of budgetary resources, but are eliminated for financial reporting purposes	(8,901,119)
Proceeds from the sale of capital assets are not revenues for financial reporting purposes	<u>(130,545)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance governmental funds	<u>\$ 252,640,518</u>

Uses/outflows of resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 268,176,286
Difference budget to GAAP	
Transfers out to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	(11,185,849)
Interfund expenditures to other governmental funds are outflows of budgetary resources, but are eliminated for financial reporting purposes	<u>(8,901,119)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance governmental funds	<u>\$ 248,089,318</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
ROAD FUND
YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Budgetary fund balances, July 1	\$ 5,704,961	\$ 5,704,961	\$ 5,704,961	\$ -
Resources (inflows):				
Taxes and assessments	10,000	10,000	10,002	2
Licenses, permits and franchises	567,500	567,500	1,027,963	460,463
Revenue from use of money and property	24,401	24,401	(5,978)	(30,379)
Intergovernmental revenues-State	10,254,791	10,254,791	11,981,328	1,726,537
Intergovernmental revenues-Federal	36,866,329	36,966,329	14,284,472	(22,681,857)
Charges for services	4,548,920	4,910,420	2,977,850	(1,932,570)
Miscellaneous revenues	6,340,724	5,611,724	3,761,736	(1,849,988)
Other financing sources	27,852,194	29,009,194	17,397,559	(11,611,635)
	<u>86,464,859</u>	<u>87,354,359</u>	<u>51,434,932</u>	<u>(35,919,427)</u>
Amounts available for appropriations	<u>92,169,820</u>	<u>93,059,320</u>	<u>57,139,893</u>	<u>(35,919,427)</u>
Charges to appropriations (outflows):				
<u>Public ways and facilities</u>				
Salaries and employee benefits	17,467,182	17,467,182	16,785,721	681,461
Services and supplies	56,422,750	56,875,750	24,056,092	32,819,658
Other charges	5,754,376	5,761,376	3,685,218	2,076,158
Fixed assets	7,344,444	7,373,944	5,672,320	1,701,624
Other financing uses	5,626,343	5,626,343	2,015,932	3,610,411
Intrafund abatement	(445,275)	(445,275)	(302,445)	(142,830)
Appropriations for contingencies	-	400,000	-	400,000
Public ways and facilities	<u>92,169,820</u>	<u>93,059,320</u>	<u>51,912,838</u>	<u>41,146,482</u>
Total charges to appropriations	<u>92,169,820</u>	<u>93,059,320</u>	<u>51,912,838</u>	<u>41,146,482</u>
Budgetary fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,227,055</u>	<u>\$ 5,227,055</u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
ROAD FUND
YEAR ENDED JUNE 30, 2021**

An explanation of the differences between budgetary inflows and outflows, and GAAP revenues and expenditures:

Sources/inflows of resources:

Actual amount (budgetary basis) "available for appropriations" from the budgetary comparison schedule	\$	57,139,893
Difference budget to GAAP		
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes		(5,704,961)
Transfers in from other funds are inflows of budgetary resources, but are not revenues for financial reporting purposes		(17,153,536)
Interfund revenues from other governmental funds are inflows of budgetary resources, but are eliminated for financial reporting purposes		(1,508,098)
Proceeds from the sale of capital assets are not revenues for financial reporting purposes		<u>(244,023)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance governmental funds	\$	<u><u>32,529,275</u></u>

Uses/outflows of resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$	51,912,838
Difference budget to GAAP		
Transfers out to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes		(2,015,932)
Interfund expenditures to other governmental funds are outflows of budgetary resources, but are eliminated for financial reporting purposes		<u>(1,508,098)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance governmental funds	\$	<u><u>48,388,808</u></u>

**COUNTY OF EL DORADO
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULES
YEAR ENDED JUNE 30, 2021**

BUDGETARY BASIS OF ACCOUNTING

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before October 2. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the object level within budget units for the County. The object level within a budget unit is the level at which expenditures may legally not exceed appropriations. The County Administrator approves any budget amendments transferring appropriation within object categories such as salaries and benefits or services and supplies. In addition, the County Administrator also approves budget amendments transferring appropriations between object categories. The Board of Supervisors approves budget amendments transferring appropriations between budget units, departments, or funds. The Board of Supervisors also approves appropriations from unappropriated reserves and unanticipated revenues received during the year. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year.

The County uses an encumbrances system as an extension of normal budgetary accounting for the general, special revenue, and debt service funds and to assist in controlling expenditures of the capital projects funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are reported as part of the restricted, committed, or assigned fund balances since they do not constitute expenditures or liabilities. Encumbrances are combined with expenditures for budgetary comparison purposes. Unencumbered appropriation lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

The budgets for governmental funds may include an object level known as "intrafund transfers" in the charges for appropriations. This object level is an accounting mechanism used by the County to show reimbursements between operations within the same fund (an example would be the General Fund).

The amounts reported in the budgetary basis differ from the basis used to present the basic financial statements in accordance with generally accepted accounting principles (GAAP). Annual budgets are prepared on the modified accrual basis of accounting except that current year encumbrances are budgeted as expenditures.

There was no budget adopted for the American Rescue Plan Act Fund for the year ended June 30, 2021. Therefore, the budgetary comparison schedule for this fund has been omitted.

**COUNTY OF EL DORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021**

	<u>Fleet Management</u>	<u>Risk Management Authority</u>	<u>Total</u>
Assets			
Current Assets:			
Cash and investments	\$ 3,070,165	\$ 35,381,130	\$ 38,451,295
Accounts receivable	-	254,285	254,285
Deposits	-	83,100	83,100
Inventories	37,320	-	37,320
Prepaid expenses	-	2,620,329	2,620,329
Total Current Assets	<u>3,107,485</u>	<u>38,338,844</u>	<u>41,446,329</u>
Capital Assets:			
Land	40,000	-	40,000
Structures and improvements	213,088	-	213,088
Equipment	13,753,434	10,096	13,763,530
Accumulated depreciation	<u>(6,189,059)</u>	<u>(9,841)</u>	<u>(6,198,900)</u>
Total Capital Assets, net of accumulated depreciation	<u>7,817,463</u>	<u>255</u>	<u>7,817,718</u>
Total Assets	<u>10,924,948</u>	<u>38,339,099</u>	<u>49,264,047</u>
Liabilities			
Current Liabilities:			
Accounts payable	29,438	434,818	464,256
Salaries and benefits payable	8,421	19,112	27,533
Liability for self-insurance	-	3,208,088	3,208,088
Compensated absences - due within one year	3,826	8,991	12,817
Total Current Liabilities	<u>41,685</u>	<u>3,671,009</u>	<u>3,712,694</u>
Long-Term Liabilities:			
Liability for self-insurance	-	11,622,912	11,622,912
Compensated absences - due beyond one year	<u>28,052</u>	<u>65,930</u>	<u>93,982</u>
Total Long-Term Liabilities	<u>28,052</u>	<u>11,688,842</u>	<u>11,716,894</u>
Total Liabilities	<u>69,737</u>	<u>15,359,851</u>	<u>15,429,588</u>
Net Position			
Net investment in capital assets	7,817,463	255	7,817,718
Restricted for general government and support programs	3,195,425	-	3,195,425
Unrestricted	<u>(157,677)</u>	<u>22,978,993</u>	<u>22,821,316</u>
Total Net Position	<u>\$ 10,855,211</u>	<u>\$ 22,979,248</u>	<u>\$ 33,834,459</u>

**COUNTY OF EL DORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021**

	<u>Fleet Management</u>	<u>Risk Management Authority</u>	<u>Total</u>
Operating Revenues:			
Service fees	\$ 1,888,611	\$ 33,582,458	\$ 35,471,069
Total Operating Revenues	<u>1,888,611</u>	<u>33,582,458</u>	<u>35,471,069</u>
Operating Expenses:			
Salaries and benefits	345,770	763,701	1,109,471
Services and supplies	713,956	38,473,997	39,187,953
Depreciation	922,678	1,022	923,700
Total Operating Expenses	<u>1,982,404</u>	<u>39,238,720</u>	<u>41,221,124</u>
Operating Income (Loss)	<u>(93,793)</u>	<u>(5,656,262)</u>	<u>(5,750,055)</u>
Non-Operating Revenues (Expenses):			
Interest income	11,185	169,763	180,948
Gain (loss) on sale of capital assets	9,973	-	9,973
Miscellaneous nonoperating revenues	200	753,189	753,389
Total NonOperating Revenues (Expenses)	<u>21,358</u>	<u>922,952</u>	<u>944,310</u>
Income (Loss) Before Transfers and Capital Contributions	<u>(72,435)</u>	<u>(4,733,310)</u>	<u>(4,805,745)</u>
Transfers In (Out) and Capital Contributions			
Transfers in	82,580	-	82,580
Transfers out	(423)	-	(423)
Total Transfers and Capital Contributions	<u>82,157</u>	<u>-</u>	<u>82,157</u>
Change in Net Position	9,722	(4,733,310)	(4,723,588)
Net Position - Beginning of Year	<u>10,845,489</u>	<u>27,712,558</u>	<u>38,558,047</u>
Net Position - End of Year	<u>\$ 10,855,211</u>	<u>\$ 22,979,248</u>	<u>\$ 33,834,459</u>

**COUNTY OF EL DORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021**

	<u>Fleet Management</u>	<u>Risk Management Authority</u>	<u>Total</u>
Cash Flows From Operating Activities:			
Cash receipts from internal fund services provided	\$ 1,894,598	\$ 33,352,751	\$ 35,247,349
Cash paid to suppliers for goods and services	(933,725)	(40,669,390)	(41,603,115)
Cash paid to employees for services	(351,036)	(729,363)	(1,080,399)
Net cash provided (used) by operating activities	<u>609,837</u>	<u>(8,046,002)</u>	<u>(7,436,165)</u>
Cash Flows From Noncapital Financing Activities:			
Cash received from (paid to) other funds	82,157	-	82,157
Non operating receipts	200	753,189	753,389
Net cash provided (used) by noncapital financing activities	<u>82,357</u>	<u>753,189</u>	<u>835,546</u>
Cash Flows From Capital and Related Financing Activities:			
Proceeds from sale of capital assets	123,459	-	123,459
Payments related to the acquisition of capital assets	(684,016)	-	(684,016)
Net cash provided (used) by capital and related financing activities	<u>(560,557)</u>	<u>-</u>	<u>(560,557)</u>
Cash Flows From investing Activities:			
Interest received	11,185	169,763	180,948
Net cash provided (used) by investing activities	<u>11,185</u>	<u>169,763</u>	<u>180,948</u>
Net Increase (Decrease) in Cash and Cash Equivalents	142,822	(7,123,050)	(6,980,228)
Cash and Cash Equivalents, Beginning of Year	<u>2,927,343</u>	<u>42,504,180</u>	<u>45,431,523</u>
Cash and Cash Equivalents, End of year	<u>\$ 3,070,165</u>	<u>\$ 35,381,130</u>	<u>\$ 38,451,295</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position			
Cash and investments	\$ 3,070,165	\$ 35,381,130	\$ 38,451,295
Total Cash and Cash Equivalents	<u>\$ 3,070,165</u>	<u>\$ 35,381,130</u>	<u>\$ 38,451,295</u>

**COUNTY OF EL DORADO
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021**

	<u>Fleet Management</u>	<u>Risk Management Authority</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (93,793)	\$ (5,656,262)	\$ (5,750,055)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:			
Depreciation	922,678	1,022	923,700
Changes in assets, liabilities and deferred outflows/inflows:			
(Increase) decrease in:			
Accounts receivable	5,987	(229,707)	(223,720)
Inventory	(5,971)	-	(5,971)
Deposits and prepaid expenses	1,315	(80,393)	(79,078)
Increase (decrease) in:			
Accounts payable	(215,113)	(225,000)	(440,113)
Salaries payable	(118)	5,782	5,664
Liability for compensensated absences	(5,148)	28,556	23,408
Liability for self-insurance	-	(1,890,000)	(1,890,000)
Net Cash Provided (Used) by Operating Activities	<u>\$ 609,837</u>	<u>\$ (8,046,002)</u>	<u>\$ (7,436,165)</u>

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor. CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See [nexia.com/member-firm-disclaimer](https://www.nexia.com/member-firm-disclaimer) for details. **CliftonLarsonAllen LLP**

