

**COUNTY OF EL DORADO  
ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2023**



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## INDEPENDENT AUDITORS' REPORT

Board of Supervisors  
County of El Dorado  
Placerville, California

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, 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, 2023, and the related notes to the financial statements, which collectively comprise the County of El Dorado's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying 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, 2023, 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.

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, net position, and revenues as of and for the fiscal year ended June 30, 2023:

Opinion Unit	Assets	Net Position	Revenues
Discretely Presented Component Units	100.0%	100.0%	100.0%

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Children and Families Commission, El Dorado County Transit Authority, and El Dorado County Transportation Commission are based solely on the reports of the other auditors.

#### **Basis for Opinions**

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

***Emphasis of Matter***

***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, effective July 1, 2022, the County of El Dorado adopted new accounting guidance for subscription-based information technology arrangements (SBITAs). The guidance requires entities to recognize a right-to-use subscription asset and corresponding SBITA liability for all SBITAs with terms greater than 12 months. Our opinions are not modified in respect to this matter.

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

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of County of El Dorado's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about County of El Dorado's ability to continue as a going concern for a reasonable period of time.

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

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

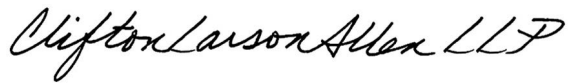
Accounting principles generally accepted in the United States of America require that the management discussion and analysis, budgetary comparison schedules, schedule of changes in net pension liability and related ratios for the miscellaneous and safety plans, schedule of plan contributions for the 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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

### ***Supplementary 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 fund statements, 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining fund statements 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 7, 2024, on our consideration of the County of El Dorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of El Dorado internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of El Dorado's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Roseville, California  
March 7, 2024



# County of El Dorado

## OFFICE OF AUDITOR-CONTROLLER

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**JOE HARN**  
Auditor-Controller

**TSUNG-KUEI HSU**  
Assistant Auditor-Controller

March 7, 2024

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, 2023. 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 \$360.0 million (net position). Of this, \$236.0 million was restricted for specific purposes (restricted net position), and \$405.1 million was net investment in capital assets. Unrestricted net position was a negative \$281.1 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 \$394.3 million, an increase of \$17.8 million from the prior year. Approximately \$240.1 million of this total, or 60.9 percent, was either nonspendable or restricted for specific uses; and \$154.2 million, or 39.1 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 \$110.0 million. Approximately \$9.0 million was either nonspendable or restricted for specific uses. The remaining \$101.0 million, which approximated to 35.4 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, 2023, was \$405.1 million. This balance consisted of \$402.6 million for governmental activities and \$2.5 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 \$360.0 million at June 30, 2023. A comparative analysis of government-wide data is presented below.

	<b>Net Position June 30, (in thousands)</b>					
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Assets:</b>						
Current and other assets	\$ 520,535	\$ 489,160	\$ 626	\$ 517	\$ 521,161	\$ 489,677
Capital assets	463,555	433,692	2,456	2,772	466,011	436,464
<b>Total assets</b>	<b>984,090</b>	<b>922,852</b>	<b>3,082</b>	<b>3,289</b>	<b>987,172</b>	<b>926,141</b>
<b>Deferred outflows of resources:</b>						
Deferred pension outflows	125,292	51,461	--	--	125,292	51,461
Deferred OPEB outflows	16,403	19,296	--	--	16,403	19,296
<b>Total deferred outflows of     resources</b>	<b>141,695</b>	<b>70,757</b>	<b>--</b>	<b>--</b>	<b>141,695</b>	<b>70,757</b>
<b>Liabilities:</b>						
Current and other liabilities	93,389	84,132	175	35	93,564	84,167
Long-term liabilities	633,756	495,989	29	24	633,785	496,013
<b>Total liabilities</b>	<b>727,145</b>	<b>580,121</b>	<b>204</b>	<b>59</b>	<b>727,349</b>	<b>580,180</b>
<b>Deferred inflows of resources:</b>						
Deferred lease inflows	175	223	131	141	306	364
Deferred pension inflows	5,432	89,195	--	--	5,432	89,195
Deferred OPEB inflows	35,821	17,576	--	--	35,821	17,576
<b>Total deferred inflows of     resources</b>	<b>41,428</b>	<b>106,994</b>	<b>131</b>	<b>141</b>	<b>41,559</b>	<b>107,135</b>
<b>Net Position:</b>						
Net investment in capital assets	402,623	368,082	2,456	2,772	405,079	370,854
Restricted net position	235,969	211,517	--	--	235,969	211,517
Unrestricted net position	(281,380)	(273,105)	291	317	(281,089)	(272,788)
<b>Total net position</b>	<b>\$ 357,212</b>	<b>\$ 306,494</b>	<b>\$ 2,747</b>	<b>\$ 3,089</b>	<b>\$ 359,959</b>	<b>\$ 309,583</b>

### 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, leased assets, SBITA 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, \$236.0 million or 65.6 percent, represents resources that are subject to external restrictions on how they may be used.

The County's unrestricted net position balance of negative \$281.1 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:

	<b>Change in Net Position</b>					
	<b>June 30,</b>					
	<b>(in thousands)</b>					
	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	
	<b>Activities</b>		<b>Activities</b>			
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$ 72,254	\$ 63,728	\$ 649	\$ 703	\$ 72,903	\$ 64,431
Operating grants and contributions	206,943	214,211	--	--	206,943	214,211
Capital grants and contributions	50,831	1,418	67	104	50,898	1,522
General Revenues:						
Taxes	173,947	163,920	--	--	173,947	163,920
Unrestricted interest and investment earnings	7,599	(12,513)	7	(1)	7,606	(12,514)
Other revenues	3,661	5,342	20	4	3,681	5,346
Total revenues	<u>515,235</u>	<u>436,106</u>	<u>743</u>	<u>810</u>	<u>515,978</u>	<u>436,916</u>
<b>Expenses</b>						
General government	50,963	43,230	--	--	50,963	43,230
Public protection	172,641	137,830	--	--	172,641	137,830
Public ways and facilities	66,371	52,815	--	--	66,371	52,815
Health and sanitation	83,653	70,508	--	--	83,653	70,508
Public assistance	82,485	72,614	--	--	82,485	72,614
Education	4,552	4,067	--	--	4,552	4,067
Recreation and culture	1,650	2,009	--	--	1,650	2,009
Interest on long-term debt	1,880	1,909	--	--	1,880	1,909
Airports	--	--	1,407	1,240	1,407	1,240
Total expenses	<u>464,195</u>	<u>384,982</u>	<u>1,407</u>	<u>1,240</u>	<u>465,602</u>	<u>386,222</u>
Excess (deficiency) before special items and transfers	51,040	51,124	(664)	(430)	50,376	50,694
Transfers	<u>(322)</u>	<u>(79)</u>	<u>322</u>	<u>79</u>	<u>--</u>	<u>--</u>
Change in net position	50,718	51,045	(342)	(351)	50,376	50,694
Net position at beginning of year	306,494	255,449	3,089	3,440	309,583	258,889
Net position at end of year	<u>\$ 357,212</u>	<u>\$ 306,494</u>	<u>\$ 2,747</u>	<u>\$ 3,089</u>	<u>\$ 359,959</u>	<u>\$ 309,583</u>

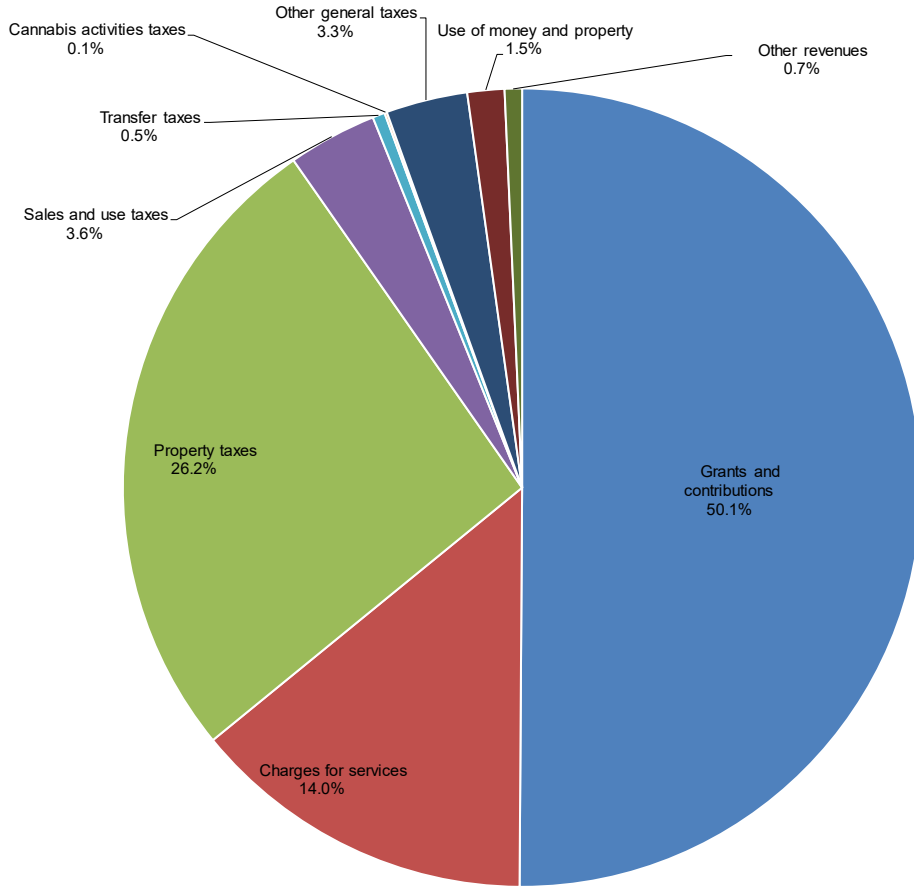
**Governmental activities.** The County experienced an overall increase in net position of \$50.4 million in 2023, compared to a \$50.7 million increase in 2022. This increase in net position was attributable almost entirely to the **governmental activities**. Specifically, the \$50.4 million increase in net position attributable to governmental activities, resulted from a \$79.1 million or 18.1 percent increase in revenues accompanied by a \$79.2 million or 20.6 percent increase in expenses. The largest revenue increase, \$49.4 million, occurred in the capital grants and contributions category, followed by a \$20.1 million increase in unrestricted interest and investment earnings, a \$10.0 million increase in taxes, and an \$8.5 million increase in charges for services. These revenue increases were offset by a \$7.3 million decrease in operating grants and contributions, and a \$1.7 million decrease in other revenues. The \$49.4 million increase in the capital grants and contributions was mainly attributable to a \$27.0 million increase in Federal HBRD Highway Bridges funding. The \$10.0 million increase in taxes was attributable to the \$11.2 million increase in property tax revenue.

As mentioned, while total revenues increased by 18.1 percent, total expenses increased by 20.6 percent in 2023 when compared to 2022. Further, expenses increased in almost all functional areas. While the changes in some functional areas were moderate, the changes in most functional areas were significant. For example, public protection expenses increased \$34.8 million or 25.3 percent, primarily due to the \$14.7 million increase in salary and benefits, the \$1.6 million increase in professional services, the \$1.6 million increase in ARPA funding distribution, and coupled with the \$13.5 million increase in pension expenses. Public ways and facilities expenses increased by \$13.6 million or 25.7 percent as a result of the \$2.9 million increase in salary and benefits, the \$35.3 million increase in road construction, road maintenance and engineer contract expenses, offset by the \$24.6 million increase in capitalizable project expenses. Health and sanitation expenses increased by \$13.1 million or 18.6 percent because of the \$7.4 million increase in health services expenses, the \$2.4 million increase in salary and benefits, and the \$2.1 million increase in pension expenses. In addition, public assistance expenses increased by \$9.9 million or 13.6 percent due to the \$3.4 million increase in salary and benefits, the \$4.9 million increase in other program expenses, and the \$2.6 million increase in pension expenses.

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 \$91.6 million and annual OPEB expense of \$2.2 million in 2023. Further, the County reported net pension liability of \$425.1 million and annual pension expense of \$51.8 million in 2023.

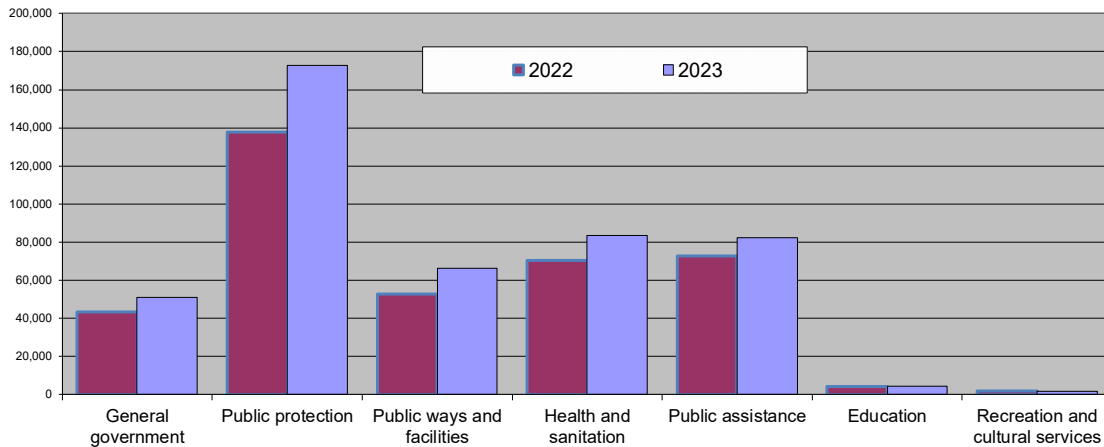
Following is a graphical presentation of the various revenue sources at the entity-wide level. As presented, the County received most of its recognized revenues from grants and contributions (50.1 percent), property taxes (26.2 percent), and charges for services (14.0 percent).

### Revenues by Source-Governmental Activities



Below is a graph that presents a comparison of 2023 and 2022 expenses under each of the governmental activities.

**Comparison of 2022 and 2023 Expenses by Activity  
(in thousands)**



**Business-type activities.** Business-type activities decreased the County’s net position by \$342 thousand. This net decrease was the result of \$758 thousand in operating losses, offset by \$27 thousand in non-operating revenues, \$67 thousand in capital grants contribution, and net transfers in of \$322 thousand. Similar to prior years, the County Airports continued to operate at a loss, \$758 thousand in 2023 compared to \$537 thousand last year.

To help finance the operations of business-type activities in 2023, County governmental funds contributed \$322 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, 2023, the County's governmental funds reported a combined ending fund balance of \$394.3 million, compared to the \$376.5 million fund balance of the previous year. Approximately 39.1 percent of this fund balance, or \$154.2 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, 2023, the General Fund's spendable and unrestricted fund balance was \$101.0 million; a decrease of \$16.7 million from last year's spendable and unrestricted fund balance of \$117.7 million. This decrease is primarily due to the net change or decrease in the General Fund's fund balance of \$14.6 million during the year.

The June 30, 2023 spendable and unrestricted fund balance, as compared to General Fund expenditures for the year, was approximately 35.4 percent compared to 46.0 percent in 2022. Thus, without any additional revenue inflows, this fund balance could support the General Fund's activities for approximately 129 days compared to 168 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 \$49.7 million in 2023, compared to \$21.0 million last year. This \$28.7 million increase was primarily due to a \$25.3 million increase in intergovernmental revenue and a \$2.9 million increase in charges for services. The \$25.3 million increase in intergovernmental revenue was a result of the net increase of the funding from State and Federal sources, including \$27.0 million increase in Federal HBRD Highway Bridges funding, \$1.1 million decrease in Federal Hazard elimination funding, and \$1.5 million decrease in Federal Congestion Mitigation Air Quality funding. The \$2.9 million increase in charges for services was primarily due to the \$1.7 million increase in the charges for the Missouri Flat Master Circulation and Financing Plan. Similarly, expenditures increased from \$41.6 million in 2022 to \$82.7 million in 2023 as a result of the \$2.9 million increase in salary and benefits and the \$35.3 million increase in road construction, road maintenance and engineer contract expenses. Thus, the \$28.7 million increase in revenues, coupled with the \$41.1 million increase in expenditures resulted in a \$33.1 million deficiency of revenues under expenditures compared to \$20.7 million deficit last year. With the \$31.6 million in net transfers from other funds and the \$82 thousand of other financing sources, the relative net change in fund balance went from a 1.9 million increase in 2022 to a \$1.3 million decrease in 2023.

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 to be used to provide support to non-profit organizations residing in the County. In 2023, the American Rescue Plan Act Fund reported the same amount of revenues and expenditures, \$7.6 million each.

The combined governmental fund balances increased by \$17.8 million during 2023, compared to a \$44.3 million increase last year. This \$26.5 million decrease to the net change in governmental fund balances was the result of 16.9 percent increase in revenues and 19.2 percent increase in expenditures in 2023 when compared to 2022, resulting in a \$15.3 million excess of revenues over expenditures in 2023, compared to a \$36.2 million excess of revenues over expenditures in 2022, with a \$2.5 million in other financing sources, compared to an \$8.1 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 2023, the Fleet Management realized a net operating income of \$1.2 million dollars, compared to a \$351 thousand of net operating income last year. The Risk Management Authority reported a net operating loss of \$3.6 million dollars, compared to a net operating loss of \$4.6 million dollars last year.

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 \$15.5 million, or 3.7 percent. The largest of the amounts available for appropriations budget modifications included:

- \$7.5 million increase in budgetary fund balances, and
- \$7.1 million increase in other financing sources.

The largest expenditure budget modifications included:

- \$5.1 million increase to the Other General appropriation, including \$5.0 million increase in other financing uses,
- \$8.5 million increase to the Other General – SR Fund appropriation, including \$8.5 million increase in other financing uses,
- \$5.0 million increase to the Environmental Management appropriation, including \$4.8 million increase in services and supplies, and
- \$5.8 million decrease to the Appropriation for Contingencies.

The overall variances between final resources budgeted and the actual amounts available for appropriations were significant, with a negative or deficit variance of \$37.4 million or 8.6 percent. Specifically, compared to the final amounts available for appropriations budget of \$432.7 million, actual funding equaled \$395.3 million. This variance included the following:

- \$5.7 million over budget in taxes and assessments,
- \$3.4 million over budget in revenue from use of money and property,
- \$23.2 million under budget in State intergovernmental revenues,
- \$3.0 million under budget in other governmental agencies revenues,
- \$1.7 million under budget in charges for services, and
- \$17.0 million under budget in other financing sources.

The differences between the final budgeted and actual expenditures, not including contingency, were significant. Specifically, expenditures fell \$88.7 million or 21.0 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 \$43.8 million or 31.5 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 County Administrative Office, Elections, County Promotion, Information Services and Support, Contributions to Other Agencies, 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 \$32.9 million or 17.2 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, Public Defender, Sheriff, Central Dispatch, Jail, Probation, Building Inspector, Recorder-Clerk, and Planning and Zoning. The only department that exceeded its final budget was the Sheriff-Bailiff.
- Health and Sanitation – Actual expenditures fell below final budget by \$4.8 million or 46.9 percent, mostly due to the Environmental Management, which fell below budget by \$4.4 million.
- Public Assistance – Actual expenditures fell below final budget by \$4.9 million or 6.8 percent, mostly due to the Welfare Administration and the Categorical Aids, which fell below budget by \$2.4 million and \$2.6 million, respectively. On the other hand, Social Services Programs and Aid to Indigents exceeded their final budget.
- Education – County Library fell under final budget by \$593 thousand or 12.1 percent, with salaries and benefits making up the majority, followed by fixed assets, and services and supplies.
- Recreational and Cultural Services – Actual expenditures fell below final budget by \$1.8 million or 35.3 percent, mostly due to the Recreation, which fell below final budget by \$1.8 million, while Historical Museum slightly exceeded its final budget.

In general, both General Fund inflows and outflows fell below final budget. Specifically, actual revenues, not including budgetary fund balance, fell \$37.4 million or 10.5 percent under budget while expenditures, not including contingency, fell \$88.7 million or 21.0 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, 2023 amounts to \$405.1 million, specifically, capital assets of \$466.0 million net of related debt of \$60.9 million. The County's capital assets include land and improvements, construction in progress, infrastructure, intangible assets, structures and improvements, equipment, leased real properties, leased equipment, and subscription-based information technology arrangements (SBITA) assets. Additions to capital assets totaled \$65.9 million in 2023.

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

- \$3.5 million in additions to the intangible assets in right of way acquisition,
- \$20.9 million in additions to construction in progress,
- \$590 thousand in new road construction, including \$467 thousand for the Diamond Springs Parkway phase 1B,
- \$28.8 million in road reconstruction, including \$27.8 million for the Mosquito Road at South Fork American River Bridge, and \$264 thousand for the Bucks Bar Road at North Fork Cosumnes River Bridge construction,
- \$289 thousand for signals, safety devices, and road lighting, including \$92 thousand of Enterprise Drive and Missouri Flat Road signal projects, and \$77 thousand of guardrail upgrades at various locations,

- \$988 thousand for pedestrian ways and bike paths, including \$783 thousand for the San Bernadino Class 1 Bike Path,
- \$1.5 million for storm drains, including \$1.3 million for the Oflyng Water Quality Project,
- \$7.2 million in additions to the equipment, including \$2.1 million in law enforcement equipment, \$3.3 million in road construction and maintenance equipment, and \$1.0 million of new vehicle purchases by Fleet Management, and
- \$1.1 million in additions to the leased real properties.

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, 2023 the County's outstanding long-term debt totaled \$68.8 million. The components of this obligation consisted of the SBITA liabilities totaling \$1.2 million, lease liabilities totaling \$10.5 million, 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), HCD CDBG Program (\$1.4 million), and the U.S. Department of Agriculture (USDA) Rural Development Loans (\$49.3 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, 2023 was \$49,252,944.

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, 2023, the County had other long-term liabilities of \$577.9million associated with compensated absences (\$21.1 million), landfill closure (\$23.7 million), self-insurance (\$16.4 million), other post-employment benefits (\$91.6 million), and pension benefits (\$425.1 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 \$247.6 million for its miscellaneous plan and \$177.5 million for its safety plan as of June 30, 2023.

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, 2023, the County recognized total other post-employment benefits (OPEB) liability of \$91.6 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 County's 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, 2023 and 2022 totaled \$12,949,671 and \$12,709,810, 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, 2023**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and Investments	\$ 418,044,322	\$ 293,382	\$ 418,337,704	\$ 9,613,108
Restricted Cash and Investments	9,169,684	-	9,169,684	6,635,647
Accounts Receivable	14,677,800	6,197	14,683,997	30,889
Taxes Receivable	9,061,813	-	9,061,813	-
Interest Receivable	1,030,623	-	1,030,623	10,244
Notes Receivable	11,162,830	-	11,162,830	-
Leases Receivable	186,904	139,680	326,584	-
Due from Other Governments	49,761,614	78,178	49,839,792	8,978,586
Inventories and Prepayments	7,439,294	107,657	7,546,951	364,082
Net OPEB Assets	-	-	-	149,839
Capital Assets:				
Nondepreciable Assets	80,353,294	319,947	80,673,241	856,958
Depreciable, Net	383,201,286	2,136,135	385,337,421	10,155,437
<b>Total Assets</b>	<b>984,089,464</b>	<b>3,081,176</b>	<b>987,170,640</b>	<b>36,794,790</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows Related to Pensions	125,291,759	-	125,291,759	4,544,961
Deferred Outflows Related to OPEB	16,402,769	-	16,402,769	131,114
<b>Total Deferred Outflows of Resources</b>	<b>141,694,528</b>	<b>-</b>	<b>141,694,528</b>	<b>4,676,075</b>
<b>LIABILITIES</b>				
Accounts Payable	31,676,384	88,694	31,765,078	515,249
Accrued Expenses	-	-	-	133,653
Accrued Salaries and Benefits	8,400,828	13,352	8,414,180	12,035
Accrued Interest Payable	1,615,501	-	1,615,501	-
Due to Other Governments	59,804	-	59,804	2,163,575
Deposits from Others	1,993,577	-	1,993,577	-
Unearned Revenue	36,724,630	68,927	36,793,557	12,522,115
Retainage Payable	-	-	-	17,887
Long-Term Liabilities:				
Total OPEB Liability:				
Due Within One Year	2,556,000	-	2,556,000	-
Due Beyond One Year	89,025,390	-	89,025,390	-
Liability for Self-Insurance:				
Due Within One Year	4,100,325	-	4,100,325	-
Due Beyond One Year	12,253,675	-	12,253,675	-
Liability for Landfill Closure and Post-Closure:				
Due Beyond One Year	23,737,309	-	23,737,309	-
Net Pension Liability:				
Due Beyond One Year	425,137,542	-	425,137,542	5,029,017
Long-Term Debt:				
Due Within One Year	3,943,713	-	3,943,713	105,154
Due Beyond One Year	64,822,751	-	64,822,751	192,431
Compensated Absences:				
Due Within One Year	2,317,042	3,582	2,320,624	304,452
Due Beyond One Year	18,779,627	28,979	18,808,606	268,474
<b>Total Liabilities</b>	<b>727,144,098</b>	<b>203,534</b>	<b>727,347,632</b>	<b>21,264,042</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows Related to Leases	174,964	130,889	305,853	-
Deferred Inflows Related to Pensions	5,431,720	-	5,431,720	208,241
Deferred Inflows Related to OPEB	35,821,088	-	35,821,088	225,463
<b>Total Deferred Inflows of Resources</b>	<b>41,427,772</b>	<b>130,889</b>	<b>41,558,661</b>	<b>433,704</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	402,623,269	2,456,082	405,079,351	10,727,955
Restricted for:				
Capital Projects	31,462,240	-	31,462,240	-
Public Safety	48,857,223	-	48,857,223	-
Community Resources and Public Facilities	66,978,225	-	66,978,225	5,171,155
Health and Public Assistance	68,114,223	-	68,114,223	-
General Government and Support Programs	17,991,727	-	17,991,727	-
Other Purposes	2,565,416	-	2,565,416	2,336,386
Unrestricted	(281,380,201)	290,671	(281,089,530)	1,537,623
<b>Total Net Position</b>	<b>\$ 357,212,122</b>	<b>\$ 2,746,753</b>	<b>\$ 359,958,875</b>	<b>\$ 19,773,119</b>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Positions			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
<b>PRIMARY GOVERNMENT</b>								
Government Activities:								
General Government	\$ 50,964,174	\$ 12,594,497	\$ 2,682,744	\$ 15,166,239	\$ (20,520,694)		\$ (20,520,694)	
Public Protection	172,640,883	15,184,519	51,257,099	1,022,850	(105,176,415)		(105,176,415)	
Public Ways and Facilities	66,371,141	17,272,234	18,655,122	33,158,746	2,714,961		2,714,961	
Health and Sanitation	83,652,627	25,811,182	51,887,163	1,349,157	(4,605,125)		(4,605,125)	
Public Assistance	82,484,928	532,888	80,259,903	126,284	(1,565,853)		(1,565,853)	
Education	4,551,951	407,264	435,045	-	(3,709,642)		(3,709,642)	
Recreation and Cultural Services	1,649,821	451,418	1,766,606	7,410	575,613		575,613	
Debt Service:								
Interest and Fiscal Charges on Long-Term Debt	1,879,546	-	-	-	(1,879,546)		(1,879,546)	
Total Governmental Activities	<u>464,195,071</u>	<u>72,254,002</u>	<u>206,943,682</u>	<u>50,830,686</u>	<u>(134,166,701)</u>		<u>(134,166,701)</u>	
Business-Type Activities:								
Airports	1,407,043	648,881	-	67,220	-	\$ (690,942)	(690,942)	
Total Business-Type Activities	<u>1,407,043</u>	<u>648,881</u>	<u>-</u>	<u>67,220</u>	<u>-</u>	<u>(690,942)</u>	<u>(690,942)</u>	
<b>Total Primary Government</b>	<u>\$ 465,602,114</u>	<u>\$ 72,902,883</u>	<u>\$ 206,943,682</u>	<u>\$ 50,897,906</u>	<u>(134,166,701)</u>	<u>(690,942)</u>	<u>(134,857,643)</u>	
<b>COMPONENT UNITS</b>								
El Dorado County Transit Authority	\$ 8,994,317	\$ 796,964	\$ 6,773,692	\$ -			\$ (1,423,661)	
Children and Families Commission	2,289,100	-	1,983,816	-			(305,284)	
El Dorado County Transportation Commission	11,741,569	-	2,295,593	-			(9,445,976)	
<b>Total Component Units</b>	<u>\$ 23,024,986</u>	<u>\$ 796,964</u>	<u>\$ 11,053,101</u>	<u>\$ -</u>			<u>(11,174,921)</u>	
<b>General Revenues:</b>								
Taxes:								
Property					134,898,400	-	134,898,400	-
Sales and Use					18,548,361	-	18,548,361	9,731,990
Transfer Taxes					2,798,009	-	2,798,009	-
Cannabis Activities Taxes					479,543	-	479,543	-
Other General Taxes					17,222,046	-	17,222,046	-
Unrestricted Interest and Investment Earnings					7,599,425	7,388	7,606,813	189,492
Other Revenues (Expenses)					3,661,248	19,143	3,680,391	57,030
Transfers					(322,315)	322,315	-	-
<b>Total General Revenues and Transfers</b>					<u>184,884,717</u>	<u>348,846</u>	<u>185,233,563</u>	<u>9,978,512</u>
<b>CHANGE IN NET POSITION</b>					50,718,016	(342,096)	50,375,920	(1,196,409)
Net Position - Beginning of Year					306,494,106	3,088,849	309,582,955	20,969,528
<b>NET POSITION - END OF YEAR</b>					<u>\$ 357,212,122</u>	<u>\$ 2,746,753</u>	<u>\$ 359,958,875</u>	<u>\$ 19,773,119</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	<u>General Fund</u>	<u>Road Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Investments	\$ 89,595,207	\$ 7,819,580	\$ 19,814,791	\$ 267,377,586	\$ 384,607,164
Restricted Cash and Investments	4,164,770	83,776	-	4,921,138	9,169,684
Accounts Receivable	3,105,608	1,643,434	-	9,700,672	14,449,714
Taxes Receivable	9,061,813	-	-	-	9,061,813
Notes Receivable	-	-	-	11,162,830	11,162,830
Leases Receivable	39,497	147,407	-	-	186,904
Interest Receivable	-	-	-	1,030,623	1,030,623
Due from Other Funds	3,461,823	-	-	1,029,081	4,490,904
Due from Other Governments	15,481,174	7,748,159	-	26,532,281	49,761,614
Advances to Other Funds	1,830,000	-	-	-	1,830,000
Inventories	-	624,615	-	104,085	728,700
Prepaid Expenses	2,996,854	43,763	-	717,958	3,758,575
	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 129,736,746</u>	<u>\$ 18,110,734</u>	<u>\$ 19,814,791</u>	<u>\$ 322,576,254</u>	<u>\$ 490,238,525</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 9,287,697	\$ 10,446,657	\$ 67,315	\$ 11,165,758	\$ 30,967,427
Salaries and Benefits Payable	6,796,366	580,182	-	971,520	8,348,068
Due to Other Funds	40,984	-	-	4,449,920	4,490,904
Due to Other Governments	-	-	-	59,804	59,804
Advances from Other Funds	-	-	-	1,830,000	1,830,000
Deposits from Others	-	-	-	1,993,577	1,993,577
Unearned Revenue	1,135,646	178,353	19,747,476	15,663,155	36,724,630
<b>Total Liabilities</b>	<u>17,260,693</u>	<u>11,205,192</u>	<u>19,814,791</u>	<u>36,133,734</u>	<u>84,414,410</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue	2,413,026	268,182	-	8,714,350	11,395,558
Deferred Inflows Related to Leases	38,825	136,139	-	-	174,964
<b>Total Deferred Inflows of Resources</b>	<u>2,451,851</u>	<u>404,321</u>	<u>-</u>	<u>8,714,350</u>	<u>11,570,522</u>
<b>FUND BALANCES</b>					
Nonspendable	4,826,854	668,378	-	4,691,928	10,187,160
Restricted	4,164,770	5,832,843	-	219,885,083	229,882,696
Committed	40,179,852	-	-	17,230,157	57,410,009
Assigned	4,225,028	-	-	36,130,449	40,355,477
Unassigned	56,627,698	-	-	(209,447)	56,418,251
<b>Total Fund Balances</b>	<u>110,024,202</u>	<u>6,501,221</u>	<u>-</u>	<u>277,728,170</u>	<u>394,253,593</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 129,736,746</u>	<u>\$ 18,110,734</u>	<u>\$ 19,814,791</u>	<u>\$ 322,576,254</u>	<u>\$ 490,238,525</u>

See accompanying Notes to 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, 2023**

Fund Balances - Total Governmental Funds	\$ 394,253,593
Amounts reported for governmental activities in the statement of net positions are different because:	
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds	453,503,148
Unavailable revenues are not available to pay for current period expenditures, and therefore, are deferred inflows of resources in the governmental funds	11,395,558
Deferred outflows of resources related to OPEB and pensions reported in the statement of net position	141,694,528
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 the governmental activities in the statement of net position. The net position of internal service funds is:	29,433,158
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	(1,615,501)
Deferred inflows of resources related to OPEB and pensions reported in the statement of net position	(41,252,808)
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	(57,088,097)
Lease Liability	(10,472,929)
SBITA Liability	(1,205,438)
Compensated Absences	(20,976,849)
Liability for Landfill Closure and Post-Closure	(23,737,309)
Net Pension Liability	(425,137,542)
Total OPEB Liability	(91,581,390)
Net Position of Governmental Activities	\$ 357,212,122

See accompanying Notes to Financial Statements.



**COUNTY OF EL DORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Road Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Taxes	\$ 149,308,361	\$ 6,366	\$ -	\$ 24,631,632	\$ 173,946,359
Licenses, Permits, and Franchises	13,620,078	2,023,470	-	1,156,052	16,799,600
Intergovernmental Revenues	79,861,539	41,753,316	7,573,041	128,426,643	257,614,539
Use of Money and Property	3,831,306	73,739	-	3,299,588	7,204,633
Charges for Services	11,812,205	5,668,795	-	29,746,083	47,227,083
Fines, Forfeits, and Penalties	1,462,522	-	-	3,039,058	4,501,580
Miscellaneous Revenues	1,172,097	148,929	-	1,395,032	2,716,058
<b>Total Revenues</b>	<u>261,068,108</u>	<u>49,674,615</u>	<u>7,573,041</u>	<u>191,694,088</u>	<u>510,009,852</u>
<b>EXPENDITURES</b>					
Current:					
General Government	45,644,957	-	3,173,295	806,947	49,625,199
Public Protection	151,481,181	-	15,344	9,440,703	160,937,228
Public Ways and Facilities	-	77,028,459	-	913,665	77,942,124
Health and Sanitation	5,387,364	-	2,658,585	73,531,723	81,577,672
Public Assistance	66,165,787	-	-	16,089,694	82,255,481
Education	4,172,017	-	-	-	4,172,017
Recreation and Cultural Services	1,458,703	-	26,817	782	1,486,302
Debt Service:					
Principal	3,162,871	70,978	-	853,782	4,087,631
Interest	1,683,017	10,780	-	85,870	1,779,667
Capital Outlay	6,347,658	5,625,050	1,700,000	17,222,103	30,894,811
<b>Total Expenditures</b>	<u>285,503,555</u>	<u>82,735,267</u>	<u>7,574,041</u>	<u>118,945,269</u>	<u>494,758,132</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(24,435,447)</u>	<u>(33,060,652)</u>	<u>(1,000)</u>	<u>72,748,819</u>	<u>15,251,720</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of Notes Payable	-	-	-	1,400,000	1,400,000
Lease Agreements	844,599	6,388	-	601,814	1,452,801
SBITAs	286,630	-	-	-	286,630
Sale of Capital Assets	2,027	55,684	-	-	57,711
Insurance Proceeds	-	20,177	-	-	20,177
Transfers In	44,965,923	31,647,898	-	26,373,529	102,987,350
Transfers Out	(36,297,915)	(10,848)	-	(67,356,233)	(103,664,996)
<b>Total Other Financing Sources (Uses)</b>	<u>9,801,264</u>	<u>31,719,299</u>	<u>-</u>	<u>(38,980,890)</u>	<u>2,539,673</u>
<b>NET CHANGE IN FUND BALANCES</b>	(14,634,183)	(1,341,353)	(1,000)	33,767,929	17,791,393
<b>Fund Balances - Beginning of Year</b>	<u>124,658,385</u>	<u>7,842,574</u>	<u>1,000</u>	<u>243,960,241</u>	<u>376,462,200</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 110,024,202</u>	<u>\$ 6,501,221</u>	<u>\$ -</u>	<u>\$ 277,728,170</u>	<u>\$ 394,253,593</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$	17,791,393
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	\$ 64,393,139	
Depreciation	<u>(32,007,182)</u>	32,385,957
Disposal of capital assets: proceeds from the sale of capital assets are a financial resource in government funds, but only the net gain or loss is presented in the statement of activities.		(2,941,881)
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 increase by this amount this year:		3,994,178
Resources from debt issuance are recognized as inflows in governmental funds, but are reported as increases to liabilities in the statement of net position.		(3,139,431)
Repayment of debt principal is an expenditure in the governmental funds, but is reported as a decrease to the long-term liabilities in the statement of net position.		4,087,631
Some revenues reported in the statement of activities do no result in the increase of current financial resources, and therefore, are not reported as revenues in governmental funds:		
Donated capital assets		472,979
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		(905,287)
Change in Accrued Interest Payable		(99,879)
Change in Lease Liability		1,929,251
Change in SBITA Liability		401,923
Change in Notes Payable		20,664
Change in Liability for Closure and Post-Closure		(1,552,909)
Change in Net Pension Liability and Deferred Inflows/Outflows Related to Pensions		(1,689,413)
Change in Total OPEB Liability and Deferred Inflows/Outflows Related to OPEB		1,161,477
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>(1,198,637)</u>
Change in Net Position of Governmental Activities	\$	<u>50,718,016</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023**

	<b>Business-Type Activities</b>		<b>Governmental Activities</b>
	<b>Total Enterprise</b>		<b>Internal Service</b>
	<b>County Airports</b>	<b>Funds</b>	<b>Funds</b>
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 293,382	\$ 293,382	\$ 33,437,158
Accounts Receivable	6,197	6,197	228,086
Due from Other Governments	78,178	78,178	-
Deposits	35,737	35,737	83,100
Inventories	70,895	70,895	58,684
Prepaid Expenses	1,025	1,025	2,810,235
<b>Total Current Assets</b>	<b>485,414</b>	<b>485,414</b>	<b>36,617,263</b>
Noncurrent Assets:			
Leases Receivable	139,680	139,680	-
Capital Assets:			
Land	319,665	319,665	40,000
Construction in Progress	282	282	-
Structures and Improvements	10,389,520	10,389,520	213,088
Equipment	86,717	86,717	16,700,554
Accumulated Depreciation	(8,340,102)	(8,340,102)	(6,902,210)
<b>Total Capital Assets, Net of     Accumulated Depreciation</b>	<b>2,456,082</b>	<b>2,456,082</b>	<b>10,051,432</b>
<b>Total Noncurrent Assets</b>	<b>2,595,762</b>	<b>2,595,762</b>	<b>10,051,432</b>
<b>Total Assets</b>	<b>3,081,176</b>	<b>3,081,176</b>	<b>46,668,695</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	88,694	88,694	708,957
Salaries and Benefits Payable	13,352	13,352	52,760
Unearned Revenues	68,927	68,927	-
Liability for Self-Insurance	-	-	4,100,325
Compensated Absences - Due in One Year	3,582	3,582	13,180
<b>Total Current Liabilities</b>	<b>174,555</b>	<b>174,555</b>	<b>4,875,222</b>
Noncurrent Liabilities:			
Liability for Self-Insurance	-	-	12,253,675
Compensated Absences - Due Beyond One Year	28,979	28,979	106,640
<b>Total Noncurrent Liabilities</b>	<b>28,979</b>	<b>28,979</b>	<b>12,360,315</b>
<b>Total Liabilities</b>	<b>203,534</b>	<b>203,534</b>	<b>17,235,537</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Leases	130,889	130,889	-
<b>Total Deferred Inflows of     Resources</b>	<b>130,889</b>	<b>130,889</b>	<b>-</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,456,082	2,456,082	10,051,432
Restricted	-	-	3,265,174
Unrestricted	290,671	290,671	16,116,552
<b>Total Net Position</b>	<b>\$ 2,746,753</b>	<b>\$ 2,746,753</b>	<b>\$ 29,433,158</b>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2023**

	<u>Business-Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>			
Service Fees	\$ 648,881	\$ 648,881	\$ 48,164,609
<b>Total Operating Revenues</b>	<u>648,881</u>	<u>648,881</u>	<u>48,164,609</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	339,322	339,322	1,416,234
Services and Supplies	724,160	724,160	48,049,269
Depreciation	343,561	343,561	1,082,842
<b>Total Operating Expenses</b>	<u>1,407,043</u>	<u>1,407,043</u>	<u>50,548,345</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(758,162)</u>	<u>(758,162)</u>	<u>(2,383,736)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	7,388	7,388	286,182
Gain (Loss) on Sale of Capital Assets	-	-	31,428
Miscellaneous Nonoperating Revenue	19,143	19,143	419,824
<b>Total Nonoperating Revenues (Expenses)</b>	<u>26,531</u>	<u>26,531</u>	<u>737,434</u>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	<u>(731,631)</u>	<u>(731,631)</u>	<u>(1,646,302)</u>
<b>TRANSFERS IN (OUT) AND CAPITAL CONTRIBUTIONS</b>			
Transfers In	322,315	322,315	355,331
Capital Contributions	67,220	67,220	92,334
<b>Total Transfers and Capital Contributions</b>	<u>389,535</u>	<u>389,535</u>	<u>447,665</u>
<b>CHANGE IN NET POSITION</b>	(342,096)	(342,096)	(1,198,637)
<b>Net Position - Beginning of Year</b>	<u>3,088,849</u>	<u>3,088,849</u>	<u>30,631,795</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,746,753</u>	<u>\$ 2,746,753</u>	<u>\$ 29,433,158</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2023**

	<u>Business-Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts from Customers	\$ 711,051	\$ 711,051	\$ -
Cash Receipts from Interfund Services Provided	-	-	48,236,754
Cash Paid to Suppliers for Goods and Services	(638,785)	(638,785)	(45,046,490)
Cash Paid to Employees for Salaries and Benefits	(329,965)	(329,965)	(1,430,106)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(257,699)</u>	<u>(257,699)</u>	<u>1,760,158</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Received from (Paid to) Other Funds	322,315	322,315	355,331
Cash Received from (Paid to) Other Governmental Agencies	(10,958)	(10,958)	-
Nonoperating Receipts	19,233	19,233	419,824
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>330,590</u>	<u>330,590</u>	<u>775,155</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from Sale of Capital Assets	-	-	139,881
Payments Related to the Acquisition of Capital Assets	(27,811)	(27,811)	(1,043,935)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(27,811)</u>	<u>(27,811)</u>	<u>(904,054)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received (Paid)	7,388	7,388	286,182
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>7,388</u>	<u>7,388</u>	<u>286,182</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	52,468	52,468	1,917,441
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>240,914</u>	<u>240,914</u>	<u>31,519,717</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 293,382</u>	<u>\$ 293,382</u>	<u>\$ 33,437,158</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2023**

	<u>Business-Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (758,162)	\$ (758,162)	\$ (2,383,736)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	343,561	343,561	1,082,842
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	(1,135)	(1,135)	72,145
Leases Receivable	5,798	5,798	-
Inventory	(2,832)	(2,832)	(18,760)
Deposits and Prepaid Expenses	20,357	20,357	(264,866)
Increase (Decrease) in:			
Accounts Payable	67,850	67,850	108,405
Salaries Payable	2,944	2,944	13,307
Unearned Revenues (Service Fees)	67,324	67,324	-
Liability for Compensated Absences	6,413	6,413	(27,179)
Liability for Self-Insurance	-	-	3,178,000
Deferred Inflows Related to Leases	(9,817)	(9,817)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (257,699)</u>	<u>\$ (257,699)</u>	<u>\$ 1,760,158</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2023**

	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds	
			External Investment Pool Funds	Other Custodial Funds
<b>ASSETS</b>				
Cash and Investments	\$ 314,020,941	\$ 3,013,167	\$ 105,428,601	\$ 10,140,481
Receivables:				
Interest	4,193,306	36,348	1,407,769	132,123
Taxes	-	-	-	11,418,971
Other Assets	-	266	-	137
<b>Total Assets</b>	<u>318,214,247</u>	<u>3,049,781</u>	<u>106,836,370</u>	<u>21,691,712</u>
<b>LIABILITIES</b>				
Accounts Payable and Other Liabilities	3,092,844	532	5,110,427	1,203,696
Due to Other Governments	-	-	-	14,118,971
<b>Total Liabilities</b>	<u>3,092,844</u>	<u>532</u>	<u>5,110,427</u>	<u>15,322,667</u>
<b>NET POSITION</b>				
Restricted for:				
Pool Participants	315,121,363	-	101,725,943	-
Individuals, Organizations, and Other Governments	-	3,049,249	-	6,369,045
<b>Total Net Position</b>	<u>\$ 315,121,363</u>	<u>\$ 3,049,249</u>	<u>\$ 101,725,943</u>	<u>\$ 6,369,045</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**YEAR ENDED JUNE 30, 2023**

	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds	
			External Investment Pool Funds	Other Custodial Funds
<b>ADDITIONS</b>				
Contributions to Investment Pool	\$ 2,030,362,571	\$ -	\$ 225,659,435	\$ 32,776,744
Contributions - Gifts and Bequests	-	4,025,395	-	-
Property Taxes Collected for Other Governments	-	-	-	558,625,858
Net Investment Earnings	1,217,612	60,271	2,713,611	52,617
<b>Total Additions</b>	<u>2,031,580,183</u>	<u>4,085,666</u>	<u>228,373,046</u>	<u>591,455,219</u>
<b>DEDUCTIONS</b>				
Distributions from Investment Pool	1,928,017,441	-	241,272,290	31,779,254
Beneficiary Payments to Individuals	-	4,179,680	-	-
Property Taxes Distributed to Other Governments	-	-	-	557,338,809
<b>Total Deductions</b>	<u>1,928,017,441</u>	<u>4,179,680</u>	<u>241,272,290</u>	<u>589,118,063</u>
<b>CHANGES IN NET POSITION</b>	103,562,742	(94,014)	(12,899,244)	2,337,156
<b>Net Position - Beginning of Year</b>	<u>211,558,621</u>	<u>3,143,263</u>	<u>114,625,187</u>	<u>4,031,889</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 315,121,363</u>	<u>\$ 3,049,249</u>	<u>\$ 101,725,943</u>	<u>\$ 6,369,045</u>

See accompanying Notes to Financial Statements.



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2023**

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, 2023**

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, 2023**

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 primarily 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, 2023**

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 and proprietary 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 150 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 financing 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, 2023**

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, if immaterial, are not usually 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/Amortization**

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. 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. The County records leased assets that meet the criteria in Governmental Accounting Standards Board (GASB) Statement No. 87. The County also records subscription assets of the subscription-based information technology arrangements (SBITAs) that meet the criteria in GASB Statement No. 96. Capitalization thresholds are \$5,000 for leased assets, and \$100,000 for SBITA assets.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

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

**H. Capital Assets and Depreciation/Amortization** (continued)

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
Leased real properties	1 to 50 years
Leased equipment	1 to 20 years
SBITA assets	1 to 10 years

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 and leased assets 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. SBITA assets of governmental funds are amortized in the government-wide statements using the straight-line method over the shorter of the subscription term or the useful lives of the underlying IT assets. 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 2022-2023 net assessed valuation of the County was \$40,735,013,766.

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	

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**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.

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.



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**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 GASB Statement No. 75.

**O. Deferred Outflows and Inflows of Resources**

Pursuant to GASB Statement No. 63, *“Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of resources, and Net Position”* and GASB Statement No. 65, *“Items Previously Reported as Assets and Liabilities”*, the County recognized deferred 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 four 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. The fourth type is from financing lease activities and is reported in the governmental fund balance sheet, proprietary funds statement of net position, as well as 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, 2023, is net position restricted by enabling legislation of \$228.6 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, 2023**

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, 2023, 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, 2023**

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

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

General Fund General Reserves and Contingency (continued)

For 2022-2023, the appropriation for contingencies in General Fund budget was \$11.0 million. As of June 30, 2023, the balance of General Fund General Reserves was \$11.0 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 May 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). This standard requires the recognition of subscription assets and liabilities. It establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. Under this standard, a government is required to recognize subscription liabilities and intangible right-to-use subscription assets.

The County adopted the requirements of the guidance effective July 1, 2022, and has applied the provisions of this standard to the beginning of the period of adoption.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, return on investments, public trust, and strategy.

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, 2023, total County cash and investments were as follows:

	Pooled Treasury	External to Pool	Total
Cash:			
Imprest cash	\$ --	\$ 247,600	\$ 247,600
Cash on hand	500	--	500
Deposits	(26,398,040)	9,693,893	(16,704,147)
Total Cash	(26,397,540)	9,941,493	(16,456,047)
Investments	891,076,899	1,738,481	892,815,380
Total Cash and Investments	<u>\$ 864,679,359</u>	<u>\$ 11,679,974</u>	<u>\$ 876,359,333</u>

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

	Primary Government	Fiduciary Funds	Component Units	Total
County Investment Pool:				
Unrestricted	\$ 418,090,304	\$ 432,054,810	\$ 1,182,220	\$ 851,327,334
Restricted	9,085,908	--	4,266,117	13,352,025
Total in County Investment Pool	<u>427,176,212</u>	<u>432,054,810</u>	<u>5,448,337</u>	<u>864,679,359</u>
External to Pool:				
Other restricted cash and investments	83,776	--	2,369,530	2,453,306
Other unrestricted cash and investments	--	548,380	8,430,688	8,979,068
Imprest cash	247,400	--	200	247,600
Total External to Pool	<u>331,176</u>	<u>548,380</u>	<u>10,800,418</u>	<u>11,679,974</u>
Total Cash and Investments	<u>\$ 427,507,388</u>	<u>\$ 432,603,190</u>	<u>\$ 16,248,755</u>	<u>\$ 876,359,333</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Cash and investments were restricted as of June 30, 2023, for the following purposes:

	Primary Government	Component Units	Total
Closure and post-closure costs	\$ 2,927,561	\$ --	\$ 2,927,561
Tax loss reserve	4,164,770	--	4,164,770
Deposits from others	1,993,577	--	1,993,577
Retainage held in escrow	83,776	--	83,776
Transit and transportation grant expenditures	--	6,201,884	6,201,884
Pension prefunding trust	--	433,763	433,763
Risk financing	--	--	--
	<u>\$ 9,169,684</u>	<u>\$ 6,635,647</u>	<u>\$ 15,805,331</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%	100%
Money Market Mutual Funds	N/A	20%	10%
Public Investment Money Market Accounts (MMA)	N/A	30%	20%
Non-negotiable Certificates of Deposit	5 years	30%	5%
Negotiable Certificates of Deposits	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%	***
Joint Powers Authority (CAMP, CalTRUST)	N/A	100%	****
Registered California State Warrants, Notes or Bonds	5 years	100%	100%
Supranational Obligations	5 years	30%	5%

\* 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.

\*\*\*\* 2 times the cap set by LAIF

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Investments (continued)

As of June 30, 2023, the County had the following investments:

	Interest Rates	Maturities	Par Value	Book Value	Fair Value	WAM (Years)
<b>Investments in Investment Pool</b>						
Treasury Securities - Coupon	6.125%-6.375%	08/15/27-11/15/27	\$ 12,000,000	\$ 13,046,304	\$ 12,908,940	4.25
Commercial Paper - Discount	5.000%-5.210%	07/07/23-10/16/23	67,000,000	64,763,209	66,477,453	0.14
Negotiable CDs - Bank	4.070%-5.290%	08/07/23-11/09/23	40,000,000	39,984,516	40,083,175	0.22
Federal Agencies - Coupon	0.300%-5.375%	11/30/23-06/08/28	490,845,000	490,829,566	467,233,470	2.62
California Asset Management Program	5.270%	On Demand	45,500,000	45,500,000	45,500,000	0.00
CalTRUST	5.070%	On Demand	5,000,000	5,000,000	5,000,000	0.00
State and Local Government Bonds	0.444%-4.000%	07/01/23-08/01/27	27,140,000	26,348,064	25,498,915	2.01
Medium Term Notes	0.320%-6.000%	08/25/23-10/20/27	171,472,000	170,756,309	164,317,232	1.30
Supranational Obligations	2.500%-4.500%	06/10/27-06/15/28	25,532,000	24,587,047	24,411,414	4.39
Money Market Account	0.010%-4.910%	On Demand	39,646,300	39,646,300	39,646,300	0.00
<b>Total Investments in Investment Pool</b>			<b>\$ 924,135,300</b>	<b>\$ 920,461,315</b>	<b>\$ 891,076,899</b>	<b>1.87</b>
<b>Investments Outside Investment Pool</b>						
<b>Component Units:</b>						
<i>El Dorado County Transit Authority</i>						
California Local Agency Investment Fund	3.150%	On Demand	\$ 1,304,718	\$ 1,304,718	\$ 1,304,718	--
California Employers' Pension Prefunding Trust	3.510%-6.370%	On Demand	381,606	381,606	381,606	--
<i>El Dorado County Transportation Commission</i>						
California Employers' Pension Prefunding Trust	3.500%-5.130%	On Demand	52,157	52,157	52,157	--
<b>Total Investments Outside Investment Pool</b>			<b>\$ 1,738,481</b>	<b>\$ 1,738,481</b>	<b>\$ 1,738,481</b>	<b>--</b>

As of June 30, 2023, the difference between the carrying value and fair value of cash and investments in the County investment pool was material (fair value was 96.808% of carrying value). Adjustments have been recorded on the financial statements to report the fair value.

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, 2023, the investment pool had a weighted average maturity (WAM) of 1.87 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.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

NOTE 2: **CASH AND INVESTMENTS** (CONTINUED)

Credit Risk (continued)

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, 2023.

	Moody's Rating	% of Portfolio
Treasury Securities - Coupon	Aaa	1.45%
Commercial Paper - Discount	P-1	7.46%
Negotiable CDs - Bank	P-1	4.50%
Federal Agencies - Coupon	Aaa/P-1	52.43%
California Asset Management Program	AAAm*	5.11%
CalTRUST	AAAm*	0.56%
State and Local Government Bonds	A	2.86%
Medium Term Notes	A/P-1	18.44%
Supranational Obligations	Aaa	2.74%
Money Market Account	Unrated	4.45%
Total		100.00%

\* Standard & Poor's fund rating.

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, 2023, 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.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

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 12.9 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, Medium Term Notes, and Supranational Obligations, valued at 788.0 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), California Asset Management Program (CAMP), and CalTRUST, 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.

California Asset Management Program

The County Treasury pool maintains an investment in the California Asset Management Program (CAMP). CAMP is a California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with investment services. CAMP is directed by a Board of Trustees made up of experienced local government finance directors and treasurers. The investment options offered to public agencies through CAMP are the Pool and individual portfolios. The Pool is managed to maintain a dollar-weighted average portfolio maturity of 60 days or less and seeks to maintain a constant net asset value per share of \$1.00.

As of June 30, 2023, the County's investment position in CAMP was \$45.5 million. The County's investment position in CAMP of \$45.5 million approximates fair value and is the same as value of the pool shares.

CalTRUST

The County Treasury pool maintains an investment in CalTRUST. CalTRUST is a Joint Powers Authority (JPA) established by public agencies in 2003 to provide a convenient method for public agencies to pool their assets for investment purposes. Any California public agency that is authorized to join a JPA can participate in CalTRUST. CalTRUST is directed by a Board of Trustees made up of experienced local agency finance professionals. The investment options offered to public agencies through CalTRUST consist of three funds: the Liquidity Fund, Short-Term Fund and Medium-Term Fund. The Liquidity Fund seeks to maintain a constant net asset value per share of \$1.00.

As of June 30, 2023, the County's investment position in the CalTRUST Liquidity Fund was \$5.0 million, which approximates fair value and is the same as value of the pool shares.



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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, 2023:

**Statement of Net Position**

Net position held for pool participants	\$ 864,679,359
Equity of internal pool participants	\$ 445,229,817
Equity of external pool participants	419,449,542
Total net position	<u>\$ 864,679,359</u>

**Statement of Changes in Net Position**

Net position, July 1, 2022	\$ 764,668,088
Investment income	14,888,214
Investment expenses	(710,320)
Net contributions (withdrawals) by pool participants	85,833,377
Net position, June 30, 2023	<u>\$ 864,679,359</u>

NOTE 3: **LONG-TERM RECEIVABLES**

The accounts receivable balances reported in the governmental funds include an allowance for uncollectible amounts of \$8,192,459. Among the accounts receivables (net of uncollectible amount), \$6,813,881 are long-term accounts receivables. In addition, the due from other government balances reported in the governmental funds include long-term receivables of \$3,551,054. The governmental funds also report long-term interest receivables of \$1,030,623. 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 \$11,162,830.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 4: CAPITAL ASSETS**

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

	Balance July 1, 2022	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2023
<b>Governmental Activities</b>					
Capital assets, not being depreciated					
Land and improvements	\$ 28,815,302	\$ 334,934	\$ --	\$ 2,767,013	\$ 31,917,249
Intangible assets (Right of Way)	34,679,702	3,510,991	--	--	38,190,693
Construction in progress	4,055,981	20,882,300	--	(14,692,929)	10,245,352
	<u>67,550,985</u>	<u>24,728,225</u>	<u>--</u>	<u>(11,925,916)</u>	<u>80,353,294</u>
Capital assets, being depreciated and amortized					
Infrastructure	480,447,303	32,265,318	--	--	512,712,621
Intangible assets (Software)	11,218,425	--	(2,100,000)	(1,399,277)	7,719,148
Structures and improvements	221,549,200	--	(95,729)	11,915,860	233,369,331
Equipment	63,806,752	7,157,232	(1,995,173)	10,056	68,978,867
Subscription assets (SBITAs)	--	306,477	--	1,399,277	1,705,754
Leased real properties	15,283,937	1,128,463	(2,514,321)	--	13,898,079
Leased equipment	789,063	324,338	(99,703)	--	1,013,698
	<u>793,094,680</u>	<u>41,181,828</u>	<u>(6,804,926)</u>	<u>11,925,916</u>	<u>839,397,498</u>
Less accumulated depreciation and amortization for					
Infrastructure	(316,297,313)	(20,482,638)	--	--	(336,779,951)
Intangible assets (Software)	(2,768,317)	(455,134)	1,192,253	136,897	(1,894,301)
Structures and improvements	(67,821,162)	(4,637,445)	95,729	--	(72,362,878)
Equipment	(37,186,568)	(4,217,095)	1,798,752	--	(39,604,911)
Subscription assets (SBITAs)	--	(426,166)	--	(136,897)	(563,063)
Leased real properties	(2,653,610)	(2,624,080)	668,449	--	(4,609,241)
Leased equipment	(226,144)	(247,466)	91,743	--	(381,867)
	<u>(426,953,114)</u>	<u>(33,090,024)</u>	<u>3,846,926</u>	<u>--</u>	<u>(456,196,212)</u>
	<u>366,141,566</u>	<u>8,091,804</u>	<u>(2,958,000)</u>	<u>11,925,916</u>	<u>383,201,286</u>
Governmental activities capital assets, net	<u>\$ 433,692,551</u>	<u>\$ 32,820,029</u>	<u>\$ (2,958,000)</u>	<u>\$ --</u>	<u>\$ 463,554,580</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

	Balance July 1, 2022	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2023
<b>Business Type Activities</b>					
Capital assets, not being depreciated					
Land	\$ 319,665	\$ --	\$ --	\$ --	\$ 319,665
Construction in progress	282	--	--	--	282
Total capital assets not being depreciated	319,947	--	--	--	319,947
Capital assets, being depreciated					
Structures and improvements	10,389,520	--	--	--	10,389,520
Equipment	58,906	27,811	--	--	86,717
Total capital assets being depreciated	10,448,426	27,811	--	--	10,476,237
Less accumulated depreciation for					
Structures and improvements	(7,948,410)	(339,691)	--	--	(8,288,101)
Equipment	(48,131)	(3,870)	--	--	(52,001)
Total accumulated depreciation	(7,996,541)	(343,561)	--	--	(8,340,102)
Total capital assets being depreciated, net	2,451,885	(315,750)	--	--	2,136,135
Business type activities capital assets, net	\$ 2,771,832	\$ (315,750)	\$ --	\$ --	\$ 2,456,082

**Depreciation and Amortization**

Depreciation and amortization expense was charged to governmental activities as follows:

General government	\$ 2,673,259
Public protection	5,506,330
Public ways and facilities	21,789,516
Health and sanitation	1,049,827
Public assistance	396,458
Education	418,965
Recreation and cultural services	172,827
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	<u>1,082,842</u>
Total depreciation and amortization expense governmental activities	<u>\$ 33,090,024</u>

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

Airports	\$ 343,561
Total depreciation expense business-type activities	<u>\$ 343,561</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2023, governmental funds, enterprise funds, governmental activities, and business-type 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:

	<u>Governmental Funds</u> Unearned Revenue	<u>Governmental Activities</u> Unearned Revenue	<u>Enterprise Funds / Business-Type Activities</u> Unearned Revenue
Governmental Funds/Governmental Activities:			
General Fund:			
Various grants and charges	\$ 1,135,646	\$ 1,135,646	\$ --
Road Fund:			
Various grants and charges	178,353	178,353	--
American Rescue Plan Act Fund:			
Various grants and charges	19,747,476	19,747,476	--
Other Governmental Funds:			
Various grants, charges, and special assessments	15,663,155	15,663,155	--
Enterprise Funds/Business-Type Activities:			
County Airports:			
Service fees	--	--	68,927
Total	<u>\$ 36,724,630</u>	<u>\$ 36,724,630</u>	<u>\$ 68,927</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**Deferred Outflows and Inflows of Resources**

As described in Note 10, 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 inflows of resources related to leases in its governmental funds, enterprise funds, governmental activities, and business-type activities. The County also 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, 2023, is as follows:

	Governmental Funds	Governmental Activities		Enterprise Funds / Business-Type Activities
	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Inflows of Resources
Governmental Funds/Governmental Activities:				
Unavailable Revenue:				
General Fund:				
Various grants and charges	\$ 2,413,026	\$ --	\$ --	\$ --
Road Fund:				
Various grants and charges	268,182	--	--	--
Other Governmental Funds:				
Various grants, charges, and special assessments	8,714,350	--	--	--
Deferred pension outflows	--	125,291,759	--	--
Deferred OPEB outflows	--	16,402,769	--	--
Deferred lease inflows:				
General Fund	38,825	--	38,825	--
Road Fund	136,139	--	136,139	--
Deferred pension inflows	--	--	5,431,720	--
Deferred OPEB inflows	--	--	35,821,088	--
Enterprise Funds/Business-Type Activities:				
Deferred lease inflows:				
County Airports:	--	--	--	130,889
Total	<u>\$ 11,570,522</u>	<u>\$ 141,694,528</u>	<u>\$ 41,427,772</u>	<u>\$ 130,889</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 6: LONG-TERM LIABILITIES**

Long-term debt at June 30, 2023 consisted of the following:

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2023</u>
<b>Governmental Activities</b>						
Notes Payable:						
HUD HOME Program <sup>1)</sup>	2003	2058	0.00%	2)	3,000,000	\$ 2,952,153
HUD HOME Program <sup>1)</sup>	2013	2067	3.00%	2)	3,000,000	3,000,000
HUD State CDBG Program <sup>1)</sup>	2013	2068	3.00%	2)	483,000	483,000
HCD CDBG Program <sup>1)</sup>	2023	2078	3.00%	2)	1,400,000	1,400,000
USDA Rural Development Loans	2018	2058	2.375%	\$892,000 - \$1,865,000	57,140,000 <sup>3)</sup>	49,252,944
Lease Liabilities:						
Real Properties	2012-2022	2022-2047	4.00%-5.25%	\$446 - \$487,195	14,131,900	9,828,774
Equipment	2017-2023	2022-2028	3.00%-4.25%	\$182 - \$8,368	894,764	644,155
Subscription Liabilities (SBITAs)	2017-2022	2023-2027	4.00%-4.25%	\$19,658 - \$135,387	2,107,677	<u>1,205,438</u>
Total Governmental Activities						<u>\$ 68,766,464</u>

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

<sup>2)</sup> Outstanding principal is due in total at the end of note maturity.

<sup>3)</sup> 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, 2023 is \$49,252,944.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

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

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023	Amounts Due Within One Year
<b>Governmental Activities</b>					
Notes payable:					
* HUD HOME Program	\$ 5,972,817	\$ --	\$ 20,664	\$ 5,952,153	\$ --
* HUD State CDBG Program	483,000	--	--	483,000	--
* HCD CDBG Program	--	1,400,000	--	1,400,000	--
* USDA Rural Development Loans	50,217,944	--	965,000	49,252,944	988,000
Compensated absences	20,218,561	3,171,625	2,293,517	21,096,669	2,317,042
Lease liabilities:					
Real Properties	13,001,268	1,130,632	4,303,126	9,828,774	2,225,920
Equipment	570,426	324,338	250,609	644,155	206,491
SBITA liabilities	1,821,047	286,630	902,239	1,205,438	523,302
Landfill closure / post-closure liability	22,184,400	1,552,909	--	23,737,309	--
Liability for self-insurance claims	13,176,000	36,067,833	32,889,833	16,354,000	4,100,325
Other postemployment benefits	113,880,374	8,105,659	30,404,643	91,581,390	2,556,000
Net pension liability	265,854,035	223,177,920	63,894,413	425,137,542	--
	<u>\$ 507,379,872</u>	<u>\$ 275,217,546</u>	<u>\$ 135,924,044</u>	<u>\$ 646,673,374</u>	<u>\$ 12,917,080</u>
<b>Business-Type Activities</b>					
Compensated absences	\$ 26,148	\$ 6,413	\$ --	\$ 32,561	\$ 3,582
	<u>\$ 26,148</u>	<u>\$ 6,413</u>	<u>\$ --</u>	<u>\$ 32,561</u>	<u>\$ 3,582</u>

\* *Direct borrowings and direct placements*

The liability for self-insurance claims is liquidated by the cumulative charge for services recorded in the internal service fund. Compensated absences, lease liabilities, SBITA liabilities, 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, 2023**

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

In addition to the annual debt service requirements of the lease liabilities and the SBITA liabilities disclosed in Notes 8 and 9 respectively, as of June 30, 2023, annual debt service requirements of governmental activities having fixed maturities are shown below. The HUD State CDBG Program note payable, HCD 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*	
	Principal	Interest
2024	\$ 988,000	\$ 1,158,025
2025	1,012,000	1,134,275
2026	1,035,000	1,109,967
2027	1,060,000	1,085,089
2028	1,084,000	1,059,629
2029-2033	5,826,000	4,894,322
2034-2038	6,549,000	4,160,388
2039-2043	6,499,944	3,374,731
2044-2048	6,885,000	2,597,193
2049-2053	7,743,000	1,729,653
2054-2058	8,706,000	753,968
2059	1,865,000	--
	<u>\$ 49,252,944</u>	<u>\$ 23,057,240</u>

\* Direct borrowings and direct placements

As of June 30, 2023, there are no annual debt service requirements of business-type activities to maturity.

**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, 2023, the balances of these districts' outstanding debt were as follows:

Community Facilities District No. 1992-1 (EDH Serrano)	\$ 20,600,000
Community Facilities District No. 2001-1 (Promontory)	\$ 18,620,000
Community Facilities District No. 2005-1 (Blackstone)	\$ 21,940,000
Community Facilities District No. 2005-2 (Laurel Oaks)	\$ 2,555,000
Community Facilities District No. 2014-1 (Carson Creek)	\$ 31,100,000
Community Facilities District No. 2018-1 (Bass Lake)	\$ 17,700,000



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 8: LEASES**

**Lessee Disclosures**

The County leases equipment as well as real properties for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2047 and provide for renewal options ranging from two to five years.

Total future lease payments under lease agreements are as follows:

Year Ending	Governmental Activities		Total
	Principal	Interest	
<u>June 30:</u>			
2024	\$ 2,432,411	\$ 391,881	\$ 2,824,292
2025	1,964,447	300,184	2,264,631
2026	1,748,525	222,989	1,971,514
2027	1,481,696	154,484	1,636,180
2028	1,078,521	100,414	1,178,935
2029-2033	1,564,703	147,273	1,711,976
2034-2038	85,069	37,214	122,283
2039-2043	53,522	24,158	77,680
2044-2047	64,035	6,925	70,960
Total minimum lease payments	<u>\$ 10,472,929</u>	<u>\$ 1,385,522</u>	<u>\$ 11,858,451</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	Governmental Activities
Real properties	\$ 13,898,079
Equipment	1,013,698
Less: accumulated amortization	(4,991,108)
	<u>\$ 9,920,669</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

NOTE 8: **LEASES** (CONTINUED)

**Lessor Disclosures**

The County, acting as lessor, leases land under long-term, non-cancelable lease agreements. The leases expire at various dates through 2037 and provide for renewal options ranging from two to five years. Pursuant to these contracts, during the year ended June 30, 2023, the County recognized \$47,866 of lease revenue and \$8,651 of interest revenue in its governmental activities, and \$9,817 of lease revenue and \$6,029 of interest revenue in its business-type activities, respectively.

Total future lease payments to be received under lease agreements are as follows:

Year Ending	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
<u>June 30:</u>					
2024	\$ 47,143	\$ 6,816	\$ 6,049	\$ 5,778	\$ 65,786
2025	34,313	5,047	6,311	5,515	51,186
2026	30,341	3,770	6,584	5,242	45,937
2027	31,655	2,455	8,072	4,938	47,120
2028	33,027	1,083	9,035	4,565	47,710
2029-2033	10,425	74	54,927	16,474	81,900
2034-2037	-	-	48,702	3,433	52,135
Total lease payments	<u>\$ 186,904</u>	<u>\$ 19,245</u>	<u>\$ 139,680</u>	<u>\$ 45,945</u>	<u>\$ 391,774</u>

**Regulated Leases**

The County, acting as lessor, leases airport facilities under long-term, non-cancelable lease agreements. These leases are regulated leases and are governed by U.S. Department of Transportation and Federal Aviation Administration rules and regulations. These leases expire at various dates through 2053 and provide for renewal options ranging from five to ten years. During the year ended June 30, 2023, the County recognized \$89,417 of regulated lease revenue in its business-type activities pursuant to these contracts.

Total future minimum payments to be received under lease agreements are as follows:

Year Ending	Business-Type
<u>June 30:</u>	<u>Activities</u>
2024	\$ 81,364
2025	81,364
2026	75,776
2027	70,189
2028	70,189
2029-2033	350,944
2034-2038	350,944
2039-2043	350,944
2044-2048	307,845
2049-2053	165,028
Total future minimum payments	<u>\$ 1,904,587</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9: SBITAS**

The County has entered into various SBITA agreements with various third parties. The SBITA agreements include software for various County operations. These agreements expire at various dates through 2027 and provide for renewal options ranging from one to five years.

The SBITA agreements sometimes include variable payments based on number of user seats. These variable payments are not included in the measurement of the SBITA liability but are recognized as outflows of resources (expense) in the period in which the obligation for these payments is incurred. During the year ended June 30, 2023, the County incurred \$1 million of variable payments in its governmental activities.

The future principal and interest SBITA payments are as follows:

Year Ending	Governmental Activities		Total
	Principal	Interest	
<u>June 30:</u>			
2024	\$ 523,302	\$ 37,940	\$ 561,242
2025	280,092	22,084	302,176
2026	264,659	10,815	275,474
2027	118,876	2,746	121,622
2028	18,509	74	18,583
Total minimum lease payments	<u>\$ 1,205,438</u>	<u>\$ 73,659</u>	<u>\$ 1,279,097</u>

Right-to-use assets acquired through outstanding SBITA agreements are shown below.

	Governmental Activities
SBITAs	\$ 1,705,754
Less: accumulated amortization	(563,063)
	<u>\$ 1,142,691</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 10: 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 \$2,927,561 reported as of June 30, 2023, 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 \$20,809,748 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.

State and federal laws require the County to make contributions to a special fund in order to finance closure care. At June 30, 2023, cash and investments held of \$2,927,561 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 \$20,809,748, 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.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 11: INTERFUND TRANSACTIONS**

The composition of interfund balances as of June 30, 2023 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	\$ 137,252	Realignment Funds
	Other Governmental Funds	20,000	Advance to Special Aviation to cover cash shortfall
	Other Governmental Funds	718,000	Advance to Community Services Funds to cover cash shortfall
	Other Governmental Funds	98,000	Advance to HCED Fund to cover cash shortfall
	Other Governmental Funds	82,000	Advance to Public Health Fund to cover cash shortfall
	Other Governmental Funds	1,395,000	Advance to Mental Health Fund to cover cash shortfall
	Other Governmental Funds	72,000	Advance to Social Services Fund to cover cash shortfall
	Other Governmental Funds	479,765	Reimbursement for EMS Expenditures
	Other Governmental Funds	373,869	Reimbursement for Insurance Fraud Program Expenditures
	Other Governmental Funds	85,937	Reimbursement for SB678 Expenditures
			<u>3,461,823</u>
Other Governmental Funds	Other Governmental Funds	434,633	Sales Tax Realignment Funds for Health Programs
	Other Governmental Funds	553,464	County Local Revenue Funds for Mental Health programs
	General Fund	40,984	Reimbursement to 2011 Realignment Funds
		<u>1,029,081</u>	
	Total	<u>\$ 4,490,904</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
	Other Governmental Funds	1,400,000	Advance to HCED
		<u>1,830,000</u>	
	Total	<u>\$ 1,830,000</u>	

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 11: 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	Road Fund	\$ 10,848	Road Fund Return Funds to General Fund
	Other Governmental Funds	151,578	Public Health Special Revenue Fund to Environmental Management For Vector Control
	Other Governmental Funds	40,282	Mental Health Special Revenue Fund to Social Services For PEI Expenses
	Other Governmental Funds	25,837	EIR Development Fees to Building and Planning
	Other Governmental Funds	484,290	EMS Fund Reimbursements to General Fund
	Other Governmental Funds	292,037	County Service Area #3 to EMS/Ambulance General Fund Operating
	Other Governmental Funds	906,358	County Service Area #7 to EMS/Ambulance General Fund Operating
	Other Governmental Funds	1,107,820	County Service Area #10 Special Tax Revenues to Library General Fund Operating
	Other Governmental Funds	22,495	Air Quality to General Fund for Reimbursement
	Other Governmental Funds	423,000	Time Share, Overpayment, and Redemption Fees to BOS / Auditor / TTC / Assessor
	Other Governmental Funds	1,065	Overages to Treasurer Tax Collector Operating
	Other Governmental Funds	132,402	State Off-Highway Vehicle & El Dorado-SMUD Agreement Funds to Parks
	Other Governmental Funds	100,000	State Off-Highway Vehicle & ED-SMUD to Sheriff Operation
	Other Governmental Funds	9,690	Veteran's House Committee Reimbursement to General Fund Maintenance
	Other Governmental Funds	228,697	Park / River Fees to Parks and Rivers General Fund Operating
	Other Governmental Funds	886,220	Grant Revenues, Prop 64, Environmental & Real Estate Funds to District Attorney General Fund Operating
	Other Governmental Funds	1,302,252	Grant Revenues & Program Revenues to Sheriff's Operating
	Other Governmental Funds	652,833	Probation CCPIF SB678 Reimbursement to General Fund
	Other Governmental Funds	172,057	Micro, Computer System, Vital Health Statistics, Electronic Recording to Recorder Operating
	Other Governmental Funds	332,475	Developer Deposits to DOT County Engineer
	Other Governmental Funds	77,648	Planning Projects Revenues to Planning
	Other Governmental Funds	8,948	Commercial Grading to Building Operating
	Other Governmental Funds	10,000	TRPA Building Allocations to Building Services
	Other Governmental Funds	4,497	Oak Woodlands Reimbursement to Long Range Planning
	Other Governmental Funds	16,366	CAS Fund Reimbursement to General Fund
	Other Governmental Funds	98,968	Recreation Zones Insurance Reserve to General Fund
	Other Governmental Funds	1,503	Oak Woodlands Reimbursement to General Fund
	Other Governmental Funds	14,822	License Plate Fees to Veteran Services Operating
	Other Governmental Funds	155,251	Library Trust Funds to Library Operating
	Other Governmental Funds	156,756	Realignment Funds to Probation
	Other Governmental Funds	612,282	Realignment Funds to Environmental Management
	Other Governmental Funds	16,039,802	Realignment Funds to Social Services
	Other Governmental Funds	723,606	Realignment Funds to Animal Services
Other Governmental Funds	36,000	County Local Revenue Funds to DA	
Other Governmental Funds	6,000	County Local Revenue Funds to Public Defender	
Other Governmental Funds	4,810,092	County Local Revenue Funds to Sheriff	
Other Governmental Funds	3,366,220	County Local Revenue Funds to Probation	
Other Governmental Funds	9,222,138	County Local Revenue Funds to Social Services	
Other Governmental Funds	1,636,942	Supplemental Law Enforcement Services Fund (SLESF) to DA/Sheriff/Probation Operating	
Other Governmental Funds	565,846	ACO Fund Reimbursements to General Fund	
Other Governmental Funds	120,000	Rare Plant Endowment Fund Reimbursement to Long Range Planning	
		<u>44,965,923</u>	

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 11: INTERFUND TRANSACTIONS (CONTINUED)**

**Transfers (continued)**

<u>Transfer to</u>	<u>Transfer from</u>	<u>Amount</u>	<u>Purpose</u>
Road Fund	General Fund	\$ 10,795,183	General Fund Billing
	Other Governmental Funds	8,807,667	Road District Tax to Road Fund Operating
	Other Governmental Funds	12,281	El Dorado-SMUD Cooperation Agreement Fund Billing
	Other Governmental Funds	12,005,571	Road Projects Billing and Traffic Impact Fees to Road Fund Operating
	Other Governmental Funds	27,196	AQMD Reimbursement to Road Fund
		<u>31,647,898</u>	
Internal Services Fund - Fleet	General Fund	342,755	General Fund Contribution
	Other Governmental Funds	12,576	AQMD Fund Vehicle Reimbursement
		<u>355,331</u>	
Enterprise Fund - Airports	General Fund	302,282	General Fund Contribution
	Other Governmental Funds	20,033	Special Aviation Funding
		<u>322,315</u>	
Other Governmental Funds	General Fund	2,245,292	General Fund Contribution to Community Services
	General Fund	82,185	General Fund Contribution to HCED
	General Fund	4,216,554	General Fund Contribution to Public Health
	General Fund	1,025,000	General Fund Contribution to Ambulance Operating
	General Fund	73,622	General Fund Contribution to IHSS Public Authority Fund
	General Fund	19,012	General Fund Contribution to Housing Authority
	General Fund	15,000	General Fund Contribution For Veterans Hall
	General Fund	1,918	General Fund Transfer to Change Difference Shortage
	General Fund	916,817	General Fund Return Probation Funds
	General Fund	27,789	General Fund to DOT for Transit Occupancy Tax
	General Fund	175,000	General Fund Contribution to Veterans
	General Fund	720,702	General Fund Contribution to Health and Welfare
	General Fund	15,338,804	General Fund Reimbursements to ACO Fund
	Other Governmental Funds	126,284	Community Services Fund to ACO Fund for Project Billing
	Other Governmental Funds	1,206,111	Health Fund to ACO Fund for Project Billing
Other Governmental Funds	183,439	Central Services Designated Fund to ACO Fund for Billing and USDA Loan Proceeds	
		<u>26,373,529</u>	
Total		<u>\$ 103,664,996</u>	

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 12: 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.

**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, 2023:

	<b>Miscellaneous</b>		
	<b>Classic</b>		<b>PEPRA</b>
	Prior to October 5, 2012	On or after October 5, 2012	On or after January 1, 2013
Hire Date	October 5, 2012	October 5, 2012	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 %	9.31% *	9.31% *	9.31% *
Required employer contribution - payment of unfunded accrued liability:	\$19,743,893 *		

	<b>Safety</b>		
	<b>Classic</b>		<b>PEPRA</b>
	Prior to October 5, 2012	On or after October 5, 2012	On or after January 1, 2013
Hire Date	October 5, 2012	October 5, 2012	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 %	17.86% *	17.86% *	17.86% *
Required employer contribution - payment of unfunded accrued liability:	\$13,200,801 *		

\* The required contribution for fiscal year 2022-2023 was determined as part of the June 30, 2020 actuarial.



**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

NOTE 12: **PENSIONS** (CONTINUED)

**A. General Information about the Pension Plans** (continued)

**Employees Covered**

Listed below is the summary of number of employees covered by the benefit terms as of June 30, 2022, the most recent actuarial valuation date:

	Miscellaneous	Safety
Active employees	1,358	350
Inactive employees entitled to but not yet receiving benefits (Transferred + Separated)	1,643	323
Inactive employees or beneficiaries currently receiving benefits	2,198	490
Total	5,199	1,163

**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, 2022 (the measurement date), the active employee contribution rate is 7 percent of annual pay for miscellaneous employees (7.75 percent for miscellaneous PEPPRA employees hired on or after January 1, 2013), and 9 percent for safety employees (12 percent for safety PEPPRA employees hired on or after January 1, 2013). The County's required contribution for miscellaneous employees include the employer normal cost rate (9.47 percent of annual payroll) and employer amortization of unfunded accrued liability of \$17,921,456. The County's required contribution for safety employees include the employer normal cost rate (18.61 percent of annual payroll) and employer amortization of unfunded accrued liability of \$11,828,997. 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.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

NOTE 12: **PENSIONS** (CONTINUED)

**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, 2022, using standard update procedures.

**Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

The June 30, 2021 valuation was rolled forward to determine the June 30, 2022 (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 actuarial cost method
Actuarial assumptions	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and service
Mortality rate table <sup>4)</sup>	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	The lesser of contract COLA or 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

<sup>4)</sup> The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 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 November 2021 that can be found on the CalPERS website.

**Change of Assumptions**

In 2022, the discount rate changed from 7.15 percent to 6.90 percent. The inflation rate changed from 2.50 percent to 2.30 percent. The post retirement benefit increase assumption also changed. Specifically, the assumption was based on the lesser of contract COLA or 2.30 percent (changed from the lesser of contract COLA or 2.50 percent) until purchasing power protection allowance floor on purchasing power applied and 2.30 percent (changed from 2.50 percent) thereafter.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90%. 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.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

NOTE 12: **PENSIONS** (CONTINUED)

**B. Net Pension Liability** (continued)

**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. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

<b>Asset Class<sup>5)</sup></b>	<b>Assumed Asset Allocation</b>	<b>Real Return<sup>5),6)</sup></b>
Global Equity - Cap-weighted	30.00 %	4.54 %
Global Equity – Non-Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)

<sup>5)</sup> An expected inflation of 2.30% used for this period.

<sup>6)</sup> Figures are based on the 2021 Asset Liability Management study.

**Subsequent Events**

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

NOTE 12: **PENSIONS** (CONTINUED)

**C. Changes in the Net Pension Liability**

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

	<b>Miscellaneous Plan</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
<b>Balances at 6/30/21</b>	\$ 785,918,953	\$ 636,747,424	\$ 149,171,529
<b>Changes for the year:</b>			
Service cost	16,123,210	--	16,123,210
Interest	54,278,350	--	54,278,350
Changes of benefit terms	--	--	--
Changes of assumptions	21,869,711	--	21,869,711
Differences between expected and actual experience	(7,723,087)	--	(7,723,087)
Net plan to plan resource movement	--	--	--
Contributions - employer	--	26,972,343	(26,972,343)
Contributions - employees	--	7,145,248	(7,145,248)
Net investment income	--	(47,657,700)	47,657,700
Benefit payments, including refunds of employee contributions	(42,968,859)	(42,968,859)	--
Administrative expense	--	(396,656)	396,656
Other miscellaneous income/(expense)	--	--	--
<b>Net changes</b>	<b>41,579,325</b>	<b>(56,905,624)</b>	<b>98,484,949</b>
<b>Balances at 6/30/22</b>	<b>\$ 827,498,278</b>	<b>\$ 579,841,800</b>	<b>\$ 247,656,478</b>

	<b>Safety Plan</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
<b>Balances at 6/30/21</b>	\$ 433,927,465	\$ 317,244,959	\$ 116,682,506
<b>Changes for the year:</b>			
Service cost	9,725,020	--	9,725,020
Interest	30,782,523	--	30,782,523
Changes of benefit terms	--	--	--
Changes of assumptions	15,922,142	--	15,922,142
Differences between expected and actual experience	2,204,977	--	2,204,977
Net plan to plan resource movement	--	--	--
Contributions - employer	--	18,201,910	(18,201,910)
Contributions - employees	--	3,851,825	(3,851,825)
Net investment income	--	(24,020,006)	24,020,006
Benefit payments, including refunds of employee contributions	(21,587,128)	(21,587,128)	--
Administrative expense	--	(197,625)	197,625
Other miscellaneous income/(expense)	--	--	--
<b>Net changes</b>	<b>37,047,534</b>	<b>(23,751,024)</b>	<b>60,798,558</b>
<b>Balances at 6/30/22</b>	<b>\$ 470,974,999</b>	<b>\$ 293,493,935</b>	<b>\$ 177,481,064</b>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

NOTE 12: **PENSIONS** (CONTINUED)

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

**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:

		<u>Miscellaneous</u>	<u>Safety</u>
		Net Pension Liability	Net Pension Liability
1% Decrease	5.90%	\$ 349,123,679	\$ 243,599,309
Current Discount Rate	6.90%	\$ 247,656,478	\$ 177,481,064
1% Increase	7.90%	\$ 163,005,528	\$ 123,482,783

**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, 2023, the County recognized total pension expense of \$51,829,748 (\$27,341,267 for its miscellaneous plan and \$24,488,481 for its safety plan). At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions		
Miscellaneous	\$ 13,769,818	\$ --
Safety	11,941,606	--
Differences between expected and actual experience		
Miscellaneous	--	5,431,720
Safety	4,689,751	--
Net difference between projected and actual earnings on plan investments		
Miscellaneous	29,529,103	--
Safety	15,146,067	--
County contributions subsequent to the measurement date		
Miscellaneous	30,202,769	--
Safety	20,012,645	--
Total	<u>\$ 125,291,759</u>	<u>\$ 5,431,720</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

NOTE 12: **PENSIONS** (CONTINUED)

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

\$50,215,414 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, 2024. 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
2024	\$ 18,772,044
2025	15,487,861
2026	7,956,484
2027	27,428,236
2028	--
Thereafter	--
Total	<u>\$ 69,644,625</u>

NOTE 13: **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.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 13: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**A. General Information about the OPEB Plan** (continued)

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, 2022, the measurement date, the following numbers of employees were covered by the benefit terms:

Inactive employees currently receiving benefits	548
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>1,516</u>
Total	<u><u>2,064</u></u>

**B. Total OPEB Liability**

The County's total OPEB liability of \$91,581,390 was measured as of June 30, 2022, and was determined based on an actuarial valuation as of June 30, 2022.

**Actuarial Assumptions and Other Inputs**

The following actuarial assumptions and other inputs were used to determine the June 30, 2022 (the measurement date) total OPEB liability in the June 30, 2022 actuarial valuation:

Contribution policy	No pre-funding
Discount rate	3.54% at June 30, 2022 (Bond Buyer 20-Bond Index) 2.16% at June 30, 2021 (Bond Buyer 20-Bond Index)
General inflation	2.50% annually
Mortality, retirement, disability, termination	CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2021
Salary increases	Aggregate: 2.75% annually Merit: CalPERS 2000-2019 Experience Study
Medical trend	Non-Medicare: 8.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser): 7.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser): 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076
Healthcare participation at retirement	Eligible for cash subsidy: 70% Not eligible for cash subsidy: 50%

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 13: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**C. Changes in the Total OPEB Liability**

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

	Total OPEB Liability
Balances at 6/30/21	\$ 113,880,374
Changes for the year:	
Service cost	5,562,294
Interest	2,543,365
Changes of benefit terms	--
Differences between expected and actual experience	(5,225,742)
Changes in assumptions or other inputs	(21,790,267)
Benefit payments	(3,388,634)
Net changes	(22,298,984)
Balances at 6/30/22	\$ 91,581,390

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

Discount rate	Changed from 2.16% at June 30, 2021 to 3.54% at June 30, 2022
General inflation	Changed from 2.75% to 2.5% annually
Mortality, retirement, disability, termination	Demographic assumptions were undated to CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality improvement scale was updated to Scale MP-2021
Salary increases	Aggregate: changed from 3% to 2.75% annually Merit: updated to CalPERS 2000-2019 Experience Study
Medical trend	Medical trend rates updated
Healthcare participation at retirement	Participation at retirement was updated to 70% for those eligible for cash subsidy

**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 (2.54%)	Current Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 105,384,777	\$ 91,581,390	\$ 80,345,499



**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

NOTE 13: **OTHER POST-EMPLOYMENT BENEFITS (OPEB)** (CONTINUED)

**C. Changes in the Total OPEB Liability** (continued)

**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	Current Rate	1% Increase
	(Non-Medicare: 7.5% decreasing to 2.45%; Non-Kaiser Medicare: 6.5% decreasing to 2.45% Kaiser Medicare: 5.25% decreasing to 2.45%)	(Non-Medicare: 8.5% decreasing to 3.45%; Non-Kaiser Medicare: 7.5% decreasing to 3.45% Kaiser Medicare: 6.25% decreasing to 3.45%)	(Non-Medicare: 9.5% decreasing to 4.45%; Non-Kaiser Medicare: 8.5% decreasing to 4.45% Kaiser Medicare: 7.25% decreasing to 4.45%)
Total OPEB Liability	\$ 81,139,919	\$ 91,581,390	\$ 100,344,111

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

For the year ended June 30, 2023, the County recognized OPEB expense of \$2,205,923. At June 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ --	\$ 10,677,497
Changes of assumptions or other inputs	13,035,369	25,143,591
County contributions subsequent to the measurement date	3,367,400	--
Total	<u>\$ 16,402,769</u>	<u>\$ 35,821,088</u>

\$3,367,400 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, 2024. 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
2024	\$ (5,899,736)
2025	(5,235,156)
2026	(2,707,052)
2027	(1,301,470)
2028	(2,308,687)
Thereafter	(5,333,618)
Total	<u>\$ (22,785,719)</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 14: 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 2022-2023, 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 \$16,354,000 reported in the Risk Management Fund at June 30, 2023 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, 2023 and 2022 were as follows:

	2023	2022
Unpaid claims, beginning of year	\$ 13,176,000	\$ 14,831,000
Plus estimated claims incurred	36,067,833	29,240,717
Less claims payments	(32,889,833)	(30,895,717)
Unpaid claims, end of year	\$ 16,354,000	\$ 13,176,000

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, 2023**

**NOTE 15: 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, 2023, General Fund had a total of \$4,225,028 in encumbrances, which were reported as part of the assigned fund balances on the governmental fund balance sheet. Road Fund had a total of \$2,585,515 in encumbrances, which were reported as part of the restricted fund balances. Other (nonmajor) governmental funds had a total of \$342,798 in encumbrances, which were reported as part of the restricted, committed or assigned fund balances.

**Construction Commitments and Other Significant Commitments**

At June 30, 2023, the County has ongoing construction commitments that totaled approximately \$69.1 million and other significant commitments of \$900 thousands.

**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, 2023**

**NOTE 15: 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, 2023 are as follows:

	County's Outstanding Reimbursement Obligations	Developers' Eligible but Unutilized Credits
	<hr/>	<hr/>
Saratoga Road Extension	\$ 4,136,449	\$ 425,443
Country Club Drive, Bass Lake Road to Tierra De Dios	2,637,153	24,081
Country Club Drive, Bass Lake North	2,512,856	1,697,640
Silva Valley Interchange	193,150	--
Silver Springs Pkwy & GV/SS Intersect	1,154,708	233,064
Silver Springs Pkwy - Offsite	4,273,678	1,650,870
Silver Springs Pkwy - Deer Valley	54,658	--
Total	<u>\$ 14,962,652</u>	<u>\$ 4,031,098</u>

**Facility Improvement Credit/Reimbursement Agreement**

The County has entered into credit/reimbursement agreements with Lennar Winncrest, LLC and Toll West Coast LLC (developers) for Bass Lake Hills Specific Plan (BLHSP) Public Facility Finance Plan (PFFP) improvements. The developers are obligated to construct improvements according to the agreements such as transportation, sewer and water improvements in the BLHSP area and the County is required to reimburse the developers in accordance with the terms of the agreements. In accordance with the agreements, the County is only required to make reimbursements to the developers 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 agreements, the County has offered the developers credits against their PFFP Fee payments in lieu of cash. The amount of credits utilized by the developers 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.

The County's outstanding reimbursement obligations and the developers' eligible but unutilized credits as of June 30, 2023 are as follows:

	County's Outstanding Reimbursement Obligations	Developers' Eligible but Unutilized Credits
	<hr/>	<hr/>
Bass Lake PFFP	\$ 3,904,108	\$ 2,088,190
Bass Lake PFFP North	1,632,176	1,193,220
Total	<u>\$ 5,536,284</u>	<u>\$ 3,281,410</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

NOTE 15: **COMMITMENTS AND CONTINGENCIES** (CONTINUED)

**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 2022-2023, the County’ tax revenues were reduced by \$240,844 as a result of the Williamson Act contracts.

**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 trial commenced on October 17, 2023. 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.

**Tony and Linda Poipao**

The Poipaos have submitted a claim to the County alleging a v-ditch coming from the Placerville Airport, a County maintained property, overflowed causing significant damage to their property. The ultimate resolution of this claim is not determinable at this time but could have a material effect on the financial statements.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

NOTE 15: **COMMITMENTS AND CONTINGENCIES** (CONTINUED)

**Inmate Deaths While Incarcerated**

The County is in various stages of litigation involving the deaths of three inmates in county jails. The litigation is complicated. The ultimate resolution of these matters is not determinable at this time but could have a material effect on the financial statements.

**Children Injured in Crosswalk**

On May 31, 2023, a motor vehicle versus pedestrian collision took place in Pollock Pines. The pedestrians were very young children. Claims have been filed on behalf of the children and the children are represented by legal counsel. The claimants allege the crosswalk created a dangerous condition. The ultimate resolution of these claims is not determinable at this time but could have a material effect on the financial statements.

**Foster Care Litigation**

The County is in litigation with a number of plaintiffs that allege they were sexually abused while they were placed in foster care by the County twenty or more years ago. At this time, the County does not have sufficient information to provide an estimate of potential loss, if any.

**Fatal Automobile Accident – Pioneer Trail**

A claim has been filed related to a head-on collision near South Lake Tahoe. A complaint has not yet been filed in court. The claim alleges deficient and dangerous road markings contributed to the accident. The County continues to gather information related to the road markings. The ultimate resolution of this claim is not determinable at this time but could have a material effect on the financial statements.

**Mitigation Fee Act Litigation – Sheetz**

Sheetz filed a lawsuit against the County in June 2017 seeking a refund of \$23,420 in Traffic Impact Mitigation fee he paid to obtain a building permit. The case was heard by the US Supreme Court on January 9, 2024. The ultimate resolution of this matter is not determinable at this time but could have a material effect on the financial statements.

**Officer Involved Shooting**

An El Dorado County Deputy Sheriff was serving an arrest warrant at an individual's home. In the process of serving the arrest warrant, the Deputy shot and killed the individual. To date no lawsuit has been filed on this matter. The ultimate resolution of this matter is not determinable at this time but could have a material effect on the financial statements.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 16: FUND BALANCES / NET POSITION**

**A. Fund Balances**

Fund balances for all the major and nonmajor governmental funds as of June 30, 2023, were presented as follows:

	General	Road Fund	Other Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>				
Advances	\$ 1,830,000	\$ --	\$ --	\$ 1,830,000
Inventory	--	624,615	104,085	728,700
Prepaid expenses	2,996,854	43,763	717,958	3,758,575
Permanent fund principal	--	--	3,869,885	3,869,885
Subtotal	<u>4,826,854</u>	<u>668,378</u>	<u>4,691,928</u>	<u>10,187,160</u>
<b>Restricted for:</b>				
Capital projects	--	--	31,462,240	31,462,240
Tax loss reserve	4,164,770	--	--	4,164,770
Public protection	--	--	48,770,604	48,770,604
Public ways and facilities	--	5,832,843	60,208,822	66,041,665
Health and sanitation	--	--	45,067,742	45,067,742
Public assistance	--	--	25,040,156	25,040,156
General government	--	--	6,786,103	6,786,103
Education	--	--	2,423,340	2,423,340
Recreation & cultural services	--	--	126,076	126,076
Subtotal	<u>4,164,770</u>	<u>5,832,843</u>	<u>219,885,083</u>	<u>229,882,696</u>
<b>Committed to:</b>				
Capital projects	28,085,110	--	7,607,582	35,692,692
Debt service	7,370,165	--	--	7,370,165
Public protection	--	--	303,872	303,872
Public ways and facilities	--	--	9,270,047	9,270,047
Public assistance	--	--	48,656	48,656
General government	4,724,577	--	--	4,724,577
Subtotal	<u>40,179,852</u>	<u>--</u>	<u>17,230,157</u>	<u>57,410,009</u>
<b>Assigned to:</b>				
Debt service	--	--	1,904,051	1,904,051
Public protection	--	--	3,193,890	3,193,890
Public ways and facilities	--	--	773	773
Health and sanitation	--	--	26,166,449	26,166,449
Public assistance	--	--	3,961,768	3,961,768
General government	4,225,028	--	232,299	4,457,327
Education	--	--	59,969	59,969
Recreation & cultural services	--	--	611,250	611,250
Subtotal	<u>4,225,028</u>	<u>--</u>	<u>36,130,449</u>	<u>40,355,477</u>
<b>Unassigned</b>	<u>56,627,698</u>	<u>--</u>	<u>(209,447)</u>	<u>56,418,251</u>
<b>Total</b>	<u>\$ 110,024,202</u>	<u>\$ 6,501,221</u>	<u>\$ 277,728,170</u>	<u>\$ 394,253,593</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2023**

NOTE 16: **FUND BALANCES / NET POSITION** (CONTINUED)

**B. Deficit Fund Balances / Net Position**

The following funds had deficit fund balances as of June 30, 2023:

Nonmajor Governmental Funds:		
Fish and Game Preservation	\$	2,216
Domestic Violence Centers		457
City South Lake Tahoe		7,647
Ryan Ranch (Road Zone 2)		201
Tahoe Clean Program		7,269

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, 2023**

**NOTE 17: CONDENSED SEGMENT INFORMATION ON COMPONENT UNITS**

The County has three Discretely Presented Component Units. Condensed Segment information as of and for the year ended June 30, 2023, is as follows:

**Component Units Statement of Net Position**  
**June 30, 2023**

	Children and Families Commission	El Dorado County Transit Authority	El Dorado County Transportation Commission	Total
<b><u>ASSETS</u></b>				
Current and other assets	\$ 2,009,309	\$ 15,604,003	\$ 2,365,474	\$ 19,978,786
Capital assets	1	10,792,826	219,568	11,012,395
Restricted cash	--	--	5,653,770	5,653,770
Other long-term assets	--	144,638	5,201	149,839
<b>Total Assets</b>	<u>2,009,310</u>	<u>26,541,467</u>	<u>8,244,013</u>	<u>36,794,790</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>				
Deferred pension outflows	--	4,183,188	361,773	4,544,961
Deferred OPEB outflows	--	107,451	23,663	131,114
<b>Total Deferred Outflows of Resources</b>	<u>--</u>	<u>4,290,639</u>	<u>385,436</u>	<u>4,676,075</u>
<b><u>LIABILITIES</u></b>				
Current liabilities	216,567	12,992,887	2,564,666	15,774,120
Long-term liabilities	--	4,665,996	823,926	5,489,922
<b>Total Liabilities</b>	<u>216,567</u>	<u>17,658,883</u>	<u>3,388,592</u>	<u>21,264,042</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>				
Deferred pension inflows	--	167,601	40,640	208,241
Deferred OPEB inflows	--	201,613	23,850	225,463
<b>Total Deferred Inflows of Resources</b>	<u>--</u>	<u>369,214</u>	<u>64,490</u>	<u>433,704</u>
<b><u>NET POSITION</u></b>				
Net investment in capital assets	1	10,727,954	--	10,727,955
Restricted	1,792,742	543,644	5,171,155	7,507,541
Unrestricted	--	1,532,411	5,212	1,537,623
<b>Total Net Position</b>	<u>\$ 1,792,743</u>	<u>\$ 12,804,009</u>	<u>\$ 5,176,367</u>	<u>\$ 19,773,119</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

NOTE 17: **CONDENSED SEGMENT INFORMATION ON COMPONENT UNITS** (CONTINUED)

**Component Units Statement of Activities**  
**June 30, 2023**

	Children and Families Commission	El Dorado County Transit Authority	El Dorado County Transportation Commission	Total
<b>Revenues:</b>				
<b>Program Revenues:</b>				
Charges for current services	\$ --	\$ 796,964	\$ --	\$ 796,964
Operating grants and contributions	1,983,816	6,773,692	2,295,593	11,053,101
Capital grants and contributions	--	--	--	--
<b>General Revenues:</b>				
Taxes	--	--	9,731,990	9,731,990
Interest and investment earnings (expenses)	26,047	91,761	71,684	189,492
Other revenues (expenses)	1,000	25,485	30,545	57,030
<b>Total Revenues</b>	<u>2,010,863</u>	<u>7,687,902</u>	<u>12,129,812</u>	<u>21,828,577</u>
<b>Expenses:</b>				
Health and sanitation	2,289,100	--	--	2,289,100
Public ways and facilities	--	8,994,317	11,741,569	20,735,886
<b>Total Expenses</b>	<u>2,289,100</u>	<u>8,994,317</u>	<u>11,741,569</u>	<u>23,024,986</u>
<b>Change in net position</b>	(278,237)	(1,306,415)	388,243	(1,196,409)
<b>Net Position - Beginning of Year (restated)</b>	<u>2,070,980</u>	<u>14,110,424</u>	<u>4,788,124</u>	<u>20,969,528</u>
<b>Net Position - End of Year</b>	<u>\$ 1,792,743</u>	<u>\$ 12,804,009</u>	<u>\$ 5,176,367</u>	<u>\$ 19,773,119</u>

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2023**

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

Last 10 Fiscal Years

Measurement Period	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
<b>Total Pension Liability:</b>									
Service Cost	\$ 16,123,210	\$ 15,184,618	\$ 14,680,366	\$ 14,698,937	\$ 14,891,508	\$ 14,801,381	\$ 12,811,520	\$ 12,078,733	\$ 11,725,418
Interest	54,278,350	53,278,314	51,505,279	49,738,994	47,291,119	45,739,429	44,067,819	41,382,955	39,506,575
Changes in Assumptions	21,869,711	-	-	-	(4,046,853)	35,910,002	-	(9,496,499)	-
Differences Between Expected and Actual Experience	(7,723,087)	(2,194,854)	(2,612,674)	6,865,623	(2,556,049)	(110,058)	9,494,835	(1,425,729)	-
Benefit Payments, Including Refunds of Employee Contributions	(42,968,859)	(40,205,816)	(38,684,669)	(35,540,665)	(33,891,226)	(30,670,813)	(29,352,908)	(27,100,337)	(25,473,913)
<b>Net Change in Total Pension Liability</b>	<b>41,579,325</b>	<b>26,062,262</b>	<b>24,888,302</b>	<b>35,762,889</b>	<b>21,688,499</b>	<b>65,669,941</b>	<b>37,021,266</b>	<b>15,439,123</b>	<b>25,758,080</b>
<b>Total Pension Liability - Beginning</b>	<b>785,918,953</b>	<b>759,856,691</b>	<b>734,968,389</b>	<b>699,205,500</b>	<b>677,517,001</b>	<b>611,847,060</b>	<b>574,825,794</b>	<b>559,386,671</b>	<b>533,628,591</b>
<b>Total Pension Liability - Ending (a)</b>	<b>827,498,278</b>	<b>785,918,953</b>	<b>759,856,691</b>	<b>734,968,389</b>	<b>699,205,500</b>	<b>677,517,001</b>	<b>611,847,060</b>	<b>574,825,794</b>	<b>559,386,671</b>
<b>Plan Fiduciary Net Position:</b>									
Contributions - Employer	26,972,343	25,181,590	22,808,097	20,095,711	17,626,714	16,577,036	15,708,862	13,708,979	11,938,552
Contributions - Employee	7,145,248	6,886,795	6,609,305	6,627,077	6,262,153	6,205,211	6,021,392	6,127,135	5,440,632
Net Investment Income	(47,657,700)	117,979,863	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	(42,968,859)	(40,205,816)	(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	(396,656)	(526,893)	(722,195)	(349,141)	(721,176)	(626,961)	(262,260)	(484,087)	-
Other Miscellaneous Income *	-	-	-	1,136	(1,369,528)	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(56,905,624)</b>	<b>109,315,539</b>	<b>15,167,083</b>	<b>23,031,509</b>	<b>26,448,778</b>	<b>38,158,430</b>	<b>(5,678,138)</b>	<b>1,849,270</b>	<b>56,150,034</b>
<b>Plan Fiduciary Net Position - Beginning **</b>	<b>636,747,424</b>	<b>527,451,885</b>	<b>512,284,802</b>	<b>489,253,293</b>	<b>462,804,515</b>	<b>424,646,085</b>	<b>430,324,223</b>	<b>428,474,953</b>	<b>372,324,919</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>579,841,800</b>	<b>636,767,424</b>	<b>527,451,885</b>	<b>512,284,802</b>	<b>489,253,293</b>	<b>462,804,515</b>	<b>424,646,085</b>	<b>430,324,223</b>	<b>428,474,953</b>
<b>Plan Net Pension Liability (Assets) - Ending (a) - (b)</b>	<b>\$ 247,656,478</b>	<b>\$ 149,151,529</b>	<b>\$ 232,404,806</b>	<b>\$ 222,683,587</b>	<b>\$ 209,952,207</b>	<b>\$ 214,712,486</b>	<b>\$ 187,200,975</b>	<b>\$ 144,501,571</b>	<b>\$ 130,911,718</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	70.07%	81.02%	69.41%	69.70%	69.97%	68.31%	69.40%	74.86%	76.60%
<b>Covered Payroll</b>	\$ 96,573,620	\$ 93,132,974	\$ 91,924,740	\$ 90,920,794	\$ 89,965,916	\$ 88,269,627	\$ 86,583,597	\$ 82,336,210	\$ 76,231,096
<b>Plan Net Pension Liability as a Percentage of Covered Payroll</b>	256.44%	160.17%	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 adjustments.

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2023**

**Change of Benefit Terms:** The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the 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:** Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows.

Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term.

The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

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, 2023**

**SCHEDULE OF PLAN CONTRIBUTIONS - MISCELLANEOUS PLAN**

Last 10 Fiscal Years

Fiscal Year	(restated)									
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Actuarially Determined Contribution	\$ 30,202,769	\$ 26,972,343	\$ 25,181,590	\$ 22,808,097	\$ 20,095,711	\$ 17,626,714	\$ 16,577,036	\$ 15,708,862	\$ 13,708,979	\$ 11,938,552
Contribution in Relation to the Actuarially Determined Contribution	<u>(30,202,769)</u>	<u>(26,972,343)</u>	<u>(25,181,590)</u>	<u>(22,808,097)</u>	<u>(20,095,711)</u>	<u>(17,626,714)</u>	<u>(16,577,036)</u>	<u>(15,708,862)</u>	<u>(13,708,979)</u>	<u>(11,938,552)</u>
<b>Contribution Deficiency (Excess)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Covered Payroll</b>	\$ 112,337,299	\$ 96,573,620	\$ 93,132,974	\$ 91,924,740	\$ 90,920,794	\$ 89,965,916	\$ 88,269,627	\$ 86,583,597	\$ 82,336,210	\$ 76,231,096
<b>Contributions as a Percentage of Covered Payroll</b>	26.886%	27.929%	27.038%	24.812%	22.102%	19.593%	18.780%	18.143%	16.650%	15.661%

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2023**

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: June 30, 2020

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Actual
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 Investment and Administrative Expenses
Mortality	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, 2023**

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

Last 10 Fiscal Years

Measurement Period	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
<b>Total Pension Liability:</b>									
Service Cost	\$ 9,725,020	\$ 8,850,316	\$ 8,663,299	\$ 8,778,029	\$ 8,809,579	\$ 8,491,956	\$ 7,236,448	\$ 7,200,973	\$ 7,156,945
Interest	30,782,523	29,358,901	28,003,496	26,430,233	24,988,667	23,650,313	22,782,825	21,518,049	20,468,275
Changes in Assumptions	15,922,142	-	-	-	(1,194,377)	20,302,919	-	(5,396,169)	-
Differences Between Expected and Actual Experience	2,204,977	2,463,583	5,584,565	3,544,191	3,624,469	(2,828,359)	2,171,978	(373,791)	-
Benefit Payments, Including Refunds of Employee Contributions	(21,587,128)	(20,941,191)	(19,593,164)	(17,870,378)	(16,459,423)	(15,566,486)	(14,758,855)	(13,992,567)	(13,019,302)
<b>Net Change in Total Pension Liability</b>	<b>37,047,534</b>	<b>19,731,609</b>	<b>22,658,196</b>	<b>20,882,075</b>	<b>19,768,915</b>	<b>34,050,343</b>	<b>17,432,396</b>	<b>8,956,495</b>	<b>14,605,918</b>
<b>Total Pension Liability - Beginning</b>	<b>433,927,465</b>	<b>414,195,856</b>	<b>391,537,660</b>	<b>370,655,585</b>	<b>350,886,670</b>	<b>316,836,327</b>	<b>299,403,931</b>	<b>290,447,436</b>	<b>275,841,518</b>
<b>Total Pension Liability - Ending (a)</b>	<b>470,974,999</b>	<b>433,927,465</b>	<b>414,195,856</b>	<b>391,537,660</b>	<b>370,655,585</b>	<b>350,886,670</b>	<b>316,836,327</b>	<b>299,403,931</b>	<b>290,447,436</b>
<b>PLAN FIDUCIARY NET POSITION</b>									
Contributions - Employer	18,201,910	16,376,939	14,805,804	13,055,406	11,747,848	11,063,176	9,978,939	9,161,922	8,185,724
Contributions - Employee	3,851,825	3,357,367	3,261,748	3,141,935	2,976,981	3,157,738	2,976,868	2,655,620	2,581,344
Net Investment Income	(24,020,006)	58,517,917	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	(21,587,128)	(20,941,191)	(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	(197,625)	(259,918)	(351,784)	(168,583)	(343,496)	(295,008)	(122,361)	(225,994)	-
Other Miscellaneous Income *	-	-	-	547	(652,305)	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(23,751,024)</b>	<b>57,051,114</b>	<b>10,658,525</b>	<b>13,299,252</b>	<b>15,802,527</b>	<b>20,622,059</b>	<b>(961,873)</b>	<b>2,054,509</b>	<b>27,359,548</b>
<b>Plan Fiduciary Net Position - Beginning **</b>	<b>317,244,959</b>	<b>260,193,845</b>	<b>249,535,320</b>	<b>236,236,068</b>	<b>220,433,541</b>	<b>199,811,482</b>	<b>200,773,355</b>	<b>198,718,846</b>	<b>171,359,298</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>293,493,935</b>	<b>317,244,959</b>	<b>260,193,845</b>	<b>249,535,320</b>	<b>236,236,068</b>	<b>220,433,541</b>	<b>199,811,482</b>	<b>200,773,355</b>	<b>198,718,846</b>
<b>Plan Net Pension Liability (Asset) - Ending (a) - (b)</b>	<b>\$ 177,481,064</b>	<b>\$ 116,682,506</b>	<b>\$ 154,002,011</b>	<b>\$ 142,002,340</b>	<b>\$ 134,419,517</b>	<b>\$ 130,453,129</b>	<b>\$ 117,024,845</b>	<b>\$ 98,630,576</b>	<b>\$ 91,728,590</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	62.32%	73.11%	62.82%	63.73%	63.73%	62.82%	63.06%	67.06%	68.42%
<b>Covered Payroll</b>	\$ 34,171,224	\$ 33,050,567	\$ 31,840,476	\$ 31,621,802	\$ 31,072,925	\$ 30,429,287	\$ 29,868,120	\$ 28,517,826	\$ 27,344,994
<b>Plan Net Pension Liability as a Percentage of Covered Payroll</b>	519.39%	353.04%	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 adjustments.

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2023**

Change of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the 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: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows.

Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term.

The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

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, 2023**

**SCHEDULE OF PLAN CONTRIBUTIONS - SAFETY PLAN**

Last 10 Fiscal Years

Fiscal Year	(restated)									
	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Actuarially Determined Contribution	\$ 20,012,645	\$ 18,201,910	\$ 16,376,939	\$ 14,805,804	\$ 13,055,406	\$ 11,747,848	\$ 11,063,176	\$ 9,978,939	\$ 9,161,922	\$ 8,185,724
Contribution in Relation to the Actuarially Determined Contribution	<u>(20,012,645)</u>	<u>(18,201,910)</u>	<u>(16,376,939)</u>	<u>(14,805,804)</u>	<u>(13,055,406)</u>	<u>(11,747,848)</u>	<u>(11,063,176)</u>	<u>(9,978,939)</u>	<u>(9,161,922)</u>	<u>(8,185,724)</u>
<b>Contribution Deficiency (Excess)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Covered Payroll</b>	\$ 38,140,205	\$ 34,171,224	\$ 33,050,567	\$ 31,840,476	\$ 31,621,802	\$ 31,072,925	\$ 30,429,287	\$ 29,868,120	\$ 28,517,826	\$ 27,344,994
<b>Contributions as a Percentage of Covered Payroll</b>	52.471%	53.267%	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, 2023**

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: June 30, 2020

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Actual
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 investment and administrative expenses
Mortality	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, 2023**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

Last 10 Fiscal Years

Measurement Period	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Total OPEB Liability:						
Service Cost	\$ 5,562,294	\$ 5,339,022	\$ 4,274,597	\$ 3,982,946	\$ 5,424,074	\$ 6,569,576
Interest	2,543,365	2,476,924	3,277,859	3,262,809	3,679,635	3,131,916
Differences Between Expected and Actual Experience	(5,225,742)	-	(3,428,537)	-	(12,167,339)	-
Changes in Assumptions or Other Inputs	(21,790,267)	881,329	16,380,847	4,900,186	(10,801,060)	(12,627,092)
Benefit Payments	(3,388,634)	(3,111,847)	(3,176,679)	(3,012,908)	(3,320,971)	(2,754,246)
<b>Net Change in Total OPEB Liability</b>	<b>(22,298,984)</b>	<b>5,585,428</b>	<b>17,328,087</b>	<b>9,133,033</b>	<b>(17,185,661)</b>	<b>(5,679,846)</b>
<b>Total OPEB Liability - Beginning</b>	<b>113,880,374</b>	<b>108,294,946</b>	<b>90,966,859</b>	<b>81,833,826</b>	<b>99,019,487</b>	<b>104,699,333</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 91,581,390</b>	<b>\$ 113,880,374</b>	<b>\$ 108,294,946</b>	<b>\$ 90,966,859</b>	<b>\$ 81,833,826</b>	<b>\$ 99,019,487</b>
<b>Covered-Employee Payroll</b>	<b>\$ 50,503,205</b>	<b>\$ 53,013,787</b>	<b>\$ 54,535,115</b>	<b>\$ 59,988,545</b>	<b>\$ 66,221,379</b>	<b>\$ 69,517,840</b>
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	<b>181.338%</b>	<b>214.813%</b>	<b>198.578%</b>	<b>151.640%</b>	<b>123.576%</b>	<b>142.438%</b>

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2023**

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:

2021-2022	3.54%
2020-2021	2.16%
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, 2023 measurement date valuation:

General inflation	Changed from 2.75% to 2.5% annually
Mortality, retirement, disability, termination	Demographic assumptions were updated to CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality improvement scale was updated to Scale MP-2021
Salary increases	Aggregate: changed from 3% to 2.75% annually Merit: updated to CalPERS 2000-2019 Experience Study
Medical trend	Medical trend rates updated
Healthcare participation at retirement	Participation at retirement was updated to 70% for those eligible for cash subsidy

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, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>BUDGETARY FUND BALANCES, JULY 1</b>	\$ 69,406,382	\$ 76,934,172	\$ 76,934,172	\$ -
<b>RESOURCES (INFLOWS)</b>				
Taxes and Assessments	143,602,087	143,602,087	149,308,361	5,706,274
Licenses, Permits, and Franchises	13,733,970	13,733,970	13,620,078	(113,892)
Fines, Forfeitures, and Penalties	994,500	994,500	1,462,522	468,022
Revenue from Use of Money and Property	426,111	426,111	3,831,306	3,405,195
Intergovernmental Revenues - State	61,360,893	61,521,020	38,325,664	(23,195,356)
Intergovernmental Revenues - Federal	35,239,921	35,506,348	34,558,413	(947,935)
Revenue Other Governmental Agencies	10,006,520	10,006,520	6,977,462	(3,029,058)
Charges for Services	24,573,912	24,699,075	22,953,543	(1,745,532)
Miscellaneous Revenues	1,840,567	2,132,254	1,172,097	(960,157)
Other Financing Sources	55,975,254	63,096,006	46,099,179	(16,996,827)
Total	<u>347,753,735</u>	<u>355,717,891</u>	<u>318,308,625</u>	<u>(37,409,266)</u>
Amounts Available for Appropriations	<u>417,160,117</u>	<u>432,652,063</u>	<u>395,242,797</u>	<u>(37,409,266)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
<u>General Government:</u>				
Board of Supervisors:				
Salaries and employee benefits	1,889,895	1,891,895	1,873,546	18,349
Services and supplies	293,215	313,727	287,141	26,586
Other charges	-	9,488	9,449	39
Fixed assets	-	18,335	18,335	-
Intrafund transfers	3,718	8,718	6,896	1,822
Total	<u>2,186,828</u>	<u>2,242,163</u>	<u>2,195,367</u>	<u>46,796</u>
County Administrative Office:				
Salaries and employee benefits	2,654,619	2,654,619	2,274,295	380,324
Services and supplies	987,221	957,773	679,650	278,123
Other charges	-	4,448	4,448	-
Intrafund transfers	4,330	29,330	9,039	20,291
Intrafund abatement	(29,000)	(29,000)	(19,069)	(9,931)
Total	<u>3,617,170</u>	<u>3,617,170</u>	<u>2,948,363</u>	<u>668,807</u>
Annual Audit:				
Services and supplies	80,000	80,000	74,450	5,550
Total	<u>80,000</u>	<u>80,000</u>	<u>74,450</u>	<u>5,550</u>
Auditor-Controller:				
Salaries and employee benefits	4,923,923	4,873,923	4,812,412	61,511
Services and supplies	90,989	138,537	124,684	13,853
Other charges	-	2,452	2,452	-
Fixed assets	-	6,188	6,188	-
Intrafund transfers	11,284	11,284	3,816	7,468
Intrafund abatement	(89,550)	(89,550)	(116,712)	27,162
Total	<u>4,936,646</u>	<u>4,942,834</u>	<u>4,832,840</u>	<u>109,994</u>
Treasurer/Tax Collector:				
Salaries and employee benefits	2,754,132	2,754,132	2,641,395	112,737
Services and supplies	706,590	706,590	545,204	161,386
Other charges	-	-	6,189	(6,189)
Fixed assets	10,500	10,500	18,573	(8,073)
Other financing uses	5,000	5,000	1,918	3,082
Intrafund transfers	18,019	18,019	1,441	16,578
Intrafund abatement	(466,400)	(466,400)	(456,783)	(9,617)
Total	<u>3,027,841</u>	<u>3,027,841</u>	<u>2,757,937</u>	<u>269,904</u>

See accompanying Notes to Budgetary Comparison Schedule.



**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>General Government (Continued):</u>				
Assessor:				
Salaries and employee benefits	\$ 4,716,064	\$ 4,716,064	\$ 4,711,743	\$ 4,321
Services and supplies	286,949	250,053	173,434	76,619
Other charges	500	37,396	36,896	500
Fixed assets	-	19,742	19,742	-
Intrafund transfers	11,473	11,473	153	11,320
Total	<u>5,014,986</u>	<u>5,034,728</u>	<u>4,941,968</u>	<u>92,760</u>
Purchasing:				
Salaries and employee benefits	1,343,275	1,343,275	1,346,276	(3,001)
Services and supplies	60,208	58,664	49,856	8,808
Other charges	-	1,544	1,544	-
Intrafund transfers	3,468	3,468	737	2,731
Total	<u>1,406,951</u>	<u>1,406,951</u>	<u>1,398,413</u>	<u>8,538</u>
Revenue Recovery:				
Salaries and employee benefits	97,988	97,988	72,220	25,768
Services and supplies	9,300	9,300	5,946	3,354
Intrafund abatement	(7,900)	(7,900)	(10,100)	2,200
Total	<u>99,388</u>	<u>99,388</u>	<u>68,066</u>	<u>31,322</u>
County Counsel:				
Salaries and employee benefits	3,799,088	3,799,088	3,792,497	6,591
Services and supplies	382,847	379,699	174,164	205,535
Other charges	-	3,148	3,148	-
Intrafund transfers	7,013	7,013	222	6,791
Intrafund abatement	(62,500)	(62,500)	(53,830)	(8,670)
Total	<u>4,126,448</u>	<u>4,126,448</u>	<u>3,916,201</u>	<u>210,247</u>
Personnel:				
Salaries and employee benefits	2,065,797	2,136,297	2,135,397	900
Services and supplies	394,340	319,070	227,507	91,563
Other charges	-	4,770	4,770	-
Fixed assets	-	12,421	12,421	-
Intrafund transfers	5,798	5,798	1,451	4,347
Total	<u>2,465,935</u>	<u>2,478,356</u>	<u>2,381,546</u>	<u>96,810</u>
Elections:				
Salaries and employee benefits	1,152,660	1,152,660	1,095,198	57,462
Services and supplies	1,590,590	1,431,471	655,231	776,240
Other charges	-	78,340	78,340	-
Fixed assets	-	92,950	12,171	80,779
Intrafund transfers	8,464	8,464	-	8,464
Total	<u>2,751,714</u>	<u>2,763,885</u>	<u>1,840,940</u>	<u>922,945</u>
Courier and Messenger:				
Salaries and employee benefits	191,041	191,041	208,606	(17,565)
Services and supplies	311,701	302,639	238,190	64,449
Services and supplies abatements	(278,000)	(278,000)	(201,109)	(76,891)
Other charges	-	9,062	9,062	-
Intrafund abatement	(194,843)	(194,843)	-	(194,843)
Total	<u>29,899</u>	<u>29,899</u>	<u>254,749</u>	<u>(224,850)</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS) (CONTINUED)</b>				
<u>General Government (Continued):</u>				
Building Grounds:				
Salaries and employee benefits	\$ 3,644,368	\$ 3,726,368	\$ 3,574,643	\$ 151,725
Services and supplies	4,717,310	4,757,183	4,744,820	12,363
Other charges	14,000	37,127	32,671	4,456
Fixed assets	70,758	70,758	61,064	9,694
Other financing uses	120,000	120,000	41,010	78,990
Intrafund transfers	7,119	7,119	100	7,019
Intrafund abatement	(384,235)	(384,235)	(451,526)	67,291
Total	<u>8,189,320</u>	<u>8,334,320</u>	<u>8,002,782</u>	<u>331,538</u>
County Promotion:				
Salaries and employee benefits	709,593	709,593	611,975	97,618
Services and supplies	3,547,080	3,547,080	735,412	2,811,668
Other charges	10,000	10,000	-	10,000
Intrafund transfers	332,832	332,832	174,595	158,237
Intrafund abatement	(2,099,505)	(2,099,505)	(1,515,434)	(584,071)
Total	<u>2,500,000</u>	<u>2,500,000</u>	<u>6,548</u>	<u>2,493,452</u>
Information Services and Support:				
Salaries and employee benefits	6,923,216	6,923,216	6,423,704	499,512
Services and supplies	5,641,743	5,577,966	3,987,092	1,590,874
Other charges	-	63,777	63,777	-
Fixed assets	385,000	385,000	38,797	346,203
Intrafund transfers	26,803	26,803	15,794	11,009
Total	<u>12,976,762</u>	<u>12,976,762</u>	<u>10,529,164</u>	<u>2,447,598</u>
Surveyor:				
Salaries and employee benefits	1,818,752	1,768,752	1,544,461	224,291
Services and supplies	125,606	174,156	105,405	68,751
Other charges	1,500	2,950	1,846	1,104
Fixed assets	-	6,969	6,969	-
Other financing uses	42,000	42,000	33,683	8,317
Intrafund transfers	3,348	3,348	581	2,767
Intrafund abatement	(8,000)	(8,000)	(1,276)	(6,724)
Total	<u>1,983,206</u>	<u>1,990,175</u>	<u>1,691,669</u>	<u>298,506</u>
Central Service Fiscal:				
Salaries and employee benefits	2,571,134	2,571,134	2,440,616	130,518
Services and supplies	28,146	26,602	27,239	(637)
Other charges	-	1,544	1,544	-
Intrafund transfers	4,278	4,278	-	4,278
Intrafund abatement	(70,000)	(70,000)	(54,126)	(15,874)
Total	<u>2,533,558</u>	<u>2,533,558</u>	<u>2,415,273</u>	<u>118,285</u>
Engineer:				
Salaries and employee benefits	613,907	613,907	472,926	140,981
Services and supplies	60,000	210,000	127,675	82,325
Other charges	650,189	650,189	436,148	214,041
Intrafund transfers	122,500	122,500	66,139	56,361
Total	<u>1,446,596</u>	<u>1,596,596</u>	<u>1,102,888</u>	<u>493,708</u>
Contributions to Other Funds:				
Other financing uses	720,702	720,702	720,702	-
Total	<u>720,702</u>	<u>720,702</u>	<u>720,702</u>	<u>-</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>General Government (Continued):</u>				
Contributions to Other Agencies:				
Other charges	\$ 3,513,722	\$ 3,513,722	\$ 550,015	\$ 2,963,707
Total	3,513,722	3,513,722	550,015	2,963,707
Other General:				
Salaries and employee benefits	13,162,091	13,202,091	10,384,196	2,817,895
Services and supplies	9,261,490	8,448,932	1,628,193	6,820,739
Services and supplies abatements	(1,700,352)	(1,744,352)	(726,755)	(1,017,597)
Other charges	9,338,783	10,138,113	5,033,074	5,105,039
Fixed assets	-	71,485	71,485	-
Other financing uses	8,514,523	13,542,313	7,036,167	6,506,146
Intrafund transfers	5,885,073	5,929,073	4,003,350	1,925,723
Intrafund abatement	(13,255,795)	(13,295,795)	(12,944,377)	(351,418)
Total	31,205,813	36,291,860	14,485,333	21,806,527
Other General - SR Fund:				
Services and supplies	206,400	206,400	170,307	36,093
Other financing uses	29,825,760	38,355,667	27,789,384	10,566,283
Intrafund transfers	-	-	50	(50)
Total	30,032,160	38,562,067	27,959,741	10,602,326
Total General Government	124,845,645	138,869,425	95,074,955	43,794,470
<u>Public Protection:</u>				
Superior Court				
Salaries and employee benefits	876,382	877,382	876,508	874
Services and supplies	1,817,137	1,789,593	827,558	962,035
Other charges	-	1,544	1,544	-
Intrafund transfers	2,887	27,887	18,471	9,416
Total	2,696,406	2,696,406	1,724,081	972,325
Grand Jury:				
Services and supplies	56,813	55,727	36,933	18,794
Other charges	-	1,086	1,086	-
Fixed assets	-	6,353	6,353	-
Intrafund transfers	3,187	3,187	526	2,661
Total	60,000	66,353	44,898	21,455
District Attorney:				
Salaries and employee benefits	13,233,830	13,239,017	12,590,022	648,995
Services and supplies	2,220,448	2,208,769	1,933,619	275,150
Other charges	11,700	426,513	424,178	2,335
Fixed assets	56,071	107,642	70,956	36,686
Other financing uses	123,400	160,800	106,008	54,792
Intrafund transfers	13,663	13,663	4,552	9,111
Intrafund abatement	(376,536)	(376,536)	(352,706)	(23,830)
Total	15,282,576	15,779,868	14,776,629	1,003,239
Child Support Services:				
Salaries and employee benefits	3,835,436	3,835,436	3,630,088	205,348
Services and supplies	577,256	313,364	226,754	86,610
Other charges	-	273,888	273,888	-
Fixed assets	-	12,406	12,406	-
Intrafund transfers	427,491	427,491	419,049	8,442
Total	4,840,183	4,862,585	4,562,185	300,400

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

<b>CHARGES TO APPROPRIATIONS (OUTFLOWS) (CONTINUED)</b>	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<u>Public Protection (Continued):</u>				
Public Defender:				
Salaries and employee benefits	\$ 4,941,395	\$ 4,919,567	\$ 4,482,347	\$ 437,220
Services and supplies	763,780	643,511	465,166	178,345
Other charges	-	120,269	120,269	-
Fixed assets	-	28,797	6,969	21,828
Intrafund transfers	9,416	9,416	388	9,028
Total	<u>5,714,591</u>	<u>5,721,560</u>	<u>5,075,139</u>	<u>646,421</u>
Sheriff - Bailiff:				
Salaries and employee benefits	3,626,219	3,626,219	3,656,553	(30,334)
Services and supplies	30,731	30,731	34,723	(3,992)
Intrafund transfers	-	-	498	(498)
Total	<u>3,656,950</u>	<u>3,656,950</u>	<u>3,691,774</u>	<u>(34,824)</u>
Sheriff:				
Salaries and employee benefits	45,548,792	44,812,792	43,356,820	1,455,972
Services and supplies	9,929,251	10,531,921	10,027,888	504,033
Other charges	138,800	291,130	288,559	2,571
Fixed assets	6,155,500	6,399,370	2,833,821	3,565,549
Other financing uses	827,900	827,900	197,470	630,430
Intrafund transfers	171,757	171,757	137,146	34,611
Intrafund abatement	(814,284)	(858,284)	(289,476)	(568,808)
Total	<u>61,957,716</u>	<u>62,176,586</u>	<u>56,552,228</u>	<u>5,624,358</u>
Central Dispatch:				
Salaries and employee benefits	437,306	437,306	463,892	(26,586)
Services and supplies	73,362	28,070	229,590	(201,520)
Other charges	-	45,292	45,292	-
Fixed assets	845,000	1,360,967	588,027	772,940
Intrafund transfers	-	-	25	(25)
Intrafund abatement	(2,500)	(2,500)	(375)	(2,125)
Total	<u>1,353,168</u>	<u>1,869,135</u>	<u>1,326,451</u>	<u>542,684</u>
Jail:				
Salaries and employee benefits	17,450,886	17,450,886	17,823,450	(372,564)
Services and supplies	2,405,313	2,411,160	2,385,104	26,056
Other charges	5,000	14,153	10,584	3,569
Fixed assets	58,000	58,000	39,901	18,099
Other financing uses	18,574,959	18,574,959	233,845	18,341,114
Intrafund transfers	126,500	126,500	134,122	(7,622)
Total	<u>38,620,658</u>	<u>38,635,658</u>	<u>20,627,006</u>	<u>18,008,652</u>
Juvenile Hall:				
Salaries and employee benefits	4,802,345	4,802,345	4,986,877	(184,532)
Services and supplies	815,176	788,606	615,479	173,127
Other charges	-	1,570	1,570	-
Fixed assets	51,000	112,203	56,138	56,065
Other financing uses	167,529	167,529	11,891	155,638
Intrafund transfers	16,166	16,166	2,801	13,365
Total	<u>5,852,216</u>	<u>5,888,419</u>	<u>5,674,756</u>	<u>213,663</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>Public Protection (Continued):</u>				
Probation:				
Salaries and employee benefits	\$ 12,453,419	\$ 12,582,040	\$ 12,337,329	\$ 244,711
Services and supplies	3,007,351	2,458,300	2,244,730	213,570
Other charges	261,400	648,377	427,726	220,651
Fixed assets	151,538	595,650	396,974	198,676
Intrafund transfers	19,574	19,574	12,388	7,186
Total	<u>15,893,282</u>	<u>16,303,941</u>	<u>15,419,147</u>	<u>884,794</u>
Agricultural Commissioner:				
Salaries and employee benefits	1,502,968	1,502,968	1,441,735	61,233
Services and supplies	293,331	291,027	246,786	44,241
Other charges	278,535	280,839	278,064	2,775
Intrafund transfers	11,297	11,297	7,005	4,292
Total	<u>2,086,131</u>	<u>2,086,131</u>	<u>1,973,590</u>	<u>112,541</u>
Building Inspector:				
Salaries and employee benefits	7,274,247	7,274,247	7,026,637	247,610
Services and supplies	1,355,863	1,275,180	871,254	403,926
Other charges	-	80,683	80,683	-
Fixed assets	18,000	18,000	-	18,000
Other financing uses	120,000	120,000	115,926	4,074
Intrafund transfers	2,417,462	2,417,462	2,428,954	(11,492)
Intrafund abatement	(385,080)	(385,080)	(311,608)	(73,472)
Total	<u>10,800,492</u>	<u>10,800,492</u>	<u>10,211,846</u>	<u>588,646</u>
Coroner:				
Salaries and employee benefits	1,533,405	1,533,405	1,491,961	41,444
Services and supplies	828,500	828,500	713,937	114,563
Intrafund transfers	600	600	6,723	(6,123)
Total	<u>2,362,505</u>	<u>2,362,505</u>	<u>2,212,621</u>	<u>149,884</u>
Emergency Services:				
Salaries and employee benefits	1,278,848	1,278,848	1,129,525	149,323
Services and supplies	80,500	80,500	115,061	(34,561)
Other charges	15,200	15,200	-	15,200
Fixed assets	-	-	30,000	(30,000)
Intrafund transfers	100	100	13,066	(12,966)
Total	<u>1,374,648</u>	<u>1,374,648</u>	<u>1,287,652</u>	<u>86,996</u>
Recorder - Clerk:				
Salaries and employee benefits	1,413,801	1,413,801	1,022,761	391,040
Services and supplies	546,029	541,137	147,318	393,819
Other charges	-	4,892	4,892	-
Fixed assets	31,468	45,473	29,298	16,175
Intrafund transfers	50,406	50,406	20,672	29,734
Total	<u>2,041,704</u>	<u>2,055,709</u>	<u>1,224,941</u>	<u>830,768</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>Public Protection (Continued):</u>				
Planning and Zoning:				
Salaries and employee benefits	\$ 4,661,095	\$ 4,661,095	\$ 4,095,675	\$ 565,420
Services and supplies	3,382,919	3,336,725	1,085,115	2,251,610
Other charges	167,000	213,194	222,908	(9,714)
Intrafund transfers	3,150	3,150	9,206	(6,056)
Intrafund abatement	(660,500)	(660,500)	(392,255)	(268,245)
Total	<u>7,553,664</u>	<u>7,553,664</u>	<u>5,020,649</u>	<u>2,533,015</u>
Animal Control:				
Salaries and employee benefits	2,160,846	2,160,846	2,084,099	76,747
Services and supplies	738,531	895,257	844,269	50,988
Other charges	6,000	10,274	7,029	3,245
Fixed assets	175,000	175,000	117,208	57,792
Other financing uses	-	35,000	1,001	33,999
Intrafund transfers	1,077,994	1,117,994	1,080,848	37,146
Intrafund abatement	(15,000)	(15,000)	(1,527)	(13,473)
Total	<u>4,143,371</u>	<u>4,379,371</u>	<u>4,132,927</u>	<u>246,444</u>
Public Guardian:				
Salaries and employee benefits	1,386,380	1,386,380	1,337,778	48,602
Services and supplies	305,676	261,657	223,929	37,728
Other charges	50,000	94,019	55,700	38,319
Intrafund transfers	472,132	472,132	466,046	6,086
Total	<u>2,214,188</u>	<u>2,214,188</u>	<u>2,083,453</u>	<u>130,735</u>
Cemeteries:				
Salaries and employee benefits	233,231	233,231	229,558	3,673
Services and supplies	90,921	90,921	37,290	53,631
Intrafund transfers	64,948	64,948	82,481	(17,533)
Total	<u>389,100</u>	<u>389,100</u>	<u>349,329</u>	<u>39,771</u>
Total Public Protection	<u>188,893,549</u>	<u>190,873,269</u>	<u>157,971,302</u>	<u>32,901,967</u>
<u>Health and Sanitation:</u>				
Public Health:				
Salaries and employee benefits	1,172,808	1,197,808	1,185,560	12,248
Services and supplies	831,646	826,102	463,388	362,714
Other charges	-	5,544	2,529	3,015
Intrafund transfers	489,731	539,731	501,837	37,894
Intrafund abatement	(245,093)	(245,093)	(260,284)	15,191
Total	<u>2,249,092</u>	<u>2,324,092</u>	<u>1,893,030</u>	<u>431,062</u>
Environmental Management:				
Salaries and employee benefits	2,666,390	2,666,390	2,301,701	364,689
Services and supplies	263,511	5,111,404	1,449,269	3,662,135
Other charges	300	152,407	145,955	6,452
Intrafund transfers	4,707	4,707	3,995	712
Intrafund abatement	-	-	(342,661)	342,661
Total	<u>2,934,908</u>	<u>7,934,908</u>	<u>3,558,259</u>	<u>4,376,649</u>
Total Health and Sanitation	<u>5,184,000</u>	<u>10,259,000</u>	<u>5,451,289</u>	<u>4,807,711</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>Public Assistance:</u>				
Welfare Administration:				
Salaries and employee benefits	\$ 27,878,282	\$ 27,878,282	\$ 27,198,555	\$ 679,727
Services and supplies	3,976,558	3,923,191	2,884,891	1,038,300
Other charges	3,474,689	3,528,056	3,276,457	251,599
Fixed assets	-	127,429	59,030	68,399
Other financing uses	100,000	100,000	-	100,000
Intrafund transfers	7,999,773	7,999,773	7,752,616	247,157
Total	<u>43,429,302</u>	<u>43,556,731</u>	<u>41,171,549</u>	<u>2,385,182</u>
Social Services Programs:				
Salaries and employee benefits	79,819	79,819	84,047	(4,228)
Services and supplies	24,581	24,581	57,199	(32,618)
Other charges	3,685,570	3,685,570	3,754,360	(68,790)
Intrafund transfers	90,601	90,601	97,906	(7,305)
Total	<u>3,880,571</u>	<u>3,880,571</u>	<u>3,993,512</u>	<u>(112,941)</u>
Categorical Aids:				
Other charges	23,197,942	23,197,942	20,587,760	2,610,182
Total	<u>23,197,942</u>	<u>23,197,942</u>	<u>20,587,760</u>	<u>2,610,182</u>
Aid to Indigents:				
Services and supplies	7,000	6,178	6,590	(412)
Other charges	235,000	235,822	424,996	(189,174)
Fixed assets	-	7,009	7,009	-
Intrafund transfers	-	-	8,668	(8,668)
Total	<u>242,000</u>	<u>249,009</u>	<u>447,263</u>	<u>(198,254)</u>
Veterans' Services:				
Salaries and employee benefits	646,983	646,983	517,875	129,108
Services and supplies	118,848	115,630	90,660	24,970
Other charges	-	3,218	3,218	-
Intrafund transfers	143,254	143,254	106,647	36,607
Intrafund abatement	(90,700)	(90,700)	(74,867)	(15,833)
Total	<u>818,385</u>	<u>818,385</u>	<u>643,533</u>	<u>174,852</u>
Total Public Assistance	<u>71,568,200</u>	<u>71,702,638</u>	<u>66,843,617</u>	<u>4,859,021</u>
<u>Education:</u>				
County Library:				
Salaries and employee benefits	3,759,244	3,758,044	3,266,164	491,880
Services and supplies	1,045,884	942,165	900,485	41,680
Other charges	-	134,919	134,755	164
Fixed assets	50,000	50,000	7,276	42,724
Intrafund transfers	19,555	20,555	4,332	16,223
Total	<u>4,874,683</u>	<u>4,905,683</u>	<u>4,313,012</u>	<u>592,671</u>
Total Education	<u>4,874,683</u>	<u>4,905,683</u>	<u>4,313,012</u>	<u>592,671</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS) (CONTINUED)</b>				
<u>Recreation and Cultural Services:</u>				
Recreation:				
Salaries and employee benefits	\$ 796,186	\$ 796,186	\$ 636,077	\$ 160,109
Services and supplies	2,096,068	1,095,763	496,368	599,395
Other charges	136,496	136,801	124,120	12,681
Fixed assets	2,705,793	3,740,793	1,820,547	1,920,246
Other financing uses	1,500	1,500	8,910	(7,410)
Intrafund transfers	158,850	158,850	43,660	115,190
Intrafund abatement	(1,000,000)	(1,000,000)	-	(1,000,000)
Total	<u>4,894,893</u>	<u>4,929,893</u>	<u>3,129,682</u>	<u>1,800,211</u>
Historical Museum:				
Salaries and employee benefits	121,736	121,736	136,269	(14,533)
Services and supplies	27,411	27,243	22,514	4,729
Other charges	-	168	168	-
Total	<u>149,147</u>	<u>149,147</u>	<u>158,951</u>	<u>(9,804)</u>
Total Recreation and Cultural Services	<u>5,044,040</u>	<u>5,079,040</u>	<u>3,288,633</u>	<u>1,790,407</u>
<u>Contingency:</u>				
Appropriation for contingencies	16,750,000	10,963,008	-	10,963,008
Total	<u>16,750,000</u>	<u>10,963,008</u>	<u>-</u>	<u>10,963,008</u>
Total Contingency	<u>16,750,000</u>	<u>10,963,008</u>	<u>-</u>	<u>10,963,008</u>
Total Charges to Appropriations	<u>417,160,117</u>	<u>432,652,063</u>	<u>332,942,808</u>	<u>99,709,255</u>
<b>BUDGETARY FUND BALANCES, JUNE 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,299,989</u>	<u>\$ 62,299,989</u>

See accompanying Notes to Budgetary Comparison Schedule.



**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

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	\$ 395,242,797
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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	(76,934,172)
Transfers in from other funds are inflows of budgetary resources, but are not revenues for financial reporting purposes	(44,965,923)
Interfund revenues from other governmental funds are inflows of budgetary resources, but are eliminated for financial reporting purposes	(11,141,338)
Proceeds from the lease agreements are not revenues for financial reporting purposes	(844,599)
Proceeds from SBITAs are not revenues for financial reporting purposes	(286,630)
Proceeds from the sale of capital assets are not revenues for financial reporting purposes	<u>(2,027)</u>

Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	<u>\$ 261,068,108</u>
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Uses/Outflows of Resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 332,942,808
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Difference budget to GAAP:

Transfers out to other funds are outflows of budgetary resources, but are not expenditures for financial reporting purposes	(36,297,915)
Interfund expenditures to other governmental funds are outflows of budgetary resources, but are eliminated for financial reporting purposes	<u>(11,141,338)</u>

Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	<u>\$ 285,503,555</u>
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See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
ROAD FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>BUDGETARY FUND BALANCES, JULY 1</b>	\$ 8,363,048	\$ 8,363,048	\$ 8,363,048	\$ -
<b>RESOURCES (INFLOWS)</b>				
Taxes and Assessments	235,000	235,000	6,366	(228,634)
Licenses, Permits, and Franchises	757,925	735,655	2,023,470	1,287,815
Revenue from Use of Money and Property	(22,024)	(22,024)	73,739	95,763
Intergovernmental Revenues - State	18,578,434	18,701,852	9,273,278	(9,428,574)
Intergovernmental Revenues - Federal	64,945,797	66,303,479	32,480,038	(33,823,441)
Charges for Services	9,459,550	9,459,550	6,599,120	(2,860,430)
Miscellaneous Revenues	38,500	38,500	148,929	110,429
Other Financing Sources	39,973,848	45,731,865	31,730,147	(14,001,718)
Total	<u>133,967,030</u>	<u>141,183,877</u>	<u>82,335,087</u>	<u>(58,848,790)</u>
Amounts Available for Appropriations	<u>142,330,078</u>	<u>149,546,925</u>	<u>90,698,135</u>	<u>(58,848,790)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
<u>Public Ways and Facilities:</u>				
Salaries and employee benefits	19,585,814	19,585,814	18,626,019	959,795
Services and supplies	102,961,087	107,970,940	52,558,240	55,412,700
Other charges	7,403,276	7,885,034	7,088,624	796,410
Fixed assets	13,023,646	13,338,034	5,625,051	7,712,983
Other financing uses	-	10,848	10,848	-
Intrafund transfers	5,000,000	5,000,000	-	5,000,000
Intrafund abatement	(5,643,745)	(5,643,745)	(232,342)	(5,411,403)
Appropriation for contingencies	-	1,400,000	-	1,400,000
Total Public Ways and Facilities	<u>142,330,078</u>	<u>149,546,925</u>	<u>83,676,440</u>	<u>65,870,485</u>
Total Charges to Appropriations	<u>142,330,078</u>	<u>149,546,925</u>	<u>83,676,440</u>	<u>65,870,485</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,021,695</u>	<u>\$ 7,021,695</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
ROAD FUND  
YEAR ENDED JUNE 30, 2023**

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	\$ 90,698,135
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	(8,363,048)
Transfers in from other funds are inflows of budgetary resources, but are not revenues for financial reporting purposes	(31,647,898)
Interfund revenues from other governmental funds are inflows of budgetary resources, but are eliminated for financial reporting purposes	(930,325)
Proceeds from the lease agreements are not revenues for financial reporting purposes	(6,388)
Proceeds from the sale of capital assets are not revenues for financial reporting purposes	(55,684)
Proceeds from insurance are not revenues for financial reporting purposes	<u>(20,177)</u>
 Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	 <u><u>\$ 49,674,615</u></u>

Uses/Outflows of Resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 83,676,440
Difference budget to GAAP:	
Transfers out to other funds are outflows of budgetary resources, but are not expenditures for financial reporting purposes	(10,848)
Interfund expenditures to other governmental funds are outflows of budgetary resources, but are eliminated for financial reporting purposes	<u>(930,325)</u>
 Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	 <u><u>\$ 82,735,267</u></u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
AMERICAN RESCUE PLAN ACT FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>BUDGETARY FUND BALANCES, JULY 1</b>	\$ 32,331,092	\$ 32,331,092	\$ 1,000	(32,330,092)
<b>RESOURCES (INFLOWS)</b>				
Intergovernmental Revenues - Federal	-	-	7,573,041	7,573,041
Total	-	-	7,573,041	7,573,041
Amounts Available for Appropriations	<u>32,331,092</u>	<u>32,331,092</u>	<u>7,574,041</u>	<u>(24,757,051)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
<u>General Government:</u>				
Services and supplies	3,096,128	3,096,128	2,955,801	140,327
Other charges	6,045,776	6,045,776	217,494	5,828,282
Fixed assets	1,700,000	1,700,000	1,700,000	-
Other financing uses	5,397,904	6,536,704	-	6,536,704
Appropriations for contingencies	13,390,538	12,251,738	-	12,251,738
Total General Government	<u>29,630,346</u>	<u>29,630,346</u>	<u>4,873,295</u>	<u>24,757,051</u>
<u>Public Protection:</u>				
Salaries and employee benefits	15,344	15,344	15,344	-
Total Public Protection	<u>15,344</u>	<u>15,344</u>	<u>15,344</u>	<u>-</u>
<u>Health and Sanitation:</u>				
Salaries and employee benefits	124,858	124,858	124,858	-
Services and supplies	2,527,268	2,527,268	2,527,268	-
Other charges	6,459	6,459	6,459	-
Total Health and Sanitation	<u>2,658,585</u>	<u>2,658,585</u>	<u>2,658,585</u>	<u>-</u>
<u>Recreation:</u>				
Services and supplies	26,817	26,817	26,817	-
Total Recreation	<u>26,817</u>	<u>26,817</u>	<u>26,817</u>	<u>-</u>
Total Charges to Appropriations	<u>32,331,092</u>	<u>32,331,092</u>	<u>7,574,041</u>	<u>24,757,051</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
AMERICAN RESCUE PLAN ACT FUND (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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	<u>\$ 7,574,041</u>
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	<u>(1,000)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance governmental funds	<u><u>\$ 7,573,041</u></u>

Uses/Outflows of Resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	<u>\$ 7,574,041</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance governmental funds	<u><u>\$ 7,574,041</u></u>

*See accompanying Notes to Budgetary Comparison Schedule.*

**COUNTY OF EL DORADO**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**NOTES TO BUDGETARY COMPARISON SCHEDULES**  
**JUNE 30, 2023**

**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.

**COUNTY OF EL DORADO  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICES FUNDS  
JUNE 30, 2023**

	<b>Fleet Management</b>	<b>Risk Management Authority</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 3,998,526	\$ 29,438,632	\$ 33,437,158
Accounts Receivable	-	228,086	228,086
Deposits	-	83,100	83,100
Inventories	58,684	-	58,684
Prepaid Expenses	1,000	2,809,235	2,810,235
<b>Total Current Assets</b>	<b>4,058,210</b>	<b>32,559,053</b>	<b>36,617,263</b>
Capital Assets:			
Land	40,000	-	40,000
Structures and Improvements	213,088	-	213,088
Equipment	16,698,634	1,920	16,700,554
Accumulated Depreciation	(6,900,290)	(1,920)	(6,902,210)
<b>Total Capital Assets, Net of     Accumulated Depreciation</b>	<b>10,051,432</b>	<b>-</b>	<b>10,051,432</b>
<b>Total Assets</b>	<b>14,109,642</b>	<b>32,559,053</b>	<b>46,668,695</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	144,433	564,524	708,957
Salaries and Benefits Payable	14,923	37,837	52,760
Liability for Self-Insurance	-	4,100,325	4,100,325
Compensated Absences - Due in One Year	4,931	8,249	13,180
<b>Total Current Liabilities</b>	<b>164,287</b>	<b>4,710,935</b>	<b>4,875,222</b>
Long-Term Liabilities:			
Liability for Self-Insurance	-	12,253,675	12,253,675
Compensated Absences - Due Beyond One Year	39,900	66,740	106,640
<b>Total Long-Term Liabilities</b>	<b>39,900</b>	<b>12,320,415</b>	<b>12,360,315</b>
<b>Total Liabilities</b>	<b>204,187</b>	<b>17,031,350</b>	<b>17,235,537</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	10,051,432	-	10,051,432
Restricted for General Government and Support Programs	3,265,174	-	3,265,174
Unrestricted	588,849	15,527,703	16,116,552
<b>Total Net Position</b>	<b>\$ 13,905,455</b>	<b>\$ 15,527,703</b>	<b>\$ 29,433,158</b>

**COUNTY OF EL DORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICES FUNDS**  
**YEAR ENDED JUNE 30, 2023**

	<b>Fleet Management</b>	<b>Risk Management Authority</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Service Fees	\$ 3,551,231	\$ 44,613,378	\$ 48,164,609
<b>Total Operating Revenues</b>	<u>3,551,231</u>	<u>44,613,378</u>	<u>48,164,609</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	423,254	992,980	1,416,234
Services and Supplies	853,389	47,195,880	48,049,269
Depreciation	1,082,842	-	1,082,842
<b>Total Operating Expenses</b>	<u>2,359,485</u>	<u>48,188,860</u>	<u>50,548,345</u>
<b>OPERATING INCOME (LOSS)</b>	<u>1,191,746</u>	<u>(3,575,482)</u>	<u>(2,383,736)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	(31,234)	317,416	286,182
Gain (Loss) on Sale of Capital Assets	31,428	-	31,428
Miscellaneous Nonoperating Revenue	2,296	417,528	419,824
<b>Total Nonoperating Revenues (Expenses)</b>	<u>2,490</u>	<u>734,944</u>	<u>737,434</u>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	<u>1,194,236</u>	<u>(2,840,538)</u>	<u>(1,646,302)</u>
<b>TRANSFERS AND CAPITAL CONTRIBUTIONS</b>			
Transfers In	355,331	-	355,331
Capital Contributions (Deductions)	92,334	-	92,334
<b>Total Transfers and Capital Contributions</b>	<u>447,665</u>	<u>-</u>	<u>447,665</u>
<b>CHANGE IN NET POSITION</b>	1,641,901	(2,840,538)	(1,198,637)
<b>Net Position - Beginning of Year</b>	<u>12,263,554</u>	<u>18,368,241</u>	<u>30,631,795</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 13,905,455</u>	<u>\$ 15,527,703</u>	<u>\$ 29,433,158</u>



**COUNTY OF EL DORADO  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICES FUNDS  
YEAR ENDED JUNE 30, 2023**

	<b>Fleet Management</b>	<b>Risk Management Authority</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts from Internal Fund Services Provided	\$ 3,551,231	\$ 44,685,523	\$ 48,236,754
Cash Paid to Suppliers for Goods and Services	(894,104)	(44,152,386)	(45,046,490)
Cash Paid to Employees for Services	(414,008)	(1,016,098)	(1,430,106)
<b>Net Cash Provided for (Used) by Operating Activities</b>	<u>2,243,119</u>	<u>(482,961)</u>	<u>1,760,158</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Received from (Paid to) Other Funds	355,331	-	355,331
Nonoperating Receipts	2,296	417,528	419,824
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>357,627</u>	<u>417,528</u>	<u>775,155</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from Sale of Capital Assets	139,881	-	139,881
Payments Related to the Acquisition of Capital Assets	(1,043,935)	-	(1,043,935)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(904,054)</u>	<u>-</u>	<u>(904,054)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	(31,234)	317,416	286,182
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>(31,234)</u>	<u>317,416</u>	<u>286,182</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,665,458	251,983	1,917,441
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>2,333,068</u>	<u>29,186,649</u>	<u>31,519,717</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 3,998,526</u>	<u>\$ 29,438,632</u>	<u>\$ 33,437,158</u>

**COUNTY OF EL DORADO  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICES FUNDS  
YEAR ENDED JUNE 30, 2023**

	<b>Fleet Management</b>	<b>Risk Management Authority</b>	<b>Total</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 1,191,746	\$ (3,575,482)	\$ (2,383,736)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	1,082,842	-	1,082,842
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	-	72,145	72,145
Inventory	(18,760)	-	(18,760)
Deposits and Prepaid Expenses	(28)	(264,838)	(264,866)
Increase (Decrease) in:			
Accounts Payable	(21,927)	130,332	108,405
Salaries Payable	4,640	8,667	13,307
Liability for Compensated Absences	4,606	(31,785)	(27,179)
Liability for Self-Insurance	-	3,178,000	3,178,000
	<b>\$ 2,243,119</b>	<b>\$ (482,961)</b>	<b>\$ 1,760,158</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 2,243,119</b>	<b>\$ (482,961)</b>	<b>\$ 1,760,158</b>



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