

County of Sutter  
State of California

**Annual Financial Report**  
For the Fiscal Year Ended June 30, 2024



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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Sutter, California (the "County"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***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'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.



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

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

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

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

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

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

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

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



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

### ***Supplementary Information***

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

### ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 6, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

***LSL, LLP***

Sacramento, California  
August 6, 2025

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## Financial Highlights

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

As management of the County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's Basic Financial Statements, which immediately follow this section. All dollar amounts are expressed in thousands.

### Government-wide Financial Analysis

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$141,939 (See Statement of Net Position beginning on page 21):

- \$109,559 represents the County's investment in capital assets, less (1) accumulated depreciation, (2) related outstanding debt used to acquire those assets, and (3) related deferred inflows of resources,
- \$141,216 is available for the County's ongoing obligations related to programs with external restrictions, and;
- \$(108,836) in unrestricted net position is primarily the result of the County's unfunded pension and Other Postemployment Benefits (OPEB) liabilities.

The County's total net position increased by \$14,528 over the prior year:

- The \$8,666 increase in net position from the net investment in capital assets represents capital acquisitions and deletions, less current year depreciation, and the addition and/or retirement of related long-term debt and deferred inflows of resources,
- The \$16,001 increase in restricted net position represents the change in resources that are subject to external restrictions on their use, and;
- The \$10,139 decrease in unrestricted net position is the change available to fund County programs to citizens and debt obligations to creditors.

### Financial Analysis of the County's Funds

The County's governmental funds' combined ending fund balance of \$157,395, was an increase of \$11,318 from the prior year ending fund balance of \$146,077. Amounts available for spending include Restricted, Committed, Assigned and Unassigned Fund Balances; these totaled \$155,139 or 99% of ending fund balance. Of this amount:

- \$123,114 is restricted by law or externally imposed requirements,
- \$17,389 is committed for specific purposes,
- \$1,032 is assigned fund balance, and;
- \$13,603 is unassigned fund balance.

Spendable fund balance for the General Fund decreased \$4,111 to \$39,171, which equates to 1.18 of total General Fund expenditures for the year.



## Description of the Basic Financial Statements

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

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

### Government-wide Financial Statements

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

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

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

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

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

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

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

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

## **Fund Financial Statements**

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

The County's funds are divided into three types:

- Governmental funds
- Proprietary funds
- Fiduciary funds

### **Governmental Funds**

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

The County maintains approximately 39 individual governmental funds combined into 21 funds for financial reporting purposes. The County segregates from the General Fund a number of significant functions in 6 major funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Bi-County Behavioral Health, Welfare, Public Safety/Trial Courts, Public Health, Public Safety Realignment, and 1991 Realignment, all considered major funds. Data for the other 14 governmental funds are provided in the form of combining statements elsewhere in this report.

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

*Pages 25 - 31 of this report display the Governmental Funds Financial Statements.*

### **Proprietary Funds**

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

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

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

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

*Page 32 - 34 of this report display the Proprietary Funds Financial Statements.*

### **Fiduciary Funds**

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

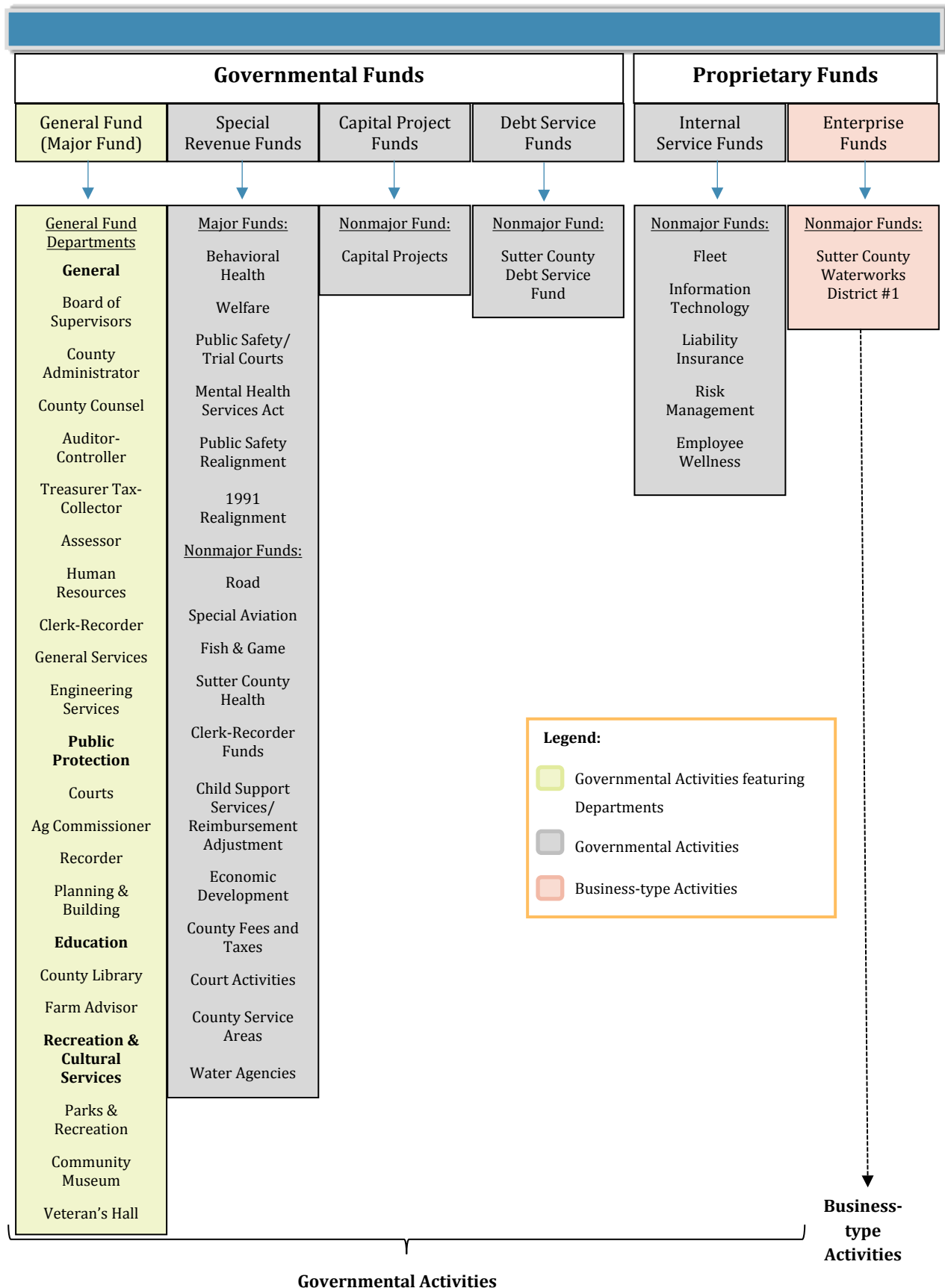
Pages 36 - 37 of this report display the Fiduciary Funds Financial Statements.

## **Notes to the Financial Statements**

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

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

*Notes to the Financial Statements start on Page 39 of this report.*



## Government-wide Financial Analysis

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

	Governmental Activities		Business-Type Activities		Total		Total	
	2024	2023	2024	2023	2024	2023	Dollar Change 2023 to 2024	% Change 2023 to 2024
Current and other assets	\$ 223,288	\$ 203,257	\$ 187	\$ 244	\$ 223,475	\$ 203,501	\$ 19,974	10%
Capital assets	126,709	117,099	918	1,048	127,627	118,146	9,480	8%
Total Assets	349,997	320,355	1,104	1,292	351,102	321,647	29,454	9%
Deferred outflows of resources								
Deferred OPEB	2,487	912	-	-	2,487	912	1,575	173%
Deferred pension	57,796	60,774	-	-	57,796	60,774	(2,979)	(5%)
Total deferred outflows of resources	60,282	61,687	-	-	60,282	61,687	(1,404)	(2%)
Current and other liabilities	39,723	33,477	91	34	39,813	33,512	6,302	19%
Long term liabilities	222,298	212,264	77	92	222,374	212,356	10,018	5%
Total Liabilities	262,021	245,742	167	126	262,188	245,868	16,320	7%
Deferred inflows of resources								
Leases	278	517			278	517	(239)	(46%)
Deferred OPEB	5,158	5,401	-	-	5,158	5,401	(243)	(5%)
Deferred pension	1,821	4,136	-	-	1,821	4,136	(2,316)	(56%)
Total deferred inflows of resources	7,257	10,055	-	-	7,257	10,055	(2,559)	(25%)
Net investment in capital assets	108,733	99,953	826	939	109,559	100,893	8,666	9%
Restricted	141,216	125,215	-	-	141,216	125,215	16,001	13%
Unrestricted	(108,947)	(98,923)	111	226	(108,836)	(98,697)	(10,139)	10%
Total Net Position	\$ 141,002	\$ 126,245	\$ 937	\$ 1,165	\$ 141,939	\$ 127,411	\$ 14,528	11%

As noted earlier, over time, net position may serve as a useful indicator of a government's financial condition. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$141,939 at the close of the current fiscal year.

### Analysis of Net Position

The County's total net position increased by \$14,528, or 11%, during the fiscal year. As described below, the County experienced a net decrease mainly due to reductions in restricted net position and changes in net investment in capital assets.

#### Restricted net position

Restricted net position of \$141,216 represents resources that subject to external restrictions on their use or by enabling legislation. Due to the unique nature of funding sources and the unrestricted impact of the net pension and OPEB liabilities, the County has significantly more restricted net position dollars than unrestricted net position dollars. Restricted net position is comprised of the following:

- \$55,540 (39.3%) for health and sanitation.
- \$35,630 (25.2%) for public protection.
- \$24,009 (17.0%) for public ways and facilities.
- \$2,091 (1.5%) for public assistance
- \$6,793 (4.8%) for taxes and fees.
- \$11,020 (7.8%) for other restrictions.
- \$6,134 (4.3%) for general government.

Restricted net position increased \$16,001, or 13%.

### Net investment in capital assets

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

Capital Assets (in thousands)				
<b>Governmental</b>	2024	2023	Variance Amount	Percentage Change
Investment in capital assets (net of accumulated depreciation and amortization)	\$ 126,709	\$ 117,098	\$ 9,611	8%
Less:				
Related Debt	(17,954)	(17,038)	(916)	5%
Net Investment in Capital Assets - Governmental	\$ 108,754	\$ 100,060	\$ 8,694	9%
<b>Business-Type</b>	2024	2023	Variance Amount	Percentage Change
Investment in capital assets (net of accumulated depreciation and amortization)	\$ 918	\$ 1,048	\$ (130)	(12%)
Less:				
Related Debt	(114)	(216)	102	(47%)
Net Investment in Capital Assets - Business-Type	\$ 804	\$ 832	\$ (28)	(3%)
<b>Grand Total</b>	<u>\$ 109,559</u>	<u>\$ 100,892</u>	<u>\$ 8,666</u>	

The \$8,666, or 8.6% increase in net position from the net investment in capital assets represents capital acquisitions and deletions, less current year depreciation/amortization, and the addition and/or retirement of related long-term debt and deferred inflows of resources. The County recorded depreciation and amortization expense of \$7,519. Significant additions related to capital assets and associated debts are presented in the following pages.

### Unrestricted net position

The negative unrestricted net position of \$(108,836) increased by \$(10,139), or 10.3% from the prior year. The majority of negative unrestricted net position is primarily the result of the County's unfunded pension and OPEB liabilities offset by positive unrestricted net position predominately in the County's General Fund.

A summary of the changes in net position from 2023 to 2024 is presented below.

Changes in Net Position (in thousands)							
	Governmental Activities		Business-Type Activities		Total		Total
	2024	2023	2024	2023	2024	2023	Dollar Change 2023 to 2024
<b>Program revenues:</b>							% Change 2023 to 2024
Fees, fines & charges							
for services	\$ 32,779	\$ 25,977	\$ 148	\$ 147	\$ 32,927	\$ 26,124	\$ 6,802 26%
Operating grants	175,647	181,015	-	-	175,647	181,015	(5,368) -3%
Capital grants	-	-	-	-	-	-	- 0%
Total program revenues	208,426	206,992	148	147	208,574	207,139	1,435 1%
<b>General revenues:</b>							
Property taxes	40,090	37,294	-	-	40,090	37,294	2,796 7%
Franchise taxes	5,749	2,556	-	-	5,749	2,556	3,193 125%
Sales and use taxes	2,377	6,510	-	-	2,377	6,510	(4,133) -63%
Transportation taxes	604	230	-	-	604	230	374 163%
Transfer taxes	517	447	-	-	517	447	70 16%
Other	209	311	-	-	209	311	(102) -33%
Unrestricted interest and investment earnings	8,569	2,393	14	8	8,583	2,401	6,182 257%
Tobacco settlement	867	972	-	-	867	972	(105) -11%
Miscellaneous	3,002	2,103	-	-	3,002	2,103	899 43%
Total general revenues	61,983	52,816	14	8	61,997	52,824	9,173 17%
<b>Total revenues</b>	<b>270,410</b>	<b>259,808</b>	<b>162</b>	<b>156</b>	<b>270,571</b>	<b>259,964</b>	<b>10,607 4%</b>
<b>Expenses:</b>							
General government	36,415	31,812	-	-	36,415	31,812	4,603 14%
Public protection	65,705	57,794	-	-	65,705	57,794	7,911 14%
Public ways and facilities	6,709	13,607	-	-	6,709	13,607	(6,898) -51%
Health and sanitation	77,222	65,504	-	-	77,222	65,504	11,718 18%
Public assistance	66,200	58,403	-	-	66,200	58,403	7,797 13%
Education	2,355	2,174	-	-	2,355	2,174	181 8%
Recreation and culture	845	660	-	-	845	660	185 28%
Community development	-	-	-	-	-	-	- 0%
Interest and fiscal charges	202	389	-	-	202	389	(186) -48%
Water Works District No. 1	-	-	390	299	390	299	91 30%
<b>Total expenses</b>	<b>255,652</b>	<b>230,341</b>	<b>390</b>	<b>299</b>	<b>256,042</b>	<b>230,640</b>	<b>25,402 11%</b>
<b>Excess (deficiency) of revenues over (under) expenses</b>	<b>14,757</b>	<b>29,467</b>	<b>(228)</b>	<b>(143)</b>	<b>14,529</b>	<b>29,323</b>	<b>(14,795) -50%</b>
Transfers	-	-	-	-	-	-	- 0%
<b>Change in Net Position</b>	<b>14,757</b>	<b>29,466</b>	<b>(228)</b>	<b>(143)</b>	<b>14,529</b>	<b>29,323</b>	<b>(14,795) -50%</b>
Net Position - Beg. of Year, as previously reported	126,184	96,779	1,165	1,309	127,349	98,088	29,261 30%
Restatement for error correction	61	-	-	-	61	-	61 100%
Net Position - Beg. of Year, restated	126,245	96,779	1,165	1,309	127,411	98,088	29,323 30%
<b>Net Position - End of Year</b>	<b>\$ 141,002</b>	<b>\$ 126,245</b>	<b>\$ 937</b>	<b>\$ 1,165</b>	<b>\$ 141,939</b>	<b>\$ 127,410</b>	<b>\$ 14,528 11%</b>

## Analysis of Governmental Activities

Governmental activities increased the County's net position by \$14,757 to \$141,002. Revenues were unable to keep pace with operating expenditures primarily due to increasing costs and growing demand for

### Revenues

Total revenues for the County's Governmental Activities had an overall increase from the prior year of \$10,602, or 4.1%, to \$270,410. Revenues are divided into two categories: Program Revenues and General Revenues.

*Program Revenues* had an overall increase of \$1,434, or 1%, to \$208,426, from the prior year. As an arm of the State government, a significant portion of the charges for services and operating grants and contributions are tied to mandated programs such as welfare, health and behavioral health services. Total program revenues represent 77% of the County's funding for governmental activities.

- *Fees, fines and & charges for services* increased \$6,802, or 26.04%, to \$32,927.
- *Operating grants* (intergovernmental revenues) decreased \$(5,368), or 2.97%, to \$175,647.

*General Revenues* had an overall increase of \$9,167, or 4%, to \$61,983, from the prior year. These revenues included general taxes which provided the Board of Supervisors with the most discretionary spending ability. Since the formation of California County government in the 1850's, basic public safety services such as sheriff, fire, probation, and district attorney consume most of these resources. The increase in general revenues is due primarily to:

- *Sales and use tax* shrank \$(4,133), or 63.49%, to \$2,377.
- *Property taxes* increase \$2,796, or 7.50%, to \$40,090.
- *Franchise tax* increase \$3,193, or 125%, to \$5,749.

*Expenses* had an overall increase for all activities of \$25,402, or 11.01%, to \$256,042 from the prior year.

## Analysis of Business-type Activities

The net position of business-type activities decreased by \$(228), or 20%, to \$937. In June 2021, the California Public Utilities Commission approved the transfer of the water system to Golden State Water Company (GSWC). GSWC is responsible for the operation, maintenance, and compliance of the system as of May 1, 2022. The district is a separate but dependent district, and the Sutter County Board of Supervisors sits as its Board of Directors. The Sutter County Water Works District No. 1 (District) is responsible for providing only wastewater service to the community of Robbins.

## Financial Analysis of the County's Fund Balance

Fund Balances (in thousands)

	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total		Total	
						2024	2023	Dollar Change 2023 to 2024	% Change 2023 to 2024
<b>General Fund</b>	\$ 1,220	\$ 9,494	\$ 15,476	\$ 598	\$ 13,603	\$ 40,391	\$ 45,178	\$ (4,787)	(10.6%)
<b>Major Funds</b>									
Bi-County Behavioral Health	0	6,204	-	-	-	6,205	7,717	(1,513)	(19.6%)
Welfare	4	399	-	567	-	970	496	474	95.6%
Public Safety/Trial Courts	133	5,265	26	364	-	5,788	4,935	854	17.3%
Public Health	0	5,147	-	96	-	5,243	4,017	1,226	30.5%
Public Safety Realignment	-	29,788	-	-	-	29,788	28,093	1,695	6.0%
1991 Realignment	-	23,685	-	-	-	23,685	17,130	6,555	38.3%
<b>Other Governmental Funds</b>	899	43,131	1,295	-	-	45,325	38,512	6,814	17.7%
<b>Total Fund Balances</b>	<u>\$ 2,256</u>	<u>\$ 123,114</u>	<u>\$ 16,797</u>	<u>\$ 1,625</u>	<u>\$ 13,603</u>	<u>\$ 157,395</u>	<u>\$ 146,077</u>	<u>\$ 11,318</u>	<u>7.7%</u>

## Governmental Funds

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



At June 30, 2024, the County's Governmental Funds reported total fund balance of \$157,395, a \$11,318 increase in comparison with the prior year's total ending fund balances. The components of total fund balance are as follows (for more information see Note 12 – Fund Balance Classifications):

- *Nonspendable Fund Balance*, \$2,256, are amounts that are not spendable in form, or are legally or contractually required to be maintained intact and are made up of (1) long-term receivables of \$2,058, (2) prepaid expenses of \$164, (3) inventory of \$16, and (4) other nonspendable fund balance of \$893.
- *Restricted Fund Balance*, \$123,114, consists of amounts with constraints put on their use by creditors, grantors, contributors, laws, regulations, or enabling legislation. Examples of restrictions on funds are those for (1) purpose of fund (i.e. flood control), (2) grants for capital outlay, and (3) legislated amounts reserved for healthcare.
- *Committed Fund Balance*, \$17,389, consists of amounts for specific purposes determined by the Board, which includes capital projects.
- *Assigned Fund Balance*, \$1,032, comprises amounts intended to be used for specific purposes that are neither restricted nor committed.
- *Unassigned Fund Balance*, \$13,603, represents the residual balance for the County's Governmental Funds.

Approximately 99%, or \$155,139 of the total fund balance is spendable which means it is available to meet the County's current and future needs provided that any external restrictions are met. With the approval of the Board, County management can earmark a portion of fund balance to a particular function, project or activity, and can also earmark it for purposes beyond the current year, within the constraints applied to the various categories of fund balance. With the exception of the nonspendable portion, fund balances are available for appropriation at any time.

### General Fund

The General Fund is the main operating fund of the County. The General Fund's total fund balance increased by \$(4,787), or 10.6%, to \$40,391 at June 30, 2024.

The spendable portion of fund balance decreased \$39,171. The nonspendable portion of fund balance increased \$1,220, to 35.7%.

As a measure of the General Fund's liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. Total fund balance equates to 1.22 of total General Fund expenditures while spendable fund balance equates to 1.18 of total General Fund expenditures. Of the General Fund spendable fund balance, \$9,494, or 24.2%, is restricted, \$15,476 or 40% is committed, and \$13,603, or 35% is unassigned.

### Major Funds

The County has six other major governmental funds. The Bi-County Behavioral Health fund has a total fund balance of \$6,205, the Welfare fund of \$970, the Public Safety/Trial Courts fund of \$5,788, Public Health Fund of \$5,243, Public Safety Realignment fund of \$29,788, and 1991 Realignment of \$23,685 at the end of the year. The other governmental funds' fund balances decreased \$6,814, or 17.7%, to \$45,325. The six other major funds had changes in fund balances, including restatements, as follows: Bi-County Behavioral Health fund of \$(1,513), Welfare fund of \$474, Public Safety/Trial Courts of \$854, Public Health fund of \$1,226, Public Safety/Realignment of \$1,695, and 1991 Realignment of \$6,555.

### Proprietary Funds

The enterprise funds total net position, which consists of Waterworks District No. 1, decreased \$(228), or 20% from the prior year. Operating revenues decreased 18%, or \$148, while operating expenses decreased 18% to \$390. Operating deficits have been experienced over the past couple of years; \$213 in 2021 and \$264 in 2022. Accordingly,

operating revenues may have to be raised, in the future to meet the operating expenses of the utility district.

Total internal service funds' net position increased by \$3,597, or 10%, and ended with a positive balance of \$6,381. This significant change is primarily due Worker's Compensation Fund decline in claims payable and changes in estimates.

## Capital Assets & Debt

### Capital Assets

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

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar Change	% Change
	2024	2023	2024	2023	2024	2023	2023 to 2024	2023 to 2024
Land	\$ 6,273	\$ 6,273	\$ 58	\$ 58	\$ 6,331	\$ 6,331	\$ -	0.0%
Easements	5	5	-	-	5	5	-	100.0%
Construction in Progress	21,059	22,330	-	-	21,059	22,330	(1,272)	-5.7%
Capital assets, not being depreciated/amortized	27,337	28,609	58	58	27,395	28,667	(1,272)	-4.4%
Land Improvements	1,159	873	-	-	1,159	873	286	32.8%
Structures and improvements	46,421	48,144	860	990	47,281	49,134	(1,853)	-3.8%
Equipment	3,322	3,551	-	-	3,322	3,551	(229)	-6.4%
Vehicles	4,666	3,121	-	-	4,666	3,121	1,545	49.5%
Infrastructure	26,613	25,871	-	-	26,613	25,871	742	2.9%
Software	437	656	-	-	437	656	(219)	-33.4%
Lease asset	2,540	3,281	-	-	2,540	3,281	(741)	-22.6%
Subscription asset*	14,213	2,993	-	-	14,213	2,993	11,220	
Capital assets, net of accumulated depreciation/amortization	99,372	88,490	860	990	100,232	89,480	10,751	12.0%
Total	\$ 126,709	\$ 117,099	\$ 918	\$ 1,048	\$ 127,627	\$ 118,147	\$ 9,480	8.0%

During the fiscal year, the County's investment in capital assets, net of accumulated depreciation, increased by \$9,480 or 8.0% from the prior year. This investment was in a range of capital assets, leased and subscription assets including construction in progress (CIP), equipment, and vehicles. Major capital asset additions include:

- \$1,319, Fortna Road Bridge Replacement
- \$1,328, 15 public safety - Sheriff vehicles
- \$625, fire truck
- \$357, 4 parking lot repairs

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

- \$1,636, several bridge replacements
- \$230, jail conduit project

- \$277, 2 quick attack fire trucks

*Additional capital asset information, including depreciation, amortization, and outstanding CIP as of June 30, 2024, can be found in Note 5 of the Notes to the Financial Statements.*

## Debt

### Outstanding Debt (in thousands)

	Governmental Activities		Business-Type Activities		Total		Total	
	2024	2023	2024	2023	2024	2023	Dollar Change 2023 to 2024	% Change 2023 to 2024
Lease Commitments	\$ 2,643	\$ 3,426	\$ -	\$ -	\$ 2,643	\$ 3,426	\$ (782)	-22.8%
Subscriptions	10,519	2,181	-	-	10,519	2,181	8,338	
Other Long-Term Liabilities	4,814	11,539	92	108	4,906	11,647	(6,741)	-57.9%
Total	<u>\$ 17,976</u>	<u>\$ 17,145</u>	<u>\$ 92</u>	<u>\$ 108</u>	<u>\$ 18,068</u>	<u>\$ 17,254</u>	<u>\$ 814</u>	4.7%

During the fiscal year, long-term debt outstanding increased by \$814, or 4.7% from the prior year which includes the recognition of liability from the implementation of GASB 96 – Subscription Based Information Technology Arrangements. Total long-term debt outstanding was \$18,068 at June 30, 2024. This balance consists primarily of long-term liabilities of \$4,906 related to refinancing of Gray Avenue property and Energy Efficient Upgrade Project.

*Additional lease and long-term debt information, including interest rates, future minimum lease payments, and outstanding balances as of June 30, 2024, can be found in Notes 6 and 7 of the Notes to the Financial Statements.*

## General Fund Budgetary Highlights

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

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

### General Fund

	Adopted Budget	Final Budget	Variance	
			Amount	Percent
Total revenues	\$ 67,224	\$ 67,971	\$ 747	1.1%
Total expenditures	(40,935)	(41,868)	(933)	2.3%
Other financing sources (uses)	(46,313)	(45,124)	1,189	(2.6%)
Net change in fund balances	<u>\$ (20,025)</u>	<u>\$ (19,021)</u>	<u>\$ 1,003</u>	<u>5.0%</u>

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

#### General Fund

	Final Budget	Actual	Variance	
			Amount	Percent
Total revenues	\$ 67,971	\$ 67,202	\$ (769)	(1.1%)
Total expenditures	(41,868)	(33,106)	8,762	(20.9%)
Other financing sources (uses)	(45,124)	(38,884)	6,240	(13.8%)
Net change in fund balances	<u>\$ (19,021)</u>	<u>\$ (4,787)</u>	<u>\$ 14,234</u>	<u>(74.8%)</u>

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

The following factors were considered in preparing the County's operating budget for FY 2025:

General revenues include property taxes, fines, sales and use taxes, various revenues from the State, miscellaneous taxes, and other revenues, which are not accounted for in other budget units. For FY 2025, the County estimated an overall increase of \$2,530, or 5.00%, compared to the FY 2024 Adopted Budget. Of that increase, \$2,561 represents an increase from property tax revenues and overhead cost plan reimbursement revenue from non-General Fund departments and agencies. Property tax revenue increase was due to the three-year payback of \$2.25 million to the State, which was completed in FY 23-24. Sales tax revenues have been declining since FY 22-23 and are expected to further decline by \$226,024 (-3.92%).

The Countywide Recommended Budget provides a decrease in appropriations of \$(4,380), or -1.00%, totaling \$477,450 compared to the FY 2024 Adopted Budget. Of that, General Fund appropriations increased by \$(21,222), or -22.30%, to \$73,732.

The County's FY 2025 Recommended Budget can be found at:

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

## Requests for Information

The financial report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning any of the information provided in this reports or requests for additional information should be addressed to Sutter County Auditor-Controller, 1160 Civic Center Boulevard, Suite D, Yuba City, CA 95993. The County's Comprehensive Annual Financial Report can also be found on the County's website.

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# Basic Financial Statements

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**COUNTY OF SUTTER**

Statement of Net Position  
June 30, 2024

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Totals
<b>ASSETS</b>			
Cash and investments (Note 3)	\$ 151,162,280	\$ 134,970	\$ 151,297,250
Cash with fiscal agent (Note 3)	26,304,693	-	26,304,693
Accounts receivable	6,265,791	56,385	6,322,175
less allowance for doubtful accounts	-	(6,026)	(6,026)
Due from other governments	34,456,149	-	34,456,149
Interest receivable	1,460,708	1,228	1,461,936
Taxes receivable	299,030	-	299,030
Lease receivable	296,907	-	296,907
Prepaid expenses	167,466	-	167,466
Inventories	31,060	-	31,060
Loans receivable (Note 4)	2,844,406	-	2,844,406
Capital assets:			
Nondepreciable (Note 5)	27,337,034	58,000	27,395,034
Depreciable, net (Note 5)	99,371,805	859,701	100,231,506
Total Assets	<u>349,997,329</u>	<u>1,104,258</u>	<u>351,101,587</u>
<b>DEFERRED OUTFLOWS OF RESOURCES (Note 8)</b>			
Deferred related to OPEB	2,486,739	-	2,486,739
Deferred related to pension	57,795,707	-	57,795,707
Total Deferred Outflows of Resources	<u>60,282,446</u>	<u>-</u>	<u>60,282,446</u>
<b>LIABILITIES</b>			
Accounts payable	17,693,845	71,779	17,765,624
Salaries and benefits payable	2,697,289	-	2,697,289
Interest payable	154,390	3,338	157,728
Deposits from others	145,371	-	145,371
Unearned revenue	10,676,676	52	10,676,728
Compensated absences (Note 16)	5,341,854	-	5,341,854
Lease payable (Note 6)	992,902	-	992,902
SBITA payable (Note 6)	1,258,417	-	1,258,417
Other Liabilities (Note 7)	762,006	15,409	777,415
Long-Term Liabilities:			
Compensated absences (Note 16)	2,417,025	-	2,417,025
Claims reserve for liability insurance (Note 10)	2,153,177	-	2,153,177
Claims reserve for workers compensation (Note 10)	5,644,185	-	5,644,185
Lease payable (Note 6)	1,650,438	-	1,650,438
SBITA payable (Note 6)	9,260,240	-	9,260,240
Other liabilities (Note 7)	4,051,824	76,700	4,128,524
Total OPEB liability (Note 15)	11,835,740	-	11,835,740
Net pension liability (Note 14)	185,285,137	-	185,285,137
Total Liabilities	<u>262,020,514</u>	<u>167,278</u>	<u>262,187,792</u>
<b>DEFERRED INFLOWS OF RESOURCES (Note 11)</b>			
Deferred related to leases	278,175	-	278,175
Deferred related to OPEB	5,158,122	-	5,158,122
Deferred related to pension	1,820,561	-	1,820,561
Total Deferred Inflow of Resources	<u>\$ 7,256,858</u>	<u>\$ -</u>	<u>\$ 7,256,858</u>

**COUNTY OF SUTTER**

## Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Totals
NET POSITION			
Net investment in capital assets	\$ 108,733,012	\$ 825,592	\$ 109,558,604
Restricted for (Note 13):			
Taxes and fees	6,792,608	-	6,792,608
General government	6,134,074	-	6,134,074
Public protection	35,629,896	-	35,629,896
Public ways and facilities	24,008,637	-	24,008,637
Health and sanitation	55,540,207	-	55,540,207
Public assistance	2,091,277	-	2,091,277
Other	11,019,585	-	11,019,585
Unrestricted	(108,946,893)	111,388	(108,835,505)
Total Net Position	<u>\$ 141,002,403</u>	<u>\$ 936,980</u>	<u>\$ 141,939,383</u>

**COUNTY OF SUTTER**  
Statement of Activities  
For the Year Ended June 30, 2024

Functions/Programs	Direct Expenses	Program Revenues		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 36,414,543	\$ 13,391,485	\$ 1,324,430	\$ -
Public protection	65,704,651	-	31,758,897	-
Public ways and facilities	6,709,038	505,130	9,542,629	-
Health and sanitation	77,221,743	7,856,796	85,313,198	-
Public assistance	66,200,067	11,002,194	46,901,814	-
Education	2,355,170	19,550	768,584	-
Recreation and culture	844,775	4,077	36,566	-
Interest on long-term debt	202,317	-	1,147	-
Total Governmental Activities	<u>255,652,305</u>	<u>32,779,232</u>	<u>175,647,264</u>	<u>-</u>
Business-Type Activities:				
Waterworks District #1	390,066	147,567	-	-
Total Business-type Activities	<u>390,066</u>	<u>147,567</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 256,042,371</u>	<u>\$ 32,926,799</u>	<u>\$ 175,647,264</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property taxes

Sales and use taxes

Transportation taxes

Transfer taxes

Other

Special Assessments

Unrestricted interest and investment earnings

Tobacco settlement

Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning of Year, as previously reported

Restatement for error correction

Net Position - Beginning of Year, restated

Net Position - End of Year



Net (Expense) Revenue and  
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (21,698,628)	\$ -	\$ (21,698,628)
(33,945,754)	-	(33,945,754)
3,338,720	-	3,338,720
15,948,251	-	15,948,251
(8,296,060)	-	(8,296,060)
(1,567,037)	-	(1,567,037)
(804,132)	-	(804,132)
(201,169)	-	(201,169)
(47,225,809)	-	(47,225,809)
-	(242,499)	(242,499)
-	(242,499)	(242,499)
(47,225,809)	(242,499)	(47,468,308)
40,089,527	-	40,089,527
5,748,763	-	5,748,763
2,376,901	-	2,376,901
603,913	-	603,913
516,735	-	516,735
209,073	-	209,073
8,568,902	14,072	8,582,974
866,814	-	866,814
3,002,401	-	3,002,401
61,983,028	14,072	61,997,100
14,757,219	(228,427)	14,528,792
126,183,943	1,165,407	127,349,350
61,240	-	61,240
126,245,183	1,165,407	127,410,590
\$ 141,002,403	\$ 936,980	\$ 141,939,383

**COUNTY OF SUTTER**  
Balance Sheet  
Governmental Funds  
June 30, 2024

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
<b>Assets</b>				
Cash and investments	\$ 22,475,986	\$ 12,816,540	\$ 2,337,528	\$ 6,393,338
Cash with fiscal agent	9,347,709	3,810,150	-	-
Accounts receivable	718,702	2,237,221	639,990	666,681
Due from other governments	2,691,829	11,375,559	3,363,734	3,640,345
Interest receivable	463,196	82,093	7,674	62,307
Taxes receivable	293,230	-	-	-
Lease receivable	296,907	-	-	-
Due from other funds	7,756,392	93,721	8,357,085	3,809,762
Prepaid expenses	28,578	-	1,304	126,949
Inventory	-	-	-	-
Advances to other funds	1,106,917	-	-	-
Loans receivable	75,771	-	-	-
<b>Total Assets</b>	<b>\$ 45,255,216</b>	<b>\$ 30,415,284</b>	<b>\$ 14,707,314</b>	<b>\$ 14,699,383</b>
<b>Liabilities</b>				
Accounts payable	\$ 1,648,833	\$ 6,215,865	\$ 1,576,411	\$ 1,973,046
Salaries and benefits payable	494,045	428,135	499,796	713,823
Deposits from others	126,769	-	-	-
Due to other funds	1,144,819	2,092,115	6,004,702	6,112,274
Advances from other funds	-	1,106,917	-	-
Unearned revenue	47,225	2,657,073	3,964,410	5,401
<b>Total Liabilities</b>	<b>3,461,691</b>	<b>12,500,106</b>	<b>12,045,319</b>	<b>8,804,544</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	1,124,594	11,710,371	1,692,055	106,666
Deferred Inflows related to Leases	278,175	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,402,769</b>	<b>11,710,371</b>	<b>1,692,055</b>	<b>106,666</b>
<b>Fund Balances (Note 12)</b>				
Nonspendable	1,219,564	350	3,917	133,453
Restricted	9,493,755	6,204,458	399,222	5,265,422
Committed	16,068,667	-	-	25,535
Assigned	5,299	-	566,802	363,764
Unassigned	13,603,470	-	-	-
<b>Total Fund Balances</b>	<b>40,390,756</b>	<b>6,204,808</b>	<b>969,941</b>	<b>5,788,173</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 45,255,216</b>	<b>\$ 30,415,284</b>	<b>\$ 14,707,314</b>	<b>\$ 14,699,383</b>

Public Health	Public Safety Realignment	1991 Realignment	Other Governmental	Total	
\$ 11,114,396	\$ 29,438,832	\$ 21,555,971	\$ 43,907,794	\$ 150,040,384	Assets
-	-	-	500	13,158,360	Cash and investments
370,831	-	-	1,530,096	6,163,521	Cash with fiscal agent
2,942,466	6,162,770	1,328,709	2,950,738	34,456,149	Accounts receivable
81,575	244,459	160,460	348,444	1,450,207	Due from other governments
-	-	-	5,800	299,030	Interest receivable
-	-	-	-	296,907	Taxes receivable
1,435,837	3,020,695	5,201,292	2,176,735	31,851,519	Lease receivable
-	-	-	7,341	164,172	Due from other funds
-	-	-	16,125	16,125	Prepaid expenses
-	-	-	-	1,106,917	Inventory
500	-	-	2,768,135	2,844,406	Advances to other funds
\$ 15,945,604	\$ 38,866,755	\$ 28,246,432	\$ 53,711,708	\$ 241,847,697	Loans receivable
					Total Assets
					Liabilities
\$ 1,437,930	\$ 23,874	\$ 13,466	\$ 4,587,406	\$ 17,476,832	Accounts payable
246,537	-	-	246,187	2,628,524	Salaries and benefits payable
-	-	-	18,602	145,371	Deposits from others
3,774,886	9,055,348	4,516,849	1,337,066	34,038,059	Due to other funds
-	-	-	-	1,106,917	Advances from other funds
3,225,282	-	-	777,285	10,676,676	Unearned revenue
8,684,635	9,079,222	4,530,316	6,966,545	66,072,378	Total Liabilities
					Deferred Inflows of Resources
2,017,980	-	30,653	1,420,058	18,102,376	Unavailable revenue
-	-	-	-	278,175	Deferred Inflows related to Leases
2,017,980	-	30,653	1,420,058	18,380,552	Total Deferred Inflows of Resources
					Fund Balances (Note 12)
100	-	-	898,674	2,256,057	Nonspendable
5,146,639	29,787,533	23,685,463	43,131,415	123,113,907	Restricted
-	-	-	1,295,015	17,389,218	Committed
96,250	-	-	-	1,032,115	Assigned
-	-	-	-	13,603,470	Unassigned
5,242,989	29,787,533	23,685,463	45,325,104	157,394,767	Total Fund Balances
					Total Liabilities, Deferred Inflows of Resources and Fund Balances
\$ 15,945,604	\$ 38,866,755	\$ 28,246,432	\$ 53,711,708	\$ 241,847,697	

**COUNTY OF SUTTER**  
Reconciliation of the Governmental Funds Balance Sheet  
to the Government-Wide Statement of Net Position - Governmental Activities  
June 30, 2024

Fund Balance - total governmental funds (pages 31-32)	\$ 157,394,767
Amounts reported for governmental activities in the statement of net position are different because:	
Deferred OPEB and pension outflows of resources in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	58,881,669
Deferred OPEB and pension inflows of resources in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	(6,834,474)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds balance sheets.	125,308,390
Accrued revenue, which is not available soon enough to pay for the current period's expenditures, is recorded as unavailable revenue in the governmental funds.	18,102,376
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.	(151,188)
Other long-term liabilities, including financing arrangements, are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Leases and SBITAs	(12,947,965)
Other long-term liabilities	(4,713,118)
Compensated absences	(7,398,287)
Total OPEB liability	(11,597,072)
Net pension liability	(181,424,100)
	(218,080,542)
Internal service funds are used by the County to charge the cost of its self-insurance risk management and management of fleet maintenance and information technology to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	6,381,403
Net position of governmental activities (page 21)	\$ 141,002,403



**COUNTY OF SUTTER**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Year Ended June 30, 2024

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
Revenues:				
Taxes	\$ 42,300,068	\$ -	\$ -	\$ 36,657
Licenses, Permits, and Franchises	3,662,873	-	1,336	36,434
Fines, Forfeitures, and Penalties	318,552	12,467	-	848,055
Revenue from Investment and Property	2,608,858	374,331	79,238	441,893
Intergovernmental	3,866,827	15,392,632	40,243,894	17,351,942
Charges for Services	13,235,462	4,879,854	50,151	1,251,670
Other revenues	1,209,639	266,614	55,330	941,477
Total Revenues	67,202,279	20,925,897	40,429,950	20,908,129
Expenditures:				
Current:				
General government	18,829,383	-	-	-
Public protection	10,018,923	-	-	52,651,329
Public ways and facilities	192,815	-	-	8,133
Health and sanitation	-	38,427,582	-	-
Public assistance	225,403	-	65,462,413	-
Education	2,323,441	-	-	-
Recreation and culture	849,120	-	-	-
Debt Service:				
Principal: Leases and Subscriptions	221,646	195,134	584,300	249,700
Principal: Other long-term liabilities	-	-	-	-
Interest	4,635	30,212	14,536	3,241
Capital outlay	440,288	32,732	111,724	1,861,046
Total Expenditures	33,105,654	38,685,660	66,172,973	54,773,448
Excess (Deficiency) of Revenues Over (Under) Expenditures	34,096,625	(17,759,763)	(25,743,023)	(33,865,318)
Other Financing Sources (Uses):				
Transfers in	1,018,219	19,403,088	26,661,984	47,678,279
Transfers out	(39,916,425)	(3,155,885)	(540,354)	(12,966,211)
Sale of capital assets	14,171	-	9,515	6,916
Proceeds from debt issuance	-	-	86,011	-
Total Other Financing Sources (Uses)	(38,884,035)	16,247,202	26,217,157	34,718,984
Net Changes in Fund Balances	(4,787,410)	(1,512,560)	474,133	853,666
Fund Balances, Beginning of Year, as previously	45,203,314	7,717,368	15,728,322	8,240,512
Restatement for Change to or within the Financial Reporting Entity	-	-	(15,208,231)	(3,293,949)
Restatement for Error Correction	(25,147)	-	(24,284)	(12,056)
Fund Balances, Beginning of Year, restated	45,178,166	7,717,368	495,807	4,934,507
Fund Balances, End of Year	\$ 40,390,756	\$ 6,204,808	\$ 969,941	\$ 5,788,173

Public Health	Public Safety Realignment	1991 Realignment	Other Governmental	Total	
\$ -	\$ -	\$ -	\$ 7,208,186	\$ 49,544,912	Revenues:
-	-	-	53,091	3,753,734	Taxes
107,200	-	-	12,647	1,298,921	Licenses and permits
537,996	1,320,759	863,160	2,164,384	8,390,620	Fines, forfeitures and penalties
10,997,620	42,783,761	19,026,163	28,711,382	178,374,221	Use of money and property
2,750,356	1,678,644	-	982,793	24,828,931	Intergovernmental
5,553	-	-	981,216	3,459,830	Charges for services
14,398,726	45,783,164	19,889,323	40,113,699	269,651,168	Other revenues
					Total Revenues
					Expenditures:
					Current:
-	-	-	11,219,635	30,049,018	General government
-	25,632	12,977	5,865,114	68,573,974	Public protection
-	-	-	8,110,022	8,310,970	Public ways and facilities
19,651,594	208	3,054	19,696,499	77,778,938	Health and sanitation
26	17,982	11,650	688	65,718,162	Public assistance
-	-	-	-	2,323,441	Education
-	-	-	2	849,122	Recreation and culture
					Debt Service:
66,129	-	-	292,732	1,609,642	Principal: Leases and Subscriptions
-	-	-	6,710,973	6,710,973	Principal: Other long-term liabilities
917	-	-	310,768	364,310	Interest
69,872	-	-	3,091,605	5,607,266	Capital outlay
19,788,537	43,822	27,681	55,298,040	267,895,815	Total Expenditures
(5,389,811)	45,739,343	19,861,642	(15,184,341)	1,755,353	Excess (Deficiency) of Revenues Over (Under) Expenditures
					Other Financing Sources (Uses):
8,452,447	17,807,535	569,338	14,406,295	135,997,185	Transfers in
(1,837,065)	(61,852,288)	(13,875,621)	(1,721,881)	(135,865,729)	Transfers out
648	-	-	116,759	148,009	Sale of capital assets
-	-	-	9,196,721	9,282,732	Proceeds from debt issuance
6,616,030	(44,044,753)	(13,306,283)	21,997,895	9,562,197	Total Other Financing Sources (Uses)
1,226,219	1,694,589	6,555,359	6,813,554	11,317,550	Net Changes in Fund Balances
5,938,644	24,798,995	-	38,622,630	146,249,784	Fund Balances, Beg. of Year, as previously reported
(1,921,873)	3,293,949	17,130,104	-	-	Restatement for Change to or within the Financial Reporting Entity
-	-	-	(111,079)	(172,567)	Restatement for Error Correction
4,016,770	28,092,944	17,130,104	38,511,550	146,077,217	Fund Balances, Beg. of Year, Restated
\$ 5,242,989	\$ 29,787,533	\$ 23,685,463	\$ 45,325,104	\$ 157,394,767	Fund Balances, End of Year

**COUNTY OF SUTTER**  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Government-Wide Statement of Activities - Governmental Activities  
For the Year Ended June 30, 2024

Net change to fund balance - total governmental funds (pages 35-36)	\$	11,317,550
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Amounts reported for governmental activities in the  
statement of activities are different because:

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

Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	7,722,747		
Less: donated capital assets	-		
Less: current year depreciation/amortization	(6,862,197)		
Expenditures related to lease and SBITA additions and initial measurement	<u>9,270,942</u>		10,131,492

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(340,038)
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Repayment of long-term notes receivable are reported as revenues. However, in the statement of activities, this is not reported as an revenue.		-
A portion of the long-term notes receivable was written off.		-

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			
Principal repayments related to leases and subscriptions	1,609,642		
Principal repayments related to other long term liabilities	6,710,973		
Interest payments	161,993		
Proceeds from long-term debt issuance:			
Leases	(180,984)		
Subscriptions	<u>(9,089,958)</u>		(788,334)

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		888,473
Change in OPEB liability and deferred OPEB inflows/outflows		131,285
Change in net pension liability and deferred pension inflows/outflows		(7,156,959)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		<u>573,750</u>
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Change in net position of governmental activities (pages 29-30)	\$	<u><u>14,757,219</u></u>
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**COUNTY OF SUTTER**  
Statement of Net Position  
Proprietary Funds  
June 30, 2024

	Business-Type Activities Enterprise Fund	Governmental Activities Internal Service Funds
	Waterworks District No. 1	
<b>ASSETS</b>		
Current Assets:		
Cash and investments	\$ 134,970	\$ 1,121,896
Cash with fiscal agent	-	13,146,334
Accounts receivable	56,385	102,270
less allowance for doubtful accounts	(6,026)	-
Interest receivable	1,228	10,501
Due from other funds	-	2,309,162
Prepaid expenses	-	3,293
Inventory	-	14,936
Total Current Assets	<u>186,557</u>	<u>16,708,391</u>
Noncurrent Assets:		
Capital assets:		
Non-depreciable	58,000	-
Depreciable, net	859,701	1,400,449
Total Noncurrent Assets	<u>917,701</u>	<u>1,400,449</u>
Total Assets	<u>1,104,258</u>	<u>18,108,840</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred related to pension	-	1,350,632
Deferred related to OPEB	-	50,145
Total Deferred Outflows of Resources	<u>-</u>	<u>1,400,777</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	71,779	217,013
Salaries and benefits payable	-	68,764
Due to other funds	-	122,622
Compensated absences payable	-	248,261
Interest payable	3,338	3,202
SBITA payable	-	100,455
Other liabilities	15,409	14,390
Unearned revenue	52	-
Total Current Liabilities	<u>90,578</u>	<u>774,708</u>
Long-Term Liabilities:		
Compensated absences payable	-	112,331
Claims payable	-	7,797,362
SBITA payable	-	113,578
Other liabilities	76,700	86,322
Net pension liability	-	3,861,037
Net OPEB liability	-	238,668
Total Long-Term Liabilities	<u>76,700</u>	<u>12,209,297</u>
Total Liabilities	<u>167,278</u>	<u>12,984,005</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred related to pension	-	40,195
Deferred related to OPEB	-	104,013
Total Deferred Inflows of Resources	<u>-</u>	<u>144,209</u>
<b>NET POSITION</b>		
Net investment in capital assets	825,592	1,085,704
Unrestricted	111,388	5,295,699
Total Net Position	<u>\$ 936,980</u>	<u>\$ 6,381,403</u>

**COUNTY OF SUTTER**  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2024

	Business-Type Activities Enterprise Fund Waterworks District No. 1	Governmental Activities Internal Service Funds
Operating Revenues:		
Charges for services	\$ 147,567	\$ 12,487,563
Other revenues	-	249,584
Total Operating Revenues	<u>147,567</u>	<u>12,737,147</u>
Operating Expenses:		
Salaries and benefits	-	3,812,157
Services and supplies	257,419	7,062,080
Other charges	2,721	808,039
Depreciation and Amortization	129,925	529,072
Total Operating Expenses	<u>390,066</u>	<u>12,211,347</u>
Operating Income (Loss)	<u>(242,499)</u>	<u>525,800</u>
Non-Operating Revenue (Expenses):		
Interest income (expense)	14,072	178,282
Gain (Loss) on sale of capital assets	-	1,124
Total Non-Operating Revenue (Expenses)	<u>14,072</u>	<u>179,406</u>
Net Income (Loss) Before Capital Contributions and Transfers	<u>(228,427)</u>	<u>705,206</u>
Transfers in	-	1,419
Transfers out	<u>-</u>	<u>(132,874)</u>
Change in Net Position	<u>(228,427)</u>	<u>573,750</u>
Net Position - Beginning of Year	<u>1,165,407</u>	<u>5,807,653</u>
Net Position - End of Year	<u><u>\$ 936,980</u></u>	<u><u>\$ 6,381,403</u></u>

**COUNTY OF SUTTER**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2024

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash receipts from customers	\$ 136,012	\$ 13,446,817
Cash paid to suppliers for goods and services	(202,231)	(7,673,923)
Cash paid to employees for services	-	(3,701,777)
Net Cash Provided (Used) by Operating Activities	(66,219)	2,071,117
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Interfund loans received (paid)	(144)	(2,186,069)
Miscellaneous cash received (paid)	-	19,619
Net Cash Provided (Used) by Noncapital Financing Activities	(144)	(2,166,450)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Principal repayments	(16,191)	(122,062)
Proceeds from sale of capital assets	-	-
Payments related to the acquisition of capital assets	-	(7,899)
Interest payments	(570)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(16,761)	(129,961)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received (paid)	14,417	179,014
Net Cash Provided (Used) by Investing Activities	14,417	179,014
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(68,707)	(46,280)
<b>Cash and Cash Equivalents, Beginning of Year</b>	203,677	14,314,510
<b>Cash and Cash Equivalents, End of Year</b>	\$ 134,970	\$ 14,268,230

continued

**COUNTY OF SUTTER**  
Statement of Cash Flows (continued)  
Proprietary Funds  
For the Year Ended June 30, 2024

	Business-Type Activities	Governmental Activities
	Enterprise Fund	
	Waterworks District No. 1	Internal Service Funds
<b>Reconciliation of Operating Income (Loss)</b>		
<b>to Net Cash Provided (Used) by Operating Activities:</b>		
Operating income (loss)	\$ (242,499)	\$ 525,800
Adjustments to reconcile operating income		
(loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	129,925	529,072
Loss on disposal of capital assets	-	1,124
Changes in assets, liabilities and deferred inflows/outflows:		
(Increase) decrease in:		
Accounts receivable	(11,382)	(26,554)
Deposits and prepaid expenses	-	(2,900)
Inventory	-	(2,124)
Increase (decrease) in:		
Accounts payable	57,910	152,501
Salaries and benefits payable	-	(40,073)
Compensated absences payable	-	25,733
Claims liability	-	914,907
Interest payable	-	(337)
Other liabilities	-	(130,751)
Net pension liability	-	154,412
Net OPEB liability	-	(29,694)
Unearned revenue	(173)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (66,219)</b>	<b>\$ 2,071,117</b>

**COUNTY OF SUTTER**  
Statement of Fiduciary Net Position  
Custodial, Investment, and Private-Purpose Trust Funds  
June 30, 2024

	Custodial Funds	Investment Trust Funds	Private-Purpose Trust Funds
<b>Assets</b>			
Cash and investments	\$ 15,969,687	\$ 302,680,841	\$ 554
Cash with fiscal agent	1,050,556	491,590	-
Accounts receivable	264,447	1,357,512	-
Due from other governments	140,860	185,044	-
Interest receivable	2,188,677	2,481,412	4
Prepaid expenses	7,000	75,185	-
Inventory	-	578,484	-
Amount to be provided debt service	-	-	-
Taxes receivable	24,380,085	-	-
Other assets	170,244	-	-
<b>Total Assets</b>	<b>44,171,557</b>	<b>307,850,068</b>	<b>557</b>
<b>Liabilities</b>			
Accounts payable	4,777,613	2,653,348	-
Accrued salaries and benefits	4,157,026	61,239	-
Unearned revenues	48	140,937	-
Interest payable	3,998,546	189,818	-
Deposits payable	1,859,682	500	-
Agency funds held for others	20,233,313	49,379,060	-
<b>Total Liabilities</b>	<b>35,026,228</b>	<b>52,424,902</b>	<b>-</b>
<b>Net position</b>			
Net position held in trust	9,145,329	255,425,166	557
<b>Total Net Position</b>	<b>\$ 9,145,329</b>	<b>\$ 255,425,166</b>	<b>\$ 557</b>

**COUNTY OF SUTTER**  
Statement of Changes in Fiduciary Net Position  
Custodial, Investment, and Private-Purpose Trust Funds  
For the Year Ended June 30, 2024

	Custodial Funds	Investment Trust Funds	Private Purpose Funds
Additions			
Contributions to pooled investments	\$ 6,253,409	\$ 22,134,281	\$ 389
Interest and Investment income (loss)	335,617	2,585,420	-
Other Additions	-	1,906,489	-
Total Additions	<u>6,589,026</u>	<u>26,626,190</u>	<u>389</u>
Deductions			
Distributions from pooled investments	<u>11,824,277</u>	<u>37,798,001</u>	<u>800</u>
Total Deductions	<u>11,824,277</u>	<u>37,798,001</u>	<u>800</u>
Change in net position	(5,235,251)	(11,171,812)	(411)
Net Position - Beginning of Year	<u>14,380,580</u>	<u>266,596,977</u>	<u>968</u>
Net Position - End of Year	<u><u>\$ 9,145,329</u></u>	<u><u>\$ 255,425,166</u></u>	<u><u>\$ 557</u></u>

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# **Notes to the Financial Statements**

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## 1. FINANCIAL REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

### Reporting Entity

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

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

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

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

### Discretely Presented Component Units

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

### Blended Component Units

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

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

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

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

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

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

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

## Financial Statements

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

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

## Government-wide Financial Statements

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

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

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

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

## Fund Financial Statements

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

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

## Basis of Accounting and Measurement Focus

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

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

For the governmental funds financial statements, the County considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, sales taxes, franchise taxes, licenses, interest, special assessments, charges for services and other miscellaneous revenue are all considered to be susceptible to accrual,

and have been recognized as revenue in the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All expenditure-driven grants are recorded at the time of receipt or earlier. If qualifying expenditures have been incurred and all other requirements are met, except for the timing requirement, a deferred inflow of resources is reported until time requirements have passed.

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

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

The County reports the following major governmental funds:

- The **General Fund** is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as general government, public protection, public assistance, education, public ways and facilities, and culture and recreation services.
- The **Bi-County Behavioral Health Fund** is a special revenue fund used to account for revenues and expenditures for mental health activities.
- The **Welfare Fund** is a special revenue fund used to account for revenues and expenditures for social welfare programs.
- The **Public Safety/Trial Courts Fund** is a special revenue fund used to account for revenues and expenditures for public safety programs.
- The **Public Health Fund** is a special revenue fund used to account for revenues and expenditures for public health services and COVID programs.
- The **Public Safety Realignment Fund** is a special revenue fund used to account for the realignment of revenues and expenditures for public safety programs.
- The **1991 Realignment Fund** is a special revenue fund used to account for the realignment of revenues and expenditures for social services programs and behavioral health services.

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

service funds are charges to customers for sales and services.

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

The County reports the following proprietary funds:

- An Enterprise Fund accounts for Water Works District No. 1 activities related to the provision of water services.
- Internal Service Funds account for the County's fleet maintenance, information technology, employee wellness, and self-insurance programs which provide services to other departments on a cost reimbursement basis.

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

The County reports the following fiduciary funds:

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

## Cash and Cash Equivalents

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

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

## Investments

The County sponsors an investment pool that is managed by the County Treasurer. The Treasurer invests on behalf of most funds of the County and external participants in accordance with the California State Government Code and

the County's investment policy. State statutes authorize the County to invest its cash surplus in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptance, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund.

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

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accreted discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements, as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2024, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

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

## Receivables

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

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

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

## Interfund Transactions

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

- Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.
- Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and, therefore, are not eliminated in the process of preparing the government-wide Statement of Activities.
- Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are treated as an adjustment to expenditures or expenses; that is, a corresponding increase in expenditures or expenses in the reimbursing fund and a corresponding decrease in expenditures or expenses in the reimbursed fund.
- All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

## Inventory and Prepaid Expenses

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

## Loans Receivable

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

## Capital Assets

Capital assets include property, plant, equipment, infrastructure assets (roads, bridges, sidewalks, water, sewer, and similar items), lease assets (per GASB no. 87) and subscription assets (per GASB no.96). Capital assets are defined by the County as equipment with a cost of \$5,000 or more, structures and improvements with a cost of \$60,000 or more, infrastructure with a cost of \$100,000 or more, software and subscription assets with a cost of 25,000 or more and all land regardless of cost. Equipment reported in the financial statements is at actual historical cost. Structures and improvements and land are reported at actual cost when available or estimated historical cost. Estimated historical cost was arrived at by a variety of methods including the use of factors and comparative sales. Infrastructure assets, including bridges and roads, are reported at estimated historical cost.

Estimated historical cost for bridges was arrived at by developing a listing of all bridges constructed after 1980 and multiplying total square footage by the average cost per square foot and the price level factor for the Price Trends



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

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

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

Depreciation or amortization of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation/amortization reflected in the Statement of Net Position. Depreciation/amortization is provided over the assets' estimated useful lives using the straight-line method of depreciation. Lease assets (per GASB no. 87) and subscription assets (per GASB no.96) will be amortized over shorter of useful life or lease term. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable/Amortizable Asset</u>	<u>Estimated Lives</u>
Equipment	3-20 years
Software	3-10 years
Structures and improvements	15-39 years
Infrastructure	15-75 years

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

## Leases

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

## Subscription-Based Information Technology Arrangements (SBITAs)

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor) information technology (IT) software, alone or in combination with tangible capital assets (underlying IT assets), as specified in the contract for a period in an exchange or exchange-like transaction. The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA



vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option). The County's SBITAs are presented in Note 5 Capital Assets and Note 6 Leases and SBITAs.

## Unearned Revenue

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

## Deferred Outflows/Inflows of Resources

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

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

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

## Compensated Absences

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

## Long-Term Debt

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

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

agreements .

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

## Fund Balances/Net Position

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

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

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

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

- Nonspendable – This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – This component includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource providers.
- Committed – This component includes amount that can only be used for the specific purposes determined by a formal action of the County’s Board of Supervisors taking the same formal action that imposed the constraint originally.
- Assigned – This component comprises amounts intended to be used for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the County’s Board of Supervisors or (b) a body (for example: a budget or finance committee) or official to which the County’s Board of Supervisors has delegated the authority to assign amounts to be used for specific purposes.

- Unassigned – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund.

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

## Property Tax Levy, Collection and Maximum Rates

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

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

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

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

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

The County has elected to follow the procedures authorized by Revenue and Taxation Code 4703.2 which requires that the tax losses reserve fund shall be maintained at not less than 25 percent of the local delinquent secured taxes and assessments for participating entities in the County as calculated at the end of the fiscal year. The net balance in the TLRF was \$2,331,381 at June 30, 2024. The County's management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County's Teeter Plan and accounted for in a custodial fund.

## Grant Revenues

Certain grant revenues are recognized when specific related expenditures have been incurred. In other grant

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

## Expenditures/Expenses

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

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

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

## Use of Estimates

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

## New Accounting Pronouncement

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

### **Statement No. 100**

#### *Summary of Statement*

### **Accounting Changes and Error Corrections**

This standard removes prior period adjustments from generally accepted accounting principles: clarifies, expands and distinguishes between three classifications of accounting changes.

Accounting changes are (a) changes in accounting principles, (b) changes in accounting estimates, and (c) changes to or within the financial reporting entity.

## 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### Gann Spending Limitation

Under Article XIII B of the California Constitution (the Gann spending Limitation), the County is restricted as to the amount of annual appropriations from proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates, revised fee schedules or other refund arrangements. Commencing with the 2021-22 fiscal year under subdivision (b) of Government Code section 7903, county governments are also required to include specified state subventions within their appropriations limits. The allowed appropriations for the Gann Limit for fiscal year ended June 30, 2024 were \$289,036,099. The appropriations subject to this limit were \$78,683,334, which include the specified subvention of \$31,500,000 for Sutter County. This is \$210,352,765 below the appropriations limit. Accordingly, the appropriations subject to this legal restriction were only 27.2% of the maximum allowed by law.

### 3. CASH AND INVESTMENTS

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

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

At June 30, 2024, total County cash and investments were as follows:

*Cash:*

Cash on hand	\$ 1,245,995
Bank deposits	14,807,166
Outstanding warrants	(11,468,120)
Total Cash	<u>4,585,041</u>

*Investments:*

Investment pool	466,413,846
External to investment pool	26,796,283
Total investments	<u>493,210,130</u>

Total cash and investments	<u>\$ 497,795,171</u>
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Total cash and investments at June 30, 2024 were presented on the County's financial statements as follows:

Primary government	\$ 177,601,943
Investment trust fund	303,172,431
Private purpose trust funds	554
Custodial fund	<u>17,020,243</u>
Total	<u>\$ 497,795,171</u>

#### Investments

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

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

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

At June 30, 2024, the County had the following investments:

	<u>Interest Rates</u>	<u>Maturities</u>	<u>Par</u>	<u>Fair Value*</u>	<u>Weighted Average Maturity (Years)</u>
Primary Investment Pool					
US Government Agencies	0.36%-6.00%	08/28/24-05/17/29	\$ 246,900,000	\$ 237,064,858	1.98
Medium Term Corporate Notes	0.70%-4.00%	07/31/24-01/26/28	86,495,000	81,965,499	1.64
LAIF State Pool/Sac	Variable	On Demand	14,295,150	14,139,726	-
California Asset Management	Variable	On Demand	100,588,201	100,588,201	-
Money Market	Variable	On Demand	16,217,043	16,217,043	-
CALTRUST at PAR Value	Variable	On Demand	16,438,520	16,438,520	-
Total			480,933,914	466,413,846	1.81
Investments Outside Investment Pool					
Bank Accounts Held Outside the Treasury			17,448,574	17,448,574	-
Cash with Retirement Agencies			9,347,709	9,347,709	-
Total			26,796,283	26,796,283	
Total Investments			\$ 507,730,197	\$ 493,210,130	

\*amounts exclude interest earned but not yet received.

## Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change in market interest rates. The County manages its exposure to declines in fair values by purchasing a combination of shorter

term and longer term investments and by timing cash flows from maturities to provide the necessary cash flow and liquidity needed for operations. The County monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio.

## Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law limits investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. State law also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service. The County does not have credit limits on governmental agency securities.

## Concentration of Credit Risk

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's value at June 30, 2024:

	Average of Moody's and S & P's Ratings	% of Portfolio
US Government Agencies	AAA	51.81%
State or Local Agencies	AA+	0.35%
Medium Term Notes	AAA	0.42%
Medium Term Notes	AA-	1.93%
Medium Term Notes	A+	6.28%
Medium Term Notes	A	6.36%
Medium Term Notes	A-	2.31%
Medium Term Notes	BBB	0.42%
CAMP	AAA	21.11%
CALTRUST	AAA	3.45%
Money Market	Unrated	3.40%
LAIF	Unrated	2.13%
Total		<u>100.00%</u>

At June 30, 2024, the County has the following investments in any one issuer that represent 5% or more of the total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded because they are not a concentration of credit risk.

	Amount	% of Portfolio
Fannie Mae (FNMA)	\$ 44,003,511	9.24%
Federal Farm Credit Bank (FFCB)	44,236,619	9.28%
Federal	105,641,917	22.17%
Freddie	53,000,000	11.12%
CAMP	100,588,201	21.11%



## Custodial Credit Risk

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

## Local Agency Investment Fund

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

At June 30, 2024, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$14.3 million, which approximates fair value and is the same as the value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$178.0 billion. Of that amount, 1.40% was invested in structured notes and asset-backed securities with the remaining 98.60% invested in other non-derivative products.

## County Investment Pool Condensed Financial Information

The following represents a condensed statement of net position and changes in net position for the County's primary investment pool and bond investment pool as of June 30, 2024:

### **Statement of Net Position**

Net position held for pool participants	<u>\$ 466,413,846</u>
Equity of internal pool participants	165,084,706
Equity of external pool participants	<u>301,329,140</u>
Total net position	<u>\$ 466,413,846</u>

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

Net position at July 1, 2023	\$ 430,456,982
Net changes in investments by pool participants	<u>35,956,864</u>
Net position at June 30, 2024	<u>\$ 466,413,846</u>

## Fair Value Measurements

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

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

The Pool has the following recurring fair value measurements as of June 30, 2024:

		Fair Value Measurement Using
	Amount	Quoted Prices in Active Markets (Level 1)
Investments measured at fair value:		
Government agency obligations	\$ 237,064,858	\$ 237,064,858
Corporate and medium term notes	81,965,499	81,965,499
Total investments measured at fair value	\$ 319,030,357	\$ 319,030,357
Investments measured at amortized cost:		
LAIF State Pool/Sac	14,139,726	-
California Asset Management	100,588,201	-
Five Star	16,217,043	-
CALTRUST	16,438,520	-
Total investments measured at amortized cost	\$ 147,383,490	\$ -
Investments outside investment pool		
Bank Accounts Held Outside the Treasury	17,448,574	-
Cash with Retirement Agencies	9,347,709	\$ -
	\$ 26,796,283	\$ -
Total investments at fair value	\$ 493,210,130	\$ 319,030,357



## 4. LOANS RECEIVABLE

Loans receivable at June 30, 2024 consisted of the following:

	General Fund	Public Health	Other Governmental Funds	Total
Governmental Funds				
Loan to City of Live Oak	\$ 7,858	\$ -	\$ -	\$ 7,858
Loan to City of Yuba City	67,913	-	-	67,913
Loan to Sutter-Yuba Housing Authority	-	-	874,458	874,458
Deposit with Others-Yuba Co Juvenile Hall	-	-	425,668	425,668
Housing Rehabilitation loans	-	500	1,468,009	1,468,509
Loans receivables, net	<u>75,771</u>	<u>500</u>	<u>2,768,135</u>	<u>2,844,406</u>
Total Loans Receivable	<u>\$ 75,771</u>	<u>\$ 500</u>	<u>\$ 2,768,135</u>	<u>\$ 2,844,406</u>

## 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balance, July 1, 2023	Additions/ Adjustments	Retirements/ Transfers	Balance, June 30, 2024
<b>Governmental Activities</b>				
Capital assets, not depreciated/amortized				
Land	\$ 6,273,172	\$ -	\$ -	\$ 6,273,172
Easements	5,000	-	-	5,000
Construction in Progress	22,330,428	1,782,631	(3,054,197)	21,058,862
Total capital assets, not being depreciated/amortized	28,608,600	1,782,631	(3,054,197)	27,337,034
Capital assets, being depreciated/amortized				
Land improvements	1,068,475	374,670	328	1,443,473
Structures and improvements	75,575,498	-	135,186	75,710,684
Equipment	15,503,658	543,294	(128,434)	15,918,518
Vehicles	14,978,598	1,347,032	615,476	16,941,106
Infrastructure	105,248,807	89,532	1,229,096	106,567,435
Intangible assets - Software	2,435,256	90,000	-	2,525,256
Lease assets	5,033,421	176,759	-	5,210,180
Subscription assets	4,054,513	12,472,215	-	16,526,728
Total capital assets, being depreciated/amortized	223,898,227	15,093,500	1,851,653	240,843,379
Less accumulated depreciation/amortization for				
Land improvements	(195,198)	(88,877)	-	(284,075)
Structures and improvements	(27,431,035)	(1,858,643)	-	(29,289,678)
Equipment	(11,952,754)	(1,072,992)	429,341	(12,596,404)
Vehicles	(11,857,376)	(1,183,033)	765,041	(12,275,369)
Infrastructure	(79,377,863)	(576,373)	-	(79,954,236)
Intangible assets - Software	(1,779,402)	(309,178)	-	(2,088,580)
Lease asset	(1,752,673)	(917,259)	-	(2,669,932)
Subscription assets	(1,062,006)	(1,251,294)	-	(2,313,301)
Total accumulated depreciation/amortization	(135,408,308)	(7,257,649)	1,194,382	(141,471,575)
Total capital assets, being depreciated/amortized, net	88,489,919	7,835,851	3,046,035	99,371,805
Governmental activities, capital assets, net	\$ 117,098,519	\$ 9,618,482	\$ (8,162)	\$ 126,708,839

	Balance, July 1, 2023	Additions/ Adjustments	Retirements/ Transfers	Balance, June 30, 2024
<b>Business-Type Activities</b>				
Capital assets, not being depreciated/amortized				
Land	\$ 58,000	\$ -	\$ -	\$ 58,000
Total capital assets, not being depreciated/amortized	58,000	-	-	58,000
Capital assets, being depreciated/amortized				
Structures and Improvements	3,181,380	-	-	3,181,380
Total capital assets, being depreciated/amortized	3,181,380	-	-	3,181,380
Less accumulated depreciation/ amortization for				
Structures and improvements	(2,191,754)	(129,925)	-	(2,321,679)
Total accumulated depreciation/amortization	(2,191,754)	(129,925)	-	(2,321,679)
Total capital assets, being depreciated/amortized, net	989,626	(129,925)	-	859,701
Business-type activities, capital assets, net	\$ 1,047,626	\$ (129,925)	\$ -	\$ 917,701

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$	1,305,981
Public protection		2,148,593
Public ways and facilities		1,033,095
Health and sanitation		367,242
Public assistance		77,496
Education		119,497
Recreation and culture		33,651
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		<u>134,850</u>
Total	\$	<u><u>5,220,405</u></u>

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

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

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

Amortization

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

Governmental activities:		
Lease building	\$	771,152
Lease infrastructure		75,286
Lease equipment		70,821
Subscription asset		<u>1,251,294</u>
	\$	<u><u>2,168,554</u></u>

## 6. LEASES AND SBITAs

### LEASES

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

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

### County as Lessee

The following table provides a summary of the County's lease commitments with year-end balances. As of June 30, 2024, the County has five leases where it acts as the Lessee.

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

	Balance July 1, 2023	Additions/ Adjustments	Retirements	Balance June 30, 2024	Amounts Due Within One Year
Governmental Activities	\$ 3,425,776	\$ 180,984	\$ 963,419	\$ 2,643,340	\$ 992,902
Total	<u>\$ 3,425,776</u>	<u>\$ 180,984</u>	<u>\$ 963,419</u>	<u>\$ 2,643,340</u>	<u>\$ 992,902</u>

As of June 30, 2024, future minimum lease payments under capital leases are as follows:

June 30	Governmental Activities		
	Principal	Interest	Total
2025	\$ 992,902	\$ 22,404	\$ 1,015,306
2026	725,781	13,149	738,930
2027	486,584	6,659	493,244
2028	234,478	2,375	236,853
2029	118,928	1,198	120,127
2030	84,667	321	84,988
Total	<u>\$ 2,643,340</u>	<u>\$ 46,107</u>	<u>\$ 2,689,447</u>



## County as Lessor

As of June 30, 2024, the County has four leases where it acts as the Lessor. Under GASB Statement No. 87, an implicit interest rate is calculated for each individual lease using the estimated incremental borrowing rate. All funds record lessee receivables on the governmental funds balance sheet and are rolled into the Government-Wide Statement of Net Position.

The Gray Avenue Building: Provides commercial space for small businesses and a vacant space for future County offices. There are three leasing agreements associated with the building that have terms greater than one year. The combined present value of the lease receivable is approximately \$560 thousand as of fiscal year-end June 30, 2024.

The Cell Tower: Is a lessee constructed tower in 2019. Upon completion, the ownership was transferred to the County in exchange of lease abatement of \$500 for 150 months. The present value of the lease receivable inclusive of extensions that we believe will be exercised is \$220 thousand as of fiscal year-end June 30, 2024.

June 30	Governmental Activities		
	Revenue	Interest	Total
2025	\$ 86,219	\$ 2,310	\$ 88,528
2026	5,037	1,863	6,900
2027	5,083	1,817	6,900
2028	5,128	1,772	6,900
2029	5,174	1,726	6,900
2030-2034	40,767	7,764	48,532
2035-2039	68,508	5,164	73,671
2040-2044	77,299	1,898	79,197
2045	3,692	3	3,695
Total	\$ 296,907	\$ 24,316	\$ 321,223

## Subscription-Based Information Technology Arrangements (SBITAs)

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

At June 30, 2024, the value of the underlying assets and the annual requirements to maturity relating to subscriptions are as follows:

	Balance July 1, 2023	Additions/ Adjustments	Retirements	Balance June 30, 2024	Amounts Due Within One Year
Governmental Activities					
SBITAs	\$ 2,180,556	\$ 9,089,958	\$ 751,856	\$ 10,518,657	\$ 1,258,417
Total	<u>\$ 2,180,556</u>	<u>\$ 9,089,958</u>	<u>\$ 751,856</u>	<u>\$ 10,518,657</u>	<u>\$ 1,258,417</u>

As of June 30, 2024, future minimum subscription payments are as follows:

### Subscriptions Payable

June 30	Governmental Activities		
	Principal	Interest	Total
2025	\$ 1,258,417	\$ 196,543	\$ 1,454,961
2026	986,090	153,597	1,139,688
2027	839,505	140,248	979,753
2028	624,144	127,911	752,055
2029	648,786	115,729	764,515
2030-2034	3,638,155	378,725	4,016,879
2035-2037	2,523,560	48,516	2,572,076
Total	<u>\$ 10,518,657</u>	<u>\$ 1,161,269</u>	<u>\$ 11,679,926</u>

## 7. LONG-TERM LIABILITIES

Long-term debt, excluding lease liabilities (see Note 6), at June 30, 2024 consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2024
<b>Governmental Activities</b>						
<b>Financing Agreement</b>						
CSA- F Fire Engine	2022	2032	4.79%	\$99,721	\$ 698,812	\$ 649,920
850 Gray Avenue Building	2021	2036	2.66%	\$385,000 - \$525,000	6,750,000	-
Energy Efficient Upgrade Project	2014	2029	3.71%	\$330,514-981,676	8,920,306	4,163,910
Total Governmental Activities					<u>\$ 16,369,118</u>	<u>\$ 4,813,830</u>
<b>Business-Type Activities</b>						
Energy Efficient Upgrade Project			3.71%	9,000-22,000	\$ 189,140	\$ 92,109
Total Business-Type Activities					<u>\$ 189,140</u>	<u>\$ 92,109</u>

The following is a summary of all long-term liabilities transactions, excluding lease transactions, for the year ended June 30, 2024:

	Balance July 1, 2023	Additions/ Adjustments	Retirements	Balance June 30, 2024	Amounts Due Within One Year
<b>Governmental Activities</b>					
CSA-F Fire Engine	\$ 689,811.88	\$ (1)	\$ 39,890	\$ 649,920	\$ 68,564
850 Gray Avenue Building	5,975,000	-	5,975,000	-	-
Energy Efficient Upgrade Project	4,874,297	-	710,387	4,163,910	693,442
Total Governmental Activities - Long-Term Liabilities	<u>\$ 11,539,109</u>	<u>\$ (1)</u>	<u>\$ 6,725,278</u>	<u>\$ 4,813,830</u>	<u>\$ 762,006</u>
<b>Business-Type Activities</b>					
Energy Efficient Upgrade Project	\$ 108,301	\$ -	\$ 16,192	\$ 92,109	\$ 15,409
Total Business-Type Activities Long-Term Liabilities	<u>\$ 108,301</u>	<u>\$ -</u>	<u>\$ 16,192</u>	<u>\$ 92,109</u>	<u>\$ 15,409</u>

As of June 30, 2024, annual debt service requirements of governmental activities to maturity are as follows:

Year Ended June 30,	Governmental Activities	
	Payables	
	Principal	Interest
2025	\$ 762,006	\$ 185,547
2026	830,621	156,546
2027	903,615	124,966
2028	981,234	90,644
2029	1,063,736	53,405
2030-2032	272,618	26,546
Total	<u>4,813,830</u>	<u>637,655</u>
2030	86,652	13,069
2031	90,806	8,915
2032	95,159	4,562

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

Year Ended June 30,	Business Activities	
	Payables	
	Principal	Interest
2025	15,409	3,338
2026	16,822	2,782
2027	18,326	2,174
2028	19,926	1,510
2029	21,628	786
Total	<u>\$ 92,109</u>	<u>\$ 10,591</u>

8. DEFERRED OUTFLOWS OF RESOURCES

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

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

Deferred outflows of resources balances for the year ended June 30, 2024 were as follows:

	Governmental Activities
Government-wide Deferred Outflows of Resources	
OPEB	\$ 2,486,739
Pensions	57,795,707
Total Government-wide Deferred Outflows of Resources	<u>\$ 60,282,446</u>

## 9. INTERFUND TRANSACTIONS

### Due To/From Other Funds

Operating receivables and payables between funds are classified as due from or due to other funds. These interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, and (2) payments between funds are made. The following are due to and due from balances as of June 30, 2024:

Receivable	Payable	Amount
General Fund	Welfare	\$ 126,550
	Bi-County Behavioral Health	102,944
	Public Safety/Trial Courts	3,915,151
	Public Health	2,392,877
	Nonmajor Governmental Funds	281,299
	Debt Service	1,597
	Internal Service Funds	114,060
	Capital Project Funds	821,914
	Total General Fund	7,756,392
Bi-County Behavioral Health	Welfare	1,884
	Nonmajor Governmental Funds	91,837
	Total Bi-County Behavioral Health	93,721
Welfare	General Fund	37,225
	Welfare	144,926
	Public Safety Realignment	3,799,235
	1991 Realignment	4,375,699
	Total Welfare	8,357,085
Public Safety/Trial Courts	Bi-County Behavioral Health	34,412
	Public Safety/Trial Courts	1,795,634
	Public Safety Realignment	1,979,716
	Total Public Safety/Trial Courts	3,809,762

County Health	General Fund	3,987
	Welfare	254,352
	Bi-County Behavioral Health	203,427
	Public Health	647,433
	Public Safety Realignment	116,397
	1991 Realignment	141,150
	Nonmajor Governmental Funds	69,090
	Total County Health	<u>1,435,837</u>
Public Safety Realignment	Public Safety/Trial Courts	4,417
	Public Safety Realignment	<u>3,016,277</u>
	Total Public Safety Realignment	<u>3,020,695</u>
1991 Realignment	Welfare	<u>5,201,292</u>
	Total 1991 Realignment	<u>5,201,292</u>
Nonmajor Special Revenue Funds	Bi-County Behavioral Health	1,432,454
	General Fund	22,302
	Public Health	561,590
	Public Safety Realignment	-
	Welfare	-
	Nonmajor Governmental Funds	16,481
	Capital Project Funds	<u>186</u>
	Total Special Revenue Funds	<u>2,033,013</u>
Internal Service Funds	General Fund	1,081,305
	Welfare	275,698
	Bi-County Behavioral Health	318,877
	Public Health	172,986
	Public Safety/Trial Courts	397,072
	Nonmajor Governmental Funds	56,862
	Internal Service Funds	<u>6,362</u>
	Total Debt Service Funds	<u>2,309,162</u>
Nonmajor Capital Project Funds	Public Safety Realignment	<u>143,722</u>
	Total Capital Project Fund	<u>143,722</u>
Total		<u><u>\$ 34,160,681</u></u>

## Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies or various County operations and re-allocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2024:

Transfers From	Transfers To	Amount
General Fund	Welfare	\$ 433,225
	Public Safety/Trial Courts	26,872,440
	Public Health	1,264,649
	1991 Realignment	569,338
	Nonmajor Governmental Funds	10,776,773
		<u>39,916,425</u>
Bi-County Behavioral Health	Bi-County Behavioral Health	1,512,260
	Public Safety/Trial Courts	127,799
	Nonmajor Governmental Funds	1,515,826
		<u>3,155,885</u>
Welfare	General Fund	1,336
	Welfare	438,884
	Nonmajor Governmental Funds	100,134
		<u>540,354</u>
Public Safety/Trial Court	Public Health	9,385
	Public Safety/Trial Courts	12,658,682
	Nonmajor Governmental Funds	298,143
		<u>12,966,211</u>
Public Health	Public Health	923,688
	Nonmajor Governmental Funds	913,377
		<u>1,837,065</u>
Public Safety Realignment	Bi-County Behavioral Health	17,727,891
	Welfare	17,745,581
	Public Safety Realignment	17,807,535
	Public Safety/Trial Courts	7,932,160
	Nonmajor Governmental Funds	143,722
	Public Health	495,400
		<u>61,852,288</u>
1991 Realignment	Welfare	8,044,295
	Public Health	5,759,326
	Public Safety/Trial Courts	72,000
		<u>13,875,621</u>

continued



continued

Nonmajor Governmental Funds	General Fund	\$ 886,132
	Bi-County Behavioral Health	162,937
	Public Safety/Trial Courts	15,198
	Nonmajor Governmental Funds	656,196
	Internal Service Funds	<u>1,419</u>
		<u>1,721,881</u>
Internal Service Funds	General Fund	130,751
	Nonmajor Governmental Funds	<u>2,123</u>
		<u>132,874</u>
	Total	<u>\$ 135,998,604</u>

## Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans to address cash flow needs and are offset by a fund balance nonspendable account in applicable governmental funds to indicate they are not available for appropriations and are not expendable available financial resources. The following are advances to/from other funds as of June 30, 2024:

<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>	<u>Amount</u>
General Fund	Bi-County Behavioral Health	\$ 1,106,917
		<u>\$ 1,106,917</u>

In August of 2012, the Board of Supervisors agreed to a 30-year loan from the Health/Social Services Impact Fee fund, it then transferred to the General fund in 2017, in the amount of \$677,500 for half of the County's share of the new Animal Control building to be repaid over a 30-year period from new animal control impact fees on new development. Interest is charged quarterly at a variable rate based on the pooled treasury rate. The loan was originally issued at . A payment of \$685,320 was made during the fiscal year.

On June 30, 2015, the General Fund advanced the Bi-County Behavioral Health Fund to provide funding for the Chevron energy improvements project. The loan has a variable interest rate that is based on the pooled treasury rate. To date no payments have been made on the advance. The outstanding balance at year-end was \$1,106,917.

## 10. RISK MANAGEMENT

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

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

At June 30, 2024, the General Liability fund had a Net Position of \$300,284 and the Workers' Compensation fund had a Net Position of \$5,213,057. The claims liability of \$2,153,177 reported in the General Liability fund and claims liability of \$5,644,185 reported in the Workers' Compensation fund at fiscal year ended are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated.

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

**General Liability Fund** – The change in the County's general liability claims reserve amount for fiscal year ending 2024 was as follows:

Fiscal Year Ending	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
June 30, 2022	\$1,719,907	\$785,756	\$386,575	\$2,119,088
June 30, 2023	2,119,088	5,661,775	5,806,369	1,974,494
June 30, 2024	1,974,494	980,646	801,963	2,153,177

**Workers' Compensation Fund** – The change in the County's workers' compensation claims reserve amount for fiscal year ending 2024 was as follows:

Fiscal Year Ending	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance at End of Fiscal Year
June 30, 2022	\$5,677,352	\$1,548,121	\$659,511	\$6,565,962
June 30, 2023	6,565,962	(952,016)	705,985	4,907,961
June 30, 2024	4,907,961	1,520,466	784,241	5,644,185

11. DEFERRED INFLOWS OF RESOURCES

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

The County has three items that are reportable on the Government-wide Statement of Net Position. The first item relates to inflows from changes in Other Post Employment Benefits (OPEB) (Note 15). The second item relates to inflows from changes in the net pension liability (Note 14). The third item relates to inflows from leases (Note 11). Additionally, deferred inflows of resources that are reported in the proprietary funds are included in the Government-wide Statement of Net Position.

Deferred inflows of resources for the year ended June 30, 2024 were as follows:

	Governmental Activities
Government-wide Deferred Inflows of Resources	
Leases	\$ 278,175
OPEB	5,158,122
Pensions	1,820,561
Total Government-wide Deferred Inflows of Resources	<u>\$ 7,256,858</u>



## 12. FUND BALANCE CLASSIFICATIONS

Fund balance classifications for the governmental funds as of June 30, 2024 are presented below:

	General	Bi-County Behavioral Health	Welfare	Public Safety/ Trial Courts
<b>Nonspendable:</b>				
Prepaid expenses	\$ 28,578	\$ -	\$ 1,304	\$ 126,949
Inventory	-	-	-	-
Advances and loans receivables	1,182,688	-	-	-
Permanent funds	-	-	-	-
Other	8,298	350	2,613	6,504
Subtotal	1,219,564	350	3,917	133,453
<b>Restricted for:</b>				
Taxes and fees	-	-	-	-
General government	-	-	-	-
Public protection	-	-	-	5,265,422
Public ways & facilities	-	-	-	-
Health & sanitation	-	6,204,458	-	-
Public assistance	-	-	399,222	-
Other	9,493,755	-	-	-
Subtotal	9,493,755	6,204,458	399,222	5,265,422
<b>Committed to:</b>				
Capital projects	3,693,442	-	-	-
Public protection	1,000,000	-	-	25,535
Public facilities	1,388,000	-	-	-
Health & sanitation	-	-	-	-
Pension & OPEB	387,090	-	-	-
Other	9,007,701	-	-	-
Subtotal	15,476,233	-	-	25,535
<b>Assigned to:</b>				
Public protection	-	-	-	363,764
Health & sanitation	-	-	-	-
Other	597,734	-	566,802	-
Subtotal	597,734	-	566,802	363,764
<b>Unassigned</b>	13,603,470	-	-	-
<b>Total</b>	<u>\$ 40,390,756</u>	<u>\$ 6,204,808</u>	<u>\$ 969,941</u>	<u>\$ 5,788,173</u>

Public Health	Public Safety/ Realignment	1991 Realignment	Other Governmental	Total Governmental Funds	
\$ -	\$ -	\$ -	\$ 7,341	\$ 164,172	<b>Nonspendable:</b>
-	-	-	16,125	16,125	Prepaid expenses
-	-	-	875,208	2,057,896	Inventory
-	-	-	-	-	Advances and loans receivables
100	-	-	-	17,864	Permanent funds
100	-	-	898,674	2,256,057	Other
					Subtotal
-	-	-	6,792,608	6,792,608	<b>Restricted for:</b>
-	-	-	5,009,480	5,009,480	Taxes and fees
-	29,787,533	-	470,276	35,523,230	General government
-	-	-	24,008,637	24,008,637	Public protection
5,146,639	-	23,685,464	6,744,643	41,781,204	Public ways & facilities
-	-	-	-	399,222	Health & sanitation
-	-	-	105,772	9,599,527	Public assistance
5,146,639	29,787,533	23,685,464	43,131,415	123,113,908	Other
					Subtotal
-	-	-	1,111,515	4,804,957	<b>Committed to:</b>
-	-	-	-	1,025,535	Capital Projects
-	-	-	83,890	1,471,890	Public protection
-	-	-	-	-	Public facilities
-	-	-	-	387,090	Health & sanitation
-	-	-	99,610	9,107,311	Pension & OPEB
-	-	-	1,295,015	16,796,783	Other
					Subtotal
-	-	-	-	363,764	<b>Assigned to:</b>
96,250	-	-	-	96,250	Public Protection
-	-	-	-	1,164,536	Health & sanitation
96,250	-	-	-	1,624,549	Other
					Subtotal
-	-	-	-	13,603,470	<b>Unassigned</b>
<u>\$ 5,242,989</u>	<u>\$ 29,787,533</u>	<u>\$ 23,685,464</u>	<u>\$ 45,325,104</u>	<u>\$ 157,394,767</u>	Total

### 13. RESTRICTED COMPONENT OF NET POSITION – GOVERNMENT-WIDE

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

The restricted component of net position at June 30, 2024 for governmental activities is as follows:

Restricted for General Government:		
Taxes and fees	\$ 6,792,608	
General government	<u>6,134,074</u>	
		\$ 12,926,682
Restricted for Public Protection:		
Public Safety/Trial Courts	5,265,422	
Public Safety/Realignment	29,894,198	
Child Support Srvc Reimb/Adj	<u>470,276</u>	
		35,629,896
Restricted for Public Ways & Facilities:		
Road	14,552,443	
County Service Areas	3,227,106	
Water Agencies	3,179,654	
Other Special Districts	<u>3,049,433</u>	
		24,008,637
Restricted for Health & Sanitation:		
Bi-County Behavioral Health	17,914,828	
Mental Health Services Act	8,762,623	
Public Health	5,146,639	
1991 Realignment	<u>23,716,117</u>	
		55,540,207
Restricted for Public Assistance:		
Welfare/Social Services	<u>2,091,277</u>	
		2,091,277
Restricted for Other Government Services:		
General	9,493,755	
Fish & Game	<u>105,772</u>	
		11,019,585
Total restricted component of position - governmental		<u><u>\$ 141,216,284</u></u>



## 14. EMPLOYEES' RETIREMENT PLAN

### A. General Information about the Pensions Plans

#### Plan Description

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

#### Benefits Provided

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

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

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

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

The Plans' provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous		
	Prior to	On or after	On or after
	Nov. 16, 2011	Nov. 16, 2011	Jan. 1, 2013
Hire Date	Nov. 16, 2011	Nov. 16, 2011	Jan. 1, 2013
Benefit formula	2.7%@55	2%@60	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-63	52-67
Monthly benefits, as % of eligible	2.00%-2.70%	1.09%-2.42%	1.00%-2.50%
Required employee contribution rates	8%	7%	6.25%
Required employer contribution rates	36.59%	36.59%	36.59%
Status	Closed	Closed	Open

	Safety		
	Prior to	On or after	On or after
	Nov. 16, 2011	Nov. 16, 2011	Jan. 1, 2013
Hire Date	Nov. 16, 2011	Nov. 16, 2011	Jan. 1, 2013
Benefit formula	3@50	2%@50	2.7@57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50-55	50-55
Monthly benefits, as % of eligible	3.00%	2.00% - 2.70%	2.00% - 2.70%
Required employee contribution rates	9%	9%	12%
Required employer contribution rates	56.16%	56.16%	56.16%
Status	Closed	Closed	Open

## Employees Covered

At June 30, 2023, the following employees were covered by the benefit terms for the Miscellaneous Plan and Safety Plan.

Employee Status	Miscellaneous	Safety
Active	790	168
Transferred	377	69
Separated	603	59
Retired	1,221	241
Total	2,991	537

## Contributions

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

## B. Net Pension Liability

The County's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2023, using an

annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

### Actuarial Assumptions

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Normal	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return <sup>1</sup>	6.90%	6.90%
Mortality	Derived using CalPERS' Membership Data for All Funds	

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

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2022 valuation were based on the results of a January 2022 actuarial experience study for the period 2001 to 2019. Further details of the Experience Study can be found on the CalPERS website.

### Discount Rate

The discount rate used to measure the total pension liability was 6.90% for each Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. There the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Long-term Expected Rate of Return

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

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

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

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

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

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

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

## C. Changes in the Net Pension Liability

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

	Miscellaneous Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2022</b>	<b>\$ 467,594,131</b>	<b>\$ 336,713,959</b>	<b>\$ 130,880,171</b>
<b>Changes in the year:</b>			
Service cost	8,469,270	-	8,469,270
Interest on total pension liability	31,918,335	-	31,918,335
Changes of benefit terms	735,668	-	735,668
Differences between expected and actual experience	4,413,459	-	4,413,459
Net plan to plan resources movement	-	7,332	(7,332)
Contributions from the employer	-	16,763,728	(16,763,728)
Contributions from employees	-	3,704,758	(3,704,758)
Net Investment Income	-	20,461,913	(20,461,913)
Benefit payments, including refunds of employee contributions	(24,623,604)	(24,623,604)	-
Administrative expenses	-	(246,415)	246,415
<b>Net Changes</b>	<b>20,913,129</b>	<b>16,067,712</b>	<b>4,845,417</b>
<b>Balance at June 30, 2023 (MD)</b>	<b>\$ 488,507,259</b>	<b>\$ 352,781,671</b>	<b>\$ 135,725,588</b>

	Safety Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2022</b>	<b>\$ 166,525,813</b>	<b>\$ 118,769,353</b>	<b>\$ 47,756,460</b>
<b>Changes in the year:</b>			
Service cost	3,530,383	-	3,530,383
Interest on total pension liability	11,458,233	-	11,458,233
Changes of benefit terms	122,608	-	122,608
Differences between expected and actual experience	1,919,961	-	1,919,961
Net plan to plan resource movement	-	(7,752)	7,752
Contributions from the employer	-	6,364,706	(6,364,706)
Contributions from employees	-	1,700,799	(1,700,799)
Net Investment Income	-	7,257,680	(7,257,680)
Benefit payments, including refunds of employee contributions	(8,544,442)	(8,544,442)	-
Administrative expenses	-	(87,337)	87,337
<b>Net Changes</b>	<b>8,486,743</b>	<b>6,683,654</b>	<b>1,803,089</b>
<b>Balance at June 30, 2023 (MD)</b>	<b>\$ 175,012,556</b>	<b>\$ 125,453,007</b>	<b>\$ 49,559,549</b>

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

The following presents the net pension liability of the County for each Plan, calculated using the discount rate for each Plan, as well as what the County's net pension liability would be if it were calculated using a discount

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

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Plan's Net Pension Liability / (Asset)			
Miscellaneous Plan	\$ 197,600,117	\$ 135,725,588	\$ 83,631,780
Safety Plan	\$ 73,769,358	\$ 49,559,549	\$ 29,764,447

### Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2024, the County recognized pension expense of \$ 30,607,240. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 7,725,641	\$ -
Differences between expected and actual experience	4,416,455	(1,820,561)
Net differences between projected and actual earnings on pension plan investments	22,085,534	-
County contributions subsequent to the measurement	23,568,076	-
Total	<u>\$ 57,795,707</u>	<u>\$ (1,820,561)</u>

The \$23,568,076 reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

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

Measurement Period Ended June 30	Deferred Outflows/(Inflows) of Resources
2024	\$ 10,388,842
2025	5,463,723
2026	15,783,962
2027	770,544
<b>Total</b>	<b>\$ 32,407,070</b>

## 15. OTHER POST EMPLOYMENT BENEFITS (OPEB)

### General Information about the OPEB Plan

#### **Plan Description**

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

#### **Benefits Provided**

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

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

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

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

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

#### **Employees Covered by Benefit Terms**



At the OPEB liability measurement date of June 30, 2023, the following employees were covered by the benefit terms:

Active employees	914
Inactive employees or beneficiaries currently receiving benefit payments	106
Inactive employees entitled to but not yet receiving benefit payments	48
	<u>1,068</u>

### Contributions

The contribution requirements of the plan members and the County are established and may be amended by the County. The contribution is based on pay-as-you-go financing requirements. For fiscal year 2023/2024, the County contributed \$562,759, or 140.1%, of the actuarially required contributions to the Retiree Healthcare Plan.

### Total OPEB Liability

At June 30, 2024, the County reported a total OPEB liability of 11,835,740. The total OPEB liability was measured as of June 30, 2023 and determined by an actuarial valuation as of June 30, 2023.

### Actuarial Methods and Assumptions

The total OPEB liability measured as of June 30, 2023 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increase rate	3.00% per year, since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years.
Assumed wage inflation	2.50% per year; used to determine amortization payments if developed on a level percent of pay basis.
General inflation rate	2.50% per year
Discount rates	4.13% on June 30, 2023 and 4.09% on June 30, 2022. Changes based on the published change in return for the applicable municipal bond index.
Healthcare trend	Medical plan premiums and claims costs by age are assumed to increase once each year.
Future retiree plan election	Depending on years of service with the County from less than 10 years-20% elect coverage to more than 30 years-80% elect coverage. It is assumed that 15% of future retirees are to continue coverage after age 65, regardless of their years of County service.

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

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

### Changes in the Total OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position and the net OPEB liability during the measurement period ending on June 30, 2023 for the County's proportionate share.

<b>For reporting at fiscal year end</b>	<b>June 30, 2023</b>	<b>June 30, 2024</b>	<b>Change</b>
<i>Measurement date</i>	<u>June 30, 2022</u>	<u>June 30, 2023</u>	<b>During Period</b>
OPEB Liability	\$ 10,179,027	\$ 11,835,740	\$ 1,656,713
<i>Deferred resource (outflows) inflows due to:</i>			
Assumption changes	2,697,938	2,850,647	152,709
Plan experience	2,349,722	383,495	(1,966,227)
Investment experience	-	-	-
Contributions made subsequent to the measurement date	<u>(558,586)</u>	<u>(562,759)</u>	<u>(4,173)</u>
Net deferred (outflows) inflows	<u>4,489,074</u>	<u>2,671,383</u>	<u>(1,817,691)</u>
Impact on Statement of Net Position	<u>\$ 14,668,101</u>	<u>\$ 14,507,123</u>	<u>\$ (160,978)</u>

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

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13%) or one percentage point higher (5.13%) than the current discount rate:

	<u>Change in Discount Rate</u>		
	<u>Current - 1%</u>	<u>Current</u>	<u>Current + 1%</u>
	<u>3.13%</u>	<u>4.13%</u>	<u>5.13%</u>
Total OPEB Liability	\$12,906,454	\$11,835,740	\$10,861,166
Increase (decrease)	\$1,070,714		\$(974,574)
% increase (decrease)	9.0%		-8.2%

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

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

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

For the year ended June 30, 2024, the County recognized OPEB expense of \$401,781. OPEB expense represents the change in the total OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At June 30, 2024, The County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 1,923,980	\$ (3,126,131)
Differences between expected and actual experience	-	(2,031,991)
Net difference between projected and actual earnings on retirement plan investments	-	-
County contributions subsequent to the measurement	562,759	-
	<u>\$ 2,486,739</u>	<u>\$ (5,158,122)</u>

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

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (inflows) of Resources
2025	\$ (609,948)
2026	(580,816)
2027	(542,756)
2028	(570,292)
2029	(568,456)
Thereafter	(361,874)

### 16. COMPENSATED ABSENCES

As of June 30, 2024, compensated absences were the following:

	Balance July 1, 2023	Additions/ Adjustments	Retirements	Balance June 30, 2024	Amounts Due Within One Year
Governmental Activities					
Compensated absences	<u>\$ 8,621,617</u>	<u>\$ 7,653,111</u>	<u>\$ 8,515,850</u>	<u>\$ 7,758,879</u>	<u>\$ 5,341,854</u>

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

## 17. OTHER INFORMATION

### A. Construction Commitments

At June 30, 2024, there were no construction commitments.

### B. Contingent Liabilities

#### Grants

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

#### Other Claims

The County is subject to various lawsuits, inverse condemnation cases, personnel actions, disputes over tax assessments, and other actions incidental to the ordinary course of County operations. For fiscal year ending June 30, 2024, the estimated loss from potential litigations against the County not covered by insurance is \$500,000.

### C. Joint Agencies

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

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

## 18. RESTATEMENT OF NET POSITION/FUND BALANCE

During the fiscal year ended June 30, 2024, the County restated beginning fund balances related to establishment of 1991 Realignment Fund. The County also restated net position and fund balance to correct cost plan allocation to Welfare, prepaid expense in General Fund and construction in progress balance for Road.

Accordingly, the beginning net position/fund balance is restated as follows:

Reporting Units Affected by Adjustment to and Restatements of Beginning Balances	Funds	Government-Wide
June 30, 2023, as previously reported	\$ 146,249,784	\$ 126,183,943
<i>Change to or within the Financial Reporting</i>		
Welfare	(15,208,231)	(15,208,231)
Public Safety/Trial Courts	(3,293,949)	(3,293,949)
Public Health	(1,921,873)	(1,921,873)
Public Safety Realignment	3,293,949	3,293,949
1991 Realignment	17,130,104	17,130,104
<i>Error Corrections</i>		
General	(25,147)	(25,174)
Welfare	(24,284)	(24,284)
Capital Project	-	122,753
Public Safety/Trial Courts	(12,056)	(12,056)
Road	(111,053)	-
Clerk Recorder	(26)	-
June 30, 2024, as restated	<u>\$ 146,077,217</u>	<u>\$ 126,245,183</u>

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## **Required Supplementary Information**

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

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

	Reporting Fiscal Year Measurement Date	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
<b>Total Pension Liability</b>						
Service cost	\$	8,469,270	\$ 8,417,851	\$ 8,024,531	\$ 8,076,624	\$ 7,943,753
Interest on total pension liability		31,918,335	30,563,171	29,956,669	29,088,449	27,983,797
Changes in Benefit Terms		735,668				
Changes of assumptions		-	13,765,513	-	-	-
Differences between expected and actual experience		4,413,459	(3,763,965)	(2,470,990)	(482,944)	7,599,929
Benefit payments, including refunds of employee contributions		(24,623,604)	(24,014,231)	(22,261,666)	(21,161,945)	(20,180,176)
Other differences		-	-	-	-	(493,075)
<b>Net Change in total pension liability</b>		20,913,129	24,968,340	13,248,544	15,520,184	22,854,228
<b>Total pension liability - beginning</b>		466,984,428	442,016,088	428,767,544	413,247,360	390,393,132
<b>Total pension liability - ending (a)</b>		487,897,557	466,984,428	442,016,088	428,767,544	413,247,360
<b>Plan Fiduciary Net Position</b>						
Contributions - employer		16,763,728	15,478,796	14,641,685	13,357,642	12,159,667
Contributions - employee		3,704,758	3,392,734	3,478,532	3,494,476	3,392,287
Net investment income		20,461,913	(27,509,083)	68,126,672	14,742,851	18,423,762
Changes in assumptions		-	-	-	-	-
Benefit payments, including refunds of employee contributions		(24,623,604)	(24,014,231)	(22,261,666)	(21,161,945)	(20,180,176)
Other differences		-	-	-	5,961	(355,577)
Administrative expenses		(246,415)	(229,319)	(305,015)	(416,896)	(201,021)
Net plan to plan resources movement		7,332	(3,314)	-	-	-
Adjustment for Courts		-	-	-	-	-
<b>Net change in plan fiduciary net position</b>		16,067,712	(32,884,416)	63,680,208	10,022,089	13,238,942
<b>Plan fiduciary net position - beginning</b>		336,104,257	368,988,672	305,308,464	295,286,375	282,047,433
<b>Plan fiduciary net position - ending (b)</b>		352,171,968	336,104,257	368,988,672	305,308,464	295,286,375
<b>Net pension liability - ending (a) - (b)</b>	\$	135,725,588	\$ 130,880,171	\$ 73,027,416	\$ 123,459,080	\$ 117,960,985
<b>Plan Fiduciary Net Position as a Percentage of the</b>						
<b>Total Pension Liability</b>		72.18%	71.97%	83.48%	71.21%	71.46%
Covered Payroll	\$	46,302,815	\$ 48,253,350	\$ 46,787,577	\$ 46,899,704	\$ 47,193,631
<b>Plan Net Pension Liability(Asset) as a Percentage of Payroll</b>		293.13%	271.24%	156.08%	263.24%	249.95%

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

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 14,192,633	\$ 14,230,411	\$ 13,188,975	\$ 12,403,931	\$ 11,290,917
Contributions in relation to the actuarially determined contributions	(14,192,633)	(14,230,411)	(13,188,975)	(12,403,931)	(11,290,917)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 46,283,240	\$ 46,302,815	\$ 48,253,350	\$ 46,787,577	\$ 46,899,704
Contributions as a percentage of covered payroll	30.66%	30.73%	27.33%	26.51%	24.07%



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

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

	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	Reporting Fiscal Year Measurement Date
						<b>Total Pension Liability</b>
\$ 8,296,160	\$ 8,205,868	\$ 7,788,731	\$ 7,663,051	\$ 7,829,813		Service cost
26,370,436	25,503,728	26,037,033	23,502,852	21,710,089		Interest on total pension liability
(2,891,060)	20,548,597	-	(5,579,922)	-		Changes of assumptions
139,300	(4,859,263)	594,644	(4,578,918)	-		Differences between expected and actual experience
(17,885,341)	(16,628,756)	(16,994,611)	(14,200,697)	(13,296,051)		Benefit payments, including refunds of employee contributions
(1,293,181)	-	-	12,259,060	-		Other differences
12,736,314	32,770,174	17,425,797	19,065,426	16,243,851		<b>Net Change in total pension liability</b>
377,656,818	344,886,644	327,460,847	308,395,421	292,151,570		<b>Total pension liability - beginning</b>
390,393,132	377,656,818	344,886,644	327,460,847	308,395,421		<b>Total pension liability - ending (a)</b>
						<b>Plan Fiduciary Net Position</b>
11,138,700	10,537,924	9,882,242	8,531,146	8,238,602		Contributions - employer
3,461,729	3,511,374	3,460,310	3,268,310	3,198,949		Contributions - employee
22,611,818	26,759,576	1,370,408	5,352,021	35,852,926		Net investment income
-	-	-	-	(15,546,563)		Changes in assumptions
(17,885,341)	(16,628,756)	(16,994,611)	(14,200,697)	(13,296,051)		Benefit payments, including refunds of employee contributions
(1,588,890)	(4,976)	3,578,664	12,049,033	428,607		Other differences
(411,250)	(356,165)	(155,561)	(274,515)	-		Administrative expenses
(655)	-	-	-	-		Net plan to plan resources movement
-	(99,688)	-	-	-		Adjustment for Courts
17,326,111	23,719,289	1,141,452	14,725,298	18,876,470		<b>Net change in plan fiduciary net position</b>
264,721,322	241,002,033	239,860,581	225,135,283	206,258,813		<b>Plan fiduciary net position - beginning</b>
282,047,433	264,721,322	241,002,033	239,860,581	225,135,283		<b>Plan fiduciary net position - ending (b)</b>
<b>\$ 108,345,699</b>	<b>\$ 112,935,496</b>	<b>\$ 103,884,611</b>	<b>\$ 87,600,266</b>	<b>\$ 83,260,138</b>		<b>Net pension liability - ending (a) - (b)</b>
						<b>Plan Fiduciary Net Position as a Percentage of the</b>
72.25%	70.10%	69.88%	73.25%	73.00%		<b>Total Pension Liability</b>
\$ 46,847,175	\$ 45,415,339	\$ 45,934,148	\$ 45,337,632	\$ 46,145,585		Covered Payroll
231.27%	248.67%	226.16%	193.22%	180.43%		<b>Plan Net Pension Liability(Asset) as a Percentage of Payroll</b>

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

	2019	2018	2017	2016	2015	
\$ 9,909,936	\$ 10,537,924	\$ 942,074	\$ 8,548,295	\$ 8,238,602		Actuarially determined contribution
(9,909,936)	(10,537,924)	(942,074)	(8,548,295)	(8,238,602)		Contributions in relation to the actuarially determined contributions
\$ -	\$ -	\$ -	\$ -	\$ -		Contributions deficiency (excess)
\$ 47,193,631	\$ 46,847,175	\$ 45,415,339	\$ 45,934,148	\$ 45,337,632		Covered payroll
21.00%	22.49%	2.07%	18.61%	18.17%		Contributions as a percentage of covered payroll

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

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

<i>Reporting Fiscal Year Measurement Date</i>	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
<b>Total Pension Liability</b>					
Service cost	\$ 3,530,383	\$ 3,452,921	\$ 3,284,500	\$ 3,223,170	\$ 3,050,002
Interest on total pension liability	11,458,233	10,898,663	10,472,420	10,110,530	9,603,238
Changes of Benefit Terms	122,608				
Changes of assumptions	-	5,868,711	-	-	-
Differences between expected and actual experience	1,919,961	(318,764)	(800,245)	1,303,112	3,712,528
Benefit payments, including refunds of employee contributions	(8,544,442)	(8,101,887)	(7,711,831)	(7,293,592)	(6,602,299)
<b>Net Change in total pension liability</b>	<b>8,486,743</b>	<b>11,799,644</b>	<b>5,244,844</b>	<b>7,343,220</b>	<b>9,763,469</b>
<b>Total pension liability - beginning</b>	<b>166,525,813</b>	<b>154,726,169</b>	<b>149,481,325</b>	<b>142,138,105</b>	<b>132,374,636</b>
<b>Total pension liability - ending (a)</b>	<b>175,012,556</b>	<b>166,525,813</b>	<b>154,726,169</b>	<b>149,481,325</b>	<b>142,138,105</b>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	6,364,706	5,750,221	5,193,635	4,693,945	4,169,389
Contributions - employee	1,700,799	1,390,294	1,350,937	1,371,169	1,334,452
Net investment income	7,257,680	(9,738,789)	23,910,963	5,158,159	6,465,706
Benefit payments, including refunds of employee contributions	(8,544,442)	(8,101,887)	(7,711,831)	(7,293,592)	(6,602,299)
Administrative Expense	(87,337)	(80,700)	(106,796)	(145,382)	(69,812)
Net plan to plan resources movement	(7,752)	3,502	-	-	-
Other differences	-	-	-	-	227
<b>Net change in plan fiduciary net position</b>	<b>6,683,654</b>	<b>(10,777,359)</b>	<b>22,636,908</b>	<b>3,784,299</b>	<b>5,297,663</b>
<b>Plan fiduciary net position - beginning</b>	<b>118,769,353</b>	<b>129,546,712</b>	<b>106,909,804</b>	<b>103,125,505</b>	<b>97,827,842</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>125,453,007</b>	<b>118,769,353</b>	<b>129,546,712</b>	<b>106,909,804</b>	<b>103,125,505</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 49,559,549</b>	<b>\$ 47,756,460</b>	<b>\$ 25,179,457</b>	<b>\$ 42,571,521</b>	<b>\$ 39,012,600</b>
<b>Plan Fiduciary Net Position as a Percentage of the</b>					
<b>Total Pension Liability</b>	71.68%	71.32%	83.73%	71.52%	72.55%
Covered Payroll	11,760,631	11,844,573	\$ 11,420,500	\$ 11,393,396	\$ 11,198,333
<b>Plan Net Pension Liability(Asset) as a Percentage of Payroll</b>	421.40%	403.19%	220.48%	373.65%	348.38%

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

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 9,375,443	\$ 9,160,594	\$ 8,493,597	\$ 7,906,327	\$ 7,233,038
Contributions in relation to the actuarially determined contributions	(9,375,443)	(9,160,594)	(8,493,597)	(7,906,327)	(7,233,038)
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 12,073,813	\$ 11,760,631	\$ 11,844,573	\$ 11,420,500	\$ 11,393,396
Contributions as a percentage of covered payroll	77.65%	77.89%	71.71%	69.23%	63.48%

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

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

2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	Reporting Fiscal Year Measurement Date
					<b>Total Pension Liability</b>
\$ 3,095,372	\$ 3,136,101	\$ 2,720,184	\$ 2,878,691	\$ 2,913,157	Service cost
8,916,900	8,647,227	8,268,025	7,994,762	7,636,180	Interest on total pension liability
(742,338)	7,324,925	-	(1,998,906)	-	Changes of assumptions
(1,864,269)	(629,979)	(2,485,971)	(1,437,908)	-	Differences between expected and actual experience
(5,603,664)	(5,165,757)	(4,893,514)	(4,578,828)	(4,229,813)	Benefit payments, including refunds of employee contributions
3,802,001	13,312,517	3,608,724	2,857,811	6,319,524	<b>Net Change in total pension liability</b>
128,572,635	115,260,118	111,651,394	108,793,583	102,474,059	<b>Total pension liability - beginning</b>
132,374,636	128,572,635	115,260,118	111,651,394	108,793,583	<b>Total pension liability - ending (a)</b>
					<b>Plan Fiduciary Net Position</b>
3,970,392	3,722,574	3,354,947	3,205,510	3,060,634	Contributions - employer
1,255,295	1,019,846	1,026,877	1,004,397	946,187	Contributions - employee
7,773,766	9,131,684	417,478	1,803,726	12,013,249	Net investment income
(5,603,664)	(5,165,757)	(4,893,514)	(4,578,828)	(4,229,813)	Benefit payments, including refunds of employee contributions
(141,558)	6,407	2,537	(92,691)	-	Administrative Expense
(227)	-	-	-	-	Net plan to plan resources movement
(268,821)	(121,436)	(50,213)	-	-	Other differences
6,985,183	8,593,318	(141,888)	1,342,114	11,790,257	<b>Net change in plan fiduciary net position</b>
90,842,659	82,249,341	82,391,229	81,049,115	69,258,858	<b>Plan fiduciary net position - beginning</b>
97,827,842	90,842,659	82,249,341	82,391,229	81,049,115	<b>Plan fiduciary net position - ending (b)</b>
\$ 34,546,794	\$ 37,729,976	\$ 33,010,777	\$ 29,260,165	\$ 27,744,468	<b>Net pension liability - ending (a) - (b)</b>
					<b>Plan Fiduciary Net Position as a Percentage of the</b>
73.90%	70.65%	71.36%	73.79%	74.50%	<b>Total Pension Liability</b>
\$ 11,197,562	\$ 10,751,719	\$ 11,191,554	\$ 10,930,351	\$ 11,017,797	Covered Payroll
308.52%	350.92%	294.96%	267.70%	251.82%	<b>Plan Net Pension Liability(Asset) as a Percentage of Payroll</b>

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

2019	2018	2017	2016	2015	
\$ 6,361,945	\$ 3,722,574	\$ 3,354,947	\$ 3,205,510	\$ 3,060,634	Actuarially determined contribution
(6,361,945)	(3,722,574)	(3,354,947)	(3,205,510)	(3,060,634)	Contributions in relation to the actuarially determined contributions
\$ -	\$ -	\$ -	\$ -	\$ -	Contributions deficiency (excess)
\$ 11,198,333	\$ 11,197,562	\$ 10,751,719	\$ 11,191,554	\$ 10,930,351	Covered payroll
56.81%	33.24%	31.20%	28.64%	28.00%	Contributions as a percentage of covered payroll

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

<b><u>For reporting year end</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>
<i>Measurement Date</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>
Total OPEB liability				
Service Cost	\$ 588,059	\$ 806,808	\$ 740,797	\$ 702,537
Interest	441,962	268,075	335,198	331,758
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	1,806,640	-	(1,141,783)	-
Changes of assumptions	(593,894)	(1,917,021)	135,312	140,528
Benefit payment	(458,586)	(401,841)	(492,210)	(512,492)
Miscellaneous adjustment	-	-	7,453	-
Net change in total OPEB liability	1,784,181	(1,243,979)	(415,233)	662,331
Total OPEB liability - beginning	10,447,150	11,691,129	12,106,362	11,444,031
Total OPEB liability - ending (a)	<u>\$ 12,231,331</u>	<u>\$ 10,447,150</u>	<u>\$ 11,691,129</u>	<u>\$ 12,106,362</u>
Plan fiduciary net position				
Contributions-employer	\$ 558,586	\$ 501,841	\$ 693,973	\$ 512,492
Net investment income	27,468	(40,675)	8,798	-
Benefit payments	(458,586)	(401,841)	(493,973)	(512,492)
Net change in plan fiduciary net position	127,468	59,325	208,798	-
Plan fiduciary net position - beginning	268,123	208,798	-	-
Plan fiduciary net position - ending (b)	<u>\$ 395,591</u>	<u>\$ 268,123</u>	<u>\$ 208,798</u>	<u>\$ -</u>
Net OPEB liability - ending (a)-(b)	<u>\$ 11,835,740</u>	<u>\$ 10,179,027</u>	<u>\$ 11,482,331</u>	<u>\$ 12,106,362</u>
Covered - employee payroll	\$ 69,837,715	\$ 64,025,951	\$ 60,436,874	\$ 57,884,672
OPEB liability as a percentage of covered - employee payroll	17.51%	16.32%	19.33%	20.91%

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

<u>2020</u> 2019	<u>2019</u> 2018	<u>2018</u> 2017	<u>For reporting year end</u> Measurement Date
\$ 963,973	\$ 891,160	\$ 945,753	Total OPEB liability
470,664	451,482	382,921	Service Cost
-	-	-	Interest -
(2,462,599)	-	-	Changes of benefit terms
(1,848,952)	228,375	(660,738)	Differences between expected and actual experience
(533,609)	(499,306)	(454,860)	Changes of assumptions
-	-	-	Benefit payment
-	-	-	Miscellaneous
(3,410,523)	1,071,711	213,076	Net change in total OPEB liability
14,854,554	13,782,843	13,569,767	Total OPEB liability - beginning
<u>\$ 11,444,031</u>	<u>\$ 14,854,554</u>	<u>\$ 13,782,843</u>	Total OPEB liability - ending (a)
\$ 533,609	\$ 499,306	\$ 454,860	Plan fiduciary net position
-	-	-	Contributions-employer
(533,609)	(499,306)	(454,860)	Net investment income
-	-	-	Benefit payments
-	-	-	Net change in plan fiduciary net position
-	-	-	Plan fiduciary net position - beginning
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Plan fiduciary net position - ending (b)
<u>\$ 11,444,031</u>	<u>\$ 14,854,554</u>	<u>\$ 13,782,843</u>	Net OPEB liability - ending (a)-(b)
\$ 57,884,672	\$ 56,781,386	\$ 53,626,420	Covered - employee payroll
19.77%	26.16%	25.70%	OPEB liability as a percentage of covered - employee payroll

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

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## **BUDGETARY BASIS OF ACCOUNTING**

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

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

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

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



**COUNTY OF SUTTER**

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

General Fund

For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 39,794,555	\$ 39,794,555	\$ 42,300,068	\$ 2,505,513
Licenses, Permits, and Franchises	3,684,206	3,687,359	3,662,873	(24,486)
Fines, Forfeitures, and Penalties	570,900	570,900	318,552	(252,348)
Revenue from Investment and Property	692,743	812,900	2,608,858	1,795,958
Intergovernmental	6,119,444	6,575,584	3,866,827	(2,708,757)
Charges for Services	15,347,957	15,399,271	13,235,462	(2,163,809)
Other revenues	1,013,900	1,130,463	1,209,639	79,176
Total Revenues	67,223,705	67,971,032	67,202,279	(768,753)
Expenditures:				
Current:				
General government	22,058,567	22,302,841	18,829,383	3,473,458
Public protection	14,133,001	14,168,225	10,018,923	4,149,302
Public way and facilities	250,000	250,000	192,815	57,185
Health and sanitation	-	-	-	-
Public assistance	292,848	322,848	225,403	97,445
Education	2,353,180	2,567,475	2,323,441	244,034
Recreation and culture	1,090,084	1,092,203	849,120	243,083
Debt Service				
Principal: Leases and Subscription	-	239,146	221,646	17,500
Principal: Other long-term liabilities	-	-	-	-
Interest	-	76	4,635	(4,559)
Capital outlay	757,775	925,152	440,288	484,864
Total Expenditures	40,935,455	41,867,966	33,105,654	8,762,312
Excess (Deficiency) of Revenues Over (Under) Expenditures	26,288,250	26,103,066	34,096,625	7,993,559
Other Financing Sources (Uses):				
Transfers in	668,929	1,455,873	1,018,219	(437,654)
Transfers out	(46,981,728)	(46,580,013)	(39,916,425)	6,663,588
Proceeds from capital asset disposals	-	-	14,171	14,171
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	(46,312,799)	(45,124,140)	(38,884,035)	6,240,105
Net Change in Fund Balances	\$ (20,024,549)	\$ (19,021,074)	(4,787,410)	\$ 14,233,664
Fund Balances - Beginning of Year, as previously reported			45,203,314	
Restatement for Error Correction			(25,147)	
Fund Balances - Beginning of Year, restated			45,178,166	
Fund Balances - End of Year			\$ 40,390,756	\$

**COUNTY OF SUTTER**

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

Bi-County Behavioral Health

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, Forfeitures, and Penalties	\$ 6,000	\$ 6,000	\$ 12,467	\$ 6,467
Revenue from Investment and Property	4,000	5,638	374,331	368,693
Intergovernmental	16,573,844	17,982,751	15,392,632	(2,590,119)
Charges for services	3,413,936	3,413,936	4,879,854	1,465,918
Other revenues	75,000	75,000	266,614	191,614
Total Revenues	20,072,780	21,483,325	20,925,897	(557,428)
Expenditures:				
Health and sanitation	40,863,796	44,891,593	38,427,582	6,464,011
Debt service:				-
Principal: Leases and Subscription	-	-	195,134	(195,134)
Principal: Other long-term liabilities	-	-	-	-
Interest	-	-	30,212	(30,212)
Capital Outlay	45,000	254,035	32,732	221,303
Total Expenditures	40,908,796	45,145,628	38,685,660	6,459,968
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,836,016)	(23,662,303)	(17,759,763)	5,902,540
Other Financing Sources (Uses):				
Transfers in	19,584,052	20,134,479	19,403,088	(731,391)
Transfers out	(810,713)	(2,286,050)	(3,155,885)	(869,835)
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	18,773,339	17,848,429	16,247,202	(1,601,227)
Net Change in Fund Balances	\$ (2,062,677)	\$ (5,813,874)	(1,512,560)	\$ 4,301,314
Fund Balances - Beginning of Year			7,717,368	
Fund Balances - End of Year			\$ 6,204,808	\$

**COUNTY OF SUTTER**  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Welfare  
For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Licenses, Permits, and Franchises	\$ 1,500	\$ 1,500	\$ 1,336	\$ (164)
Revenue from Investment and Property	4,648	4,650	79,238	74,588
Intergovernmental	43,713,817	45,179,262	40,243,894	(4,935,368)
Charges for services	64,540	64,540	50,151	(14,389)
Other revenues	10,000	10,000	55,330	45,330
Total Revenues	43,794,505	45,259,952	40,429,950	(4,829,838)
Expenditures:				
Current:				
Public assistance	73,545,288	75,686,423	65,462,413	10,224,010
Debt Service:				
Principal: Leases and Subscription	-	-	584,300	(584,300)
Principal: Other long-term liabilities	-	-	-	-
Interest	-	-	14,536	(14,536)
Capital outlay	342,251	342,251	111,724	230,527
Total Expenditures	73,887,539	76,028,674	66,172,973	9,855,701
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,093,034)	(30,768,722)	(25,743,023)	5,025,699
Other Financing Sources (Uses):				
Transfers in	31,643,466	31,806,785	26,661,984	(5,144,801)
Transfers out	(1,935,134)	(1,935,134)	(540,354)	1,394,780
Proceeds from capital asset disposals	5,000	5,000	9,515	4,515
Proceeds from debt issuance	-	-	86,011	86,011
Total Other Financing Sources (Uses)	29,713,332	29,876,651	26,217,157	(3,659,494)
Net Change in Fund Balances	\$ (379,702)	\$ (892,071)	474,133	\$ 1,366,204
Fund Balances - Beginning of Year, as previously reported			15,728,322	
Restatement for Changes to or within Financial Reporting Entity			(15,208,231)	
Restatement for Error Correction			(24,284)	
Fund Balances - Beginning of Year, restated			495,807	
Fund Balances - End of Year			\$ 969,940	

**COUNTY OF SUTTER**  
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Public Safety/Trial Courts  
For the Year Ended June 30, (Blank)

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 30,596	30,596	36,657	\$ 6,061
Licenses and permits	37,600	37,600	36,434	(1,166)
Fines, forfeitures and penalties	661,300	666,540	848,055	181,515
Use of money and property	62,292	71,755	441,893	370,138
Intergovernmental	17,011,807	17,748,262	17,351,942	(396,320)
Charges for services	1,181,749	1,184,815	1,251,670	66,855
Other revenues	744,500	762,323	941,477	179,154
Total Revenues	<u>19,729,844</u>	<u>20,501,891</u>	<u>20,908,129</u>	<u>406,238</u>
Expenditures:				
Current:				
Public protection	58,145,880	57,522,639	52,651,329	4,871,310
Public way and facilities	-	8,187	8,133	54
Health and sanitation	10	10	-	10
Debt Service:				
Principal: Leases and Subscription	-	197,236	249,700	(52,464)
Principal: Other long-term liabilities	-	-	-	-
Interest	-	-	3,241	(3,241)
Capital outlay	1,273,000	2,738,110	1,861,046	877,064
Total Expenditures	<u>59,418,890</u>	<u>60,466,182</u>	<u>54,773,448</u>	<u>5,692,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(39,689,046)</u>	<u>(39,964,291)</u>	<u>(33,865,318)</u>	<u>6,098,973</u>
Other Financing Sources (Uses):				
Transfers in	52,875,995	53,037,645	47,678,279	(5,359,366)
Transfers out	(12,735,780)	(13,454,285)	(12,966,211)	488,074
Proceeds from capital asset disposals	-	-	6,916	6,916
Total Other Financing Sources (Uses)	<u>40,140,215</u>	<u>39,583,360</u>	<u>34,718,984</u>	<u>(4,864,376)</u>
Net Change in Fund Balances	<u>\$ 451,169</u>	<u>\$ (380,931)</u>	853,666	<u>\$ 1,234,597</u>
Fund Balances - Beginning of Year, as previously reported			8,240,512	
Restatement for Changes to or within Financial Reporting Entity			(3,293,949)	
Restatement for Error Correction			(12,056)	
Fund Balances - Beginning of Year, restated			<u>4,934,507</u>	
Fund Balances - End of Year			<u>\$ 5,788,173</u>	

**COUNTY OF SUTTER**

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

Public Health

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines, forfeitures and penalties	\$ 104,600	\$ 104,600	\$ 107,200	\$ 2,600
Use of money and property	29,205	32,502	537,996	505,494
Intergovernmental	14,223,377	17,128,802	10,997,620	(6,131,182)
Charges for services	3,078,181	3,078,181	2,750,356	(327,825)
Other revenues	-	-	5,553	5,553
Total Revenues	17,435,363	20,344,085	14,398,726	(5,945,359)
Expenditures:				
Current:				
Health and sanitation	25,428,432	28,453,572	19,651,594	8,801,978
Public assistance	-	-	26	(26)
Debt Service:				
Principal: Leases and Subscription	-	32,763	66,129	(33,366)
Interest	-	-	917	(917)
Capital outlay	95,000	133,000	69,872	63,129
Total Expenditures	25,523,432	28,619,335	19,788,537	28,846
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,088,069)	(8,275,250)	(5,389,811)	2,885,439
Other Financing Sources (Uses):				
Transfers in	10,300,309	11,110,964	8,452,447	(2,658,517)
Transfers out	(2,147,762)	(2,638,063)	(1,837,065)	800,998
Proceeds from capital asset disposals	-	-	648	648
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	8,152,547	8,472,901	6,616,030	(1,857,519)
Net Change in Fund Balances	\$ 64,478	\$ 197,651	1,226,219	\$ 1,027,920
Fund Balances - Beginning of Year, as previously reported			5,938,644	
Restatement for Changes to or within Financial Reporting Entity			(1,921,873)	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			4,016,770	
Fund Balances - End of Year			\$ 5,242,989	

**COUNTY OF SUTTER**

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

Public Safety Realignment

For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Use of money and property	165,150	175,833	1,320,759	1,144,926
Intergovernmental	\$ 39,028,820	\$ 39,716,767	\$ 42,783,761	\$ 3,066,994
Charges for services	1,505,787	1,685,787	1,678,644	(7,143)
Other revenues	-	-	-	-
Total Revenues	40,699,757	41,578,387	45,783,164	4,204,777
Expenditures:				
Current:				
Public protection	16,000	30,333	25,632	4,701
Health and sanitation	-	-	208	(208)
Public assistance	16,000	16,000	17,982	(1,982)
Total Expenditures	32,000	46,333	43,822	2,511
Excess (Deficiency) of Revenues Over (Under) Expenditures	40,667,757	41,532,054	45,739,343	4,207,289
Other Financing Sources (Uses):				
Transfers in	16,693,363	17,343,363	17,807,535	464,172
Transfers out	(68,127,620)	(69,020,036)	(61,852,288)	7,167,748
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	(51,434,257)	(51,676,673)	(44,044,753)	7,631,920
Net Change in Fund Balances	\$ (10,766,500)	\$ (10,144,619)	1,694,589	\$ 11,839,208
Fund Balances - Beginning of Year, as previously reported			24,798,995	
Restatement for Changes to or within Financial Reporting Entity			3,293,949	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			28,092,944	
Fund Balances - End of Year			\$ 29,787,533	

**COUNTY OF SUTTER**

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

1991 Realignment

For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Use of money and property	68,466	85,647	863,160	777,513
Intergovernmental	\$ 15,020,453	\$ 16,810,803	\$ 19,026,163	\$ 2,215,360
Total Revenues	15,088,919	16,896,450	19,889,323	2,992,873
Expenditures:				
Current:				
Public protection	5,200	18,946	12,977	5,969
Health and sanitation	966	4,401	3,054	1,347
Public assistance	7,000	7,000	11,650	(4,650)
Total Expenditures	13,166	30,347	27,681	2,666
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	15,075,753	16,866,103	19,861,642	2,995,539
Other Financing Sources (Uses):				
Transfers in	569,338	569,338	569,338	(0)
Transfers out	(13,208,539)	(19,076,915)	(13,875,621)	5,201,294
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	(12,639,201)	(18,507,577)	(13,306,283)	5,201,294
Net Change in Fund Balances	\$ 2,436,552	\$ (1,641,474)	6,555,359	\$ 8,196,833
Fund Balances - Beginning of Year, as previously reported			--	
Restatement for Changes to or within Financial Reporting Entity			17,130,104	
Restatement for Error Correction				
Fund Balances - Beginning of Year, restated			17,130,104	
Fund Balances - End of Year			\$ 23,685,464	

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

## Special Revenue Funds

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

### Road

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

### Special Aviation

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

### Fish & Game

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

### Mental Health Services Act

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

### Clerk Recorder Funds

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

### Child Support Services

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



## Economic Development

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

## County Fees and Taxes

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

## Court Activities

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

## County Service Areas

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

## Water Agencies

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

## Other Special Districts

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

## Debt Service

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

## Capital Projects

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

**COUNTY OF SUTTER**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2024

	Special Revenue		
	Road	Special Aviation	Fish & Game
<b>Assets</b>			
Cash and investments	\$ 14,312,039	\$ 68,220	\$ 105,191
Accounts receivable	111,986	-	-
Due from other governments	1,278,156	10,000	1,270
Interest receivable	106,646	542	796
Taxes receivable	-	5,800	-
Due from other funds	44,701	-	-
Inventory	16,125	-	-
<b>Total Assets</b>	<b>\$ 15,869,653</b>	<b>\$ 84,563</b>	<b>\$ 107,257</b>
<b>Liabilities</b>			
Accounts payable	\$ 532,933	\$ 10,045	\$ 1,335
Salaries and benefits payable	51,435	-	-
Deposits from others	-	-	-
Due to other funds	32,959	-	-
Advances from other funds	-	-	-
Unearned revenue	622,163	-	-
<b>Total Liabilities</b>	<b>1,239,489</b>	<b>10,045</b>	<b>1,335</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	61,496	-	-
Deferred Inflows related to Leases	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>61,496</b>		
<b>Fund Balance</b>			
Nonspendable	16,225	-	150
Restricted	14,552,443	-	105,772
Committed	-	74,517	-
<b>Total Fund Balances</b>	<b>14,568,668</b>	<b>74,517</b>	<b>105,922</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 15,869,653</b>	<b>\$ 84,563</b>	<b>\$ 107,257</b>

# COUNTY OF SUTTER

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2024

	Special Revenue		
	Mental Health Services Act	Clerk-Recorder Funds	Child Support Services Reimbursement/ Adjustment
<b>Assets</b>			
Cash and investments	\$ 7,867,808	\$ 2,122,329	\$ 456,206
Cash with fiscal agent	500	-	-
Accounts receivable	531,967	4,739	18,849
Due from other governments	1,107,661	128	-
Interest receivable	72,413	15,945	4,008
Due from other funds	1,432,350	-	-
Loans receivable	874,458	-	-
less allowance for doubtful accounts			
Total Assets	<u>\$ 11,887,157</u>	<u>\$ 2,143,141</u>	<u>\$ 479,063</u>
<b>Liabilities</b>			
Accounts payable	\$ 3,396,435	\$ 114,348	\$ 345
Salaries and benefits payable	124,487	-	8,442
Due to other funds	185,841	260,939	-
Unearned revenue	-	17	-
Total Liabilities	<u>3,706,764</u>	<u>375,304</u>	<u>8,787</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	560,791.91	-	-
Deferred Inflows related to Leases	-	-	-
Total Deferred Inflows of Resources	<u>560,792</u>	<u>--</u>	<u>--</u>
<b>Fund Balance</b>			
Nonspendable	874,958	-	-
Restricted	6,744,643	1,767,837	470,276
Total Fund Balances	<u>7,619,601</u>	<u>1,767,837</u>	<u>470,276</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 11,887,157</u>	<u>\$ 2,143,141</u>	<u>\$ 479,063</u>

continued

**COUNTY OF SUTTER**  
Combining Balance Sheet (continued)  
Nonmajor Governmental Funds  
June 30, 2024

	Special Revenue		
	Economic Development	County Fees and Taxes	Court Activities
<b>Assets</b>			
Cash and investments	\$ 1,205,668	\$ 6,760,530	\$ 714,554
Accounts receivable	-	799,271	-
Due from other governments	-	-	225
Interest receivable	9,303	52,980	5,460
Loans receivable	1,468,009	-	-
less allowance for doubtful accounts			
Total Assets	<u>\$ 2,682,980</u>	<u>\$ 7,612,782</u>	<u>\$ 720,239</u>
<b>Liabilities</b>			
Accounts payable	\$ 781	\$ 22,403	\$ 13,447
Unearned revenue	-	-	147,348
Total Liabilities	<u>781</u>	<u>22,403</u>	<u>160,795</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	-	797,771	-
Deferred Inflows related to Leases	-	-	-
Total Deferred Inflows of Resources	<u>--</u>	<u>797,771</u>	<u>--</u>
<b>Fund Balance</b>			
Nonspendable	-	-	-
Restricted	2,682,199	6,792,608	559,444
Total Fund Balances	<u>2,682,199</u>	<u>6,792,608</u>	<u>559,444</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 2,682,980</u>	<u>\$ 7,612,782</u>	<u>\$ 720,239</u>

**COUNTY OF SUTTER**  
Combining Balance Sheet (continued)  
Nonmajor Governmental Funds  
June 30, 2024

	Special Revenue			
	County Service Areas	Water Agencies	Other Special Districts	Sub-Total Special Revenue
<b>Assets</b>				
Cash and investments	\$ 2,299,955	\$ 3,158,555	\$ 3,057,176	\$ 42,128,232
Cash with fiscal agent	-	-	-	500
Accounts receivable	51,744	-	11,540	1,530,096
Due from other governments	553,298	-	-	2,950,738
Interest receivable	20,709	23,829	23,282	335,913
Taxes receivable	-	-	-	5,800
Lease receivable	-	-	-	-
Due from other funds	554,365	-	-	2,031,416
Prepaid Expenses	7,341	-	-	7,341
Inventory	-	-	-	16,125
Loans receivable	-	-	-	2,342,467
less allowance for doubtful accounts				-
<b>Total Assets</b>	<b>\$ 3,487,412</b>	<b>\$ 3,182,384</b>	<b>\$ 3,091,998</b>	<b>\$ 51,348,628</b>
<b>Liabilities</b>				
Accounts payable	\$ 166,278	\$ 2,000	\$ 17,317	\$ 4,277,668
Salaries and benefits payable	61,823	-	-	246,187
Deposits payable	-	-	80	80
Due to other funds	17,272	730	15,629	513,370
Unearned revenue	7,593	-	165	777,285
<b>Total Liabilities</b>	<b>252,965</b>	<b>2,730</b>	<b>33,191</b>	<b>5,814,591</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	-	-	-	1,420,058
Deferred Inflows related to Leases	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,420,058</b>
<b>Fund Balance</b>				
Nonspendable	7,341	-	-	898,674
Restricted	3,227,106	3,179,654	3,049,433	43,131,415
Committed	-	-	9,373	83,890
<b>Total Fund Balances</b>	<b>3,234,448</b>	<b>3,179,654</b>	<b>3,058,807</b>	<b>44,113,979</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 3,487,412</b>	<b>\$ 3,182,384</b>	<b>\$ 3,091,998</b>	<b>\$ 51,348,628</b>

continued

# COUNTY OF SUTTER

Combining Balance Sheet (continued)

Nonmajor Governmental Funds

June 30, 2024

	Debt Service	Capital Projects	
	General Debt Service	Capital Projects	Total
<b>Assets</b>			
Cash and investments	\$ 112,904	\$ 1,666,658	\$ 43,907,794
Cash with fiscal agent	-	-	500
Accounts receivable	-	-	1,530,096
Due from other governments	-	-	2,950,738
Interest receivable	28	12,503	348,444
Taxes receivable	-	-	5,800
Due from other funds	1,597	143,722	2,176,735
Prepaid Expenses	-	-	7,341
Inventory	-	-	16,125
Loans receivable	-	425,668	2,768,135
less allowance for doubtful accounts			-
Total Assets	<u>\$ 114,529</u>	<u>\$ 2,248,551</u>	<u>\$ 53,711,708</u>
<b>Liabilities</b>			
Accounts payable	\$ 13,322	\$ 296,415	\$ 4,587,406
Salaries and benefits payable	-	-	246,187
Deposits payable	-	18,522	18,602
Due to other funds	1,597	822,099	1,337,066
Unearned revenue	-	-	777,285
Total Liabilities	<u>14,919</u>	<u>1,137,036</u>	<u>6,966,545</u>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue	-	-	1,420,058
Deferred Inflows related to Leases	-	-	-
Total Deferred Inflows of Resources	<u>--</u>	<u>--</u>	<u>1,420,058</u>
<b>Fund Balance</b>			
Nonspendable	-	-	898,674
Restricted	-	-	43,131,415
Committed	99,610	1,111,515	1,295,015
Total Fund Balances	<u>99,610</u>	<u>1,111,515</u>	<u>45,325,104</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 114,529</u>	<u>\$ 2,248,551</u>	<u>\$ 53,711,708</u>

# COUNTY OF SUTTER

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds For the Year Ended June 30, 2024

	Special Revenue		
	Road	Special Aviation	Fish & Game
Revenues:			
Taxes	\$ 2,741,907	\$ 15,271	\$ -
Licenses, Permits, and Franchises	49,405	-	-
Fines, Forfeitures, and Penalties	-	-	7,062
Revenue from Investment and Property	612,068	24,053	4,700
Intergovernmental	9,468,600	10,000	-
Charges for Services	119,920	-	-
Other revenues	78,338	-	-
Total Revenues	13,070,238	49,324	11,761
Expenditures:			
Current:			
Public protection	1,741	-	2,580
Public ways and facilities	7,658,179	25,845	-
Debt service			
Principal: Leases and Subscriptions	7,732	-	-
Principal: Other long-term liabilities	-	-	-
Interest	55	-	-
Capital outlay	740,964	-	-
Total Expenditures	8,408,671	25,845	2,580
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,661,566	23,479	9,182
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	(25,355)	-	-
Proceeds from capital asset disposals	66,759	-	-
Proceeds from debt issuance	-	-	-
Total Other Financing Sources (Uses)	41,404	--	-
Net Change in Fund Balances	4,702,970	23,479	9,182
Fund Balances - Beginning of Year, as previously reported	9,976,750	51,039	96,740
Restatement for Error Correction	(111,053)	-	-
Fund Balances - Beginning of Year, restated	9,865,697	51,039	96,740
Fund Balances - End of Year	\$ 14,568,667	\$ 74,518	\$ 105,922

**COUNTY OF SUTTER**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance (continued)  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2024

	Special Revenue		
	Mental Health Services Act	Clerk-Recorder Funds	Child Support Services Reimbursement/ Adjustment
Revenues:			
Use of money and property	\$ 437,751	\$ 100,012	\$ 54,963
Intergovernmental	18,028,919	-	-
Charges for services	106,920	330,283	-
Other revenues	11,833	-	-
Total Revenues	18,585,423	430,295	54,963
Expenditures:			
Current:			
General government	-	116,167	-
Public protection	-	321	521,126
Health and sanitation	19,696,499	-	-
Debt service			
Principal: Leases and Subscriptions	100,182	-	676
Interest	2,213	-	5
Capital outlay	52,563	-	-
Total Expenditures	19,851,458	116,489	521,807
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,266,035)	313,806	(466,844)
Other Financing Sources (Uses):			
Transfers in	1,432,332	-	-
Transfers out	(3,191)	(260,939)	-
Proceeds from capital asset disposals	-	-	-
Proceeds from debt issuance	99,026	-	-
Total Other Financing Sources (Uses)	1,528,167	(260,939)	--
Net Change in Fund Balances	262,132	52,867	(466,844)
Fund Balances - Beginning of Year, as previously reported	7,357,469	1,714,997	937,120
Restatement for Error Correction	-	(26)	-
Fund Balances - Beginning of Year, restated	7,357,469	1,714,970	937,120
Fund Balances - End of Year	\$ 7,619,601	\$ 1,767,837	\$ 470,276

continued



# COUNTY OF SUTTER

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance (continued) Nonmajor Governmental Funds For the Year Ended June 30, 2024

	Special Revenue		
	Economic Development	County Fees and Taxes	Court Activities
Revenues:			
Use of money and property	58,948	162,009	32,717
Intergovernmental	-	126,515	-
Charges for services	-	-	12,659
Other revenues	-	867,870	-
Total Revenues	58,948	1,156,394	49,243
Expenditures:			
Current:			
General government	13,899	16	375
Public protection	-	9,123	590
Public assistance	688	-	-
Debt service			
Interest	-	3,582	-
Capital outlay	-	-	-
Total Expenditures	14,587	12,721	965
Excess (Deficiency) of Revenues Over (Under) Expenditures	44,361	1,143,673	48,279
Other Financing Sources (Uses):			
Transfers in	-	3,585,523	-
Transfers out	-	(887,852)	-
Total Other Financing Sources (Uses)	-	2,697,671	-
Net Change in Fund Balances	44,361	3,841,344	48,279
Fund Balances - Beginning of Year, as previously reported	2,637,838	2,951,264	511,165
Restatement for Error Correction	-	-	-
Fund Balances - Beginning of Year, restated	2,637,838	2,951,264	511,165
Fund Balances - End of Year	\$ 2,682,199	\$ 6,792,608	\$ 559,444

continued

# COUNTY OF SUTTER

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

Nonmajor Governmental Funds  
For the Year Ended June 30, 2024

	Special Revenue			
	County Service Area	Water Agencies	Other Special Districts	Total Special Revenue
Revenues:				
Taxes	\$ 3,996,174	\$ 233,075	\$ 221,759	\$ 7,208,186
Licenses and permits	-	-	3,686	53,091
Fines and forfeitures	-	-	1,718	12,647
Use of money and property	184,819	129,314	143,843	1,945,195
Intergovernmental	1,073,668	1,777	756	28,710,235
Charges for services	70,119	325,440	17,453	982,793
Other revenues	10,343	-	12,225	980,609
Total Revenues	5,335,122	689,605	401,440	39,892,756
Expenditures:				
Current:				
General government	-	-	433	130,890
Public protection	5,316,727	-	12,906	5,865,114
Public ways and facilities	-	205,017	220,981	8,110,022
Health and sanitation	-	-	-	19,696,499
Public assistance	-	-	-	688
Recreation and cultural	-	-	2	2
Debt service				
Principal: Leases and Subscriptions	39,807	-	-	148,397
Interest	1,312	-	-	7,167
Capital outlay	305,010	-	-	1,098,537
Total Expenditures	5,662,855	205,017	234,323	35,057,318
Excess (Deficiency) of Revenues Over (Under) Expenditures	(327,733)	484,588	167,117	4,835,438
Other Financing Sources (Uses):				
Transfers in	576,863	-	15,237	5,609,955
Transfers out	(47,888)	(15,237)	-	(1,240,462)
Proceeds from capital asset disposals	50,000	-	-	116,759
Proceeds from debt issuance	-	-	-	99,026
Total Other Financing Sources (Uses)	578,975	(15,237)	15,237	4,585,278
Net Change in Fund Balances	251,242	469,351	182,354	9,420,716
Fund Balances - Beginning of Year, as previously reported	2,983,206	2,710,303	2,876,453	34,804,344
Restatement for Error Correction	-	-	-	(111,079)
Fund Balances - Beginning of Year, restated	2,983,206	2,710,303	2,876,453	34,693,264
Fund Balances - End of Year	\$ 3,234,448	\$ 3,179,654	\$ 3,058,807	\$ 44,113,981

continued

**COUNTY OF SUTTER**  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2024

	Debt Service	Capital Projects	
	General Debt Service	Capital Projects	Total
Revenues:			
Taxes	\$ -	\$ -	\$ 7,208,186
Licenses and permits	-	-	53,091
Fines and forfeitures	-	-	12,647
Use of money and property	3,793	215,395	2,164,384
Intergovernmental	1,147	-	28,711,382
Charges for services	-	-	982,793
Other revenues	-	607	981,216
Total Revenues	4,940	216,002	40,113,699
Expenditures:			
Current:			
General government	87	11,088,657	11,219,635
Public protection	-	-	5,865,114
Public ways and facilities	-	-	8,110,022
Health and sanitation	-	-	19,696,499
Public assistance	-	-	688
Recreation and cultural	-	-	2
Debt service			
Principal: Leases and Subscriptions	144,335	-	292,732
Principal: Other long-term liabilities	6,710,973	-	6,710,973
Interest	303,602	-	310,768
Capital outlay	7,737	1,985,331	3,091,605
Total Expenditures	7,166,734	13,073,988	55,298,040
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,161,793)	(12,857,986)	(15,184,341)
Other Financing Sources (Uses):			
Transfers in	7,157,763	1,638,578	14,406,295
Transfers out	-	(481,419)	(1,721,881)
Proceeds from capital asset disposals	-	-	116,759
Proceeds from debt issuance	7,737	9,089,958	9,196,721
Total Other Financing Sources (Uses)	7,165,500	10,247,117	21,997,895
Net Change in Fund Balances	3,707	(2,610,869)	6,813,554
Fund Balances - Beginning of Year, as previously reported	95,903	3,722,384	38,622,631
Restatement for Error Correction	-	-	(111,079)
Fund Balances - Beginning of Year, restated	95,903	3,722,384	38,511,551
Fund Balances - End of Year	\$ 99,610	\$ 1,111,515	\$ 45,325,106

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 1,465,657	\$ 1,465,657	\$ 2,741,907	\$ 1,276,250
Licenses and permits	54,000	54,000	49,405	(4,596)
Use of money and property	154,100	157,196	612,068	454,872
Intergovernmental	15,292,836	15,292,836	9,468,600	(5,824,236)
Charges for services	60,000	60,000	119,920	59,920
Other revenue	8,400	8,400	78,338	69,938
Total Revenues	17,034,993	17,038,089	13,070,238	(3,967,851)
Expenditures:				
Current:				
Public protection	-	1,842	1,741	101
Public way and facilities	18,320,359	19,237,956	7,658,179	11,579,777
Debt Service:				
Principal: Leases and Subscription	-	-	7,732	(7,732)
Interest	-	-	55	(55)
Capital outlay	3,765,281	4,076,069	740,964	3,335,105
Total Expenditures	22,085,640	23,315,867	8,408,671	14,907,195
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,050,647)	(6,277,778)	4,661,566	(18,875,047)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(25,792)	(25,792)	(25,355)	437
Proceeds from capital asset disposals	-	-	66,759	66,759
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	(25,792)	(25,792)	41,404	67,196
Net Change in Fund Balances	\$ (5,076,439)	\$ (6,303,570)	4,702,970	\$ (18,807,851)
Fund Balances - Beginning of Year, as previously reported			9,976,750	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			(111,053)	
Fund Balances - Beginning of Year, restated			9,865,697	
Fund Balances - End of Year			\$ 14,568,667	

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 12,000	\$ 12,000	\$ 15,271	\$ 3,271
Use of money and property	22,044	22,044	24,053	2,009
Intergovernmental	10,000	10,000	10,000	-
Total Revenues	<u>44,044</u>	<u>44,044</u>	<u>49,324</u>	<u>5,280</u>
Expenditures:				
Current:				
Public way and facilities	26,616	26,616	25,845	771
Total Expenditures	<u>26,616</u>	<u>26,616</u>	<u>25,845</u>	<u>771</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>17,428</u>	<u>17,428</u>	<u>23,479</u>	<u>6,051</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 17,428</u>	<u>\$ 17,428</u>	23,479	<u>\$ 6,051</u>
Fund Balances - Beginning of Year, as previously reported			51,039	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>51,039</u>	
Fund Balances - End of Year			<u>\$ 74,518</u>	

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 2,000	\$ 2,000	\$ 7,062	\$ 5,062
Use of money and property	957	1,105	4,700	3,595
Total Revenues	<u>2,957</u>	<u>3,105</u>	<u>11,761</u>	<u>8,656</u>
Expenditures:				
Current:				
Public protection	14,384	14,532	2,580	11,952
Total Expenditures	<u>14,384</u>	<u>14,532</u>	<u>2,580</u>	<u>11,952</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,427)</u>	<u>(11,427)</u>	<u>9,182</u>	<u>(3,296)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (11,427)</u>	<u>\$ (11,427)</u>	9,182	<u>\$ (3,296)</u>
Fund Balances - Beginning of Year, as previously reported			96,740	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>96,740</u>	
Fund Balances - End of Year			<u>\$ 105,922</u>	

**COUNTY OF SUTTER**

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

Mental Health Services Act

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 1,000	\$ 1,000	\$ 437,751	\$ 436,751
Intergovernmental	21,031,234	21,229,798	18,028,919	(3,200,879)
Charges for services	138,371	138,371	106,920	(31,451)
Other revenue	-	-	11,833	11,833
Total Revenues	<u>21,170,605</u>	<u>21,369,169</u>	<u>18,585,423</u>	<u>(2,783,746)</u>
Expenditures:				
Current:				
Health and sanitation	21,166,514	23,009,069	19,696,499	3,312,570
Debt service				
Principal: Leases and Subscription	-	-	100,182	(100,182)
Interest	-	-	2,213	(2,213)
Capital outlay	42,000	60,564	52,563	8,001
Total Expenditures	<u>21,208,514</u>	<u>23,069,633</u>	<u>19,851,458</u>	<u>3,218,175</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(37,909)</u>	<u>(1,700,464)</u>	<u>(1,266,035)</u>	<u>(6,001,921)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	1,432,332	1,432,332
Transfers out	(3,191)	(3,192)	(3,191)	1
Proceeds from debt issuance	-	-	99,026	99,026
Total Other Financing Sources (Uses)	<u>(3,191)</u>	<u>(3,192)</u>	<u>1,528,167</u>	<u>1,531,359</u>
Net Change in Fund Balances	<u>\$ (41,100)</u>	<u>\$ (1,703,656)</u>	262,132	<u>\$ (4,470,561)</u>
Fund Balances - Beginning of Year, as previously reported			7,357,469	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>7,357,469</u>	
Fund Balances - End of Year			<u>\$ 7,619,601</u>	

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 200	\$ 1,125	\$ 100,012	\$ 98,887
Charges for services	1,560,000	1,560,000	330,283	(1,229,717)
Other revenue	-	-	-	-
Total Revenues	<u>1,560,200</u>	<u>1,561,125</u>	<u>430,295</u>	<u>(1,130,830)</u>
Expenditures:				
Current:				
General government	1,160,119	1,161,044	116,167	1,044,877
Public protection	449	449	321	128
Total Expenditures	<u>1,160,568</u>	<u>1,161,493</u>	<u>116,489</u>	<u>1,045,004</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>399,632</u>	<u>399,632</u>	<u>313,806</u>	<u>(85,826)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(637,429)	(668,429)	(260,939)	407,490
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	<u>(637,429)</u>	<u>(668,429)</u>	<u>(260,939)</u>	<u>407,490</u>
Net Change in Fund Balances	<u>\$ (237,797)</u>	<u>\$ (268,797)</u>	52,867	<u>\$ 321,664</u>
Fund Balances - Beginning of Year, as previously reported			1,714,997	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			(26)	
Fund Balances - Beginning of Year, restated			<u>1,714,971</u>	
Fund Balances - End of Year			<u>\$ 1,767,838</u>	



**COUNTY OF SUTTER**

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
Child Support Services Reimbursement/Adjustment  
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 3,000	\$ 3,000	\$ 54,963	\$ 51,963
Intergovernmental	641,034	641,034	-	(641,034)
Total Revenues	<u>644,034</u>	<u>644,034</u>	<u>54,963</u>	<u>(589,071)</u>
Expenditures:				
Current:				
Public protection	644,034	643,357	521,126	122,231
Debt Service:				
Principal: Leases and Subscription	-	677	676	1
Interest	-	-	5	(5)
Capital outlay	-	-	-	-
Total Expenditures	<u>644,034</u>	<u>644,034</u>	<u>521,807</u>	<u>122,227</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(466,844)</u>	<u>(466,844)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>(466,844)</u>	<u>\$ (466,844)</u>
Fund Balances - Beginning of Year, as previously reported			937,120	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>937,120</u>	
Fund Balances - End of Year			<u>\$ 470,276</u>	

**COUNTY OF SUTTER**

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

Economic Development

For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Use of money and property	\$ 8,300	\$ 22,984	\$ 58,948	\$ 35,964
Total Revenues	8,300	22,984	58,948	35,964
Expenditures:				
Current:				
General government	10,000	23,964	13,899	10,065
Public assistance	-	720	688	32
Total Expenditures	10,000	24,684	14,587	10,097
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,700)	(1,700)	44,361	25,867
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	\$ (1,700)	\$ (1,700)	44,361	\$ 25,867
Fund Balances - Beginning of Year, as previously reported			2,637,838	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			2,637,838	
Fund Balances - End of Year			\$ 2,682,199	

**COUNTY OF SUTTER**

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

County Fees and Taxes

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ 39,500	\$ 47,786	\$ 162,009	\$ 114,223
Intergovernmental	157,000	157,000	126,515	(30,485)
Other revenue	206,300	306,022	867,870	561,848
Total Revenues	<u>402,800</u>	<u>510,808</u>	<u>1,156,394</u>	<u>645,586</u>
Expenditures:				
Current:				
General government	-	17	16	1
Public protection	500	8,769	9,123	(354)
Debt Service:				
Interest	7,099	7,099	3,582	3,517
Capital outlay	-	-	-	-
Total Expenditures	<u>7,599</u>	<u>15,885</u>	<u>12,721</u>	<u>3,164</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>395,201</u>	<u>494,923</u>	<u>1,143,673</u>	<u>648,750</u>
Other Financing Sources (Uses):				
Transfers in	3,585,523	3,585,523	3,585,523	-
Transfers out	-	(929,994)	(887,852)	42,142
Total Other Financing Sources (Uses)	<u>3,585,523</u>	<u>2,655,529</u>	<u>2,697,671</u>	<u>42,142</u>
Net Change in Fund Balances	<u>\$ 3,980,724</u>	<u>\$ 3,150,452</u>	3,841,344	<u>\$ 690,892</u>
Fund Balances - Beginning of Year, as previously reported			2,951,264	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>2,951,264</u>	
Fund Balances - End of Year			<u>\$ 6,792,608</u>	

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	\$ 4,300	\$ 4,300	\$ 3,868	\$ (432)
Use of money and property	2,950	3,967	32,717	28,750
Charges for services	5,000	5,000	12,659	7,659
Other revenue	-	-	-	-
Total Revenues	12,250	13,267	49,243	35,976
Expenditures:				
Current:				
General government	-	394	375	19
Public protection	-	623	590	33
Total Expenditures	-	1,017	965	52
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,250	12,250	48,279	36,029
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(30,000)	(30,000)	-	30,000
Total Other Financing Sources (Uses)	(30,000)	(30,000)	-	30,000
Net Change in Fund Balances	\$ (17,750)	\$ (17,750)	48,279	\$ 66,029
Fund Balances - Beginning of Year, as previously reported			511,165	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			511,165	
Fund Balances - End of Year			\$ 559,444	

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,460,701	\$ 3,546,406	\$ 3,996,174	\$ 449,768
Fines and forfeitures	15,000	15,000	-	(15,000)
Use of money and property	29,900	\$ 32,778	\$ 184,819	152,041
Intergovernmental	777,166	777,166	1,073,668	296,502
Charges for services	66,620	66,620	70,119	3,499
Other revenue	-	-	10,343	10,343
Total Revenues	<u>4,349,387</u>	<u>4,437,970</u>	<u>5,335,122</u>	<u>897,152</u>
Expenditures:				
Current:				
Public protection	5,572,788	5,688,145	5,316,727	371,418
Debt Service				
Principal: Leases and Subscription	-	36,000	39,807	(3,807)
Interest	-	-	1,312	(1,312)
Capital outlay	-	329,953	305,010	24,943
Total Expenditures	<u>5,572,788</u>	<u>6,054,098</u>	<u>5,662,855</u>	<u>391,243</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,223,401)</u>	<u>(1,616,128)</u>	<u>(327,733)</u>	<u>1,288,395</u>
Other Financing Sources (Uses):				
Transfers in	1,325,000	1,352,392	576,863	(775,529)
Transfers out	(32,690)	(47,893)	(47,888)	5
Proceeds from capital asset disposals	-	-	50,000	50,000
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,292,310</u>	<u>1,304,499</u>	<u>578,975</u>	<u>(725,524)</u>
Net Change in Fund Balances	<u>\$ 68,909</u>	<u>\$ (311,629)</u>	251,242	<u>\$ 562,871</u>
Fund Balances - Beginning of Year, as previously reported			2,983,206	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>2,983,206</u>	
Fund Balances - End of Year			<u>\$ 3,234,448</u>	

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2024

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 199,900	\$ 199,900	\$ 233,075	\$ 33,175
Use of money and property	30,600	34,606	129,314	94,708
Intergovernmental	1,800	1,800	1,777	(23)
Charges for services	-	-	325,440	325,440
Total Revenues	<u>232,300</u>	<u>236,306</u>	<u>689,605</u>	<u>453,299</u>
Expenditures:				
Current:				
Public way and facilities	200,634	204,640	205,017	(377)
Total Expenditures	<u>200,634</u>	<u>204,640</u>	<u>205,017</u>	<u>(377)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>31,666</u>	<u>31,666</u>	<u>484,588</u>	<u>452,922</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(89,156)	(89,156)	(15,237)	73,919
Proceeds from capital asset disposals	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	<u>(89,156)</u>	<u>(89,156)</u>	<u>(15,237)</u>	<u>73,919</u>
Net Change in Fund Balances	<u>\$ (57,490)</u>	<u>\$ (57,490)</u>	469,351	<u>\$ 526,841</u>
Fund Balances - Beginning of Year, as previously reported			2,710,303	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>2,710,303</u>	
Fund Balances - End of Year			<u>\$ 3,179,654</u>	

**COUNTY OF SUTTER**

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

Other Special Districts

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 230,650	\$ 230,650	\$ 221,759	\$ (8,891)
Licenses and permits	3,650	3,650	3,686	36
Fines and forfeitures	-	-	1,718	1,718
Use of money and property	33,050	38,735	143,843	105,108
Intergovernmental	800	800	756	(44)
Charges for services	16,185	16,185	17,453	1,268
Other revenue	12,225	12,225	12,225	-
Total Revenues	<u>296,560</u>	<u>302,245</u>	<u>401,440</u>	<u>99,195</u>
Expenditures:				
Current:				
General government	-	460	433	27
Public protection	18,093	18,309	12,906	5,403
Public way and facilities	292,459	297,465	220,981	76,484
Recreation and culture	-	3	2	1
Capital outlay	79,821	79,821	-	79,821
Total Expenditures	<u>390,373</u>	<u>396,058</u>	<u>234,323</u>	<u>161,735</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(93,813)</u>	<u>(93,813)</u>	<u>167,117</u>	<u>(62,541)</u>
Other Financing Sources (Uses):				
Transfers in	89,156	89,156	15,237	(73,919)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>89,156</u>	<u>89,156</u>	<u>15,237</u>	<u>(73,919)</u>
Net Change in Fund Balances	<u>\$ (4,657)</u>	<u>\$ (4,657)</u>	182,354	<u>\$ (136,460)</u>
Fund Balances - Beginning of Year, as previously reported			2,876,453	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>2,876,453</u>	
Fund Balances - End of Year			<u>\$ 3,058,807</u>	

**COUNTY OF SUTTER**

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

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ -	-	3,793	\$ 3,793
Intergovernmental	1,009	1,009	1,147	138
Total Revenues	<u>1,009</u>	<u>1,009</u>	<u>4,940</u>	<u>3,931</u>
Expenditures:				
Current:				
General government	-	-	87	(87)
Debt Service:				
Principal: Leases and Subscription	-	-	144,335	(144,335)
Principal: Other long-term liabilities	6,808,633	6,851,660	6,710,973	140,687
Interest	252,287	312,118	303,602	8,516
Capital outlay	-	-	7,737	(7,737)
Total Expenditures	<u>7,060,920</u>	<u>7,163,778</u>	<u>7,166,734</u>	<u>(2,956)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,059,911)</u>	<u>(7,162,769)</u>	<u>(7,161,793)</u>	<u>976</u>
Other Financing Sources (Uses):				
Transfers in	7,059,910	7,162,768	7,157,763	(5,005)
Transfers out	-	-	-	-
Proceeds from debt issuance	-	-	7,737	7,737
Total Other Financing Sources (Uses)	<u>7,059,910</u>	<u>7,162,768</u>	<u>7,165,500</u>	<u>(5,005)</u>
Net Change in Fund Balances	<u>\$ (1)</u>	<u>\$ (1)</u>	3,707	<u>\$ (4,029)</u>
Fund Balances - Beginning of Year, as previously reported			95,903	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>95,903</u>	
Fund Balances - End of Year			<u>\$ 99,610</u>	



**COUNTY OF SUTTER**

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

Capital Projects Fund

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 215,395	\$ 215,395
Other revenue	-	-	607	607
Total Revenues	-	-	216,002	216,002
Expenditures:				
Current:				
General government	1,869,977	11,669,881	11,088,657	581,224
Capital outlay	3,625,750	3,723,530	1,985,331	1,738,199
Total Expenditures	5,495,727	15,393,411	13,073,988	2,319,423
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,495,727)	(15,393,411)	(12,857,986)	2,535,425
Other Financing Sources (Uses):				
Transfers in	2,372,617	3,263,084	1,638,578	(1,624,506)
Transfers out	-	(481,419)	(481,419)	-
Proceeds from debt issuance	-	9,089,958	9,089,958	-
Total Other Financing Sources (Uses)	2,372,617	11,871,623	10,247,117	(1,624,506)
Net Change in Fund Balances	<u>\$ (3,123,110)</u>	<u>\$ (3,521,788)</u>	(2,610,869)	<u>\$ 910,919</u>
Fund Balances - Beginning of Year, as previously reported			3,722,384	
Restatement for Changes to or within Financial Reporting Entity			--	
Restatement for Error Correction			--	
Fund Balances - Beginning of Year, restated			<u>3,722,384</u>	
Fund Balances - End of Year			<u>\$ 1,111,515</u>	

**COUNTY OF SUTTER**  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2024

	Risk Management		
	General Liability	Workers' Compensation	Fleet Management
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and investments	\$ 516,406	\$ 27,826	\$ 447,294
Cash with fiscal agent	2,180,654	10,965,679	-
Accounts receivable	5,629	3,504	16,177
Interest receivable	3,851	189	101
Due from other funds	-	-	-
Inventory	-	-	14,936
<b>Total Current Assets</b>	<b>2,706,541</b>	<b>10,997,199</b>	<b>478,508</b>
<b>Noncurrent Assets:</b>			
Capital assets:			
Depreciable, net	-	335	75,896
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>335</b>	<b>75,896</b>
<b>Total Assets</b>	<b>2,706,541</b>	<b>10,997,534</b>	<b>554,404</b>
<b>Deferred Outflows of Resources:</b>			
Deferred pension	112,454	55,656	138,781
Deferred OPEB	-	2,279	9,117
<b>Total Deferred Outflow of Resources</b>	<b>112,454</b>	<b>57,935</b>	<b>147,898</b>
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	337	170	81,329
Salaries and benefits payable	1,385	3,676	7,685
SBITA payable	-	335	1,004
Other liabilities	-	-	5,341
Compensated absences payable	-	10,315	24,485
Interest payable	-	-	1,189
<b>Total Current Liabilities</b>	<b>4,256</b>	<b>17,224</b>	<b>158,746</b>
<b>Noncurrent Liabilities:</b>			
Compensated absences payable	-	4,667	11,079
Advance from other funds	-	-	-
Claims payable	2,153,177	5,644,185	-
SBITA payable	-	-	-
Other liabilities	-	-	33,221
Net pension liability	321,472	159,102	396,732
Total OPEB liability	-	10,849	43,394
<b>Total Noncurrent Liabilities</b>	<b>2,474,648</b>	<b>5,818,803</b>	<b>484,426</b>
<b>Total Liabilities</b>	<b>2,478,904</b>	<b>5,836,028</b>	<b>643,172</b>
<b>Deferred Inflows of Resources:</b>			
Deferred pension	3,347	1,656	4,130
Deferred OPEB	-	4,728	18,912
<b>Total Deferred Inflow of Resources</b>	<b>3,347</b>	<b>6,384</b>	<b>23,042</b>
<b>Net Position:</b>			
Net investment in capital assets	-	-	36,330
Unrestricted (deficit)	336,744	5,213,057	(241)
<b>Total Net Position</b>	<b>\$ 336,744</b>	<b>\$ 5,213,057</b>	<b>\$ 36,089</b>

continued

# COUNTY OF SUTTER

## Combining Statement of Net Position (continued) Internal Service Funds June 30, 2024

	Information Technology	Employee Wellness	Total
<b>Assets</b>			
<b>Current Assets:</b>			
Cash and investments	\$ (591,528)	\$ 721,898	\$ 1,121,896
Cash with fiscal agent	-	-	13,146,334
Accounts receivable	76,959	-	102,270
Interest receivable	129	6,231	10,501
Due from other funds	2,309,162	-	2,309,162
Inventory	-	-	14,936
Total Current Assets	1,798,015	728,129	16,708,391
<b>Noncurrent Assets:</b>			
Capital assets:			
Depreciable, net	1,324,217	-	1,400,449
Total Noncurrent Assets	1,324,217	-	1,400,449
Total Assets	3,122,232	728,129	18,108,840
<b>Deferred Outflows of Resources:</b>			
Deferred pension	1,042,164	1,578	1,350,632
Deferred OPEB	38,748	-	50,145
Total Deferred Outflow of Resources	1,080,912	1,578	1,400,777
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	124,754	10,424	217,013
Salaries and benefits payable	56,018	-	68,764
SBITA payable	99,116	-	100,455
Other liabilities	9,049	-	14,390
Compensated absences payable	213,461	-	248,261
Interest payable	2,013	-	3,202
Total Current Liabilities	584,057	10,424	774,708
<b>Noncurrent Liabilities:</b>			
Compensated absences payable	96,585	-	112,331
Advance from other funds	-	-	-
Claims payable	-	-	7,797,362
SBITA payable	113,578	-	113,578
Other liabilities	53,101	-	86,322
Net pension liability	2,979,221	4,510	3,861,037
Total OPEB liability	184,425	-	238,668
Total Noncurrent Liabilities	3,426,910	4,510	12,209,297
Total Liabilities	4,010,968	14,934	12,984,005
<b>Deferred Inflows of Resources:</b>			
Deferred pension	31,015	47	40,195
Deferred OPEB	80,374	-	104,013
Total Deferred Inflow of Resources	111,389	47	144,209
<b>Net Position:</b>			
Net investment in capital assets	1,049,373	-	1,085,703
Unrestricted (deficit)	(968,586)	714,726	5,295,700
Total Net Position	\$ 80,787	\$ 714,726	\$ 6,381,403

**COUNTY OF SUTTER**  
Combining Statement of Revenues, Expenses and  
Changes in Net Position  
Internal Service Funds  
For the Year Ended June 30, 2024

	Risk Management		
	General Liability	Workers' Compensation	Fleet Management
Operating Revenues:			
Charges for services	\$ 3,644,892	\$ 2,536,053	\$ 1,370,790
Other revenue	70,000	-	-
Total Operating Revenues	3,714,892	2,536,053	1,370,790
Operating Expenses:			
Salaries and benefits	291,335	145,933	396,146
Services and supplies	3,431,978	2,033,761	674,694
Other charges	13,364	15,205	198,521
Depreciation / Amortization	-	335	9,125
Total Operating Expenses	3,736,678	2,195,234	1,278,485
Net Operating Income (Loss)	(21,786)	340,819	92,304
Non-Operating Revenues (Expenses):			
Interest income (expense)	43,485	18,003	4,097
Gain (Loss) on Sale of Fixed Assets	-	-	642
Total Non-Operating Revenues and Expenses	43,485	18,003	4,739
Net Income (Loss) Before Transfers	21,699	358,822	97,044
Transfers in	-	-	-
Transfers out	-	(325)	(955)
Change in Net Position	21,699	358,498	96,089
Net Position - Beginning of Year	315,045	4,854,560	(59,999)
Net Position - End of Year	\$ 336,744	\$ 5,213,057	\$ 36,089

**COUNTY OF SUTTER**  
Combining Statement of Revenues, Expenses and  
Changes in Net Position (continued)  
Internal Service Funds  
For the Year Ended June 30, 2024

	Information Technology	Employee Wellness	Total
Operating Revenues:			
Charges for services	\$ 4,466,368	\$ 469,460	\$ 12,487,563
Other revenue	48,833	130,751	249,584
Total Operating Revenues	4,515,201	600,211	12,737,147
Operating Expenses:			
Salaries and benefits	2,958,841	19,902	3,812,157
Services and supplies	628,679	292,967	7,062,080
Other charges	569,701	11,249	808,039
Depreciation / Amortization	519,612	-	529,072
Total Operating Expenses	4,676,832	324,118	12,211,347
Net Operating Income (Loss)	(161,631)	276,093	525,800
Non-Operating Revenues (Expenses):			
Interest income (expense)	88,329	24,368	178,282
Gain (Loss) on Sale of Fixed Assets	482	-	1,124
Total Non-Operating Revenues and Expenses	88,811	24,368	179,406
Net Income (Loss) Before Transfers	(72,820)	300,461	705,206
Transfers in	1,419	-	1,419
Transfers out	(844)	(130,751)	(132,874)
Change in Net Position	(72,245)	169,710	573,750
Net Position - Beginning of Year	153,032	545,016	5,807,653
Net Position - End of Year	\$ 80,787	\$ 714,726	\$ 6,381,403

**COUNTY OF SUTTER**  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2024

	Risk Management		
	General	Workers'	Fleet
	Liability	Compensation	Management
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers	\$ 3,714,892	\$ 3,272,278	\$ 1,366,801
Cash paid to suppliers for goods and services	(3,266,645)	(2,046,141)	(837,138)
Cash paid to employees	(322,984)	(160,384)	(393,427)
Net Cash Provided (Used) by Operating Activities	125,262	1,065,754	136,236
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Interfund loans received (paid)	-	-	37,947
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	37,947
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal payments on financed purchases	-	(663)	(7,444)
Payments related to the acquisition of capital assets	-	-	(14,092.19)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(663)	(21,536)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received (paid)	45,217	18,210	4,043
Net Cash Provided (Used) by Investing Activities	45,217	18,210	4,043
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	170,479	1,083,300	156,689
<b>Cash and Cash Equivalents, Beginning of Year</b>	2,526,581	9,910,206	290,605
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 2,697,060</u>	<u>\$ 10,993,506</u>	<u>\$ 447,294</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	(21,786)	340,819	92,304
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation / Amortization	-	335	9,125
Loss on disposal of capital assets	-	-	642
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	-	-	(3,989)
Inventory	-	-	(2,124)
Increase (decrease) in:			
Accounts payable	14	2,826	37,558
Salaries and benefits payable	(9,262)	(2,936)	(5,391)
Compensated absences payable	-	2,620	(1,238)
Claims liability	178,683	736,224	-
Net pension liability	(15,227)	(27,432)	13,444
Total OPEB liability	(7,161)	13,297	(4,097)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 125,262</u>	<u>\$ 1,065,754</u>	<u>\$ 136,236</u>

**COUNTY OF SUTTER**  
Combining Statement of Cash Flows  
Internal Service Funds (continued)  
For the Year Ended June 30, 2024

	Information Technology	Employee Wellness	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers	\$ 4,492,635	\$ 600,211	\$ 13,446,817
Cash paid to suppliers for goods and services	(1,099,037)	(424,961)	(7,673,923)
Cash paid to employees	(2,808,060)	(16,923)	(3,701,777)
Net Cash Provided (Used) by Operating Activities	585,538	158,327	2,071,117
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Interfund loans received (paid)	(2,224,015)	-	(2,186,069)
Miscellaneous cash received (paid)	1,419	18,200	19,619
Net Cash Provided (Used) by Noncapital Financing Activities	(2,222,597)	18,200	(2,166,450)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Principal payments on financed purchases	(113,955)	-	(122,062)
Payments related to the acquisition of capital assets	6,193	-	(7,899)
Net Cash Provided (Used) by Capital and Related Financing Activities	(107,762)	-	(129,961)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received (paid)	90,508	21,037	179,014
Net Cash Provided (Used) by Investing Activities	90,508	21,037	179,014
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(1,654,313)	197,564	(46,280)
<b>Cash and Cash Equivalents, Beginning of Year</b>	1,062,785	524,334	14,314,510
<b>Cash and Cash Equivalents, End of Year</b>	\$ (591,528)	\$ 721,898	\$ 14,268,230
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	(161,631)	276,093	525,800
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation / Amortization	519,612	-	529,072
Loss on disposal of capital assets	482	-	1,124
Changes in assets and liabilities:			
Decrease (increase) in:			
Accounts receivable	(22,566)	-	(26,554)
Deposits and prepaid expenses	(2,900)	-	(2,900)
Inventory	-	-	(2,124)
Increase (decrease) in:			
Accounts payable	102,097	10,006	152,501
Salaries and benefits payable	(22,484)	-	(40,073)
Compensated absences payable	24,351	-	25,733
Claims liability	-	-	914,907
Interest payable	(337)	-	(337)
Other liabilities	-	(130,751)	(130,751)
Net pension liability	180,647	2,979	154,412
Total OPEB liability	(31,733)	-	(29,694)
<b>Net Cash Provided (Used) by Operating Activities</b>	\$ 585,538	\$ 158,327	\$ 2,071,117

# Glossary

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Glossary



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

**Postemployment** – The period after employment.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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