

COUNTY OF COLUSA, CALIFORNIA

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF COLUSA, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

INTRODUCTORY SECTION

COUNTY OFFICIALS	2
-------------------------	----------

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	4
-------------------------------------	----------

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	7
---	----------

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE

STATEMENT OF NET POSITION	40
----------------------------------	-----------

STATEMENT OF ACTIVITIES	41
--------------------------------	-----------

GOVERNMENTAL FUNDS

BALANCE SHEET	42
----------------------	-----------

RECONCILIATION OF GOVERNMENTAL FUNDS – BALANCE SHEET TO GOVERNMENT-WIDE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES	44
--	-----------

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	45
--	-----------

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO GOVERNMENT-WIDE STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES	47
--	-----------

PROPRIETARY FUNDS

STATEMENT OF NET POSITION	48
----------------------------------	-----------

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	49
---	-----------

STATEMENT OF CASH FLOWS	50
--------------------------------	-----------

FIDUCIARY FUNDS

STATEMENT OF NET POSITION	51
----------------------------------	-----------

STATEMENT OF CHANGES IN NET POSITION	52
---	-----------

**COUNTY OF COLUSA, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

NOTES TO BASIC FINANCIAL STATEMENTS	53
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)	
COUNTY PENSION PLAN – SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS	97
COUNTY PENSION PLAN – SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY	99
COUNTY PENSION PLAN – SCHEDULE OF CONTRIBUTIONS	100
COUNTY PENSION PLAN – NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	102
SCHEDULE OF CHANGES IN NET OPEB ASSET AND RELATED RATIOS	103
SCHEDULE OF OPEB CONTRACTUALLY REQUIRED CONTRIBUTIONS	104
COUNTY OPEB PLAN – NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	105
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND	106
BUDGETARY COMPARISON SCHEDULE – HEALTH AND HUMAN SERVICES – MAJOR SPECIAL REVENUE FUND	107
BUDGETARY COMPARISON SCHEDULE – PUBLIC PROTECTION – MAJOR SPECIAL REVENUE FUND	108
BUDGETARY COMPARISON SCHEDULE – PUBLIC WAYS AND FACILITIES – MAJOR SPECIAL REVENUE FUND	109
BUDGETARY COMPARISON SCHEDULE – HEALTH AND SANITATION – MAJOR SPECIAL REVENUE FUND	110
BUDGETARY COMPARISON SCHEDULE – PUBLIC ASSISTANCE – MAJOR SPECIAL REVENUE FUND	111
BUDGETARY COMPARISON SCHEDULE – COUNTY SERVICE AREAS – MAJOR SPECIAL REVENUE FUND	112
NOTE TO BUDGETARY COMPARISON SCHEDULES	113
COMBINING FUND STATEMENTS	
COMBINING BALANCE SHEET – GOVERNMENTAL FUNDS	115

**COUNTY OF COLUSA, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	117
COMBINING STATEMENT OF NET POSITION – NONMAJOR ENTERPRISE FUNDS	119
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – NONMAJOR ENTERPRISE FUNDS	120
COMBINING STATEMENT OF CASH FLOWS – NONMAJOR ENTERPRISE FUNDS	121
COMBINING STATEMENT OF NET POSITION – CUSTODIAL FUNDS	122
COMBINING STATEMENT OF CHANGES IN NET POSITION – CUSTODIAL FUNDS	124

THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTORY SECTION

**COUNTY OF COLUSA, CALIFORNIA
COUNTY OFFICIALS
YEAR ENDED JUNE 30, 2021**

ELECTED OFFICIALS

Supervisor, District 1	J. Merced Corona
Supervisor, District 2	John D. Loudon
Supervisor, District 3	Kent S. Boes
Supervisor, District 4	Gary J. Evans
Supervisor, District 5	Denise J. Carter
Assessor	Arnold Gross Jr.
Auditor/Controller	Robert Zunino
Clerk/Recorder	Rose Gallo-Vasquez
District Attorney	Matthew Beauchamp
Sheriff/Coroner	Joe Garofalo
Treasurer/Tax Collector	Daniel Charter

DEPARTMENT DIRECTORS/ADMINISTRATORS

County Administrative Officer	Wendy G. Tyler
Agricultural Commissioner	Anastacia Allen
Chief Probation Officer	Michael Rogers
Child Support Services Director	Natalie Dillon
County Counsel	Marcos Kropf
County Librarian	Stacey Costello
Behavioral Health Director	Terence Rooney
Cooperative Extension Director	Franz Niederholzer
Health and Human Services Director	Elizabeth Kelly
Human Resources Director	Jolene Church
Planning and Building Director	Greg Plucker
Public Works Director	Michael Azevedo
Transit Manager	Thomas Simms

FINANCIAL SECTION

THIS PAGE INTENTIONALLY LEFT BLANK



INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of Colusa
Colusa, California

Report on the Financial Statements

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 Colusa (County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of Matter

Change in Accounting Principles

As discussed in Note 15 to the financial statements, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, effective July 1, 2020, which has resulted in a restatement to net position and fund balance as of July 1, 2020. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section and the combining fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Board of Supervisors
County of Colusa, California

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Roseville, California
March 21, 2022

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
YEAR ENDED JUNE 30, 2021**

As management of the County of Colusa, California, (County) we offer readers of the County's Financial Statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information in our Financial Statements.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Analysis

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows at the close of the 2020-21 fiscal year by \$40,337,953 (net position).

- \$59,221,199 was invested in capital assets, net of accumulated depreciation, related outstanding debt, and related deferred inflows of resources, an increase of 2.89 %.
- \$41,391,148 was restricted for specific purposes (restricted net position), an increase of 12.57%.
- \$(60,274,394) was available to meet ongoing obligations to citizens and creditors (unrestricted net position), a decrease of 2.58%.

The County's total net position increased from \$32,453,648 to \$40,337,953, an increase of \$7,884,305 at the close of the 2020-21 fiscal year.

- The governmental activities net position increased by \$7,903,328 (21.43%) to a total of \$43,020,152.
- The business-type activities net position decreased by \$19,023 (0.71%) increasing the deficit to \$(2,682,199).

Financial Analysis of County Funds

The County's governmental funds reported combined ending fund balances of \$49,280,123, an increase of \$7,639,307 in comparison with the prior year.

- \$702,015 of the combined fund balance, 1.42%, is not in a spendable form or is legally or contractually required to be maintained intact (nonspendable fund balance)
- \$36,170,307 of the combined fund balance, 73.40%, can only be spent for specific purposes, stipulated by law or externally imposed requirements (restricted fund balance)
- \$12,407,801 of the combined fund balance, 25.18%, is available to meet the County's current and future needs (unrestricted fund balance, which includes committed, assigned, and unassigned fund balances).

The County's available (committed, assigned, and unassigned) fund balance for the General fund was \$9,418,748 at June 30, 2021.

- This is an increase of \$1,259,729, or 15.43%, over the prior year's available fund balance.
- This available fund balance also equates to 33.01% of the total General fund expenditures for the year.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The County's nonspendable and restricted fund balance for the General fund was \$24,147 and \$2,799,460, respectively.

Capital Assets and Long-Term Debt

The County's total investment in capital assets increased by \$3,468,284, to a total of \$61,167,504, net of depreciation.

The County's long-term debt increased by \$6,606,002 in comparison with the prior year. Starting in 2015-16, the net pension liability and net OPEB obligation are shown individually from long-term debt. The net pension liability increased \$5,306,030 to a total of \$83,475,964, and the net OPEB asset, under GASB 75, is currently \$1,914,525.

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 Basic Financial Statements

Required Supplementary Information is included in addition to the Basic Financial Statements.

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

The Statement of Net Position presents information on all of the County's Assets, Deferred Outflows, Liabilities, and Deferred Inflows, with the difference reported as Net Position. Over time, increases or decreases in Net Position are a useful indicator of an improving or deteriorating County financial position.

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. The statement reports items resulting in cash flows in the future fiscal periods (e.g., uncollected taxes, long-term loans, and earned but unused vacation leave) as revenues and expenses in this statement.

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, Recreation and Cultural Services, and Interest on Long-Term Debt. The business-type activities of the County include the Solid Waste Enterprise, the Airport Enterprise, and the East Park Reservoir Enterprise.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Component units are included in the financial statements and are legally separate entities for which the County is financially accountable. These have substantially the same governing board as the County. The component units are blended special revenue funds and include Almond Paradise Street Lighting District, Thompson Street Lighting District, Cross Creek/Whisper Creek Lighting District, Colusa County Service Area #1 – Century Ranch, Colusa County Service Area #2 – Stonyford, Colusa County Service Area #2 (Reserve) – Stonyford, and Colusa County Flood Control and Water Conservation District.

Fund Financial Statements are groupings 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 categories:

- Governmental Funds
- Proprietary Funds
- Fiduciary 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. Such information may be useful in evaluating a County's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances both provide a reconciliation to the Government-Wide Financial Statements in order to facilitate this comparison between governmental funds and governmental activities.

The County maintains governmental funds organized according to their type – general, special revenue, debt service, and capital projects. The County segregates from the General fund a number of significant functions in 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 fund and other major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements located in the Combining Nonmajor Fund Statements section of this report.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Proprietary Funds are maintained in two different types. Enterprise Funds report the same functions presented as business-type activities in the Government-Wide Financial Statements. The County uses enterprise funds to account for the Airport, Solid Waste, and East Park Reservoir. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for the Insurance fund, which provides for the payment of claims for its various insurance programs to protect county assets and employees. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the Government-Wide Financial Statements.

Proprietary funds provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Proprietary Fund Financial Statements provide separate information for the Solid Waste Enterprise fund, the Airport Enterprise fund, and the East Park Reservoir Enterprise fund. The Solid Waste Enterprise is considered to be a major fund. The internal service fund is singled out in the Proprietary Fund Financial Statements.

Fiduciary Funds account for resources held for the benefit of parties outside the County; entities legally separate from the County and individuals, which are not part of the reporting entity. 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. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements.

Required Supplementary Information presents the County's major governmental funds budgets and actual comparisons. The major governmental funds include the County General Fund, Health and Human Services, Public Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, and County Services Area. The County adopts an annual appropriated budget for these major funds, as well as all other governmental and proprietary funds. Budgetary Comparison Schedules have been provided for the General fund and major special revenue funds to demonstrate performance against these budgets. Required supplementary information also consists of funding progress schedules for the County Defined Benefit Pension Plan and Other Post Employment Benefit Plan (OPEB).

Combining Nonmajor Fund Statements referred to earlier provide information for nonmajor governmental funds, nonmajor enterprise funds, and fiduciary funds and are presented immediately following the required supplementary information.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Statements of Net Position
June 30, 2021 and 2020**

	Governmental Activities		Business-Type Activities		Total		Variance
	2021	2020	2021	2020	2021	2020	
ASSETS							
Current and Other Assets	\$ 62,671,312	\$ 52,333,216	\$ 1,320,525	\$ 1,315,791	\$ 63,991,837	\$ 53,649,007	19.28 %
Capital Assets	61,081,880	57,599,987	85,624	99,233	61,167,504	57,699,220	6.01
Net OPEB Asset	1,904,322	232,051	10,203	1,860	1,914,525	233,911	718.48
Total Assets	<u>125,657,514</u>	<u>110,165,254</u>	<u>1,416,352</u>	<u>1,416,884</u>	<u>127,073,866</u>	<u>111,582,138</u>	13.88
DEFERRED OUTFLOWS OF RESOURCES	12,720,117	11,768,706	34,730	30,807	12,754,847	11,799,513	8.10
LIABILITIES							
Current and Other Liabilities	6,484,330	3,564,910	274,490	289,400	6,758,820	3,854,310	75.36
Net Pension Liability	83,205,917	77,927,230	270,047	242,704	83,475,964	78,169,934	6.79
Net OPEB Obligation							
Other Long-Term Liabilities	<u>2,698,465</u>	<u>1,544,313</u>	<u>3,576,760</u>	<u>3,559,243</u>	<u>6,275,225</u>	<u>5,103,556</u>	22.96
Total Liabilities	<u>92,388,712</u>	<u>83,036,453</u>	<u>4,121,297</u>	<u>4,091,347</u>	<u>96,510,009</u>	<u>87,127,800</u>	10.77
DEFERRED INFLOWS OF RESOURCES	<u>2,968,767</u>	<u>3,780,683</u>	<u>11,984</u>	<u>19,520</u>	<u>2,980,751</u>	<u>3,800,203</u>	(21.56)
NET POSITION							
Net Investment in Capital Assets	59,135,575	57,459,927	85,624	99,233	59,221,199	57,559,160	2.89
Restricted	40,822,590	35,981,830	870,523	786,027	41,693,113	36,767,857	13.40
Unrestricted	<u>(56,938,013)</u>	<u>(58,324,933)</u>	<u>(3,638,346)</u>	<u>(3,548,436)</u>	<u>(60,576,359)</u>	<u>(61,873,369)</u>	(2.10)
Total Net Position	<u>\$ 43,020,152</u>	<u>\$ 35,116,824</u>	<u>\$ (2,682,199)</u>	<u>\$ (2,663,176)</u>	<u>\$ 40,337,953</u>	<u>\$ 32,453,648</u>	24.29

Analysis of Government-Wide Net Position

As noted earlier, net position may over time serve as a useful indicator of the County's financial position. On June 30, 2021, the County's assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows by \$40,337,953, a 24.29% increase compared to prior year.

As shown in the schedule above, at June 30, 2021 the County's total assets are \$127,073,866. The total assets held increased by \$15,491,728 or 13.88% from the June 30, 2020 balance of \$111,582,138. The majority of the deferred outflows represent approximately 64% for pension contributions made by the County during fiscal year 2020-21 subsequent to the pension liability measurement date; 5% for changes of proportion; 8% for the net difference between projected and actual earnings on pension plan investments, and 23% for the differences between expected and actual experience.

The County's total liabilities increased by \$9,344,270 during the current fiscal year to \$96,472,070. Deferred inflows of \$2,980,751 are attributable to two factors. Approximately 26% and 74% represent the various components that impact pension and OPEB changes, respectively, such as adjustments due to differences in proportions, differences between County contributions and proportionate share of contributions, changes in actuarial assumptions and differences between actual and expected experience.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The County's total net position increased from the prior year by \$7,884,305. The unrestricted net position of the County at June 30, 2021, increased by \$1,598,975 from \$(61,873,369) at June 30, 2020, to \$(60,274,394). A positive unrestricted net position is considered one source that may be used to meet the County's ongoing obligations to citizens and creditors.

The largest positive portion of the County's net position, \$59,221,199, is its investment in capital assets (e.g., land, buildings, improvements, equipment, and infrastructure – roads, bridges), which is shown less any related outstanding debt used to acquire those assets. The investment in capital assets increased \$1,662,039 from the prior year's amount of \$57,559,160. The County uses these capital assets to provide services to citizens. These assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate those liabilities.

Restricted net position of \$41,391,148 represents resources that are subject to external restrictions on how they may be used. The restricted net position increased \$4,623,291 from the prior year's amount of \$36,767,857.

Within the governmental activities, unrestricted net position increased by \$1,688,885 from the prior year's amount of \$(58,324,933). The business-type activities unrestricted net position increased by \$89,910 from the prior year's amount of \$(3,548,436).

It is important to note that pension accounting and reporting, as required by Governmental Accounting Standards Board (GASB) Statements No. 68, *Accounting and Financial Reporting for Pensions*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, were implemented for the first time in the June 30, 2015, audit. The reporting change requires government entities to recognize the unfunded portion of pension liabilities in the financial statements. These two GASB statements have a significant impact on the County's total net position for all future years. Additional information on the County's Employee's Retirement Plan can be found in Note 12 of this report. Additionally, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was implemented during the year ended June 30, 2018. The reporting change requires government entities to recognize the unfunded portion of OPEB liabilities in the financial statements. Additional information on the County's OPEB Plan can be found in Note 13 of this report.

The Statement of Activities table shows the revenue, expenses, and changes in net position for governmental and business-type activities.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

**Statement of Activities
June 30, 2021 and 2020**

	Governmental Activities		Business-Type Activities		Total		Variance
	2021	2020	2021	2020	2021	2020	
REVENUES							
Program Revenues:							
Charges for Services	\$ 3,615,581	\$ 4,884,598	\$ 2,953,152	\$ 2,969,825	\$ 6,568,733	\$ 7,854,423	(16.37)%
Operating Grants and Contributions	42,633,654	35,802,251	1,500	35,150	42,635,154	35,837,401	18.97
Capital Grants and Contributions	2,659,323	519,476	-	-	2,659,323	519,476	411.92
General Revenues:							
Property Taxes	19,109,000	18,265,120	-	-	19,109,000	18,265,120	4.62
Other Taxes	2,698,244	2,744,247	91,138	84,106	2,789,382	2,828,353	(1.38)
Tobacco Settlement	300,000	353,463	-	-	300,000	353,463	(15.13)
Interest and Investment Earnings	600,628	1,334,750	60,966	27,639	661,594	1,362,389	(51.44)
Miscellaneous	872,981	534,866	125,151	172,958	998,132	707,824	41.01
Total Revenues	<u>72,489,411</u>	<u>64,438,771</u>	<u>3,231,907</u>	<u>3,289,678</u>	<u>75,721,318</u>	<u>67,728,449</u>	11.80
EXPENSES							
General Government	6,427,268	5,901,271	-	-	6,427,268	5,901,271	8.91
Public Protection	26,149,438	24,085,627	-	-	26,149,438	24,085,627	8.57
Public Ways and Facilities	5,830,140	6,419,097	-	-	5,830,140	6,419,097	(9.18)
Health and Sanitation	12,900,208	13,144,664	-	-	12,900,208	13,144,664	(1.86)
Public Assistance	11,920,374	11,528,294	-	-	11,920,374	11,528,294	3.40
Education	1,610,723	1,603,977	-	-	1,610,723	1,603,977	0.42
Recreation and Culture	32,948	60,039	-	-	32,948	60,039	(45.12)
Interest on Long-Term Debt	3,905	5,053	-	-	3,905	5,053	(22.72)
Solid Waste	-	-	2,465,403	1,809,031	2,465,403	1,809,031	36.28
Airport	-	-	558,376	499,095	558,376	499,095	11.88
East Park Reservoir	-	-	327,151	329,652	327,151	329,652	(0.76)
Total Expenses	<u>64,875,004</u>	<u>62,748,022</u>	<u>3,350,930</u>	<u>2,637,778</u>	<u>68,225,934</u>	<u>65,385,800</u>	4.34
CHANGE IN NET POSITION BEFORE TRANSFERS	7,614,407	1,690,749	(119,023)	651,900	7,495,384	2,342,649	219.95
Transfers	(100,000)	(100,001)	100,000	100,000	-	(1)	
CHANGE IN NET POSITION	7,514,407	1,590,748	(19,023)	751,900	7,495,384	2,342,648	219.95
Net Position - Beginning of Year	35,116,824	33,526,076	(2,663,176)	(3,415,076)	32,453,648	30,111,000	7.78
NET POSITION - END OF YEAR	<u>\$ 42,631,231</u>	<u>\$ 35,116,824</u>	<u>\$ (2,682,199)</u>	<u>\$ (2,663,176)</u>	<u>\$ 39,949,032</u>	<u>\$ 32,453,648</u>	23.10

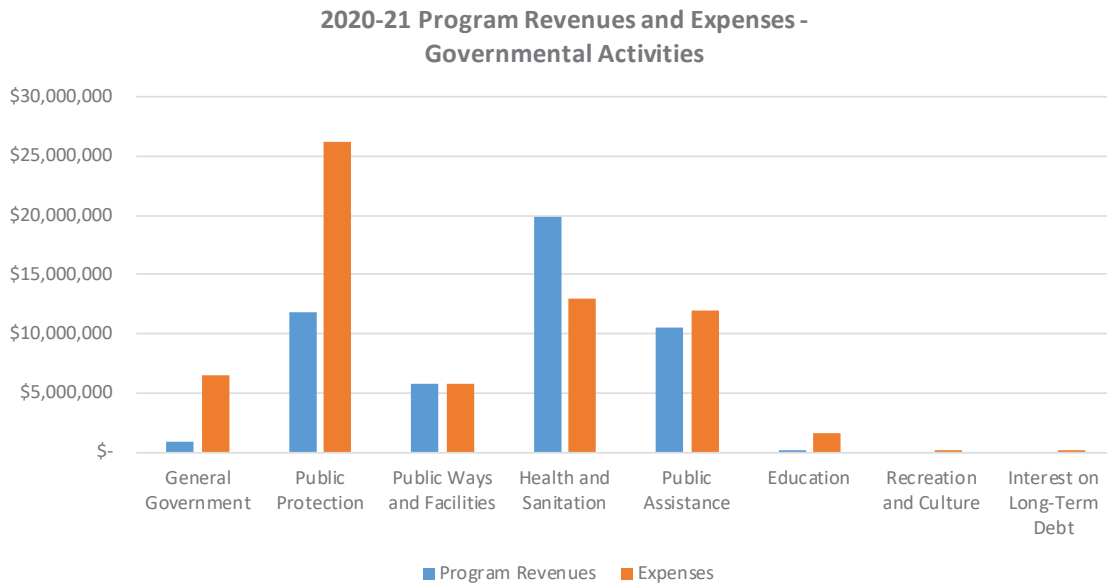
Analysis of the Changes in Government-Wide Net Position

The County's net position increased \$7,495,384 from the prior year. The changes are explained below in the governmental activities and business-type activities discussions.

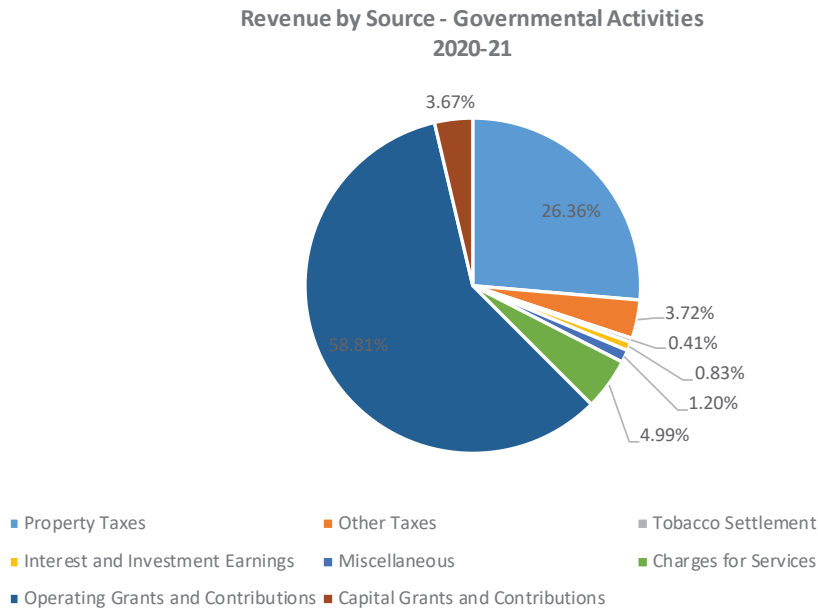
Governmental Activities increased the County's net position by \$7,514,407, accounting for 101.58% of the total increase government-wide. Total governmental revenues consist of general revenues and program revenues. General revenues and transfers totaled \$23,481,169, a decrease of 0.22% compared to the prior year. Program revenues totaled \$47,993,624, an increase of 16.47% compared to the prior year.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The following chart presents a comparison of expenses by function and the associated program revenues for Governmental activities:



Revenues among Governmental activities totaled \$72,489,411 for the 2020-21 fiscal year. The chart below presents the percentage of total revenues by source for Governmental activities:



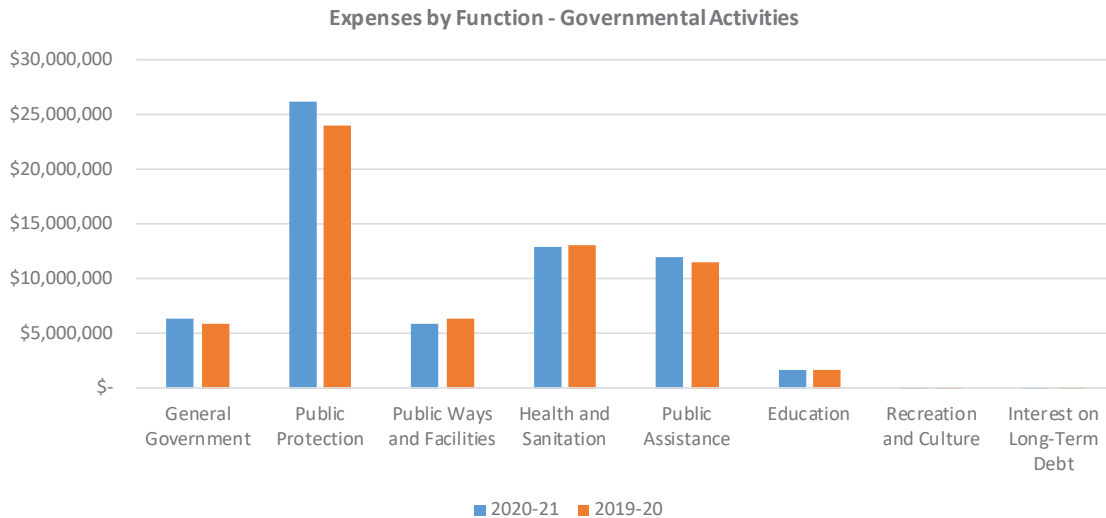
**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Key elements of the increase/decrease in revenues in the Governmental activities:

- Charges for Services decreased \$1,269,017, or 25.98%.
- Operating Grants and Contributions increased \$6,831,403, or 19.08%.
- Capital Grants and Contributions increased \$2,139,847, or 411.92%.
- Property Tax revenues increased \$843,800, or 4.62%.
- Other Tax revenue category decreased \$46,003, or 1.68%.
- Tobacco Settlement revenue category decreased \$53,463 or 15.13%.
- Interest and Investment Earnings decreased \$734,122, or 55.00%.
- Miscellaneous Revenue increased \$338,115, or 63.21%.

Expenses among Governmental activities for the 2020-21 fiscal year totaled \$64,875,004, in comparison to the 2019-20 fiscal year, which totaled \$62,748,022, an overall increase in expenses of 1.87%.

The chart below presents the two-year comparison of the total expenses by function for Governmental activities:



Key elements of the increase/decrease in expenses in the Governmental activities:

- The General Government category decreased by \$525,997, or 8.91%.
- The Public Protection category increased by \$2,063,811, or 8.57%.
- The Public Ways and Facilities category decreased \$588,957, or 9.18%.
- The Health and Sanitation category decreased by \$244,456, or 1.86%.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

- The Public Assistance category increased by \$392,080, or 3.40%.
- The Education category increased by \$6,746, or 0.42%.
- The Recreation and Culture category decreased by \$27,091, or 45.12%.
- The Interest on Long-Term Debt category decreased by \$1,148, or 22.72%. As annual principal payments are made the associated interest expense is decreasing.

Business-Type Activities decreased the County's net position by \$19,023. Total business-type activities revenues consist of general revenues and program revenues. General revenues and transfers totaled \$377,255; program revenues totaled \$2,964,652.

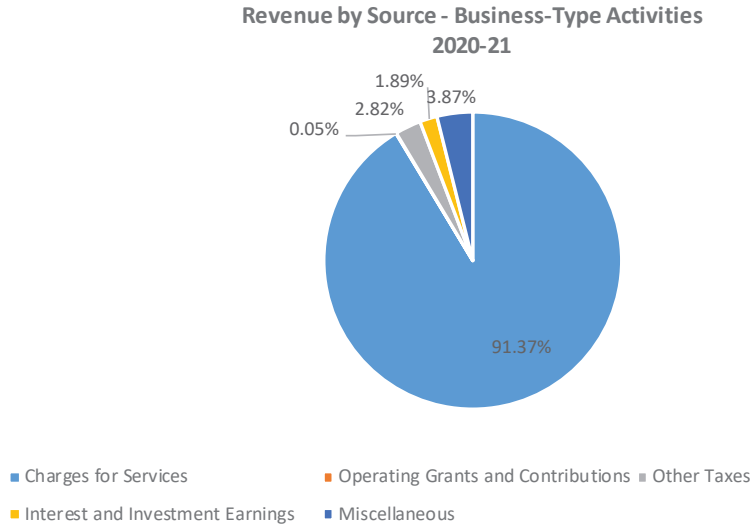
The Solid Waste's net position increased by \$107,007, to a negative net position of \$(2,593,837). The Airport's net position decreased by \$80,494, to a net position of \$112,070. The East Park Reservoir's net position decreased \$45,536, to a negative net position of \$(200,432) at June 30, 2021. However, if the County General fund had not contributed \$100,000 in 2020-21 to the Enterprise fund, the negative net position would have been \$(300,432). The East Park Reservoir is in its initial development stage and the County has committed to a specific amount of contributions to get the Enterprise fund operational and productive.

The following chart presents a comparison of expenses by function and the associated program revenues for the Business-type activities:



**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Revenues and transfers among Business-type activities totaled \$3,331,907 for the 2020-21 fiscal year. The chart below presents the percentage of total revenues by source for Business-type activities:



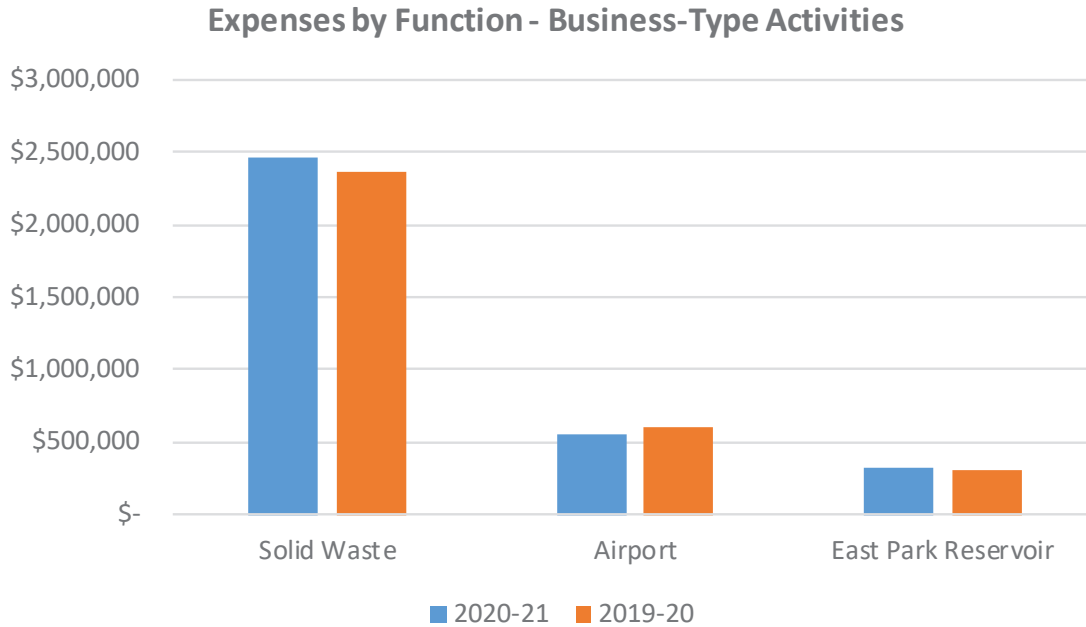
Key elements of the increase/decrease in revenues in the Business-type activities:

- Charges for Services decreased \$16,673, or 0.56%.
- Operating Grants and Contributions revenue category decreased \$33,650, or 95.73%.
- Other Taxes revenue category increased \$7,032, or 8.36%.
- Interest and Investment Earnings increased \$33,327, or 120.58%.
- Miscellaneous Revenue decreased \$47,807, or 27.64%.

Expenses among Business-type activities for the 2020-21 fiscal year totaled \$3,350,930, in comparison to the year ended 2019-20, which totaled \$2,637,778.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The chart below presents the two-year comparison of the total expenses by function for Business-type activities:



Key elements of the increase/decrease in expenses in the Business-type activities:

- The Solid Waste category increased by \$656,372, or 36.28%.
- The Airport category increased by \$59,281, or 11.88%.
- The East Park Reservoir decreased by \$2,501, or 0.76%.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Government Funds

The general government functions are contained in the General, Special Revenue, Debt Service, and Capital Project funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unrestricted (committed, assigned, and unassigned) fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

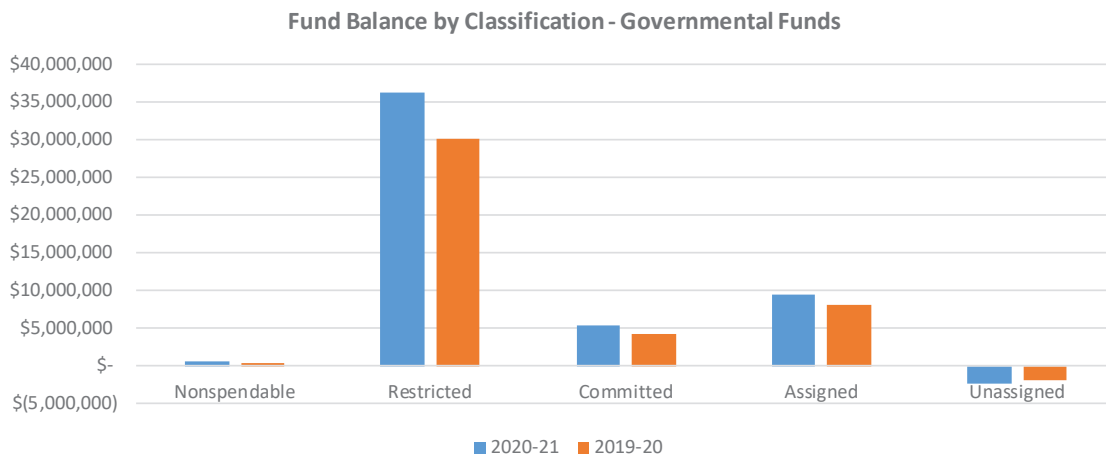
**Net Change in Fund Balance
Governmental Funds – Combined
June 30, 2021 and 2020**

	2021	2020	Increase (Decrease)	
			Total	Variance
FUND BALANCE - BEGINNING OF YEAR, AS RESTATED	\$ 41,640,816	\$ 34,768,479	\$ 6,872,337	19.77 %
Revenues	72,756,588	64,270,629	8,485,959	13.20
Expenditures	(66,698,246)	(57,839,922)	(8,858,324)	15.32
Other Financing Sources (Uses)	1,166,049	(100,001)	1,266,050	(1,266.04)
Change in Inventory	414,916	152,710	262,206	171.70
FUND BALANCE - END OF YEAR	\$ 49,280,123	\$ 41,251,895	\$ 8,028,228	19.46

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
FUND BALANCE DETAIL						
Nonspendable	\$ 702,015	1.42 %	\$ 338,947	0.82 %	\$ 363,068	107.12 %
Restricted	36,170,307	73.40	30,212,049	73.24	5,958,258	19.72
Committed	5,351,348	10.86	4,295,900	10.41	1,055,448	24.57
Assigned	9,412,439	19.10	8,159,469	19.78	1,252,970	15.36
Unassigned	(2,355,986)	(4.78)	(1,754,470)	(4.25)	(601,516)	34.28
Total Fund Balance	<u>\$ 49,280,123</u>	100.00	<u>\$ 41,251,895</u>	100.00	<u>\$ 8,028,228</u>	19.46

At June 30, 2021, the County's governmental funds reported combined fund balances of \$49,280,123, an increase of \$8,028,228, or 18.45%, in comparison with the prior year. Approximately 25.18% of this total amount, or \$12,407,801, constitutes unrestricted fund balance of the General, Special Revenue, and Capital Projects funds, which is available to meet the County's current and future needs. The remainder of the fund balance, \$36,872,322, or 74.82%, is either nonspendable or restricted for specific spending.

The chart below presents the two-year comparison of the Fund Balance by Classification for Governmental Funds.



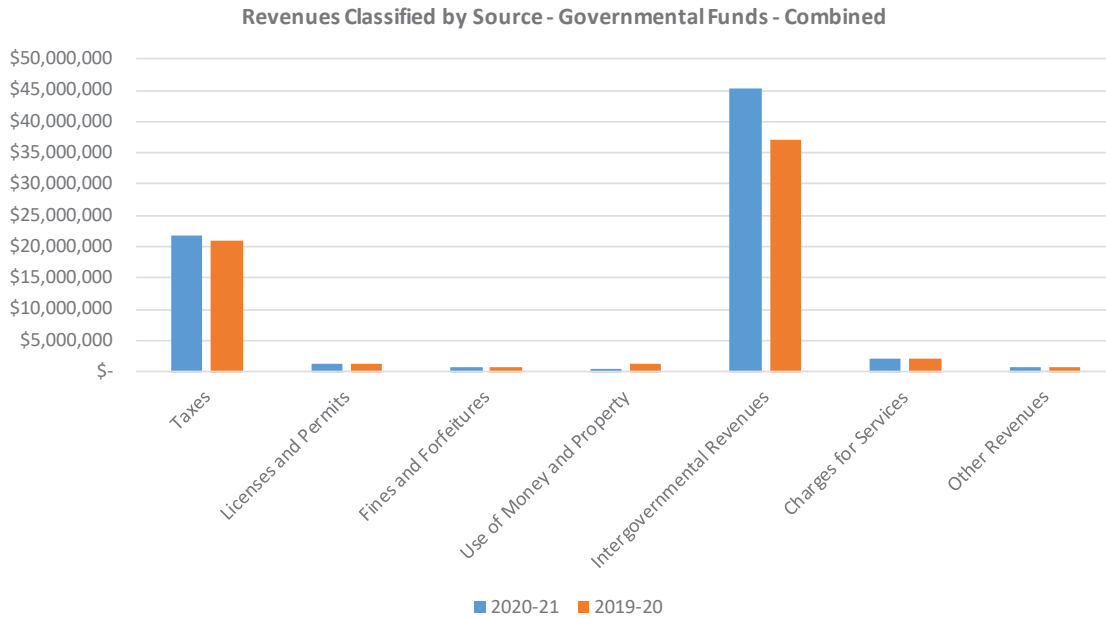
**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year for the governmental funds.

**Revenues Classified by Source
Governmental Funds - Combined
June 30, 2021 and 2020**

REVENUE BY SOURCE	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
Taxes	\$ 21,807,244	29.97 %	\$ 21,009,367	32.69 %	\$ 797,877	3.80 %
Licenses and Permits	1,238,955	1.70	1,155,178	0.02	83,777	7.25
Fines and Forfeitures	824,567	0.01	874,430	0.01	(49,863)	(5.70)
Use of Money and Property	590,380	0.01	1,240,492	0.02	(650,112)	(52.41)
Intergovernmental Revenues	45,297,911	0.62	37,129,517	0.58	8,168,394	22.00
Charges for Services	2,124,550	0.03	2,212,198	0.03	(87,648)	(3.96)
Other Revenues	872,981	0.01	649,447	0.01	223,534	34.42
Total Revenue	\$ 72,756,588	2.68	\$ 64,270,629	1.00	\$ 8,485,959	13.20

The chart below presents the two-year comparison of the total revenues by source for governmental funds:



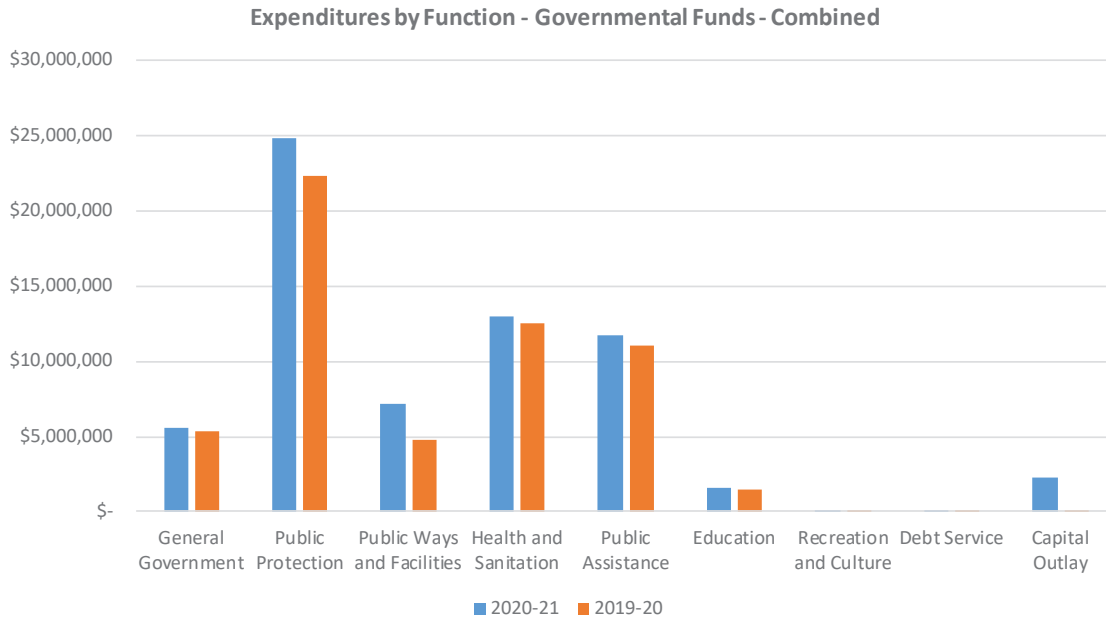
**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The following table presents the amount of expenditures by function as well as increases or decreases from the prior year for the governmental funds.

**Expenditures Classified by Function
Governmental Funds - Combined
June 30, 2021 and 2020**

EXPENDITURES BY FUNCTION	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
General Government:	\$ 5,610,572	8.46 %	\$ 5,374,253	9.32 %	\$ 236,319	4.40 %
Public Protection	24,820,634	37.45	22,372,472	38.78	2,448,162	10.94
Public Ways and Facilities	7,200,396	10.86	4,796,296	8.31	2,404,100	50.12
Health and Sanitation	12,969,529	19.57	12,495,503	21.66	474,026	3.79
Public Assistance	11,767,640	17.75	11,067,951	19.19	699,689	6.32
Education	1,570,253	2.37	1,469,643	2.55	100,610	6.85
Recreation and Culture	17,224	0.00	46,666	0.08	(29,442)	(63.09)
Debt Service	46,657	0.07	46,656	0.08	1	0.00
Capital Outlay	2,280,425	3.44	17,772	0.03	2,262,653	12,731.56
Total Expenditures	\$ 66,283,330	100.00	\$ 57,687,212	100.00	\$ 8,596,118	14.90

The chart below presents the two-year comparison of the total expenses by function for governmental funds:



**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Other financing sources and uses for the governmental funds are presented below to illustrate changes from the prior year.

**Other Financing Sources (Uses)
Governmental Funds – Combined
June 30, 2021 and 2020**

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
Transfers In	\$ 23,040,803	(19,007.58)%	\$ 18,009,443	(18,009.26)%	\$ 5,031,360	27.94 %
Transfers Out	(23,162,022)	19,107.58	(18,109,444)	18,109.26	(5,052,578)	27.90
Total Other Financing Sources (Uses)	<u>\$ (121,219)</u>	100.00	<u>\$ (100,001)</u>	100.00	<u>\$ (21,218)</u>	21.22

The General Fund

The General fund is the primary operating fund of the County. At June 30, 2021, the assigned portion of the fund balance was \$9,412,439, an increase of \$1,252,970 (15.36%) in comparison to the prior year balance; while the total fund balance was \$12,242,355, an increase of \$551,009 (4.95%) in comparison to the prior fiscal year balance.

As a measure of the General fund's liquidity, it may be useful to compare available fund balance and total fund balance to total General fund expenditures. The unrestricted fund balance represents 33.01% of total General fund expenditures, while total fund balance represents 41.5% of the total General fund expenditures. For the prior year, these figures were 30.5% and 42.1%, respectively.

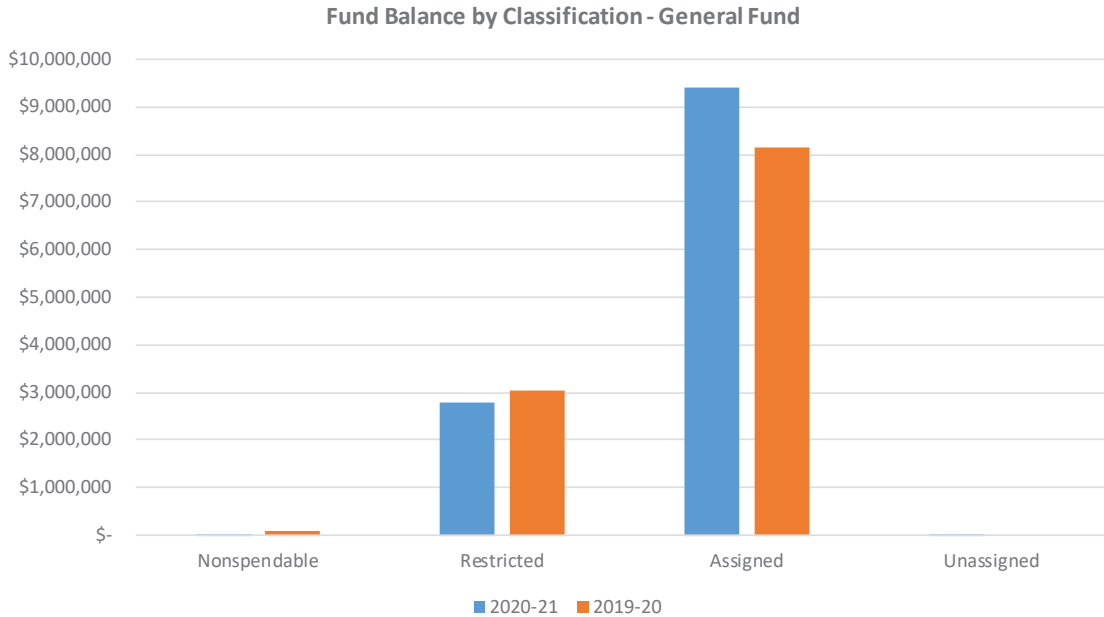
**Net Change in Fund Balance
General Fund
June 30, 2021 and 2020**

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
FUND BALANCE - BEGINNING OF YEAR, AS RESTATED	\$ 11,691,346		\$ 10,159,265		\$ 1,532,081	15.08 %
Revenues	29,266,211		27,701,309		1,564,902	5.65
Expenditures	(28,515,029)		(26,764,383)		(1,750,646)	6.54
Other Financing Sources (Uses)	(200,173)		173,118		(373,291)	(215.63)
FUND BALANCE - END OF YEAR	<u>\$ 12,242,355</u>		<u>\$ 11,269,309</u>		<u>\$ 973,046</u>	8.63

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
FUND BALANCE DETAIL						
Nonspendable	\$ 24,147	0.20 %	\$ 79,436	0.70 %	\$ (55,289)	(69.60)%
Restricted	2,799,460	22.87	3,030,404	26.89	(230,944)	(7.62)
Assigned	9,412,439	76.88	8,159,469	72.40	1,252,970	15.36
Unassigned	6,309	0.05	-	0.00	6,309	100.00
Total Fund Balance	<u>\$ 12,242,355</u>	100.00	<u>\$ 11,269,309</u>	100.00	<u>\$ 973,046</u>	8.63

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The chart below presents the two-year comparison of the Fund Balance by Classification for the General fund.



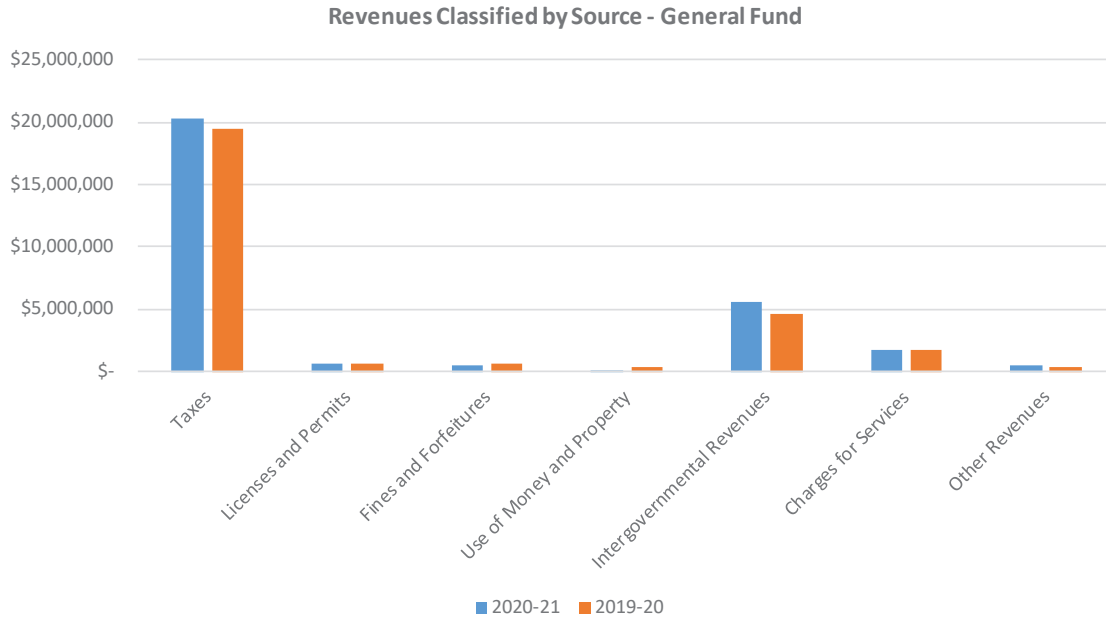
The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year for the General fund.

**Revenues Classified by Source
General Fund
June 30, 2021 and 2020**

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
REVENUE BY SOURCE						
Taxes	\$ 20,215,971	69.08 %	\$ 19,466,371	70.27 %	\$ 749,600	3.85 %
Licenses and Permits	687,291	2.35	669,570	2.42	17,721	2.65
Fines and Forfeitures	517,021	1.77	592,409	2.14	(75,388)	(12.73)
Use of Money and Property	66,578	0.23	343,753	1.24	(277,175)	(80.63)
Intergovernmental Revenues	5,537,281	18.92	4,612,034	16.65	925,247	20.06
Charges for Services	1,731,764	5.92	1,677,235	6.05	54,529	3.25
Other Revenues	510,305	1.74	339,937	1.23	170,368	50.12
Total Revenue	<u>\$ 29,266,211</u>	100.00	<u>\$ 27,701,309</u>	100.00	<u>\$ 1,564,902</u>	5.65

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The chart below presents the two-year comparison of the total revenues by source for the County General fund:



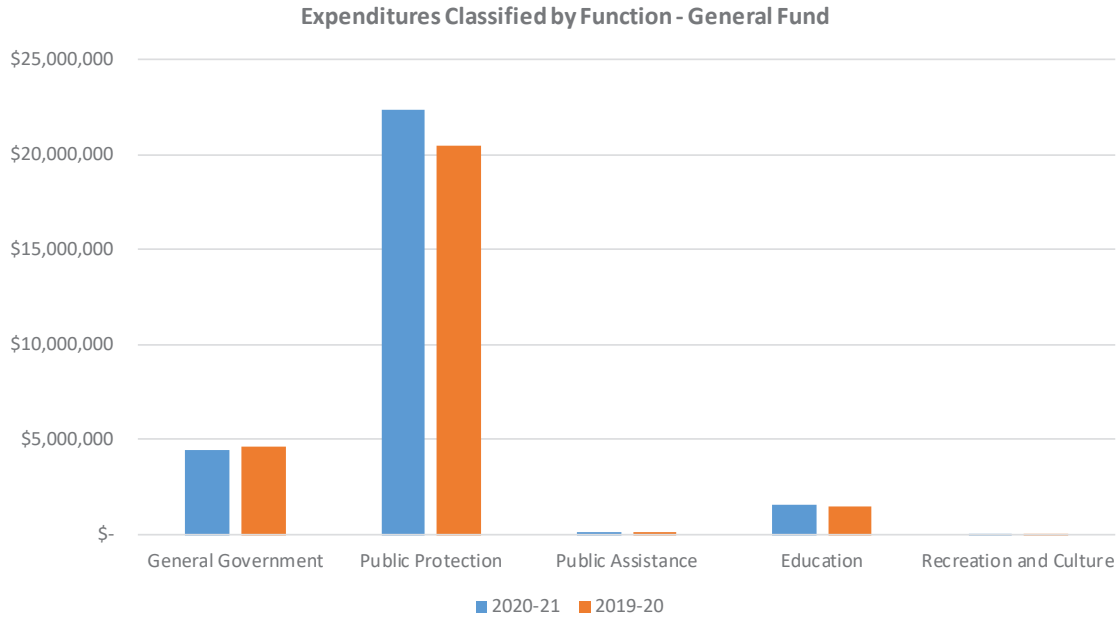
The following table presents the amount of expenditures by function as well as increases or decreases from the prior year for the General fund.

**Expenditures Classified by Function
General Fund
June 30, 2021 and 2020**

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
EXPENDITURES BY FUNCTION						
General Government	\$ 4,449,907	15.61 %	\$ 4,596,271	17.17 %	\$ (146,364)	(3.18)%
Public Protection	22,320,616	78.28	20,505,849	76.62	1,814,767	8.85
Public Assistance	158,542	0.56	148,143	0.55	10,399	7.02
Education	1,570,253	5.51	1,469,643	5.49	100,610	6.85
Recreation and Culture	15,711	0.06	44,477	0.17	(28,766)	(64.68)
Total Expenditures	\$ 28,515,029	100.00	\$ 26,764,383	100.00	\$ 1,750,646	6.54

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The chart below presents the two-year comparison of the total expenditures by function for the County General fund:



Other financing sources and uses for the General fund are presented below to illustrate changes from the prior year.

**Other Financing Sources (Uses)
General Fund
June 30, 2021 and 2020**

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
Transfers In	\$ 2,193,067	(1,095.59)%	\$ 1,654,984	955.99 %	\$ 538,083	32.51 %
Transfers Out	(2,393,240)	1,195.59	(1,481,866)	(855.99)	(911,374)	61.50
Total Other Financing Sources (Uses)	<u>\$ (200,173)</u>	100.00	<u>\$ 173,118</u>	100.00	<u>\$ (373,291)</u>	(215.63)

Other Major Funds Highlights

The Health and Human Services Fund is used to account for the majority of the Public Health and Social Services programs, including Health, Environmental Health, Ambulance, Children's Services, Welfare, Senior Nutrition Program, and DHHS Administration. The net increase in fund balance is \$13,152 or 103.13%.

The Public Protection funds are used to account for activity associated with the welfare and protection of the general public in the forms of law enforcement, disasters, and consumer protection. The net increase in fund balance is \$696,044 or 19.29%. This increase is due to additional COVID-related funds established as funding was received from the state and federal governments.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The Public Ways & Facilities funds are used to account for the road and bridge construction and maintenance projects activity within the Road, Bridge, and District funds. Airport activity within the Airport Special fund is also accounted for under this grouping. The net increase in fund balance is \$1,138,013, or 10.88%.

The Health and Sanitation funds are used to account for the majority of the health-related programs, including Behavioral Health, Air Pollution and numerous other health related special revenue funds. The net increase in fund balance is \$5,230,989, or 49.50%.

The Public Assistance funds are used to account for the activity related to social services programs provided to the public, including welfare, cash aid, etc. The net increase in fund balance is \$260,208, or 8.73%.

The County Service Areas funds are used to account for the providing of water services to the property owners of Century Ranch and Stonyford areas. The net decrease in fund balance is \$504,112, or 50.70%.

The net fund balances for the remaining other governmental funds, which are non-major governmental funds, increased \$254,004 to a total of \$3,596,529, a 7.60% increase. For comparison purposes, to determine the increase or decrease in net fund balances for the remaining non-major governmental funds, only the funds classified as non-major in 2020-21 were used, regardless of how the same funds were classified in the prior year.

Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Enterprise funds report the business-type activities of the County. Enterprise funds are used to account for the operations of Solid Waste, Airport, and East Park Reservoir.

**Net Change in Fund Net Position
Enterprise Funds
June 30, 2021 and 2020**

	2021	2020	Increase (Decrease)	
			Total	Variance
TOTAL NET POSITION - BEGINNING OF YEAR	\$ (2,663,176)	\$ (3,415,076)	\$ 751,900	(22.02)%
Operating Revenues	3,078,303	3,142,783	(64,480)	(2.05)
Operating Expenses	(3,350,930)	(2,637,778)	(713,152)	27.04
Nonoperating Revenues	153,604	146,895	6,709	4.57
Transfers In	100,000	100,000	-	0.00
TOTAL NET POSITION - END OF YEAR	<u>\$ (2,682,199)</u>	<u>\$ (2,663,176)</u>	<u>\$ (19,023)</u>	0.71

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
NET POSITION DETAIL						
Investment in Capital Assets	\$ 85,624	(3.19)%	\$ 99,233	(3.73)%	\$ (13,609)	(13.71)%
Restricted for Closure Maintenance	870,523	(32.46)	786,027	(29.51)	84,496	10.75
Unrestricted	(3,638,346)	135.65	(3,548,436)	133.24	(89,910)	2.53
Total Net Position	<u>\$ (2,682,199)</u>	100.00	<u>\$ (2,663,176)</u>	100.00	<u>\$ (19,023)</u>	0.71

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

For the fiscal year ended June 30, 2021, unrestricted net position (deficits) of the Solid Waste Enterprise amounted to \$(3,518,322), the Airport Enterprise amounted to \$102,746, and East Park Reservoir amounted to \$(222,770).

The enterprise funds had a negative change in net position during the fiscal year in the amount of \$19,023, and the total net position for the funds remains in a deficit. Operating revenues decreased by 2.05%, while operating expenses increased by 27.04%.

During the 2013-14 fiscal year, Recology Butte Colusa Counties, Inc. entered into a franchise contract modification with Colusa County to provide services for the collection of solid waste, recyclable materials and the operation of the Maxwell Transfer Station. The contract also provided for the elimination of enterprise fund employees from the County, and potential transfer to Recology. However, the County still maintains the pension and OPEB liabilities for eligible former Solid Waste Enterprise employees. The Solid Waste Enterprise fund continues to maintain the closure/post-closure liability for the Evans and Stonyford Landfills, which represents 94.90% of the total Solid Waste Enterprise liability.

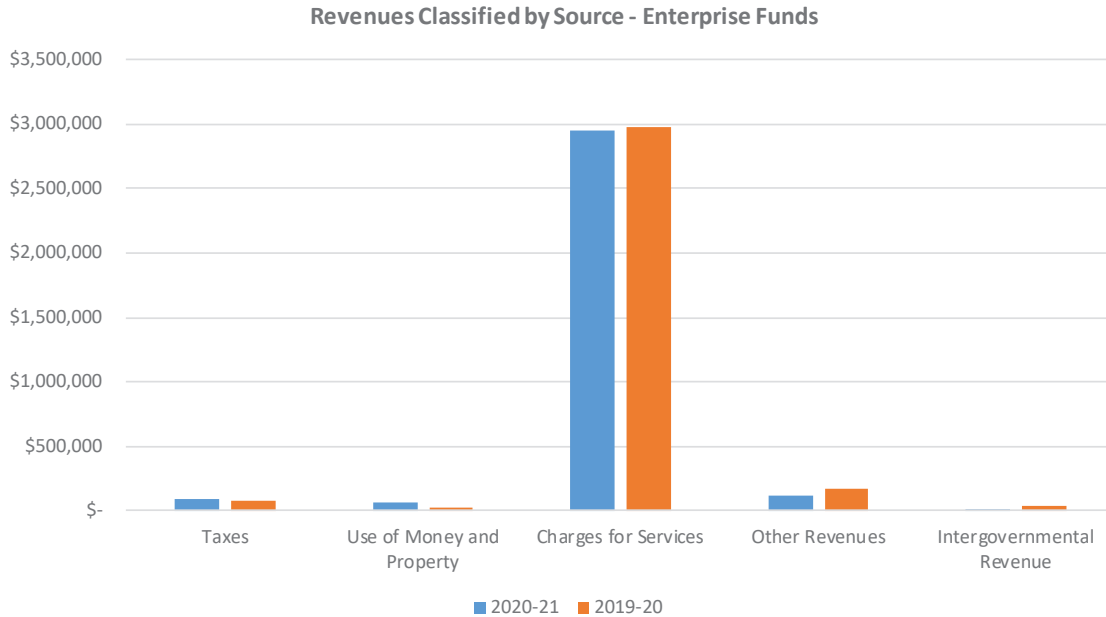
The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year for the enterprise funds.

**Revenues Classified by Source
Enterprise Funds
June 30, 2021 and 2020**

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
REVENUE BY SOURCE						
Taxes	\$ 91,138	2.82 %	\$ 84,106	2.56 %	\$ 7,032	8.36 %
Use of Money and Property	60,966	1.89	27,639	0.84	33,327	120.58
Charges for Services	2,953,152	91.37	2,969,825	90.28	(16,673)	(0.56)
Other Revenues	125,151	3.87	172,958	5.26	(47,807)	(27.64)
Intergovernmental Revenue	1,500	0.05	35,150	1.07	(33,650)	(95.73)
Total Revenue	<u>\$ 3,231,907</u>	100.00	<u>\$ 3,289,678</u>	100.00	<u>\$ (57,771)</u>	(1.76)

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The chart below presents the two-year comparison of the total revenues by source of the enterprise funds:



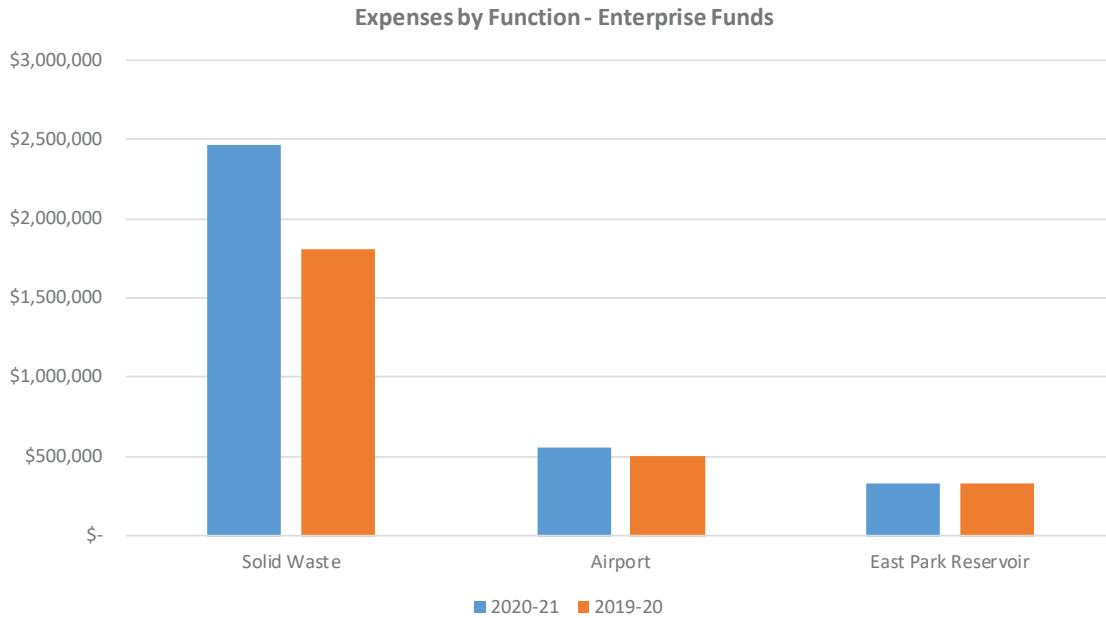
The following table presents the amount of expenditures by function as well as increases or decreases from the prior year for the enterprise funds.

**Expenses Classified by Function
Enterprise Funds
June 30, 2021 and 2020**

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
EXPENSES CLASSIFIED BY FUNCTION						
Solid Waste	\$ 2,465,403	73.57 %	\$ 1,809,031	68.58 %	\$ 656,372	36.28 %
Airport	558,376	16.66	499,095	18.92	59,281	11.88
East Park Reservoir	327,151	9.76	329,652	12.50	(2,501)	(0.76)
Total Expenses	<u>\$ 3,350,930</u>	100.00	<u>\$ 2,637,778</u>	100.00	<u>\$ 713,152</u>	27.04

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The chart below presents the two-year comparison of the expenses by function for the enterprise funds:



Internal service funds are an accounting device to accumulate and allocate costs internally among the County's various functions. An internal service fund is used to account for the Insurance fund.

**Net Change in Fund Net Position
Internal Service Fund
June 30, 2021 and 2020**

	2021	2020	Increase (Decrease)	
			Total	Variance
TOTAL NET POSITION - BEGINNING OF YEAR				
	\$ 2,391,493	\$ 1,887,480	\$ 504,013	26.70 %
Operating Revenues	1,114,768	1,045,510	69,258	6.62
Operating Expenses	(435,125)	(635,755)	200,630	(31.56)
Nonoperating Revenues (Expenses)	10,248	94,258	(84,010)	(89.13)
TOTAL NET POSITION - END OF YEAR	<u>\$ 3,081,384</u>	<u>\$ 2,391,493</u>	<u>\$ 689,891</u>	<u>28.85</u>

	2021		2020		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Variance
NET POSITION DETAIL						
Unrestricted	<u>\$ 3,081,384</u>	100.00 %	<u>\$ 2,391,493</u>	100.00 %	<u>\$ 689,891</u>	<u>28.85 %</u>

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

GENERAL FUND BUDGETARY HIGHLIGHTS

Periodically over the course of the year the Board of Supervisors revise the County's budget as appropriate. Each time a grant or specific revenue enhancement is made available to a County program that requires new appropriations, a budget amendment is required.

Approximately mid-year, each department is asked to review their revenue and expenditure budgets for trends. Adjustments may be recommended where indicated and monitored for the remainder of the year. Throughout the year the CAO Budget Analyst monitors all County budgets and discusses specific issues with the Department and the Chief Administrative Officer, as appropriate. Unless there is an unforeseen and unusual circumstance that causes a budget overrun, a draw on Contingencies is not recommended.

Differences between the original budget and the final amended budget for the General fund resulted in a \$432,762 increase in appropriations. The components of this increase are briefly summarized as follows: \$386,780 increase to general government; \$56,211 increase to public protection; and \$10,229 decrease to contingency appropriation.

At fiscal yearend, actual revenues were lower than the final budget by \$1,216,013, or 4.34%, and actual expenditures were under the final budget by \$3,211,883, or 10.12%. The actual net activity, including transfers, increased the General fund's fund balance by \$551,325, while the original budget would have decreased the fund balance by \$6,030,566, and the final budget would have decreased the fund balance by \$5,771,698.

Differences between the original budget and the final amended budget, as well as differences between the final amended budget and the actual amounts, are summarized in the table below.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

**County of Colusa's Budgetary Comparison
General, Health and Human Services, Loan Programs,
Public Ways and Facilities, Health and Sanitation, Public Assistance, and County Service Areas
Fiscal Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual Amounts
<u>General Fund</u>			
Total Revenues	\$ 27,715,952	\$ 28,050,514	\$ 29,266,211
Total Expenditures	(31,294,150)	(31,726,912)	(28,515,029)
Other Financing Sources (Uses)	(2,452,368)	(2,095,300)	(200,173)
Net Change in Fund Balance	<u>\$ (6,030,566)</u>	<u>\$ (5,771,698)</u>	<u>\$ 551,009</u>
<u>Health and Human Services Fund</u>			
Total Revenues	\$ 1,116,228	\$ 1,116,228	\$ 1,070,549
Total Expenditures	(11,635,547)	(11,635,547)	(10,521,089)
Other Financing Sources (Uses)	11,333,951	11,586,129	9,463,692
Net Change in Fund Balance	<u>\$ 814,632</u>	<u>\$ 1,066,810</u>	<u>\$ 13,152</u>
<u>Public Protection</u>			
Total Revenues	\$ 56,013	\$ 56,413	\$ 5,229,376
Total Expenditures	-	-	(2,504,417)
Other Financing Sources (Uses)	(2,963,778)	(4,230,812)	(2,028,915)
Net Change in Fund Balance	<u>\$ (2,907,765)</u>	<u>\$ (4,174,399)</u>	<u>\$ 696,044</u>
<u>Public Ways and Facilities</u>			
Total Revenues	\$ 7,399,049	\$ 7,746,014	\$ 7,391,733
Total Expenditures	(15,081,261)	(15,081,261)	(7,251,780)
Other Financing Sources (Uses)	3,397,538	3,398,032	998,060
Net Change in Fund Balance	<u>\$ (4,284,674)</u>	<u>\$ (3,937,215)</u>	<u>\$ 1,138,013</u>
<u>Health and Sanitation</u>			
Total Revenues	\$ 14,448,869	\$ 16,460,662	\$ 18,366,586
Total Expenditures	-	-	(9,261,613)
Other Financing Sources (Uses)	(4,592,879)	(4,688,563)	(3,873,984)
Net Change in Fund Balance	<u>\$ 9,855,990</u>	<u>\$ 11,772,099</u>	<u>\$ 5,230,989</u>
<u>Public Assistance</u>			
Total Revenues	\$ 9,762,202	\$ 9,932,687	\$ 10,224,785
Total Expenditures	(3,938,443)	(4,187,646)	(4,151,156)
Other Financing Sources (Uses)	(7,290,764)	(7,147,046)	(5,813,421)
Net Change in Fund Balance	<u>\$ (1,467,005)</u>	<u>\$ (1,402,005)</u>	<u>\$ 260,208</u>
<u>County Service Areas</u>			
Total Revenues	\$ 135,000	\$ 135,000	\$ 113,728
Total Expenditures	(5,724)	(5,724)	(635,643)
Other Financing Sources (Uses)	59,000	59,000	17,803
Net Change in Fund Balance	<u>\$ 188,276</u>	<u>\$ 188,276</u>	<u>\$ (504,112)</u>

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Net Change Between Original and Final Budget		Net Change Between Final Budget and Actual	
	Amount	Variance	Amount	Variance
<u>General Fund</u>				
Total Revenues	\$ 334,562	1.21 %	\$ (1,215,697)	(4.33)%
Total Expenditures	(432,762)	1.38	(3,211,883)	10.12
Other Financing Sources (Uses)	357,068	(14.56)	(1,895,127)	90.45
Net Change in Fund Balance	<u>\$ 258,868</u>	(4.29)	<u>\$ (6,322,707)</u>	109.55
<u>Health and Human Services Fund</u>				
Total Revenues	\$ -	0.00	\$ 45,679	4.09
Total Expenditures	-	0.00	(1,114,458)	9.58
Other Financing Sources (Uses)	252,178	2.22	2,122,437	18.32
Net Change in Fund Balance	<u>\$ 252,178</u>		<u>\$ 1,053,658</u>	98.77
<u>Public Protection</u>				
Total Revenues	\$ 400	0.71	\$ (5,172,963)	(9,169.81)
Total Expenditures	-	100.00	2,504,417	100.00
Other Financing Sources (Uses)	(1,267,034)	42.75	(2,201,897)	52.04
Net Change in Fund Balance	<u>\$ (1,266,634)</u>	43.56	<u>\$ (4,870,443)</u>	116.67
<u>Public Ways and Facilities</u>				
Total Revenues	\$ 346,965	4.69	\$ 354,281	4.57
Total Expenditures	-	0.00	(7,829,481)	51.92
Other Financing Sources (Uses)	494	0.01	2,399,972	70.63
Net Change in Fund Balance	<u>\$ 347,459</u>	(8.11)	<u>\$ (5,075,228)</u>	128.90
<u>Health and Sanitation</u>				
Total Revenues	\$ 2,011,793	13.92	\$ (1,905,924)	(11.58)
Total Expenditures	-	100.00	9,261,613	100.00
Other Financing Sources (Uses)	(95,684)	2.08	(814,579)	17.37
Net Change in Fund Balance	<u>\$ 1,916,109</u>	19.44	<u>\$ 6,541,110</u>	55.56
<u>Public Assistance</u>				
Total Revenues	\$ 170,485	1.75	\$ (292,098)	(2.94)
Total Expenditures	(249,203)	6.33	(36,490)	0.87
Other Financing Sources (Uses)	143,718	(1.97)	(1,333,625)	18.66
Net Change in Fund Balance	<u>\$ 65,000</u>	(4.43)	<u>\$ (1,662,213)</u>	118.56
<u>County Service Areas</u>				
Total Revenues	\$ -	0.00	\$ 21,272	15.76
Total Expenditures	-	0.00	629,919	(11,004.87)
Other Financing Sources (Uses)	-	0.00	41,197	69.83
Net Change in Fund Balance	<u>\$ -</u>	0.00	<u>\$ 692,388</u>	367.75

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

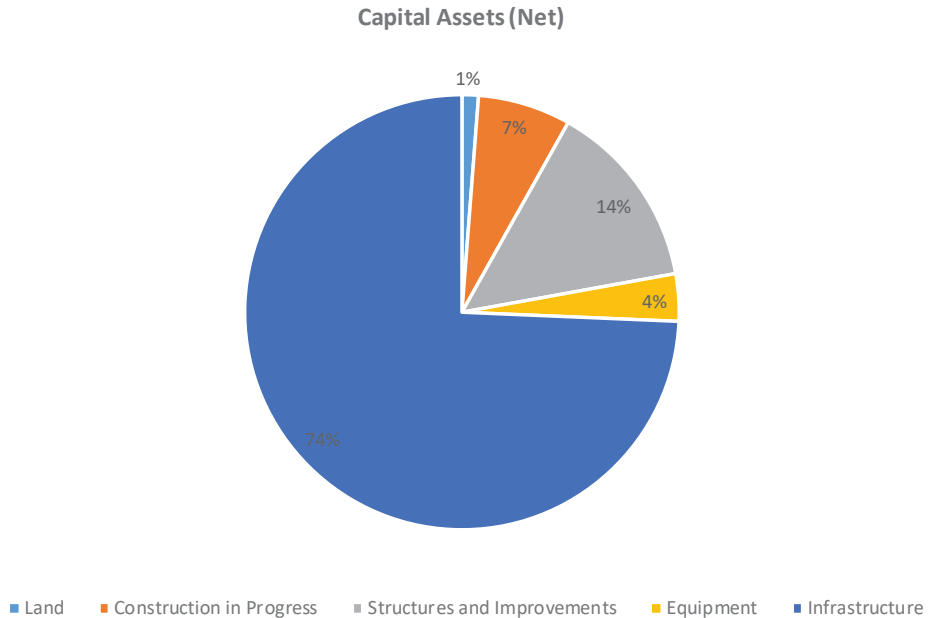
CAPITAL ASSETS

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounted to \$61,167,504 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, structures and improvements, equipment, software (intangibles), and infrastructure (roads and bridges, etc.).

The following table shows the County's total capital assets for governmental and proprietary funds.

	Governmental Activities		Business-Type Activities		Total		Variance
	2021	2020	2021	2020	2021	2020	
Land	\$ 749,873	\$ 749,873	\$ -	\$ -	\$ 749,873	\$ 749,873	0.00 %
Construction in Progress	4,229,032	2,056,755	-	-	4,229,032	2,056,755	105.62
Structures and Improvements	8,517,309	8,628,591	53,962	61,672	8,571,271	8,690,263	(1.37)
Equipment	2,120,210	2,312,801	31,662	37,561	2,151,872	2,350,362	(8.45)
Infrastructure	45,465,456	43,851,967	-	-	45,465,456	43,851,967	3.68
Total Capital Assets (Net)	<u>\$ 61,081,880</u>	<u>\$ 57,599,987</u>	<u>\$ 85,624</u>	<u>\$ 99,233</u>	<u>\$ 61,167,504</u>	<u>\$ 57,699,220</u>	6.01

The chart below presents the County's percentage of investment in each type of Capital Asset compared to total Capital Assets.



Additional information on the County's capital assets can be found in Note 4 of this report.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

DEBT ADMINISTRATION

At June 30, 2021, the County had total long-term liabilities of \$7,278,186 as compared to \$6,015,841 in the prior year. Increase to compensated absences amounted to \$37,627 and increase to closure/post closure amounted to \$17,829. During the year, additions to debt amounted to \$1,287,268 and retirement of current debt amounted to \$42,752.

The net pension liability for governmental activities was \$83,205,917, an increase of \$5,278.687 over the prior year. The net pension liability for business-type activities was \$270,047, an increase of \$27,343 over the prior year. The total County net pension liability is \$83,475,964, which represents 91.98% of the total liabilities.

The 2014-15 fiscal year was the first year the County implemented the accounting standard required by the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions", which establishes the standards for the measurement and recognition of liabilities, deferred outflows, deferred inflows, and expenses related to pensions.

The net OPEB asset for governmental activities was \$1,904,322, a change of \$1,672,271 over the prior year liability. The net OPEB asset for business-type activities was \$10,203, a change of \$8,343, over the prior year liability. The total County net OPEB asset is \$1,914,525, which represents 1.51% of the total assets.

The 2008-09 fiscal year was the first year the County was required to calculate and disclose our OPEB Obligation (Other Post-Employee Benefits).

For the 2020-21 fiscal year instead of showing a liability the county is now showing an OPEB asset of \$1,914,525. This means the county has currently fully funded our OPEB liability. This has occurred due to a few reasons: (1) the Board of Supervisors approved the establishment of an irrevocable OPEB trust with PARS back in FY 2017-18 with an initial inception of \$10,486,094. This has allowed the County to record a higher earning rate and reduce the County's ultimate liability by allowing us to consider the monies sitting in the irrevocable trust as "Plan Assets" for financial reporting purposes; (2) the Return on Investment from the original inception of the trust to June 30, 2021 has been an additional \$7,499,504; and (3) recent negotiated MOU's with all bargaining units have reduced the OPEB benefit that will be received for future retirees.

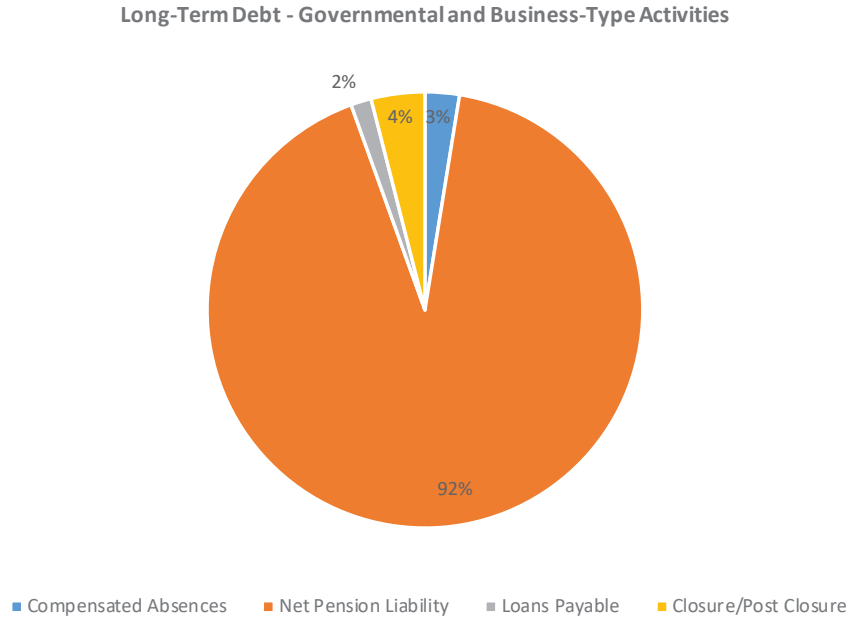
The following table shows the composition of the County's total long-term liabilities for governmental and proprietary funds.

LONG-TERM DEBT

	Governmental Activities		Business-Type Activities		Total		Variance
	2021	2020	2021	2020	2021	2020	
Loans Payable	\$ 1,384,576	\$ 103,032	\$ -	\$ -	\$ 1,384,576	\$ 103,032	1,243.83 %
Capital Leases	-	37,028	-	-	-	37,028	(100.00)
Compensated Absences	2,311,651	2,273,712	4,368	4,680	2,316,019	2,278,392	1.65
Net Pension Liability	83,205,917	77,927,230	270,047	242,704	83,475,964	78,169,934	6.79
Closure/Post Closure	-	-	3,615,218	3,597,389	3,615,218	3,597,389	0.50
Total Long-Term Debt	\$ 86,902,144	\$ 80,341,002	\$ 3,889,633	\$ 3,844,773	\$ 90,791,777	\$ 84,185,775	7.85

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

The chart below illustrates the County's percentage of each type of long-term debt.



Additional information on the County's long-term debt can be found in Note 7 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The county developed the 2020-21 annual budget while in the midst of the COVID pandemic. The full fiscal impact of the pandemic was not known at that time... and is still difficult to project for future fiscal years. There were serious considerations and decisions developed based on state budget projections, with careful consideration given to the diminished economic factors, both in the State of California and the County of Colusa, as well as anticipated changes in revenue sources and increased funding requirements. The same conservative approach will be used when developing the 2021-22 annual budget.

County administration monitors the state legislature and officials closely, testifying before legislature and committees whenever possible in defense of small counties. We expect the state's financial situation to impact local governments as the state attempts to balance their budget, and continue to reassign programs to the counties that have been the responsibility of the state in the past. The county is aware of different state programs that may be reduced or eliminated; however, in many cases the mandates still exist.

The state funded department of Health and Human Services continues to be impacted with funding reductions and the reassignment of some programs from the state to the county level. Regulations have changed that make it more difficult for an individual to qualify for certain services from the state, so it puts an added burden on the county to provide those services. During this pandemic, we have seen more citizens requiring benefits from Health and Human Services.

The passing of SB1, the Road Repair and Accountability Act of 2017 continues to provide a new enhanced revenue source for county road maintenance projects. However, in order to be eligible for the

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

increased revenue source, the county must commit discretionary county General Fund dollars to the project as well. While the dedication of additional tax dollars to the county roads will be beneficial for our citizens, it will require taking General Fund dollars from other county services and operations, or reducing county reserves.

The county was awarded \$20,000,000 under SB863 by the Board of State and Community Corrections (BSCC) for construction of a new county detention facility. The proposed project will provide adequate programming, mental health treatment and recreation space, as well as medical/dental facilities. There is a required county match which will be funded by the General Fund. Due to the amount of time it is taking for the project to work its way through various approval processes at the state level we are looking at increased costs in order to complete this project. Recent estimates show an additional \$5 million required to be covered by the county, on top of the award amount from the state, to cover all costs associated with this project. The completion date of the project is largely dependent upon the receipt of state approvals and the subsequent construction.

The Tri-County Juvenile Hall is another grant funded project awarded by BSCC. The county budgeted \$1,084,388 in 2020-21 for our share of the costs. This regional project has obtained the proper approvals at the state level. Ground breaking and construction is currently underway. As part of the agreement for the construction project and ongoing operations, the county has committed to a percentage share of total costs.

Conservative budgeting, extensive analysis of possible revenue/funding sources, and considerations given to the pandemic fiscal impacts has continued to result in reserves exceeding \$5,000,000, upon the adoption of the 2020-21 budget.

The county continues to remain debt free except for one interest-free loan which has an annual payment of \$5,724.

As would be expected, pensions are the most costly employee benefit. The rates for each plan continue to rise year after year. Pension costs throughout the nation have increased dramatically as a direct result of investment earnings. Consequently, the California Public Employees' Pension Reform Act of 2013 was approved to reduce future pension costs. Subsequently, the Board of Supervisors negotiated further reductions, which created a 3-tier pension plan in Colusa County. Due to the fact the county is now fully funded with our OPEB liability, we discontinued our monthly payroll calculation factor that was being used to fund the OPEB irrevocable trust effective FY 2020-21. Early discussions are underway as to the possibility of trying to set up a similar rate to go towards coverage of our pension liability.

Colusa County is a farming community, and water is a vital resource for the well-being and continued sustainability of the economy. Consequently, in an effort to be pro-active and protect our valuable resource for our citizens and our future, a Water Management budget unit was established, which has since been staffed with a knowledgeable, experienced individual. The county played a primary role in the recent creation of the Colusa Groundwater Authority in response to the Sustainable Groundwater Management Act, and continues to develop the required Groundwater Management Plan.

The county is also actively leading the charge for the development and construction of the Sites Reservoir; and as a result, established a budget unit specifically for this endeavor. The county is an active member of the Sites Reservoir JPA, committing funding with other water agency members to ensure the large off-stream reservoir through to its fruition. Due to the required large outlay of funding for the county's portion of the project costs, the county may be required to seek a loan from an outside

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

source, which means incurring additional debt in the future. Although this project has some very large initial funding requirements, the county believes this long-range planning and commitment will benefit the county, as well as the state, in the future.

In an effort to stimulate the county's economy the Board of Supervisors and the Community and Economic Development Committee are actively searching for businesses that are a good fit for the county to provide that much needed economic growth. In addition, during the pandemic, these two groups were instrumental in distributing over \$900,000 in CARES grant funding to local businesses during the 2020-21 fiscal year to cover COVID related expenses.

The overall property tax roll should continue to increase this next year. The residential market has continued to increase. Over the past few years, the county has made a concerted effort to enroll new trees/orchards planted in the county and as they start to produce the assessed values will go even higher. The new orchards and the rebound of the residential real estate market have led to the increase in the tax rolls.

The PG&E power plant was put into operation in December 2010 and has had a positive effect on the county property tax roll. The County Board of Supervisors has been fiscally conservative with the use of these new funds, in order to build a reserve and to prepare for contingencies. The board recognizes the state's fiscal problems; it is the board's goal to ensure the county weathers the economic downturn, and that needed services are still available for our citizens. Unfortunately, the property taxes generated by the power plant will continue to decline as the fixtures depreciate on an annual basis, so this must be taken into consideration when developing an on-going operations budget.

During FY 2019-20 the county entered into a Memorandum of Understanding with AirCon Energy for performance of an investment grade audit and development of a potential comprehensive energy efficiency infrastructure improvement/retrofit project for various county-owned buildings. In July 2020, the county entered into an Energy Conservation Assistance Act Loan Agreement with the California Energy Resources Conservation and Development Commission to fund a portion of the project costs recommended within the investment grade audit. The principal amount of the loan is up to \$1,622,642, at 1% interest, and payable through June 2033. The expenses not covered by the loan are being covered predominantly through special revenue fund monies within the county. The project was started during FY 2020-21 and is expected to be finalized some time during FY 2021-22.

The General fund revenue sources most vulnerable to short-term influences and the most difficult to project are consumer/business-driven taxes and fees such as sales tax revenues and permit/service fees associated with agriculture. These circumstances have put an additional burden on the services we provide our citizens and a strain on our resources. We do not expect the state's financial issues to be resolved within the next budget year; we expect the next couple years to be even more difficult as the state continues to "realign" services to the local level. Consequently, we are taking steps and considering these possibilities when adopting our county budget. The county budget committee is in the early stages of developing and distributing budget goals, objectives, and guidelines for the preparation of the 2022-23 requested departmental budgets. The County is committed to providing the services needed by our citizens, while maintaining conservative financial management practices to avoid detrimental effects on our financial structure, and the viability of our County.

**COUNTY OF COLUSA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Colusa County Auditor-Controller, Robert Zunino, 546 Jay Street, Suite 202, Colusa, California 95932; (530) 458-0400.

BASIC FINANCIAL STATEMENTS

COUNTY OF COLUSA, CALIFORNIA
STATEMENT OF NET POSITION
GOVERNMENT-WIDE
JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and Investments	\$ 48,616,713	\$ 962,089	\$ 49,578,802
Receivables:			
Accounts	229,247	333,223	562,470
Intergovernmental	6,880,797	21,150	6,901,947
Interest	52,571	1,181	53,752
Taxes	1,640,661	-	1,640,661
Prepaid Costs	41,001	-	41,001
Deposits with Others	4,235,292	-	4,235,292
Inventory	661,014	2,882	663,896
Restricted Cash and Investments	109,747	-	109,747
Investment in JPA	36,131	-	36,131
Loans Receivable	168,138	-	168,138
Net OPEB Asset	1,904,322	10,203	1,914,525
Capital Assets:			
Nondepreciable	4,978,906	-	4,978,906
Depreciable, Net	56,102,974	85,624	56,188,598
Total Assets	<u>125,657,514</u>	<u>1,416,352</u>	<u>127,073,866</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Adjustments	12,652,503	34,368	12,686,871
Deferred OPEB Adjustments	67,614	362	67,976
Total Deferred Outflows of Resources	<u>12,720,117</u>	<u>34,730</u>	<u>12,754,847</u>
LIABILITIES			
Accounts Payable	1,863,300	231,664	2,094,964
Deposits Payable	336,849	-	336,849
Unearned Revenue	2,153,742	-	2,153,742
Accrued Claims Liability	1,132,677	-	1,132,677
Long-Term Liabilities:			
Due Within One Year	997,762	42,826	1,040,588
Due in More than One Year	2,698,465	3,576,760	6,275,225
Net Pension Liability	83,205,917	270,047	83,475,964
Total Liabilities	<u>92,388,712</u>	<u>4,121,297</u>	<u>96,510,009</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Adjustments	776,604	239	776,843
Deferred OPEB Adjustments	2,192,163	11,745	2,203,908
Total Inflows of Resources	<u>2,968,767</u>	<u>11,984</u>	<u>2,980,751</u>
NET POSITION			
Net Investment in Capital Assets	59,135,575	85,624	59,221,199
Restricted for:			
General Government	3,737,774	-	3,737,774
Public Protection	8,195,409	-	8,195,409
Public Ways and Facilities	6,230,753	-	6,230,753
Health and Sanitation	18,361,453	-	18,361,453
Public Assistance	4,112,583	-	4,112,583
Education	181,435	-	181,435
Recreation and Cultural	3,183	-	3,183
Closure Maintenance	-	870,523	870,523
Unrestricted	(56,938,013)	(3,638,346)	(60,576,359)
Total Net Position	<u>\$ 43,020,152</u>	<u>\$ (2,682,199)</u>	<u>\$ 40,337,953</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
STATEMENT OF ACTIVITIES
GOVERNMENT-WIDE
YEAR ENDED JUNE 30, 2021**

FUNCTIONS/PROGRAMS	Program Revenues			Program	Net Revenues (Expenses) and Changes in Net Position		
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 6,427,268	\$ -	\$ 933,996	\$ -	\$ (5,493,272)	\$ -	\$ (5,493,272)
Public Protection	26,149,438	2,127,710	9,665,351	29,292	(14,327,085)	-	(14,327,085)
Public Ways and Facilities	5,830,140	(81,307)	3,604,379	2,251,439	(55,629)	-	(55,629)
Health And Sanitation	12,900,208	1,535,303	17,925,203	378,592	6,938,890	-	6,938,890
Public Assistance	11,920,374	31,480	10,426,066	-	(1,462,828)	-	(1,462,828)
Education	1,610,723	2,395	78,659	-	(1,529,669)	-	(1,529,669)
Recreation and Cultural Services	32,948	-	-	-	(32,948)	-	(32,948)
Interest on Long-Term Debt	3,905	-	-	-	(3,905)	-	(3,905)
Total Governmental Activities	64,875,004	3,615,581	42,633,654	2,659,323	(15,966,446)	-	(15,966,446)
Business-Type Activities:							
Solid Waste	2,465,403	2,439,428	1,500	-	-	(24,475)	(24,475)
Airport	558,376	332,789	-	-	-	(225,587)	(225,587)
East Park Reservoir	327,151	180,935	-	-	-	(146,216)	(146,216)
Total Business-Type Activities	3,350,930	2,953,152	1,500	-	-	(396,278)	(396,278)
Total Primary Government	<u>\$ 68,225,934</u>	<u>\$ 6,568,733</u>	<u>\$ 42,635,154</u>	<u>\$ 2,659,323</u>	(15,966,446)	(396,278)	(16,362,724)
GENERAL REVENUES							
Taxes:							
Property Taxes					19,109,000	-	19,109,000
Sales and Use Taxes					2,127,698	-	2,127,698
Franchise Taxes					570,546	-	570,546
Aviation Taxes					-	91,138	91,138
Tobacco Settlement					300,000	-	300,000
Interest and Investment Earnings					600,628	60,966	661,594
Miscellaneous					872,981	125,151	998,132
TRANSFERS					(100,000)	100,000	-
Total General Revenues and Transfers					<u>23,480,853</u>	<u>377,255</u>	<u>23,858,108</u>
CHANGE IN NET POSITION					7,514,407	(19,023)	7,495,384
Net Position - Beginning of Year, as Restated					<u>35,505,745</u>	<u>(2,663,176)</u>	<u>32,842,569</u>
NET POSITION - END OF YEAR					<u>\$ 43,020,152</u>	<u>\$ (2,682,199)</u>	<u>\$ 40,337,953</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General Fund	Health and Human Services	Public Protection	Public Ways and Facilities
ASSETS				
Cash and Investments	\$ 9,386,759	\$ 67,213	\$ 6,214,194	\$ 11,097,956
Receivables:				
Accounts	62,611	-	7,821	1,916
Intergovernmental	2,188,316	389,814	251,513	532,720
Interest	12,809	-	5,305	12,658
Taxes	1,640,661	-	-	-
Prepaid Costs	21,427	9,760	5,759	-
Deposits with Others				
Due from Other Funds	1,331,405	-	-	-
Inventory	2,720	-	-	658,294
Restricted Cash and Investments	-	-	-	-
Loans Receivable	-	-	-	-
	<u>\$ 14,646,708</u>	<u>\$ 466,787</u>	<u>\$ 6,484,592</u>	<u>\$ 12,303,544</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 575,999	\$ 173,798	\$ 15,399	\$ 319,208
Deposits Payable	322,884	-	26	-
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	2,092,626	61,116
Total Liabilities	<u>898,883</u>	<u>173,798</u>	<u>2,108,051</u>	<u>380,324</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	1,505,470	292,590	72,230	328,502
FUND BALANCES				
Nonspendable	24,147	9,760	5,759	658,294
Restricted	2,799,460	3,870	4,310,703	5,600,286
Committed	-	-	15,210	5,336,138
Assigned	9,412,439	-	-	-
Unassigned	6,309	(13,231)	(27,361)	-
Total Fund Balances	<u>12,242,355</u>	<u>399</u>	<u>4,304,311</u>	<u>11,594,718</u>
	<u>\$ 14,646,708</u>	<u>\$ 466,787</u>	<u>\$ 6,484,592</u>	<u>\$ 12,303,544</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 14,646,708</u>	<u>\$ 466,787</u>	<u>\$ 6,484,592</u>	<u>\$ 12,303,544</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2021**

ASSETS	Health and Sanitation	Public Assistance	County Service Areas	Other Governmental Funds	Total
Cash and Investments	\$ 15,657,692	\$ 2,779,865	\$ -	\$ 3,396,949	\$ 48,600,628
Receivables:					
Accounts	109,458	37,532	9,581	328	229,247
Intergovernmental	1,894,133	705,970	552,753	365,578	6,880,797
Interest	17,348	2,654	(1,298)	3,095	52,571
Taxes	-	-	-	-	1,640,661
Prepaid Costs	4,055	-	-	-	41,001
Deposits with Others	-	-	-	-	-
Due from Other Funds	-	-	-	-	1,331,405
Inventory	-	-	-	-	661,014
Restricted Cash and Investments	-	109,747	-	-	109,747
Loans Receivable	-	-	-	168,138	168,138
	-	-	-	-	-
Total Assets	<u>\$ 17,682,686</u>	<u>\$ 3,635,768</u>	<u>\$ 561,036</u>	<u>\$ 3,934,088</u>	<u>\$ 59,715,209</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 348,329	\$ 2,200	\$ 302,567	\$ 109,703	\$ 1,847,203
Deposits Payable	-	1,709	-	12,230	336,849
Due to Other Funds	127,329	-	1,204,076	-	1,331,405
Unearned Revenue	-	-	-	-	2,153,742
Total Liabilities	<u>475,658</u>	<u>3,909</u>	<u>1,506,643</u>	<u>121,933</u>	<u>5,669,199</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	1,407,787	390,929	552,753	215,626	4,765,887
FUND BALANCES					
Nonspendable	4,055	-	-	-	702,015
Restricted	16,091,639	3,665,025	5,724	3,693,600	36,170,307
Committed	-	-	-	-	5,351,348
Assigned	-	-	-	-	9,412,439
Unassigned	(296,453)	(424,095)	(1,504,084)	(97,071)	(2,355,986)
Total Fund Balances	<u>15,799,241</u>	<u>3,240,930</u>	<u>(1,498,360)</u>	<u>3,596,529</u>	<u>49,280,123</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 17,682,686</u>	<u>\$ 3,635,768</u>	<u>\$ 561,036</u>	<u>\$ 3,934,088</u>	<u>\$ 59,715,209</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
RECONCILIATION OF GOVERNMENTAL FUNDS – BALANCE SHEET TO
GOVERNMENT-WIDE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2021**

Fund Balance - Total Governmental Funds \$ 49,280,123

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds balance sheet. 61,081,880

Some of the County's revenue is not available to pay for current period expenditures, and therefore, are not reported in the governmental funds balance sheets. 4,765,887

Equity in the JPA is included in the governmental activities in the statement of net position. 36,131

Deferred outflows of resources related to pensions are not reported in the governmental funds. 12,652,503

Deferred outflows of resources related to OPEB are not reported in the governmental funds. 67,614

Deferred inflows of resources related to pensions are not reported in the governmental funds. (776,604)

Deferred inflows of resources related to OPEB are not reported in the governmental funds. (2,192,163)

Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.

Loans Payable (1,384,576)

Capital Leases

Compensated Absences (2,311,651)

Net Pension Liability (83,205,917)

Net OPEB Asset 1,904,322

Internal service funds are used by the County to charge the cost of liability, malpractice, and worker's compensation insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

3,102,603

Net Position of Governmental Activities \$ 43,020,152

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	General Fund	Health and Human Services	Public Protection	Public Ways and Facilities
REVENUES				
Taxes	\$ 20,215,971	\$ -	\$ -	\$ 1,572,605
Licenses and Permits	687,291	172,019	-	14,755
Fines and Forfeitures	517,021	-	27,275	-
Use of Money and Property	66,578	(77)	30,668	82,442
Intergovernmental Revenues	5,537,281	793,979	4,992,392	5,691,472
Charges for Services	1,731,764	89,658	40,820	3,570
Other Revenues	510,305	14,970	138,221	26,889
Total Revenues	<u>29,266,211</u>	<u>1,070,549</u>	<u>5,229,376</u>	<u>7,391,733</u>
EXPENDITURES				
Current:				
General Government	4,449,907	-	-	-
Public Protection	22,320,616	-	2,500,018	-
Public Ways and Facilities	-	-	4,399	7,195,997
Health and Sanitation	-	3,077,997	-	-
Public Assistance	158,542	7,443,092	-	14,850
Education	1,570,253	-	-	-
Recreation and Culture	15,711	-	-	-
Debt Service:				
Principal	-	-	-	37,028
Interest and Fiscal Charges	-	-	-	3,905
Capital Outlay	-	-	-	-
Total Expenditures	<u>28,515,029</u>	<u>10,521,089</u>	<u>2,504,417</u>	<u>7,251,780</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	751,182	(9,450,540)	2,724,959	139,953
OTHER FINANCING SOURCES (USES)				
Transfers In	2,193,067	9,488,097	39,344	1,695,617
Transfers Out	(2,393,240)	(24,405)	(2,068,259)	(697,557)
Proceeds from Issuance of Debt	-	-	-	-
Total Other Financing Sources (Uses)	<u>(200,173)</u>	<u>9,463,692</u>	<u>(2,028,915)</u>	<u>998,060</u>
NET CHANGE IN FUND BALANCES	551,009	13,152	696,044	1,138,013
Fund Balances - Beginning of Year, as Restated	<u>11,691,346</u>	<u>(12,753)</u>	<u>3,608,267</u>	<u>10,456,705</u>
FUND BALANCES - END OF YEAR	<u>\$ 12,242,355</u>	<u>\$ 399</u>	<u>\$ 4,304,311</u>	<u>\$ 11,594,718</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	Health and Sanitation	Public Assistance	County Service Areas	Other Governmental Funds	Total
REVENUES					
Taxes	\$ -	\$ -	\$ 12,722	\$ 5,946	\$ 21,807,244
Licenses and Permits	364,890	-	-	-	1,238,955
Fines and Forfeitures	135,713	-	-	144,558	824,567
Use of Money and Property	96,730	67,138	(7,903)	254,804	590,380
Intergovernmental Revenues	17,549,106	10,129,856	8,469	595,356	45,297,911
Charges for Services	158,298	-	100,440	-	2,124,550
Other Revenues	61,849	27,791	-	92,956	872,981
Total Revenues	<u>18,366,586</u>	<u>10,224,785</u>	<u>113,728</u>	<u>1,093,620</u>	<u>72,756,588</u>
EXPENDITURES					
Current:					
General Government	-	-	-	1,160,665	5,610,572
Public Protection	-	-	-	-	24,820,634
Public Ways and Facilities	-	-	-	-	7,200,396
Health and Sanitation	9,261,613	-	629,919	-	12,969,529
Public Assistance	-	4,151,156	-	-	11,767,640
Education	-	-	-	-	1,570,253
Recreation and Culture	-	-	-	1,513	17,224
Debt Service:					
Principal	-	-	5,724	-	42,752
Interest and Fiscal Charges	-	-	-	-	3,905
Capital Outlay	-	-	-	2,280,425	2,280,425
Total Expenditures	<u>9,261,613</u>	<u>4,151,156</u>	<u>635,643</u>	<u>3,442,603</u>	<u>66,283,330</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	9,104,973	6,073,629	(521,915)	(2,348,983)	6,473,258
OTHER FINANCING SOURCES (USES)					
Transfers In	3,510,882	4,321,769	17,803	1,774,224	23,040,803
Transfers Out	(7,384,866)	(10,135,190)	-	(458,505)	(23,162,022)
Proceeds from Issuance of Debt	-	-	-	1,287,268	1,287,268
Total Other Financing Sources (Uses)	<u>(3,873,984)</u>	<u>(5,813,421)</u>	<u>17,803</u>	<u>2,602,987</u>	<u>1,166,049</u>
NET CHANGE IN FUND BALANCES	5,230,989	260,208	(504,112)	254,004	7,639,307
Fund Balances - Beginning of Year, as Restated	<u>10,568,252</u>	<u>2,980,722</u>	<u>(994,248)</u>	<u>3,342,525</u>	<u>41,640,816</u>
FUND BALANCES - END OF YEAR	<u>\$ 15,799,241</u>	<u>\$ 3,240,930</u>	<u>\$ (1,498,360)</u>	<u>\$ 3,596,529</u>	<u>\$ 49,280,123</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Net Change to Fund Balance - Total Governmental Funds \$ 7,639,307

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 Capital Outlay	6,059,518
Less: Current Year Depreciation	(2,577,625)

Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore, are not reported as revenues in the governmental funds.

(1,192,359)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Proceeds from Issuance of Debt	(1,287,268)
Principal Payments	42,752

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 the governmental funds.

Change in Compensated Absences	(37,939)
Change in Net Pension Liability and Related Deferred Inflows/Outflows	(3,236,543)
Change in Net OPEB (Liability) Asset and Related Deferred Inflows/Outflows	1,393,454

Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.

711,110

Change in Net Position of Governmental Activities

\$ 7,514,407

See accompanying Notes to Basic Financial Statements.

COUNTY OF COLUSA, CALIFORNIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Business-Type Activities			Governmental Activities
	Solid Waste	Other		Internal Service Fund
		Enterprise Funds	Total	
ASSETS				
Current Assets:				
Cash and Investments	\$ 929,365	\$ 32,724	\$ 962,089	\$ 16,085
Receivables:				
Accounts	210,286	122,937	333,223	-
Interest	1,009	172	1,181	-
Due from other Governments	21,150	-	21,150	-
Prepaid Costs				
Deposits with Others	-	-	-	4,235,292
Inventory	-	2,882	2,882	-
Total Current Assets	<u>1,161,810</u>	<u>158,715</u>	<u>1,320,525</u>	<u>4,251,377</u>
Noncurrent Assets:				
Capital Assets:				
Depreciable:				
Structures and Improvements	285,621	136,649	422,270	-
Accumulated Depreciation	(231,659)	(104,987)	(336,646)	-
Net OPEB Asset	-	10,203	10,203	-
Total Noncurrent Assets	<u>53,962</u>	<u>41,865</u>	<u>95,827</u>	<u>-</u>
Total Assets	<u>1,215,772</u>	<u>200,580</u>	<u>1,416,352</u>	<u>4,251,377</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Adjustments	-	34,368	34,368	-
Deferred OPEB Adjustments	-	362	362	-
Total Deferred Outflows of Resources	<u>-</u>	<u>34,730</u>	<u>34,730</u>	<u>-</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	194,391	37,273	231,664	16,097
Claims Payable	-	-	-	1,132,677
Closure/Postclosure Liability	42,826	-	42,826	-
Total Current Liabilities	<u>237,217</u>	<u>37,273</u>	<u>274,490</u>	<u>1,148,774</u>
Noncurrent Liabilities:				
Compensated Absences	-	4,368	4,368	-
Closure/Postclosure Liability	3,572,392	-	3,572,392	-
Net Pension Liability	-	270,047	270,047	-
Total Noncurrent Liabilities	<u>3,572,392</u>	<u>274,415</u>	<u>3,846,807</u>	<u>-</u>
Total Liabilities	<u>3,809,609</u>	<u>311,688</u>	<u>4,121,297</u>	<u>1,148,774</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Adjustments	-	239	239	-
Deferred OPEB Adjustments	-	11,745	11,745	-
Total Deferred Inflows of Resources	<u>-</u>	<u>11,984</u>	<u>11,984</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	53,962	31,662	85,624	-
Restricted	870,523	-	870,523	-
Unrestricted	(3,518,322)	(120,024)	(3,638,346)	3,102,603
Total Net Position	<u>\$ (2,593,837)</u>	<u>\$ (88,362)</u>	<u>\$ (2,682,199)</u>	<u>\$ 3,102,603</u>

See accompanying Notes to Basic Financial Statements.

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

	Business-Type Activities			Governmental
	Other			Internal
	Solid Waste	Enterprise Funds	Total	Service Funds
OPERATING REVENUES				
Charges for Services	\$ 2,439,428	\$ 513,724	\$ 2,953,152	\$ 1,114,768
Other Revenue	124,509	642	125,151	-
Total Operating Revenues	<u>2,563,937</u>	<u>514,366</u>	<u>3,078,303</u>	<u>1,114,768</u>
OPERATING EXPENSES				
Salaries and Employee Benefits	2,177	187,663	189,840	-
Services and Supplies	2,455,517	691,964	3,147,481	21,219
Claims Expense	-	-	-	413,906
Depreciation	7,709	5,900	13,609	-
Total Operating Expenses	<u>2,465,403</u>	<u>885,527</u>	<u>3,350,930</u>	<u>435,125</u>
OPERATING INCOME (LOSS)	98,534	(371,161)	(272,627)	679,643
NONOPERATING REVENUES (EXPENSES)				
Taxes	297	90,841	91,138	-
Intergovernmental Revenue	1,500	-	1,500	-
Interest Income	6,676	54,290	60,966	10,248
Total Nonoperating Revenues (Expenses)	<u>8,473</u>	<u>145,131</u>	<u>153,604</u>	<u>10,248</u>
INCOME (LOSS) BEFORE TRANSFERS	107,007	(226,030)	(119,023)	689,891
OTHER FINANCING SOURCES (USES)				
Transfers In	-	100,000	100,000	21,219
Total Other Financing Sources (Uses)	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>21,219</u>
CHANGE IN NET POSITION	107,007	(126,030)	(19,023)	711,110
Net Position (Deficit) - Beginning of Year	<u>(2,700,844)</u>	<u>37,668</u>	<u>(2,663,176)</u>	<u>2,391,493</u>
NET POSITION (DEFICIT) - END OF YEAR	<u>\$ (2,593,837)</u>	<u>\$ (88,362)</u>	<u>\$ (2,682,199)</u>	<u>\$ 3,102,603</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 2,571,473	\$ 438,680	\$ 3,010,153	\$ 1,114,768
Payments to Suppliers	(2,460,962)	(683,588)	(3,144,550)	(1,130,150)
Payments to Employees	(6,489)	(176,122)	(182,611)	-
Net Cash Provided (Used) by Operating Activities	<u>104,022</u>	<u>(421,030)</u>	<u>(317,008)</u>	<u>(15,382)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes Received	297	90,841	91,138	-
Other Receipts	1,500	-	1,500	-
Payments on Interfund Loans	-	-	-	-
Transfers from Other Funds	-	100,000	100,000	21,219
Net Cash Provided by Noncapital Financing Activities	<u>1,797</u>	<u>190,841</u>	<u>192,638</u>	<u>21,219</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Earnings	8,742	54,970	63,712	10,248
Net Cash Provided by Investing Activities	<u>8,742</u>	<u>54,970</u>	<u>63,712</u>	<u>10,248</u>
Net Increase (Decrease) in Cash and Cash Equivalents	114,561	(175,219)	(60,658)	16,085
Cash and Cash Equivalents - Beginning of Year	<u>814,804</u>	<u>207,943</u>	<u>1,022,747</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 929,365</u>	<u>\$ 32,724</u>	<u>\$ 962,089</u>	<u>\$ 16,085</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 98,534	\$ (371,161)	\$ (272,627)	\$ 679,643
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	7,709	5,900	13,609	-
(Increase) Decrease in:				
Accounts Receivable	7,536	(75,686)	(68,150)	-
Deposits	-	-	-	(301,666)
Prepaid Costs	-	-	-	-
Inventory	-	12	12	-
Deferred Outflows - Pension	-	(4,269)	(4,269)	-
Deferred Outflows - OPEB	236	110	346	-
Increase (Decrease) in:				
Accounts Payable and Other Liabilities	(23,274)	8,364	(14,910)	16,097
Claims Payable	-	-	-	(409,456)
Compensated Absences	-	(312)	(312)	-
Closure/Postclosure Costs	17,829	-	17,829	-
Net Pension Liability	-	27,343	27,343	-
Net OPEB Liability (Asset)	620	(8,963)	(8,343)	-
Deferred Inflows - OPEB	(5,168)	1,410	(3,758)	-
Deferred Inflows - Pension	-	(3,778)	(3,778)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 104,022</u>	<u>\$ (421,030)</u>	<u>\$ (317,008)</u>	<u>\$ (15,382)</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	Investment Trust Funds	Private Prupose Trust Funds	Custodial Funds
ASSETS			
Cash and Investments	\$ 38,856,576	\$ 413,911	\$ 26,946,139
Receivables:			
Accounts	-	-	1,188
Intergovernmental	-	-	442,442
Taxes	-	-	33,698
Interest	-	-	1,357
Total Assets	38,856,576	413,911	27,424,824
LIABILITIES			
Accounts Payable and Other			
Liabilities	762,778	-	3,332,967
Total Liabilities	762,778	-	3,332,967
NET POSITION			
Restricted for:			
Pool Participants	38,093,798	413,911	24,091,857
Total Net Position	\$ 38,093,798	\$ 413,911	\$ 24,091,857

See accompanying Notes to Basic Financial Statements.

**COUNTY OF COLUSA, CALIFORNIA
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2021**

	<u>Investment Trust Funds</u>	<u>Private Prupose Trust Funds</u>	<u>Custodial Funds</u>
ADDITIONS			
Contributions to Investment Pool	\$ 102,878,693	\$ 265,070	\$ 24,107,532
Property Taxes Collected for Other Governments	-	-	8,326,323
Investment Earnings	<u>395,189</u>	<u>634</u>	<u>208,953</u>
Total Additions	103,273,882	265,704	32,642,808
DEDUCTIONS			
Distributions from Investment Pool	<u>95,337,239</u>	<u>208,647</u>	<u>27,519,897</u>
Total Deductions	<u>95,337,239</u>	<u>208,647</u>	<u>27,519,897</u>
CHANGE IN NET POSITION	7,936,643	57,057	5,122,911
Net Position - Beginning of Year, as Restated	<u>30,157,155</u>	<u>356,854</u>	<u>18,968,946</u>
NET POSITION - END OF YEAR	<u><u>\$ 38,093,798</u></u>	<u><u>\$ 413,911</u></u>	<u><u>\$ 24,091,857</u></u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a countywide basis including law and justice, education, detention, social, health, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are 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 that are controlled by or are dependent upon actions taken by the Board of Supervisors. The financial statements of the individual component units may be obtained by writing to the County of Colusa, Auditor-Controller's Office, 546 Jay Street, Colusa, CA 95932.

Blended Component Units

Special Districts Governed by the Board of Supervisors – The County Board of Supervisors is the governing body of a number of special purpose district funds. Among its duties, the County Board of Supervisors approves the budgets, special taxes and fees of these special districts. As an integral part of the County, these special districts are reported as nonmajor special revenue funds in the County's financial statements.

- Almond Paradise Lighting
- Thompson Street Lighting
- Cross Creek/Whisper Creek Lighting
- Flood Control and Water Conservation District

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

- CSA #1 Century Ranch
- CSA #2 Stonyford
- CSA #2 Reserve Stonyford

Discretely Presented Component Units

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

Joint Agencies

The County is a participant in Trindel Insurance Fund (Trindel) the purpose of which is to provide for the creation and operation of a common risk sharing and insurance purchasing pool to be used to meet the obligations of the member counties to provide Worker's Compensation benefits for their employees and to provide public liability and property damage insurance for its members. Trindel is governed by a Joint Powers Agreement between the member counties pursuant to Article 1 (commencing with Section 6500), Chapter 5 of Division 7, Title 1 of the Government Code of California. Complete audited financial statements can be obtained from their office at PO Box 2069, Weaverville, CA 96093. The County is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39, and 61 of the Governmental Accounting Standards Board.

The County is a member of the California State Association of Counties Excess Insurance Authority (CSAC). CSAC is a joint powers authority organized for the purpose of developing and funding excess insurance programs for member counties. CSAC operates public entity risk pools for workers' compensation, comprehensive liability, property, and medical malpractice, and the pool purchases excess insurance and services for members. CSAC is under the control and direction of a board of directors consisting of representatives of the fifty member counties. Complete audited financial statements can be obtained from CSAC's office at 75 Iron Point Circle, Suite 200, Folsom, California 95630. The County is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39, and 61 of the Governmental Accounting Standards Board.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Agencies (Continued)

The County is a member of the Sites Project Authority, which operates in accordance with a Joint Exercise of Power Agreement. The Authority is a public agency comprised of Colusa County Water District, County of Colusa, County of Glenn, Glenn-Colusa Irrigation District, Maxwell Irrigation District, Orland-Artois Water District, Proberta Water District, Reclamation District No. 108, Tehama-Colusa Canal Authority, Westside Water District, Yolo County Flood Control and Water Conservation District, Dunnigan Water District, Davis Water District, Cortina Water District and LaGrance Water District. The mission of the Authority is to be a proponent and facilitator to design and potentially acquire, construct, manage, govern, and operate the Sites Reservoir and related facilities; to increase and develop water supplies; to improve the operation of the State's water system; and to provide a net improvement in ecosystem and water quality conditions in the Sacramento River system and the Delta. The Authority's governing body is a Board of Directors comprised of one representative of each member. Complete audited financial statements can be obtained by contacting the Authority at 122 Old Highway 99 West, Maxwell, CA 95955. The County is not financially accountable for this organization and therefore, it is not a component unit under Statement Nos. 14, 39, and 61 of the Governmental Accounting Standards Board.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the County and its blended component units. These statements include the financial activities of the overall government, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down are included in the program expense reported for individual functions and activities. Program revenues include 1) charges paid by the recipients of goods and services offered by the program, 2) operating grants and contributions and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis is placed on major funds within the governmental and proprietary categories, each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General fund includes such activities as general government, public protection, health and sanitation, public assistance, education, and recreation services.
- The Health and Human Services fund is a special revenue fund used to account for the majority of the Public Health and Social Services programs, including Health, Environmental Health, Ambulance, Children's Services, Welfare, Senior Nutrition Program, and DHHS Administration.
- The Public Protection fund is a special revenue fund used to account for the activity associated with the welfare and protection of the general public. This could encompass such activity as law enforcement, disasters, and consumer protection.
- The Public Ways and Facilities fund is a special revenue fund used to account for the road and bridge construction and maintenance projects activity within the Road, Bridge, and District funds. Airport activity within the Airport Special fund is also accounted for here.
- The Health and Sanitation fund is a special revenue fund used to account for the majority of the health related programs, including Behavioral Health, Air Pollution and numerous other health related special revenue funds.
- The Public Assistance fund is a special revenue fund used to account for the activity related to public assistance programs provided to the public, including welfare, cash aid, etc.
- The County Service Areas fund is a special revenue fund used to account for the providing of water services to the property owners of Century Ranch and Stonyford Areas.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following major proprietary fund:

- The Solid Waste fund is an enterprise fund used to account for solid waste activity.

The County reports the following additional fund types:

- Internal Service funds account for the County's self-insurance program, which provides services to other departments on a cost reimbursement basis.
- The Investment Trust funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The assets of these funds are held in trust for other agencies and are part of the County's external pool. The external investment pool is made up of three separate funds: School Districts, Special Districts Governed by Local Boards and Courts. The County is obligated to disburse monies from these funds on demand.
- Private Purpose Trust Funds account accounts are used to report all fiduciary activities that a) are not required to be reported in a pension (and other employee benefits) trust funds or investment trust funds and b) are held in a trust, such as Public Guardian and Public Administrator.
- Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

C. 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. Under the 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.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

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 considered susceptible to accrual and are accrued when their receipt occurs within thirty days after the end of the fiscal year. 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 assets acquisitions are reported as expenditures in the various functions of the governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary funds include investment trust funds, private purpose trust funds, and custodial funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Custodial funds are reported using the accrual basis of accounting to recognize receivables and payables.

D. Noncurrent Governmental Assets/Liabilities

Noncurrent governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net position.

E. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the County considers all highly liquid investments with a maturity of three months or less when purchased, including cash with fiscal agent and restricted cash, and their equity in the County Treasurer's investment pool, to be cash equivalents.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Investments

The County sponsors an investment pool that is managed by the County Treasurer. The County's pool activity is governed by California Government Code Sections 27000.1 and 53607 as well as the County's investment policy.

Investment transactions are recorded on the trade date. The fair value of investments is determined annually. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in the Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. 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.

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. Interest payments, accrued interest, accreted discounts, amortized premiums, and realized capital gains and losses, net of administrative fees, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2021, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

Income from pooled investments is allocated quarterly to the individual funds or external participants based on the fund or participant's average daily cash balance in relation to the total pool investments. Interest income earned in custodial 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.

G. Restricted Cash and Investments

Restricted assets in the governmental funds represent cash and investments held in the Public Assistance fund for the Food Stamp Program of \$109,747 at June 30, 2021.

H. Receivables

Receivables for governmental activities consist mainly of accounts, intergovernmental, and interest. Receivables for business-type activities consist mainly of user fees, intergovernmental, and interest earnings. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Other Assets

Prepaid Costs

Payments made for services that will benefit periods beyond June 30, 2021 are recorded as prepaid costs in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventory

Inventories are stated at average cost for governmental funds. Inventory recorded by governmental funds includes materials and supplies for the Road Department and the Purchasing & Procurement Department. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Inventory recorded by proprietary funds include supplies for East Park Reservoir. Proprietary fund inventories are recorded as expenses at the time the inventory is consumed.

Investment in JPA

The County's net investment in the Sites Project Authority, a JPA, is recorded as Investment in JPA on the government-wide financial statements. The net change, is shown as an income or expense item.

J. Loans Receivable

A total of \$168,138 was recorded as loans receivable at June 30, 2021. These represent low interest notes and related accrued interest to finance multi-family and single-family construction and rehabilitation projects, homebuyer assistance for low income families, as well as business start-up costs. Loan terms are 15 to 55 years with an interest rate at 0% to 5%. The primary source of funding for these loans comes from grants from the federal Community Development Block Grant (CDBG) program and Home Investment Partnerships (HOME) program. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements.

K. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks and similar items) are defined by the County as all land regardless of cost and assets with a cost of more than \$5,000 for structures and improvements and equipment, and \$50,000 for infrastructure and an estimated useful life of more than one year. Capital assets are recorded at historical cost, or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their acquisition value at the date of donation.

**COUNTY OF COLUSA, CALIFORNIA
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets (Continued)

Capital assets used in operations are depreciated or amortized using the straight line method over the assets estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

Equipment and Software	3 to 10 Years
Structures and Improvements	5 to 50 Years
Infrastructure	20 to 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 are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

L. Property Tax

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 Colusa is responsible for assessing, collecting, and distributing property taxes in accordance with State law. Property taxes are levied on both secured (real property) and unsecured (personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of ownership in property or completion of new construction.

The County levies, bills, and collects taxes as follows:

	Secured	Unsecured
Valuation/Lien Dates	January 1	January 1
Due Dates	November 1 (1st Installment) February 1 (2nd Installment)	July 1
Delinquent Dates	December 10 (1st Installment) April 10 (2nd Installment)	August 31

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Property Tax (Continued)

The County of Colusa apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan", as prescribed by Sections 4701 through 4717 of the California Revenue and Taxation code. Under the Teeter Plan, the County allocates to local taxing agencies 100% of the secured property taxes billed. In return, the County retains penalties and interest on delinquent secured taxes 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 is legally required to maintain a minimum balance of 1% of the annual taxes levied on properties participating in the Teeter Plan. The balance in the TLRF was \$415,569 at June 30, 2021. The County's management believes that any ownership rights to the TLRF the County may have are effective only upon a Board approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are accounted for in the General Fund.

M. 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. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

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 reflected as expenditures or expenses in the reimbursing fund and reductions to 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.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Unearned Revenue

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

O. Compensated Absences

It is the County's policy to permit employees to accumulate a limited amount of earned but unused vacation, sick and CTO leaves. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, with the current portion 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.

P. Pensions

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

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two items that qualifies for reporting in this category. The first item relates to the outflows from changes in the net pension liability and is reportable on the statement of net position. The second item relates to the outflows from changes in the OPEB asset and is reportable on the statement of net position.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has three types of items which qualify for reporting in this category. One item, unavailable revenue, is reported only in the governmental funds balance sheet. 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. The second item relates to the inflows from changes in the net pension liability and is reportable on the statement of net position. The third item relates to the inflows from changes in the OPEB asset and is reportable on the statement of net position.

R. 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.

S. Implementation of Governmental Accounting Standards Board (GASB) Statements

Governmental Accounting Standards Board Statement No. 84

In January 2017, the GASB issued GASB Statement No. 84, Fiduciary Activities to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. As of July 1, 2020, the County implemented this Statement and restated the beginning net position on the government-wide statements for governmental activities by \$(26,964). Additionally, the beginning net position on the governmental fund statements for the General Fund and the Public Assistance Fund were restated by \$6,152 and \$(33,116), respectively.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Balance/Net Position

The following major enterprise fund had a deficit net position. This deficit is expected to be eliminated through future debt retirement and increased revenues.

Solid Waste	<u>\$ 2,593,837</u>
-------------	---------------------

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Deficit Fund Balance/Net Position (Continued)

The following major governmental funds had deficit fund balances. These deficit balances are the result of timing differences in revenue accruals or are expected to be eliminated in future years through cost containment.

County Service Areas	<u>\$ 1,498,360</u>
----------------------	---------------------

The following nonmajor enterprise fund had a deficit net position. This deficit is expected to be eliminated through future net pension liability payments.

East Park Reservoir	<u>\$ 200,432</u>
---------------------	-------------------

NOTE 3 CASH AND INVESTMENTS

The County Treasurer manages, in accordance with California Government Code Section 53600, funds deposited in the investment pool by the County, all County school districts, various districts, and some cities within the County. The County investment pool is not registered with the Securities and Exchange Commission as an investment company. California Government Code and the County's investment policy govern the investment pool activity. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The pool attempts to match maturities with planned outlays and maximize the return on investment over various market cycles. Yield is considered only after safety and credit quality have been met, consistent with limiting risk and prudent investment principles.

The Treasury Oversight Committee and the Board of Supervisors monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the Treasury Oversight Committee and the investment pool participants semi-annually. The report covers the type of investments in the pool, maturity dates, par value, actual cost and fair value. All cash and investments are considered part of the investment pool.

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. The investments of involuntary participants in the investment pool totaled \$66,216,626 at June 30, 2021.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

A. Financial Statement Presentation

As of June 30, 2021, the County's cash and investments are reported in the financial statements as follows:

Primary Government	\$ 49,688,549
Investment Trust Funds	38,856,576
Private Purpose Trust Funds	413,911
Custodial Funds	<u>26,946,139</u>
Total Cash and Investments	<u>\$ 115,905,175</u>

As of June 30, 2021, the County's cash and investments consisted of the following:

Cash:	
Cash On Hand	\$ 178,974
Deposits in Treasurer's Pool (Less Outstanding Warrants)	<u>864,059</u>
Total Cash	1,043,033
Investments:	
In Treasurer's Pool	<u>114,862,142</u>
Total Cash and Investments	<u>\$ 115,905,175</u>

B. Cash

At year end, the carrying amount of the County's cash deposits (including amounts in checking accounts and money market accounts) was \$435,868 and the bank balance was \$3,435,123. The difference between the bank balance and the carrying amount represents outstanding warrants and wire transfers and deposits in transit. In addition, the County had cash on hand of \$178,974.

Custodial Credit Risk for Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105% to 150% of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits in excess of the \$250,000 insured amount are collateralized.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

C. Investments

Pursuant to Section 53646 of the Government Code, the County prepares an investment policy annually and presents it to the Board of Supervisors for review and approval. The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law.

Under the provisions of the County's investment policy the County may invest or deposit in the following:

- Local Agency Bonds
- United State Treasury Notes, Bonds, Bills, or Certificates of Indebtedness
- California State Registered Warrants, Treasury Notes, and Bonds
- Local Agency Obligations
- Securities of the Federal Government or its Agencies
- Banker's Acceptances
- Commercial Paper
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Reverse Repurchase Agreements
- Medium Term Corporate Notes
- Mutual Funds
- Investments Permitted by Provision in Debt Agreements
- Asset Secured Indebtedness
- Collateralized Mortgage Obligations
- Contracted Non-Negotiable Time Deposits
- Local Agency Investment Fund

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Fair Value of Investments

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1 – Quoted prices for identical investments in active markets;

Level 2 – Observable inputs other than quoted market prices, and

Level 3 – Unobservable inputs

The County's position in external investment pools is, in its self, regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the County's investment in external investment pools is not recognized in the three-tiered fair value hierarchy described above.

At June 30, 2021, the County had the following recurring fair value measurements:

Investment Type	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value:				
Municipal Bonds	\$ 12,280,982	\$ -	\$ 12,280,982	\$ -
Total Investments Measured at Fair Value	12,280,982	<u>-</u>	<u>\$ 12,280,982</u>	<u>\$ -</u>
Investments in External Investment Pool:				
Local Agency Investment Fund (LAIF)	102,581,160			
Total Investments	<u>\$ 114,862,142</u>			

Interest Rate Risk

Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit the exposure to fair value losses from increases in interest rates, the County's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the County to meet all projected obligations.

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

Investment Type	Interest Rates	Maturities			Fair Value	Weighted Average Maturity (Years)
		0 to 1 Year	1 to 5 Years	Over 5 Years		
Municipal Bonds	1.80%	\$ -	\$ 8,754,020	\$ 3,526,962	\$ 12,280,982	4.09
LAIF	Variable	102,581,160	-	-	102,581,160	-
Total Investments		<u>\$ 102,581,160</u>	<u>\$ 8,754,020</u>	<u>\$ 3,526,962</u>	<u>\$ 114,862,142</u>	

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Credit Risk

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. The County's investment policy sets specific parameters by the type of investment to be met at the time of purchase. Presented below is the minimum rating required by (where applicable) the California Government Code or the County's investment policy, and the actual rating as of year-end for each investment type.

Investment Type	Minimum Legal Rating	Standard & Poor's Rating	Moody's Rating	Percentage of Portfolio
Municipal Bonds	N/A	AAA	Aaa	10.69 %
LAIF	N/A	Unrated	Unrated	89.31
Total				<u>100.00 %</u>

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of a depository institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in safekeeping by the Treasurer's bank or its safekeeping agent.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The County's investment policy contains limitations on the amount that can be invested in any one issuer. The County did not have any investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) at June 30, 2021, that represent 5% or more of total County investments.

D. Investment in External Investment Pools

The County of Colusa maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2021, the County's investment in LAIF valued at amortized cost was \$102,581,153 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$193.32 billion. Of that amount, 97.69% is invested in non-derivative financial products and 2.31% in structured notes and asset-backed securities.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

E. County Investment Pool Condensed Financial Information

The following are condensed statements of net position and changes in net position for the Treasurer's Pool at June 30, 2021:

STATEMENT OF NET POSITION

Equity of Internal Pool Participants	\$ 76,938,852
Equity of External Pool Participants	<u>38,856,576</u>
Net Position at June 30, 2021	<u><u>\$ 115,795,428</u></u>

STATEMENT OF CHANGES IN NET POSITION

Net Position at July 1, 2020	\$ 92,029,518
Net Changes in Investments by Pool Participants	<u>23,765,910</u>
Net Position at June 30, 2021	<u><u>\$ 115,795,428</u></u>

NOTE 4 CAPITAL ASSETS

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

	Balance at July 1, 2020	Additions	Retirements	Transfers/ Adjustments	Balance at June 30, 2021
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 749,873	\$ -	\$ -	\$ -	\$ 749,873
Construction In Progress	<u>2,056,755</u>	<u>3,893,713</u>	<u>-</u>	<u>(1,721,436)</u>	<u>4,229,032</u>
Total Capital Assets, Not Being Depreciated	2,806,628	3,893,713	-	(1,721,436)	4,978,905
Capital Assets, Being Depreciated:					
Infrastructure	61,273,132	1,789,743	-	1,107,134	64,170,009
Structures and Improvements	25,028,810	-	(6,060)	614,302	25,637,052
Equipment	11,223,680	376,062	-	-	11,599,742
Software	<u>339,385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>339,385</u>
Total Capital Assets, Being Depreciated	97,865,007	2,165,805	(6,060)	1,721,436	101,746,188
Less Accumulated Depreciation for:					
Infrastructure	(17,421,165)	(1,283,388)	-	-	(18,704,553)
Structures and Improvements	(16,400,219)	(725,584)	6,060	-	(17,119,743)
Equipment	(8,910,879)	(568,653)	-	-	(9,479,532)
Software	<u>(339,385)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(339,385)</u>
Total Accumulated Depreciation	<u>(43,071,648)</u>	<u>(2,577,625)</u>	<u>6,060</u>	<u>-</u>	<u>(45,643,213)</u>
Total Capital Assets, Being Depreciated, Net	<u>54,793,359</u>	<u>(411,820)</u>	<u>-</u>	<u>1,721,436</u>	<u>56,102,975</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 57,599,987</u></u>	<u><u>\$ 3,481,893</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 61,081,880</u></u>

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 CAPITAL ASSETS (CONTINUED)

	Balance at July 1, 2020	Additions	Retirements	Balance at June 30, 2021
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Structures and Improvements	\$ 295,857	\$ -	\$ -	\$ 295,857
Equipment	126,413	-	-	126,413
Total Capital Assets, Being Depreciated	422,270	-	-	422,270
Less Accumulated Depreciation for:				
Structures and Improvements	(234,186)	(7,709)	-	(241,895)
Equipment	(88,851)	(5,900)	-	(94,751)
Total Accumulated Depreciation	(323,037)	(13,609)	-	(336,646)
Total Capital Assets, Being Depreciated, Net	99,233	(13,609)	-	85,624
Business-Type Activities Capital Assets, Net	<u>\$ 99,233</u>	<u>\$ (13,609)</u>	<u>\$ -</u>	<u>\$ 85,624</u>

Depreciation

Depreciation expense was charged to governmental functions as follows at June 30, 2021:

General Government	\$ 366,000
Public Protection	554,572
Health and Sanitation	117,571
Public Assistance	39,501
Education	12,393
Public Ways and Facilities	1,474,245
Recreation and Culture	13,343
Total Depreciation Expense - Governmental Functions	<u>\$ 2,577,625</u>

Depreciation expense was charged to business-type functions as follows at June 30, 2021:

Solid Waste	\$ 7,709
Airport	3,108
East Park Reservoir	2,792
Total	<u>\$ 13,609</u>

Construction in Progress

Construction in progress related primarily to work performed on bridge projects and road projects.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2021:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 1,331,405	\$ -
Health and Sanitation	-	127,329
County Service Areas	-	1,204,076
Total	<u>\$ 1,331,405</u>	<u>\$ 1,331,405</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service and reallocations of special revenues. The following are the interfund transfer balances as of June 30, 2021:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 2,193,067	\$ 2,393,240
Health and Human Services	9,488,097	24,405
Public Protection	39,344	2,068,259
Public Ways and Facilities	1,695,617	697,557
Health and Sanitation	3,510,882	7,384,866
Public Assistance	4,321,769	10,135,190
County Service Areas	17,803	-
Internal Service Fund	21,219	-
Nonmajor Governmental Funds	1,774,224	458,505
Nonmajor Enterprise Funds	100,000	-
Total	<u>\$ 23,162,022</u>	<u>\$ 23,162,022</u>

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 UNEARNED/UNAVAILABLE REVENUE

At June 30, 2021, components of unearned and unavailable revenues were as follows:

	Unearned	Unavailable	Total
General Fund:			
State, Federal, and Other Agency Grant Revenue Receivable	\$ -	\$ 1,505,470	\$ 1,505,470
Health and Human Services:			
State, Federal, and Other Agency Grant Revenue Receivable	-	292,590	292,590
Public Protection:			
State, Federal, and Other Agency Grant Revenue Receivable	2,092,626	72,230	2,164,856
Public Ways and Facilities:			
State, Federal, and Other Agency Grant Revenue Receivable		328,502	328,502
Subdivision Plan Review Fees Received in Advance	61,116		61,116
Health and Sanitation:			
State, Federal, and Other Agency Grant Revenue Receivable	-	1,407,787	1,407,787
Public Assistance:			
State, Federal, and Other Agency Grant Revenue Receivable	-	390,929	390,929
County Service Areas:			
State, Federal, and Other Agency Grant Revenue Receivable	-	552,753	552,753
Nonmajor Governmental Funds:			
State and Grant Revenue Receivable	-	215,626	215,626
Total Unearned/Unavailable Revenue	<u>\$ 2,153,742</u>	<u>\$ 4,765,887</u>	<u>\$ 6,919,629</u>

NOTE 7 LONG-TERM LIABILITIES

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

Type of Indebtedness	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021	Amounts Due Within One Year
Governmental Activities:					
Loans	\$ 103,032	\$ 1,287,268	\$ (5,724)	\$ 1,384,576	\$ 5,724
Capital Leases	37,028	-	(37,028)	-	-
Compensated Absences	2,273,712	2,399,473	(2,361,534)	2,311,651	992,038
Total Governmental Activities	<u>\$ 2,413,772</u>	<u>\$ 3,686,741</u>	<u>\$ (2,404,286)</u>	<u>\$ 3,696,227</u>	<u>\$ 997,762</u>
Business-Type Activities:					
Compensated Absences	\$ 4,680	\$ 9,073	\$ (9,385)	\$ 4,368	\$ -
Closure/Postclosure	3,597,389	17,829	-	3,615,218	42,826
Total Business-Type Activities	<u>\$ 3,602,069</u>	<u>\$ 26,902</u>	<u>\$ (9,385)</u>	<u>\$ 3,619,586</u>	<u>\$ 42,826</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred. The closure/postclosure liability will be liquidated by the Solid Waste fund.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at June 30, 2021 are as follows:

Governmental Activities

Loans:

California Department of Water Resources loan issued April 2, 2004, in the amount of \$171,720 and payable in annual installments of \$5,724, with an interest rate of 0.00% and maturity on July 1, 2038. The loan was used for CSA #2 water system improvements. \$ 97,308

California Energy Commission loan issued July 7, 2020 with a maximum amount of \$1,622,640. Loan funds are disbursed to the County on a reimbursement basis based on invoices for actual expenditures. The loan is payable in annual installments of \$78,445, with an interest rate of 1.00% and maturity on June 22, 2033. The loan was used for energy conservation projects. 1,287,268

Total \$ 1,384,576

Following is a schedule of debt payment requirements of governmental activities and business-type activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities, capital leases which are reported in Note 8 and landfill postclosure costs which are reported in Note 9.

<u>Year Ending June 30,</u>	<u>Loans</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 5,724	\$ -	\$ 5,724
2023	143,855	18,245	162,100
2024	147,569	14,531	162,100
2025	149,029	13,070	162,099
2026	150,466	11,634	162,100
2027 to 2031	747,865	31,902	779,767
2032 to 2036	28,620	-	28,620
2037 to 2038	11,448	-	11,448
Total	<u><u>\$ 1,384,576</u></u>	<u><u>\$ 89,382</u></u>	<u><u>\$ 1,473,958</u></u>

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 LEASES

Operating Leases

The County leases equipment under noncancellable operating leases. Total cost for these leases was \$44,471 for the year ended June 30, 2021. The future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 63,560
2023	63,560
2024	63,560
2025	63,560
2026	19,089
Total	<u>\$ 273,329</u>

NOTE 9 CLOSURE/POSTCLOSURE

The County of Colusa is responsible for one operating and one closed landfill site. State and federal laws and regulations require the County to perform certain closure and postclosure maintenance and monitoring functions at the site for 30 years after closure. GASB Statement No. 18 requires a portion of these closure and postclosure care costs be reported as an operating expense in each period based on landfill capacity used as of each statement of net position date.

The total liability of \$3,615,218 is reported as a closure/postclosure liability in the Solid Waste enterprise fund at June 30, 2021. Of this total liability, closure costs for Evans Road site is considered complete and therefore zero, and closure costs for Stonyford site is calculated based on usage of approximately 66.01% of total estimated site capacity and is \$818,962. The corrective action liability for Evans Road is \$1,259,500 and for Stonyford is \$78,139. The remainder of the total liability is for postclosure. Evans Road postclosure costs are estimated at \$428,245, based on usage of 100%. Stonyford postclosure costs are estimated at \$1,030,380, based on usage of approximately 66.01%. The estimated remaining life of the landfill is 10 years.

The County will recognize the remaining estimated cost of closure as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2021. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 CLOSURE/POSTCLOSURE (CONTINUED)

The County is required by State and Federal laws and regulations to provide financial assurance that appropriate resources will be available to finance closure and postclosure care costs in the future. At June 30, 2021, net position of \$843,056 was held for funding purposes for Stonyford Landfill and \$27,467 was held for funding purposes for Evans Landfill. The County has approved a pledge of revenue to fund Evans Landfill postclosure costs, however the Solid Waste fund has a total deficit net position of \$2,593,837. The County expects that future inflation costs will be paid from interest earnings on annual contributions to the closure reserve. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

NOTE 10 NET POSITION

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

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- **Unrestricted net position** - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2021, fund balance for governmental funds is made up of the following:

- Nonspendable fund balance - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash (e.g., inventories and prepaid amounts).
- 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. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- Committed fund balance - amounts that can only be used for the specific purposes determined by formal action of the County’s highest level of decision-making authority. The Board of Supervisors is the highest level of decision making authority for the County that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- 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, or by a body or an official designated for that purpose.
- Unassigned fund balance - the residual classification for the County’s General fund that includes all 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.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 11 FUND BALANCES (CONTINUED)

The fund balances for all major and nonmajor governmental funds as of June 30, 2021, were distributed as follows:

	General	Health and Human Services	Public Protection	Public Ways and Facilities
Nonspendable:				
Prepaid Costs	\$ 21,427	\$ 9,760	\$ 5,759	\$ -
Inventory	2,720	-	-	658,294
Subtotal	<u>24,147</u>	<u>9,760</u>	<u>5,759</u>	<u>658,294</u>
Restricted for:				
General	415,569	-	-	-
Public Protection	2,378,094	-	4,310,703	-
Health and Sanitation	-	3,870	-	-
Public Works	-	-	-	5,600,286
Public Assistance	5,797	-	-	-
Education	-	-	-	-
Parks and Recreation	-	-	-	-
Capital Projects	-	-	-	-
Subtotal	<u>2,799,460</u>	<u>3,870</u>	<u>4,310,703</u>	<u>5,600,286</u>
Committed to:				
Public Works	-	-	-	4,990,371
County Roads	-	-	-	289,137
Bridges	-	-	-	56,630
Stonyford Maintenance	-	-	15,210	-
Subtotal	<u>-</u>	<u>-</u>	<u>15,210</u>	<u>5,336,138</u>
Assigned to:				
General	9,412,439	-	-	-
Subtotal	<u>9,412,439</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned	6,309	(13,231)	(27,361)	-
Total	<u>\$ 12,242,355</u>	<u>\$ 399</u>	<u>\$ 4,304,311</u>	<u>\$ 11,594,718</u>

	Health and Sanitation	Public Assistance	County Service Areas	Other Governmental Funds	Total
Nonspendable:					
Prepaid Costs	\$ 4,055	\$ -	\$ -	\$ -	\$ 41,001
Inventory	-	-	-	-	661,014
Subtotal	<u>4,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>702,015</u>
Restricted for:					
General	-	-	5,724	1,778,886	2,200,179
Public Protection	-	-	-	9,320	6,698,117
Health and Sanitation	16,091,639	-	-	-	16,095,509
Public Works	-	-	-	-	5,600,286
Public Assistance	-	3,665,025	-	-	3,670,822
Education	-	-	-	181,435	181,435
Parks and Recreation	-	-	-	3,183	3,183
Capital Projects	-	-	-	1,720,776	1,720,776
Subtotal	<u>16,091,639</u>	<u>3,665,025</u>	<u>5,724</u>	<u>3,693,600</u>	<u>36,170,307</u>
Committed to:					
Public Works	-	-	-	-	4,990,371
County Roads	-	-	-	-	289,137
Bridges	-	-	-	-	56,630
Stonyford Maintenance	-	-	-	-	15,210
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,351,348</u>
Assigned to:					
General	-	-	-	-	9,412,439
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,412,439</u>
Unassigned	(296,453)	(424,095)	(1,504,084)	(97,071)	(2,355,986)
Total	<u>\$ 15,799,241</u>	<u>\$ 3,240,930</u>	<u>\$ (1,498,360)</u>	<u>\$ 3,596,529</u>	<u>\$ 49,280,123</u>

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 FUND BALANCES (CONTINUED)

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policy

The Board of Supervisors has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications and establishes a hierarchy of fund balance expenditures.

NOTE 12 PENSION PLAN

A. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the County's Safety cost sharing multiple employer defined benefit pension plan and Miscellaneous agent multiple-employer defined benefit pension plan, Employee Pension Plan, administered by the California Public Employee's Retirement System (CalPERS), which acts as a common investment and administrative agent for participating member employers. Benefit provisions under the Plan are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Effective January 1, 2013, the County added retirement tiers for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding. The cumulative effect of these PEPRA changes will ultimately reduce the County's retirement costs.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Summary of Rate Tiers and Eligible Participants

Open for New Enrollment:	
Miscellaneous PEPRA	Miscellaneous Members Hired on or After January 1, 2013
Safety – County Peace Officer PEPRA Tier 2	Safety County Peace Officers Hired on or After October 1, 2016
Closed to New Enrollment:	
Miscellaneous	Miscellaneous Employees Hired Before January 1, 2013
Safety – County Peace Officer	Safety County Peace Officers Hired Before January 1, 2013
Safety – County Peace Officer PEPRA	Safety County Peace Officers Hired on or After January 1, 2013, and before October 1, 2016

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the plan are applied as specified by the Public Employees' Retirement Law.

Each Rate Tiers' specific provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Benefit Formula	Retirement Age	Monthly Benefits as a Percentage of Eligible Compensation
Miscellaneous	3.0% at 60	50 to 60 Years	2.0% to 3.0%
Miscellaneous PEPRA	2.0 % at 62	52 to 67 Years	1.0% to 2.5%
Safety County Peace Officer	3.0% at 50	50 Years	3.0%
Safety County Peace Officer PEPRA	2.7% at 57	50 to 57 Years	2.0% to 2.7%
Safety County Peace Officer PEPRA Tier 2	2.5% at 57	50 to 57 Years	2.0% to 2.5%

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Employees Covered

At June 30, 2021, the following employees were covered by the benefit terms for the Miscellaneous Rate Tier:

	Inactive Employees or Beneficiaries Currently Receiving Benefits	Inactive Employees Entitled to but Not Yet Receiving Benefits	Active Employees
Miscellaneous	413	330	305

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that 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 all 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. For the year ended June 30, 2021, the County contributed \$6,198,770 to the Miscellaneous Plan and \$1,914,797 to the Safety Plan.

	Employer Contribution Rates	Employee Contribution Rates	Employer Paid Member Contribution Rates
Miscellaneous	34.576 %	8.000 %	0.000 %
Miscellaneous PEPRA	34.576	7.000	0.000
Safety County Peace Officer	42.345	9.000	0.000
Safety County Peace Officer PEPRA	33.452	12.000	0.000
Safety County Peace Officer PEPRA Tier 2	32.337	12.000	0.000

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 PENSION PLAN (CONTINUED)

B. Net Pension Liability

The County's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2020, actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.625%
Projected Salary Increase	Varies by Entry-Age and Service
Mortality	Derived Using CalPERS Membership Data for All Funds
Postretirement Benefit Increase	Contract COLA up to 2.75% Until Purchasing Power Protection Allowance Floor on Purchasing Power Applies, 2.75% Thereafter

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the period 1997 to 2011 including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found on the CalPERS website.

Change of Assumptions

In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 12 PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at the CalPERS website under the GASB 68 section.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Discount Rate (Continued)

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

Asset Class	New Strategic Allocation	Real Return Years 1 to 10 (a)	Real Return Years 11 + (b)
Global Equity	50.00 %	4.80 %	5.98 %
Fixed Income	28.00	1.00	2.62
Inflation Assets	0.00	0.77	1.81
Private Equity	8.00	6.30	7.23
Real Estate	13.00	3.75	4.93
Liquidity	1.00	0.00	(0.92)
Total	100.00 %		

(a) An expected inflation of 2.0% used for this period.

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

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability

As of June 30, 2021, the changes in the net pension liability of the agent multiple-employer defined benefit pension plan is as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Miscellaneous:			
Balance at June 30, 2020	\$ 162,759,874	\$ 100,111,815	\$ 62,648,059
Changes in the Year:			
Service Cost	3,132,632	-	3,132,632
Interest on the Total Pension Liability	11,524,624	-	11,524,624
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	1,017,099	-	1,017,099
Plan to Plan Resource Movement	-	44,082	(44,082)
Contribution - Employer	-	5,719,024	(5,719,024)
Contribution - Employee	-	1,311,780	(1,311,780)
Net Investment Income	-	5,024,096	(5,024,096)
Benefit Payments, including Refunds of Employee Contributions	(8,260,084)	(8,260,084)	-
Administrative Expense	-	(141,107)	141,107
Other Miscellaneous	-	-	-
Change in Allocation to Independent Entities	(29,695)	(18,265)	(11,430)
Net Changes	<u>7,384,576</u>	<u>3,679,526</u>	<u>3,705,050</u>
Balance at June 30, 2021	<u>\$ 170,144,450</u>	<u>\$ 103,791,341</u>	<u>\$ 66,353,109</u>

As of June 30, 2021, the County reported net pension liabilities for its proportionate share of the net pension liability of the cost sharing multiple-employer defined benefit pension plan as follows:

	Proportionate Share of Net Pension Liability
Safety County Peace Officer	<u>\$ 17,122,855</u>

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability (Continued)

The County's net pension liability for the cost sharing multiple-employer defined benefit pension plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The County's proportionate share of the net pension liability for the cost sharing multiple-employer defined benefit pension plan as of June 30, 2021 and 2020, was as follows:

	Proportion at June 30, 2020	Proportion at June 30, 2021	Change Increase (Decrease)
Safety County Peace Officer	0.24865 %	0.25701 %	0.00836 %

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

The following presents the net pension liability for the Plan as of the measurement date, calculated using the discount rate for the Plan, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease 6.15%	Discount Rate 7.15%	1% Increase 8.15%
Miscellaneous	\$ 78,486,781	\$ 66,353,109	\$ 42,389,053
Safety County Peace Officer	22,033,749	17,122,855	7,866,738

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2021, the County recognized pension expense of \$14,414,239 in all plans in which it participates.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 PENSION PLAN (CONTINUED)

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

Miscellaneous Plan

For the year ended June 30, 2021, the County recognized pension expense of \$11,532,364. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to the Measurement Date	\$ 6,198,770	\$ -
Changes of Assumptions	-	58,619
Differences Between Expected and Actual Experience	1,552,681	-
Net Differences Between Projected and Actual Earnings on Plan Investments	693,147	-
Total	<u>\$ 8,444,598</u>	<u>\$ 58,619</u>

The amount of \$6,198,770 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 596,510
2023	641,468
2024	534,784
2025	414,447

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 PENSION PLAN (CONTINUED)

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

Safety Plan

For the year ended June 30, 2021, the County recognized pension expense of \$3,118,983. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to the Measurement Date	\$ 1,914,797	\$ -
Changes of Assumptions	-	57,037
Differences Between Expected and Actual Experience	1,327,791	-
Net Differences Between Projected and Actual Earnings on Plan Investments	372,152	-
Adjustment Due to Differences in Proportions	627,533	-
Difference Between County Contributions and Proportionate Share of Contributions	-	661,187
Total	\$ 4,242,273	\$ 718,224

The amount of \$1,914,797 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Amount
2022	\$ 414,854
2023	590,290
2024	417,640
2025	186,468

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The County of Colusa Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the County. The Plan provides healthcare benefits to eligible retirees and their dependents through the California Public Employees' Retirement System healthcare program (PEMHCA). The Plan provides lifetime healthcare insurance coverage for eligible retirees and their dependents through the County's group medical insurance plan, which covers both active and retired participants. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the County and its employees.

The County offers the same medical plans to its retirees as to its active employees, with the exception that once a retiree becomes eligible for Medicare (that is, reaches age 65), he or she must join a Medicare HMO or a Medicare Supplement plan, with Medicare becoming the primary payer.

Employees become eligible to retire and receive County-paid healthcare benefits upon attainment of age 50 and 5 years of covered PERS service (age 52 and 5 years for PEPRA Miscellaneous employees). Benefits are paid for the lifetime of the retiree and spouse or surviving spouse (and dependent children up to the age of 26). The County's contribution on behalf of all eligible retirees and surviving spouses is the same as its contribution for active employees (\$139 for 2020 and \$143 for 2020, indexed by the Medical CPI thereafter).

In addition to the PEMHCA minimum, the County pays \$128.26 per month to a third party administrator, which in turn pays this amount to eligible retirees participating in PEMHCA through a qualified Health Reimbursement Arrangement. Amounts may not be carried forward from one year to the next and are not credited with interest. Because the amount is paid only to PEMHCA retirees, and because the amount together with the PEMHCA minimum is in all cases less than applicable PEMHCA premiums, no proof of payment is required, and all amounts are treated as being used to defray eligible medical expenses. This benefit meets all the GASB requirements of a defined benefit OPEB and has, therefore, been included in the County's OPEB liabilities. The \$128.26 is expected to be frozen for all future years, and applied to both current retirees as well as active employees hired before January 1, 2013 and retiring or expected to retire after that date. Employees hired on or after January 1, 2013 receive the PEMHCA minimum only. As per the most recent negotiated MOU between the County and the employees, as the PEMHCA minimum increases each year for the active employees the additional \$128.26 will be reduced by an equal amount in order to keep the total benefit amount to \$267.26. For retirees, no offsetting adjustment is made to the \$128.26.

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

B. Employees Covered by Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries	
Currently Receiving Benefits	188
Inactive Employees Entitled to, But Not Yet Receiving Benefits	-
Active Employees	<u>345</u>
Total	<u><u>533</u></u>

C. Contributions

During the annual budget adoption process the Board of Supervisors authorizes a set monthly contribution amount for the coming year that will be charged to cover OPEB liabilities. For the year ended June 30, 2021, the County's contribution amount was \$475 per employee per month. Employees are not required to contribute to the plan.

D. Actuarial Assumptions

The County's net OPEB asset was measured as of June 30, 2021, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date.

The total OPEB asset in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	July 1, 2021
Contribution Policy	County contributes \$475 per employee per month
Discount Rate	5.0% at June 30, 2021, 2020, 2019, and 2018
Expected Long-Term Rate of Return on Investments	5.61%
General Inflation	2.25% per annum
Mortality, Retirement, Disability, Termination	RP-2014 Employee Health Annuitant Mortality Tables
Salary Increases	Aggregate - 3%
Healthcare Trend	5.00%
Medical CPI	3.50%
Retirees' Share of Cost	Retirees pay the balance of the premium after statutory minimum benefit and frozen supplemental amount, if applicable, contributed by the County

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

E. Target Asset Allocation

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	30.0 %	7.51 %
Fixed Income	65.0	4.58
Cash	5.0	3.00
Total	<u>100.0 %</u>	

F. Changes in the OPEB Asset

The changes in the net OPEB asset for the County are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance - June 30, 2020	\$ 15,341,498	\$ 15,575,409	\$ (233,911)
Change in the Year:			
Service Cost	431,512	-	431,512
Interest on Total OPEB Liability	763,839	-	763,839
Benefit Changes	-	-	-
Differences between Expected and Actual Experience	-	-	-
Changes of Assumptions	-	-	-
Contributions - Employer	-	924,476	(924,476)
Net Investment Income	-	1,993,434	(1,993,434)
Benefit Payments, including Refunds of Employee Contributions	(924,476)	(924,476)	-
Administrative Expenses	-	(41,341)	41,341
Other Charges	-	-	-
Changes in Proportion	(39,642)	(40,247)	605
Net Changes	<u>231,233</u>	<u>1,911,846</u>	<u>(1,680,614)</u>
Balance - June 30, 2021	<u>\$ 15,572,731</u>	<u>\$ 17,487,255</u>	<u>\$ (1,914,525)</u>

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

G. Discount Rate and Trend Sensitivity

The following presents the net OPEB asset of the County, as well as what the County's net OPEB asset would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	Discount Rate		
	1% Decrease 4.00%	Current Rate 5.00%	1% Increase 6.00%
Net OPEB Liability (Asset)	\$ (55,152)	\$ (1,914,525)	\$ (3,483,185)

The following presents the net OPEB asset of the County, as well as what the County's net OPEB asset would be if it were calculated using health care cost trend rates that are 1% or 1% higher than the current healthcare cost trend rates:

	Healthcare Trend Rate		
	1% Decrease	Current Trend	1% Increase
Net OPEB Liability (Asset)	\$ (2,313,769)	\$ (1,914,525)	\$ (1,479,723)

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

For the fiscal year ended June 30, 2021, the County recognized OPEB income of \$1,405,209. As of fiscal year ended June 30, 2021, the County reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Assumptions	\$ 60,362	\$ 820,758
Differences Between Expected and Actual Experience	7,614	227,967
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	1,155,183
Total	\$ 67,976	\$ 2,203,908

**COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

**H. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB
(Continued)**

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (895,122)
2023	(660,318)
2024	(323,424)
2025	(257,068)
2026	-
Thereafter	-

NOTE 14 RISK MANAGEMENT

The County is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has a risk management fund (Insurance) which is an Internal Service fund to account for and finance self-insured risks of loss. The County is a member of the Trindel Insurance Fund. The County is self-insured with Trindel Insurance Fund for liability and property claims for the first \$100,000 and \$25,000, respectively. The County is insured with CSAC-Excess Insurance Authority for excess liability claims for the next \$29,900,000. The County is also insured with CSAC-Excess Insurance Authority for excess property claims for the next \$300,000,000. There is a \$1,000 deductible for property damage. The County is self-insured for Worker's Compensation claims for the first \$300,000 with Trindel Insurance Fund and insured with CSAC-Excess Insurance Authority up to statutory limits. Additionally, the County has a \$10,000,000 Faithful Performance Blanket bond and Crime Bond with a \$5,000 deductible.

Actual claims unpaid as of June 30, 2021, including any estimates for incurred but not reported (IBNR) amounts, constitute claims payable. The claims liability at June 30, 2021, was \$1,132,677.

All funds of the County participate in the program and make payments to the Insurance fund based on estimates of the amounts needed to pay prior and current year claims. At June 30, 2021, the Insurance fund equity was \$3,102,603. The claims liability of \$1,132,677 reported in the fund at June 30, 2021, is 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 indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably determined.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 RISK MANAGEMENT (CONTINUED)

Changes in the County's claims liability amount for the fiscal years ended June 30 were as follows:

	Balance - Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Balance - End of Year
2020	\$ 1,634,429	\$ 635,755	\$ (728,051)	\$ 1,542,133
2021	1,542,133	413,906	(823,362)	1,132,677

The ultimate settlement of specific claims against the County cannot presently be determined and no provision for any other liability that may result has been made in the financial statements.

NOTE 15 RESTATEMENT

During the fiscal year ended June 30, 2021, the County adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. The implementation of this statement has resulted in several funds consolidating into the General Fund and the Public Assistance Fund and changing the presentation of the financial statements by including ending net position to custodial funds not previously required. Beginning net position or fund balance has been restated to reflect this change.

	Government- Wide Statements	Governmental Funds			Private Purpose Trust Fund	Custodial Funds
	Governmental Activities	General Funds	Public Assistance Fund			
Fund Balance/Net Position, June 30, 2020, as Previously Reported	\$ 35,116,824	\$ 11,269,309	\$ 3,013,838	\$ -	\$ -	
Restatement Due to Implementation of GASB 84	388,921	422,037	(33,116)	356,854	18,968,946	
Fund Balance/Net Position, June 30, 2020, As Restated	<u>\$ 35,505,745</u>	<u>\$ 11,691,346</u>	<u>\$ 2,980,722</u>	<u>\$ 356,854</u>	<u>\$ 18,968,946</u>	

NOTE 16 OTHER INFORMATION

A. Commitments and Contingencies

The County has signed agreements to construct various capital improvements subsequent to June 30, 2021. The balance owed on the commitments at June 30, 2021, was approximately \$1,098,567.

COUNTY OF COLUSA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 16 OTHER INFORMATION (CONTINUED)

A. Commitments and Contingencies (Continued)

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, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The County is involved in several lawsuits. Due to the nature of the cases, County Counsel is unable to estimate at this time the probability of favorable or unfavorable outcomes. Therefore, no provision has been made in the financial statements for a loss contingency.

The County had no encumbrances at June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

**COUNTY OF COLUSA, CALIFORNIA
COUNTY PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30, 2021
LAST 10 YEARS***

Reporting Fiscal Year <i>Measurement Date</i>	2014/15 <u>2013/14</u>	2015/16 <u>2014/15</u>	2016/17 <u>2015/16</u>
Miscellaneous:			
Total Pension Liability:			
Service Cost	\$ 2,704,431	\$ 2,835,963	\$ 2,907,948
Interest	8,642,328	9,398,938	9,864,575
Changes of Assumptions	-	(2,195,321)	-
Differences between Expected and Actual Experience	-	3,871,388	(188,876)
Benefit Payments, including Refunds of Employee Contributions	<u>(5,191,655)</u>	<u>(5,723,718)</u>	<u>(6,266,789)</u>
Net Change in Total Pension Liability	6,155,104	8,187,250	6,316,858
 Total Pension Liability - Beginning	 <u>116,474,637</u>	 <u>122,629,741</u>	 <u>130,816,991</u>
 Total Pension Liability - End (a)	 <u>\$ 122,629,741</u>	 <u>\$ 130,816,991</u>	 <u>\$ 137,133,849</u>
 Plan Fiduciary Net Position:			
Net Plan to Plan Resource Movement	\$ -	\$ -	\$ -
Contributions - Employer	3,207,861	3,526,565	3,406,419
Contributions - Employee	1,160,801	1,193,080	1,252,737
Net Investment Income	12,792,537	1,928,553	479,549
Benefit Payments, including Refunds of Employee Contributions	(5,191,655)	(5,723,718)	(6,266,789)
Administrative Expense	-	(97,562)	(52,823)
Other Miscellaneous Income (Expense)	-	-	-
Net Change in Plan Fiduciary Net Position	<u>11,969,544</u>	<u>826,918</u>	<u>(1,180,907)</u>
 Plan Fiduciary Net Position - Beginning	 <u>73,877,190</u>	 <u>85,846,734</u>	 <u>86,673,652</u>
 Plan Fiduciary Net Position - End (b)	 <u>\$ 85,846,734</u>	 <u>\$ 86,673,652</u>	 <u>\$ 85,492,745</u>
 Net Pension Liability - End (a) - (b)	 <u>\$ 36,783,007</u>	 <u>\$ 44,143,339</u>	 <u>\$ 51,641,104</u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	 70.00 %	 66.26 %	 62.34 %
 Covered Payroll	 \$ 14,088,513	 \$ 15,421,228	 \$ 16,175,037
 Net Pension Liability as a Percentage of Covered Payroll	 261.09 %	 286.25 %	 319.26 %

*The County implemented GASB 68 for fiscal year June 30, 2015; therefore, only seven years are shown.

Note: The County of Colusa participates in an agent multiple-employer defined benefit pension plan as disclosed in footnote 13 to the financial statements. However, the full plan also includes the Courts and Local Transportation Commission which are considered to be external entities to the County. As such, these external entities have been excluded from the County's portion of net pension liability. The schedule of net pension liability and related ratios above includes the Courts and Local Transportation Commission whose proportion of the net pension liability was \$2,712,764 or 3.93%. The County's portion of net pension liability was \$66,353,109 or 96.07% at June 30, 2021.

See accompanying Notes to County Pension Plan Required Supplementary Information.

**COUNTY OF COLUSA, CALIFORNIA
COUNTY PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
YEAR ENDED JUNE 30, 2021
LAST 10 YEARS***

Reporting Fiscal Year <i>Measurement Date</i>	2017/18 <i>2016/17</i>	2018/19 <i>2017/18</i>	2019/20 <i>2018/19</i>	2020/21 <i>2019/20</i>
Miscellaneous:				
Total Pension Liability:				
Service Cost	\$ 3,284,579	\$ 3,361,416	\$ 3,347,244	\$ 3,260,706
Interest	10,291,984	10,841,954	11,458,364	11,995,794
Changes of Assumptions	8,212,704	(976,265)	-	-
Differences between Expected and Actual Experience	445,760	2,250,540	2,137,114	1,058,682
Benefit Payments, including Refunds of Employee Contributions	(6,981,526)	(7,413,259)	(8,011,260)	(8,597,787)
Net Change in Total Pension Liability	<u>15,253,501</u>	<u>8,064,386</u>	<u>8,931,462</u>	<u>7,717,395</u>
Total Pension Liability - Beginning	<u>137,133,849</u>	<u>152,387,350</u>	<u>160,451,736</u>	<u>169,383,198</u>
Total Pension Liability - End (a)	<u>\$ 152,387,350</u>	<u>\$ 160,451,736</u>	<u>\$ 169,383,198</u>	<u>\$ 177,100,593</u>
Plan Fiduciary Net Position:				
Net Plan to Plan Resource Movement	\$ (25,446)	\$ (1,054)	\$ -	\$ 45,884
Contributions - Employer	3,991,801	4,514,976	5,137,368	5,952,839
Contributions - Employee	1,273,965	1,298,170	1,283,506	1,365,410
Net Investment Income	9,758,623	7,916,160	6,569,679	5,229,500
Benefit Payments, including Refunds of Employee Contributions	(6,981,526)	(7,413,259)	(8,011,260)	(8,597,787)
Administrative Expense	(126,224)	(145,518)	(70,846)	(146,876)
Other Miscellaneous Income (Expense)	-	(276,341)	230	-
Net Change in Plan Fiduciary Net Position	<u>7,891,193</u>	<u>5,893,134</u>	<u>4,908,677</u>	<u>3,848,970</u>
Plan Fiduciary Net Position - Beginning	<u>85,492,745</u>	<u>93,383,938</u>	<u>99,277,072</u>	<u>104,185,749</u>
Plan Fiduciary Net Position - End (b)	<u>\$ 93,383,938</u>	<u>\$ 99,277,072</u>	<u>\$ 104,185,749</u>	<u>\$ 108,034,719</u>
Net Pension Liability - End (a) - (b)	<u>\$ 59,003,412</u>	<u>\$ 61,174,664</u>	<u>\$ 65,197,449</u>	<u>\$ 69,065,874</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	61.28 %	61.87 %	61.51 %	61.00 %
Covered Payroll	\$ 16,652,704	\$ 17,175,495	\$ 17,375,646	\$ 17,362,654
Net Pension Liability as a Percentage of Covered Payroll	354.32 %	356.17 %	375.22 %	397.78 %

*The County implemented GASB 68 for fiscal year June 30, 2015; therefore, only seven years are shown.

Note: The County of Colusa participates in an agent multiple-employer defined benefit pension plan as disclosed in footnote 13 to the financial statements. However, the full plan also includes the Courts and Local Transportation Commission which are considered to be external entities to the County. As such, these external entities have been excluded from the County's portion of net pension liability. The schedule of net pension liability and related ratios above includes the Courts and Local Transportation Commission whose proportion of the net pension liability was \$2,712,764 or 3.93%. The County's portion of net pension liability was \$66,353,109 or 96.07% at June 30, 2021.

See accompanying Notes to County Pension Plan Required Supplementary Information.

**COUNTY OF COLUSA, CALIFORNIA
COUNTY PENSION PLAN
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
YEAR ENDED JUNE 30, 2021
LAST 10 YEARS***

Reporting Fiscal Year <i>Measurement Date</i>	2014/15 <i>2013/14</i>	2015/16 <i>2014/15</i>	2016/17 <i>2015/16</i>	
Safety:				
Proportion of the Net Pension Liability	0.21516 %	0.22578 %	0.23481 %	
Proportionate Share of the Net Pension Liability	\$ 8,070,777	\$ 9,303,212	\$ 12,161,422	
Covered Payroll	\$ 4,179,276	\$ 3,931,894	\$ 4,083,507	
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	193.11 %	236.61 %	297.82 %	
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	78.83 %	77.27 %	72.69 %	
Reporting Fiscal Year <i>Measurement Date</i>	2017/18 <i>2016/17</i>	2018/19 <i>2017/18</i>	2019/20 <i>2018/19</i>	2020/21 <i>2019/20</i>
Safety:				
Proportion of the Net Pension Liability	0.23531 %	0.24281 %	0.24865 %	0.25701 %
Proportionate Share of the Net Pension Liability	\$ 14,060,370	\$ 14,246,772	\$ 15,521,875	\$ 17,122,855
Covered Payroll	\$ 4,623,746	\$ 4,739,340	\$ 4,786,733	\$ 4,882,947
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	304.09 %	300.61 %	324.27 %	350.67 %
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	71.74 %	73.39 %	73.37 %	73.12 %

*The County implemented GASB 68 for fiscal year June 30, 2015; therefore, only seven years are shown.

**COUNTY OF COLUSA, CALIFORNIA
COUNTY PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
YEAR ENDED JUNE 30, 2021
LAST 10 YEARS***

Reporting Fiscal Year	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>
Miscellaneous:			
Contractually Required Contributions (Actuarially Determined)	\$ 2,878,968	\$ 3,406,419	\$ 3,991,800
Contributions in Relation to Actuarially Determined Contributions	<u>(2,878,968)</u>	<u>(3,406,419)</u>	<u>(3,991,800)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 15,421,228	\$ 16,175,037	\$ 16,652,704
Contributions as a Percentage of Covered Payroll	18.67%	21.06%	23.97%
Safety:			
Contractually Required Contributions (Actuarially Determined)	\$ 1,767,706	\$ 1,099,473	\$ 1,257,559
Contributions in Relation to Actuarially Determined Contributions	<u>(1,767,706)</u>	<u>(1,099,473)</u>	<u>(1,257,559)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 3,931,894	\$ 4,083,507	\$ 4,623,746
Contributions as a Percentage of Covered Payroll	44.96 %	26.92 %	27.20 %

*The County implemented GASB 68 for fiscal year June 30, 2015; therefore, only seven years are shown.

**COUNTY OF COLUSA, CALIFORNIA
COUNTY PENSION PLAN
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
YEAR ENDED JUNE 30, 2021
LAST 10 YEARS***

Reporting Fiscal Year	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>
Miscellaneous:				
Contractually Required Contributions (Actuarially Determined)	\$ 4,217,352	\$ 4,801,186	\$ 5,567,285	\$ 6,198,770
Contributions in Relation to Actuarially Determined Contributions	<u>(4,217,352)</u>	<u>(4,801,186)</u>	<u>(5,567,285)</u>	<u>(6,198,770)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 17,175,495	\$ 17,375,646	\$ 17,362,654	\$ 18,111,993
Contributions as a Percentage of Covered Payroll	24.55%	27.63%	32.06%	34.22%
Safety:				
Contractually Required Contributions (Actuarially Determined)	\$ 1,431,684	\$ 1,555,765	\$ 1,779,748	\$ 1,914,797
Contributions in Relation to Actuarially Determined Contributions	<u>(1,431,684)</u>	<u>(1,555,765)</u>	<u>(1,779,748)</u>	<u>(1,914,797)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 4,739,340	\$ 4,786,733	\$ 4,882,947	\$ 4,931,776
Contributions as a Percentage of Covered Payroll	30.21 %	32.50 %	36.45 %	38.83 %

*The County implemented GASB 68 for fiscal year June 30, 2015; therefore, only seven years are shown.

**COUNTY OF COLUSA, CALIFORNIA
COUNTY PENSION PLAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

NOTE 1 CHANGES OF BENEFIT TERMS

None noted.

NOTE 2 CHANGES OF ASSUMPTIONS

The discount rate used to measure the net pension liability was 7.65% as of June 30, 2014, 2015, and 2016, and was reduced to 7.15% as of June 30, 2017.

The inflation rate used to measure the net pension liability was 2.75% as of June 30, 2014, 2015, 2016, and 2017 was reduced to 2.50% as of June 30, 2018.

COUNTY OF COLUSA, CALIFORNIA
SCHEDULE OF CHANGES IN NET OPEB ASSET AND RELATED RATIOS
YEAR ENDED JUNE 30, 2021

LAST 10 FISCAL YEARS*

Reporting Fiscal Year	2017/18	2018/19	2019/20	2020/21
TOTAL OPEB LIABILITY (ASSET)				
Service Cost	\$ 599,212	\$ 462,039	\$ 423,150	\$ 431,512
Interest on Total OPEB Liability (Asset)	648,011	769,128	788,732	763,839
Benefit Changes	-	-	(503,702)	-
Difference between Expected and Actual Experience	4,360	13,896	(360,929)	-
Changes of Assumptions	(2,929,481)	-	95,569	-
Benefit Payments, including Refunds of Employee Contributions	(792,982)	(838,227)	(889,717)	(924,476)
Change in Proportion	-	15,114	41,930	(444,609)
Net Change in Total OPEB Liability (Asset)	(2,470,880)	421,950	(404,967)	(173,734)
Total OPEB Liability (Asset) – Beginning	17,795,395	15,324,515	15,746,465	15,341,498
Total OPEB Liability (Asset) – Ending (a)	<u>\$ 15,324,515</u>	<u>\$ 15,746,465</u>	<u>\$ 15,341,498</u>	<u>\$ 15,167,764</u>
PLAN FIDUCIARY NET POSITION				
Contributions – Employer	\$ 10,184,769	\$ 2,714,221	\$ 2,805,854	\$ 924,476
Net Investment Income	-	783,513	686,319	1,993,434
Difference between Expected and Actual Investment Income	-	-	206,589	-
Benefit Payments	-	(838,227)	(889,717)	(924,476)
Administrative Expenses	-	(24,875)	(69,349)	(41,341)
Other Charges	-	(27,821)	-	-
Change in Proportion	-	10,045	34,088	2,733,538
Net Change in Fiduciary Net Position	10,184,769	2,616,856	2,773,784	4,685,631
Plan Fiduciary Net Position – Beginning	-	10,184,769	12,801,625	15,575,409
Plan Fiduciary Net Position – Ending (b)	<u>\$ 10,184,769</u>	<u>\$ 12,801,625</u>	<u>\$ 15,575,409</u>	<u>\$ 20,261,040</u>
Plan OPEB Liability (Asset) – Ending (a) - (b)	<u>\$ 5,139,746</u>	<u>\$ 2,944,840</u>	<u>\$ (233,911)</u>	<u>\$ (5,093,276)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	66.46 %	81.30 %	101.52 %	133.58 %
Covered Employee Payroll	\$ 22,710,569	\$ 23,391,886	\$ 23,148,900	\$ 22,256,371
Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	22.63 %	12.59 %	(1.01)%	(22.88)%

*Fiscal year 2018 was the first year of implementation. Additional years will be presented as they become available.

COUNTY OF COLUSA, CALIFORNIA
SCHEDULE OF OPEB CONTRACTUALLY REQUIRED CONTRIBUTIONS
YEAR ENDED JUNE 30, 2021

LAST 10 FISCAL YEARS*

Reporting Fiscal Year	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>
Contractually Required Contributions	\$ 792,982	\$ 838,227	\$ 889,717	\$ 924,476
Contributions in Relation to the Contractually Required Contributions	<u>(792,982)</u>	<u>(838,227)</u>	<u>(889,717)</u>	<u>(924,476)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 22,710,569	\$ 23,391,886	\$ 23,148,900	\$ 22,256,371
Contributions as a Percentage of Covered Employee Payroll	3.49 %	3.58 %	3.84 %	4.15 %

*Fiscal year 2018 was the first year of implementation. Additional years will be presented as they become available.

**COUNTY OF COLUSA, CALIFORNIA
COUNTY OPEB PLAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

NOTE 1 CHANGES OF BENEFIT TERMS

None noted.

NOTE 2 CHANGES OF ASSUMPTIONS

None noted.

**COUNTY OF COLUSA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 19,157,793	\$ 19,157,793	\$ 20,215,971	\$ 1,058,178
Licenses and Permits	637,060	637,060	687,291	50,231
Fines and Forfeitures	580,300	580,300	517,021	(63,279)
Use of Money and Property	98,070	98,070	66,578	(31,492)
Intergovernmental Revenues	5,684,529	6,008,676	5,537,281	(471,395)
Charges for Services	1,503,840	1,513,220	1,731,764	218,544
Other Revenues	54,360	55,395	510,305	454,910
Total Revenues	<u>27,715,952</u>	<u>28,050,514</u>	<u>29,266,211</u>	<u>1,215,697</u>
EXPENDITURES				
Current:				
General Government	27,490,889	27,877,669	4,449,907	23,427,762
Public Protection	3,290,758	3,346,969	22,320,616	(18,973,647)
Public Assistance	10,100	10,100	158,542	(148,442)
Education	2,403	2,403	1,570,253	(1,567,850)
Recreation and Culture	-	-	15,711	(15,711)
Contingency Appropriation	500,000	489,771	-	489,771
Total Expenditures	<u>31,294,150</u>	<u>31,726,912</u>	<u>28,515,029</u>	<u>3,211,883</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,578,198)	(3,676,398)	751,182	4,427,580
OTHER FINANCING SOURCES (USES)				
Transfers In	1,924,243	2,287,277	2,193,067	(94,210)
Transfers Out	(4,376,611)	(4,382,577)	(2,393,240)	1,989,337
Total Other Financing Sources (Uses)	<u>(2,452,368)</u>	<u>(2,095,300)</u>	<u>(200,173)</u>	<u>1,895,127</u>
NET CHANGE IN FUND BALANCES	(6,030,566)	(5,771,698)	551,009	6,322,707
Fund Balances - Beginning of Year	<u>11,691,346</u>	<u>11,691,346</u>	<u>11,691,346</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,660,780</u>	<u>\$ 5,919,648</u>	<u>\$ 12,242,355</u>	<u>\$ 6,322,707</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF COLUSA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
HEALTH AND HUMAN SERVICES – MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses and Permits	\$ 135,744	\$ 135,744	\$ 172,019	\$ 36,275
Use of Money and Property	-	-	(77)	(77)
Intergovernmental Revenues	903,190	903,190	793,979	(109,211)
Charges for Services	60,414	67,914	89,658	21,744
Other Revenues	16,880	9,380	14,970	5,590
Total Revenues	<u>1,116,228</u>	<u>1,116,228</u>	<u>1,070,549</u>	<u>(45,679)</u>
EXPENDITURES				
Current:				
Health and Sanitation	-	-	3,077,997	(3,077,997)
Public Assistant	11,635,547	11,635,547	7,443,092	4,192,455
Total Expenditures	<u>11,635,547</u>	<u>11,635,547</u>	<u>10,521,089</u>	<u>1,114,458</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(10,519,319)	(10,519,319)	(9,450,540)	1,068,779
OTHER FINANCING SOURCES (USES)				
Transfers In	11,343,451	11,595,629	9,488,097	(2,107,532)
Transfers Out	(9,500)	(9,500)	(24,405)	(14,905)
Total Other Financing Sources (Uses)	<u>11,333,951</u>	<u>11,586,129</u>	<u>9,463,692</u>	<u>(2,122,437)</u>
NET CHANGE IN FUND BALANCES				
	814,632	1,066,810	13,152	(1,053,658)
Fund Balances - Beginning of Year	<u>(12,753)</u>	<u>(12,753)</u>	<u>(12,753)</u>	<u>-</u>
FUND BALANCES - END OF YEAR				
	<u>\$ 801,879</u>	<u>\$ 1,054,057</u>	<u>\$ 399</u>	<u>\$ (1,053,658)</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF COLUSA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
PUBLIC PROTECTION – MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Fines and Forfeitures	\$ 13,350	\$ 13,350	\$ 27,275	\$ 13,925
Use of Money and Property	40,524	40,524	30,668	(9,856)
Intergovernmental Revenues	4,926,421	5,006,313	4,992,392	(13,921)
Charges for Services	40,230	40,230	40,820	590
Other Revenues	56,013	56,413	138,221	81,808
Total Revenues	<u>5,076,538</u>	<u>5,156,830</u>	<u>5,229,376</u>	<u>72,546</u>
EXPENDITURES				
Current:				
Public Protection	(3,057,293)	(3,237,671)	2,500,018	(5,737,689)
Public Ways and Facilities	-	-	4,399	(4,399)
Total Expenditures	<u>(3,057,293)</u>	<u>(3,237,671)</u>	<u>2,504,417</u>	<u>(5,742,088)</u>
EXCESS OF REVENUES OVER EXPENDITURES	56,013	56,413	2,724,959	2,668,546
OTHER FINANCING SOURCES (USES)				
Transfers In	(1,481,889)	(2,115,406)	39,344	2,154,750
Transfers Out	(1,481,889)	(2,115,406)	(2,068,259)	47,147
Total Other Financing Sources (Uses)	<u>(2,963,778)</u>	<u>(4,230,812)</u>	<u>(2,028,915)</u>	<u>2,201,897</u>
NET CHANGE IN FUND BALANCES	(2,907,765)	(4,174,399)	696,044	4,870,443
Fund Balances - Beginning of Year	<u>3,608,267</u>	<u>3,608,267</u>	<u>3,608,267</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 700,502</u>	<u>\$ (566,132)</u>	<u>\$ 4,304,311</u>	<u>\$ 4,870,443</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF COLUSA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
PUBLIC WAYS AND FACILITIES – MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 1,508,325	\$ 1,508,325	\$ 1,572,605	\$ 64,280
Licenses and Permits	14,550	14,550	14,755	205
Use of Money and Property	131,810	131,810	82,442	(49,368)
Intergovernmental Revenues	5,714,849	6,061,814	5,691,472	(370,342)
Charges for Services	5,000	5,000	3,570	(1,430)
Other Revenues	24,515	24,515	26,889	2,374
Total Revenues	<u>7,399,049</u>	<u>7,746,014</u>	<u>7,391,733</u>	<u>(354,281)</u>
EXPENDITURES				
Current:				
Public Ways and Facilities	14,986,805	14,986,805	7,195,997	7,790,808
Public Assistance	21,000	21,000	14,850	6,150
Debt Service:				
Principal	69,505	69,505	37,028	32,477
Interest and Other Charges	3,951	3,951	3,905	46
Total Expenditures	<u>15,081,261</u>	<u>15,081,261</u>	<u>7,251,780</u>	<u>7,829,481</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,682,212)	(7,335,247)	139,953	7,475,200
OTHER FINANCING SOURCES (USES)				
Transfers In	1,698,769	1,699,016	1,695,617	(3,399)
Transfers Out	1,698,769	1,699,016	(697,557)	(2,396,573)
Total Other Financing Sources (Uses)	<u>3,397,538</u>	<u>3,398,032</u>	<u>998,060</u>	<u>(2,399,972)</u>
NET CHANGE IN FUND BALANCES	(4,284,674)	(3,937,215)	1,138,013	5,075,228
Fund Balances - Beginning of Year	<u>10,456,705</u>	<u>10,456,705</u>	<u>10,456,705</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 6,172,031</u>	<u>\$ 6,519,490</u>	<u>\$ 11,594,718</u>	<u>\$ 5,075,228</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF COLUSA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
HEALTH AND SANITATION – MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses and Permits	\$ 316,750	\$ 316,750	\$ 364,890	\$ 48,140
Fines and Forfeitures	128,700	128,700	135,713	7,013
Use of Money and Property	157,365	157,365	96,730	(60,635)
Intergovernmental Revenues	13,657,842	15,609,907	17,549,106	1,939,199
Charges for Services	187,412	187,412	158,298	(29,114)
Other Revenues	800	60,528	61,849	1,321
Total Revenues	<u>14,448,869</u>	<u>16,460,662</u>	<u>18,366,586</u>	<u>1,905,924</u>
EXPENDITURES				
Current:				
Health and Sanitation	<u>-</u>	<u>-</u>	<u>9,261,613</u>	<u>(9,261,613)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	14,448,869	16,460,662	9,104,973	(7,355,689)
OTHER FINANCING SOURCES (USES)				
Transfers In	2,310,404	3,811,973	3,510,882	(301,091)
Transfers Out	<u>(6,903,283)</u>	<u>(8,500,536)</u>	<u>(7,384,866)</u>	<u>1,115,670</u>
Total Other Financing Sources (Uses)	<u>(4,592,879)</u>	<u>(4,688,563)</u>	<u>(3,873,984)</u>	<u>814,579</u>
NET CHANGE IN FUND BALANCES	9,855,990	11,772,099	5,230,989	(6,541,110)
Fund Balances - Beginning of Year	<u>10,568,252</u>	<u>10,568,252</u>	<u>10,568,252</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 20,424,242</u></u>	<u><u>\$ 22,340,351</u></u>	<u><u>\$ 15,799,241</u></u>	<u><u>\$ (6,541,110)</u></u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF COLUSA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
PUBLIC ASSISTANCE – MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Use of Money and Property	\$ 128,579	\$ 128,579	\$ 67,138	\$ (61,441)
Intergovernmental Revenues	9,618,123	9,757,886	10,129,856	371,970
Other Revenues	15,500	46,222	27,791	(18,431)
Total Revenues	<u>9,762,202</u>	<u>9,932,687</u>	<u>10,224,785</u>	<u>292,098</u>
EXPENDITURES				
Current:				
Public Assistance	<u>3,938,443</u>	<u>4,187,646</u>	<u>4,151,156</u>	<u>36,490</u>
EXCESS OF REVENUES OVER EXPENDITURES	5,823,759	5,745,041	6,073,629	328,588
OTHER FINANCING SOURCES (USES)				
Transfers In	3,882,951	3,947,951	4,321,769	373,818
Transfers Out	(11,173,715)	(11,094,997)	(10,135,190)	959,807
Total Other Financing Sources (Uses)	<u>(7,290,764)</u>	<u>(7,147,046)</u>	<u>(5,813,421)</u>	<u>1,333,625</u>
NET CHANGE IN FUND BALANCES	(1,467,005)	(1,402,005)	260,208	1,662,213
Fund Balances - Beginning of Year	<u>2,980,722</u>	<u>2,980,722</u>	<u>2,980,722</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,513,717</u>	<u>\$ 1,578,717</u>	<u>\$ 3,240,930</u>	<u>\$ 1,662,213</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF COLUSA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
COUNTY SERVICE AREAS – MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021**

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 12,000	\$ 12,000	\$ 12,722	\$ 722
Use of Money and Property	20,000	20,000	(7,903)	(27,903)
Intergovernmental Revenues	-	-	8,469	8,469
Charges for Services	103,000	103,000	100,440	(2,560)
Total Revenues	<u>135,000</u>	<u>135,000</u>	<u>113,728</u>	<u>(21,272)</u>
EXPENDITURES				
Current:				
Health and Sanitation	-	-	629,919	(629,919)
Debt Service:				
Principal	5,724	5,724	5,724	-
Total Expenditures	<u>5,724</u>	<u>5,724</u>	<u>635,643</u>	<u>(629,919)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>129,276</u>	<u>129,276</u>	<u>(521,915)</u>	<u>(651,191)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	59,000	59,000	17,803	(41,197)
Total Other Financing Sources (Uses)	<u>59,000</u>	<u>59,000</u>	<u>17,803</u>	<u>(41,197)</u>
NET CHANGE IN FUND BALANCES	188,276	188,276	(504,112)	(692,388)
Fund Balances - Beginning of Year	<u>(994,248)</u>	<u>(994,248)</u>	<u>(994,248)</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ (805,972)</u></u>	<u><u>\$ (805,972)</u></u>	<u><u>\$ (1,498,360)</u></u>	<u><u>\$ (692,388)</u></u>

See accompanying Note to Budgetary Comparison Schedules.

COUNTY OF COLUSA, CALIFORNIA
NOTE TO BUDGETARY COMPARISON SCHEDULES
JUNE 30, 2021

BUDGETARY BASIS OF ACCOUNTING

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 the County's General and Major Special Revenue funds. 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).

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

The following procedures are performed by the County in establishing the budgetary data reflected in the financial statements:

1. The Budget Committee consists of two members of the Board of Supervisors, the Auditor-Controller, the CAO, the Assistant Auditor-Controller, and the Budget Management Analyst. This Committee submits to the Board of Supervisors a recommended budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
2. On or before June 30 of each year the Board, by formal action, shall approve the recommended budget, including the revisions it deems necessary for the purpose of having authority to spend until the budget is adopted.
3. The Board conducts a public hearing on the recommended budget to obtain comments from interested persons.
4. Prior to October 2, the budget is adopted through Board resolution.
5. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as recommended expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by motion during the fiscal year. The Board of Supervisors may authorize transfers from one object or purpose to another within the same department.

The County uses an encumbrance system as an extension of normal budgetary accounting for the General and other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year end are 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.

COMBINING FUND STATEMENTS

**COUNTY OF COLUSA, CALIFORNIA
COMBINING BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Special Revenue Funds			
	Lighting Districts	General Government	Loan Program	Education
ASSETS				
Cash and Investments	\$ 9,620	\$ 290,110	\$ 1,273,134	\$ 180,870
Receivables:				
Accounts	-	-	-	328
Intergovernmental	-	98,221	-	36
Interest	11	353	1,411	201
Prepaid Costs				
Loans Receivable	-	-	168,138	-
	<u>-</u>	<u>-</u>	<u>168,138</u>	<u>-</u>
Total Assets	<u>\$ 9,631</u>	<u>\$ 388,684</u>	<u>\$ 1,442,683</u>	<u>\$ 181,435</u>
LIABILITIES				
Accounts Payable	\$ 311	\$ 19,360	\$ 32	\$ -
Deposits Payable	-	12,230	-	-
Total Liabilities	<u>311</u>	<u>31,590</u>	<u>32</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	98,221	19,709	-
FUND BALANCES				
Nonspendable				
Restricted	9,320	355,944	1,422,942	181,435
Committed				
Unassigned	-	(97,071)	-	-
Total Fund Balances	<u>9,320</u>	<u>258,873</u>	<u>1,422,942</u>	<u>181,435</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9,631</u>	<u>\$ 388,684</u>	<u>\$ 1,442,683</u>	<u>\$ 181,435</u>

**COUNTY OF COLUSA, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Special	Capital Project Funds			Total
	Revenue Funds	Building Fund	Courthouse Construction	County Criminal Justice Construction	
	Recreation and Culture				
ASSETS					
Cash and Investments	\$ 3,179	\$ 630,362	\$ 433,248	\$ 576,426	\$ 3,396,949
Receivables:					
Accounts	-	-	-	-	328
Intergovernmental	-	256,876	2,164	8,281	365,578
Interest	4	-	483	632	3,095
Prepaid Costs					
Loans Receivable	-	-	-	-	168,138
Total Assets	\$ 3,183	\$ 887,238	\$ 435,895	\$ 585,339	\$ 3,934,088
LIABILITIES					
Accounts Payable	\$ -	\$ 87,716	\$ 1,494	\$ 790	\$ 109,703
Deposits Payable	-	-	-	-	12,230
Total Liabilities	-	87,716	1,494	790	121,933
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	97,696	-	-	215,626
FUND BALANCES					
Nonspendable					
Restricted	3,183	701,826	434,401	584,549	3,693,600
Committed					
Unassigned	-	-	-	-	(97,071)
Total Fund Balances	3,183	701,826	434,401	584,549	3,596,529
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,183	\$ 887,238	\$ 435,895	\$ 585,339	\$ 3,934,088

**COUNTY OF COLUSA, CALIFORNIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds			
	Lighting Districts	General Government	Loan Program	Education
REVENUES				
Taxes	\$ 5,946	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	-
Use of Money and Property	84	213,601	31,400	1,956
Intergovernmental Revenues	-	556,704	-	38,652
Charges for Services	-	-	-	-
Other Revenues	-	29,324	-	60,266
Total Revenues	<u>6,030</u>	<u>799,629</u>	<u>31,400</u>	<u>100,874</u>
EXPENDITURES				
Current:				
General Government	7,314	811,781	341,570	-
Recreation and Culture	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>7,314</u>	<u>811,781</u>	<u>341,570</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,284)	(12,152)	(310,170)	100,874
OTHER FINANCING SOURCES (USES)				
Transfers In	-	15,000	91,015	-
Transfers Out	-	(29,363)	(91,015)	(179,698)
Proceeds from Issuance of Debt	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(14,363)</u>	<u>-</u>	<u>(179,698)</u>
NET CHANGE IN FUND BALANCES	(1,284)	(26,515)	(310,170)	(78,824)
Fund Balance - Beginning of Year	<u>10,604</u>	<u>285,388</u>	<u>1,733,112</u>	<u>260,259</u>
FUND BALANCE - END OF YEAR	<u>\$ 9,320</u>	<u>\$ 258,873</u>	<u>\$ 1,422,942</u>	<u>\$ 181,435</u>

**COUNTY OF COLUSA, CALIFORNIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds	Capital Project Funds			Total
		Recreation and Culture	Building Fund	Courthouse Construction	
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,946
Fines and Forfeitures	-	-	29,551	115,007	144,558
Use of Money and Property	33	(478)	4,077	4,131	254,804
Intergovernmental Revenues	-	-	-	-	595,356
Charges for Services	-	-	-	-	-
Other Revenues	-	3,366	-	-	92,956
Total Revenues	33	2,888	33,628	119,138	1,093,620
EXPENDITURES					
Current:					
General Government	-	-	-	-	1,160,665
Recreation and Culture	1,513	-	-	-	1,513
Capital Outlay	-	2,256,539	19,828	4,058	2,280,425
Total Expenditures	1,513	2,256,539	19,828	4,058	3,442,603
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,480)	(2,253,651)	13,800	115,080	(2,348,983)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	1,668,209	-	-	1,774,224
Transfers Out	-	-	(116,785)	(41,644)	(458,505)
Proceeds from Issuance of Debt	-	1,287,268	-	-	1,287,268
Total Other Financing Sources (Uses)	-	2,955,477	(116,785)	(41,644)	2,602,987
NET CHANGE IN FUND BALANCES	(1,480)	701,826	(102,985)	73,436	254,004
Fund Balance - Beginning of Year	4,663	-	537,386	511,113	3,342,525
FUND BALANCE - END OF YEAR	<u>\$ 3,183</u>	<u>\$ 701,826</u>	<u>\$ 434,401</u>	<u>\$ 584,549</u>	<u>\$ 3,596,529</u>

**COUNTY OF COLUSA, CALIFORNIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2021**

ASSETS	Airport	East Park Reservoir	Total
Current Assets:			
Cash and Investments	\$ 43,394	\$ (10,670)	\$ 32,724
Receivables:			
Accounts	72,734	50,203	122,937
Interest	129	43	172
Inventory	-	2,882	2,882
Total Current Assets	<u>116,257</u>	<u>42,458</u>	<u>158,715</u>
Noncurrent Assets:			
Capital Assets:			
Depreciable:			
Structures and Improvements	91,793	44,856	136,649
Accumulated Depreciation	(82,469)	(22,518)	(104,987)
Net OPEB Asset	-	10,203	10,203
Total Noncurrent Assets	<u>9,324</u>	<u>32,541</u>	<u>41,865</u>
Total Assets	125,581	74,999	200,580
DEFERRED OUTFLOWS OF RESOURCES			
Deferred OPEB Adjustments	-	362	362
Deferred Pension Adjustments	-	34,368	34,368
Total Deferred Outflows of Resources	<u>-</u>	<u>34,730</u>	<u>34,730</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	13,511	23,762	37,273
Total Current Liabilities	<u>13,511</u>	<u>23,762</u>	<u>37,273</u>
Noncurrent Liabilities:			
Compensated Absences	-	4,368	4,368
Net Pension Liability	-	270,047	270,047
Total Noncurrent Liabilities	<u>-</u>	<u>274,415</u>	<u>274,415</u>
Total Liabilities	13,511	298,177	311,688
DEFERRED INFLOWS OF RESOURCES			
Deferred OPEB Adjustments	-	11,745	11,745
Deferred Pension Adjustments	-	239	239
Total Deferred Inflows of Resources	<u>-</u>	<u>11,984</u>	<u>11,984</u>
NET POSITION			
Net Investment in Capital Assets	9,324	22,338	31,662
Unrestricted	102,746	(222,770)	(120,024)
Total Net Position	<u>\$ 112,070</u>	<u>\$ (200,432)</u>	<u>\$ (88,362)</u>

**COUNTY OF COLUSA, CALIFORNIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2021**

	Business-Type Activities		
	Airport	East Park Reservoir	Total
OPERATING REVENUES			
Charges for Services	\$ 332,789	\$ 180,935	\$ 513,724
Other Revenue	435	207	642
Total Operating Revenues	<u>333,224</u>	<u>181,142</u>	<u>514,366</u>
OPERATING EXPENSES			
Salaries and Employee Benefits	3,244	184,419	187,663
Services and Supplies	552,024	139,940	691,964
Depreciation	3,108	2,792	5,900
Total Operating Expenses	<u>558,376</u>	<u>327,151</u>	<u>885,527</u>
OPERATING LOSS	(225,152)	(146,009)	(371,161)
NONOPERATING REVENUES			
Taxes	90,841	-	90,841
Interest Income	53,817	473	54,290
Total Nonoperating Revenues	<u>144,658</u>	<u>473</u>	<u>145,131</u>
LOSS BEFORE TRANSFERS	(80,494)	(145,536)	(226,030)
Transfers In	<u>-</u>	<u>100,000</u>	<u>100,000</u>
CHANGE IN NET POSITION	(80,494)	(45,536)	(126,030)
Net Position (Deficit) - Beginning of Year	<u>192,564</u>	<u>(154,896)</u>	<u>37,668</u>
NET POSITION (DEFICIT) - END OF YEAR	<u>\$ 112,070</u>	<u>\$ (200,432)</u>	<u>\$ (88,362)</u>

**COUNTY OF COLUSA, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds		
	Airport	East Park Reservoir	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 300,178	\$ 138,502	\$ 438,680
Payments to Suppliers	(547,250)	(136,338)	(683,588)
Payments to Employees	(3,244)	(172,878)	(176,122)
Net Cash Used by Operating Activities	<u>(250,316)</u>	<u>(170,714)</u>	<u>(421,030)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Taxes Received	90,841	-	90,841
Other Receipts			
Payments on Interfund Loans			
Transfers from Other Funds	-	100,000	100,000
Net Cash Provided by Noncapital Financing Activities	<u>90,841</u>	<u>100,000</u>	<u>190,841</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Earnings	54,350	620	54,970
Net Cash Provided by Investing Activities	<u>54,350</u>	<u>620</u>	<u>54,970</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(105,125)	(70,094)	(175,219)
Cash and Cash Equivalents - Beginning of Year	<u>148,519</u>	<u>59,424</u>	<u>207,943</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 43,394</u>	<u>\$ (10,670)</u>	<u>\$ 32,724</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES			
Operating Loss	\$ (225,152)	\$ (146,009)	\$ (371,161)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Depreciation	3,108	2,792	5,900
(Increase) Decrease in:			
Accounts Receivable	(33,046)	(42,640)	(75,686)
Prepaid Costs			
Inventory	-	12	12
Deferred Outflows - Pension	-	(4,269)	(4,269)
Deferred Outflows - OPEB	-	110	110
Increase (Decrease) in:			
Accounts Payable and Other Liabilities	4,774	3,590	8,364
Compensated Absences	-	(312)	(312)
Net Pension Liability	-	27,343	27,343
Net OPEB Liability (Asset)	-	(8,963)	(8,963)
Deferred Inflows - OPEB	-	1,410	1,410
Deferred Inflows - Pension	-	(3,778)	(3,778)
Net Cash Used by Operating Activities	<u>\$ (250,316)</u>	<u>\$ (170,714)</u>	<u>\$ (421,030)</u>

**COUNTY OF COLUSA, CALIFORNIA
 COMBINING STATEMENT OF NET POSITION
 CUSTODIAL FUNDS
 JUNE 30, 2021**

	Custodial External Investment Pool	Custodial External Investment Pool - Cemetery	Custodial External Investment Pool - Fire
ASSETS			
Cash and Investments	\$ 14,328,419	\$ 2,570,675	\$ 5,493,372
Receivables:			
Accounts	-	-	-
Intergovernmental	-	-	-
Taxes	-	-	-
Interest	-	-	-
Total Assets	14,328,419	2,570,675	5,493,372
LIABILITIES			
Accounts Payable and			
Other Liabilities	121,693	348,887	19,282
Total Liabilities	121,693	348,887	19,282
NET POSITION			
Restricted for:			
Pool Participants	14,206,726	2,221,788	5,474,090
Total Net Position	\$ 14,206,726	\$ 2,221,788	\$ 5,474,090

**COUNTY OF COLUSA, CALIFORNIA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
CUSTODIAL FUNDS
JUNE 30, 2021**

	Custodial External Investment Pool - Misc Special District	Custodial External Investment Pool - State Water Resources	Other Custodial Fund	Totals
ASSETS				
Cash and Investments	\$ 1,372,090	\$ 36,221	\$ 3,145,362	\$ 26,946,139
Receivables:				
Accounts	-	-	1,188	1,188
Intergovernmental	24,500	-	417,942	442,442
Taxes	-	-	33,698	33,698
Interest	-	-	1,357	1,357
Total Assets	<u>1,396,590</u>	<u>36,221</u>	<u>3,599,547</u>	<u>27,424,824</u>
LIABILITIES				
Accounts Payable and Other Liabilities	<u>2,213</u>	<u>36,249</u>	<u>2,804,643</u>	<u>3,332,967</u>
Total Liabilities	<u>2,213</u>	<u>36,249</u>	<u>2,804,643</u>	<u>3,332,967</u>
NET POSITION				
Restricted for:				
Pool Participants	<u>1,394,377</u>	<u>(28)</u>	<u>794,904</u>	<u>24,091,857</u>
Total Net Position	<u>\$ 1,394,377</u>	<u>\$ (28)</u>	<u>\$ 794,904</u>	<u>\$ 24,091,857</u>

**COUNTY OF COLUSA, CALIFORNIA
 COMBINING STATEMENT OF CHANGES IN NET POSITION
 CUSTODIAL FUNDS
 YEAR ENDED JUNE 30, 2021**

	Custodial External Investment Pool	Custodial External Investment Pool - Cemetery	Custodial External Investment Pool - Fire
ADDITIONS			
Contributions to Investment Pool	\$ 18,603,121	\$ 231,802	\$ 2,044,703
Property Taxes Collected for Other Governments	3,259,849	566,742	1,574,897
Investment Earnings	101,874	32,408	44,919
Total Assets	<u>21,964,844</u>	<u>830,952</u>	<u>3,664,519</u>
DEDUCTIONS			
Distributions from Investment Pool	<u>17,747,692</u>	<u>632,667</u>	<u>2,818,353</u>
Total Liabilities	<u>17,747,692</u>	<u>632,667</u>	<u>2,818,353</u>
CHANGE IN NET POSITION	4,217,152	198,285	846,166
Net Position - Beginning of Year	<u>9,989,574</u>	<u>2,023,503</u>	<u>4,627,924</u>
NET POSITION - END OF YEAR	<u>\$ 14,206,726</u>	<u>\$ 2,221,788</u>	<u>\$ 5,474,090</u>

**COUNTY OF COLUSA, CALIFORNIA
COMBINING STATEMENT OF CHANGES IN NET POSITION
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2021**

	Custodial External Investment Pool - Misc Special District	Custodial External Investment Pool - State Water Resources	Other Custodial Fund	Totals
ADDITIONS				
Contributions to Investment Pool	\$ 1,689,813	\$ 2,217	\$ 1,535,876	\$ 24,107,532
Property Taxes Collected for Other Governments	729,382	358,676	1,836,777	8,326,323
Investment Earnings	18,868	344	10,540	208,953
Total Assets	<u>2,438,063</u>	<u>361,237</u>	<u>3,383,193</u>	<u>32,642,808</u>
DEDUCTIONS				
Distributions from Investment Pool	<u>2,672,415</u>	<u>361,283</u>	<u>3,287,487</u>	<u>27,519,897</u>
Total Liabilities	<u>2,672,415</u>	<u>361,283</u>	<u>3,287,487</u>	<u>27,519,897</u>
CHANGE IN NET POSITION	(234,352)	(46)	95,706	5,122,911
Net Position - Beginning of Year	<u>1,628,729</u>	<u>18</u>	<u>699,198</u>	<u>18,968,946</u>
NET POSITION - END OF YEAR	<u><u>\$ 1,394,377</u></u>	<u><u>\$ (28)</u></u>	<u><u>\$ 794,904</u></u>	<u><u>\$ 24,091,857</u></u>

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

