

COUNTY OF YUBA
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2020



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YEAR ENDED JUNE 30, 2020**

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INDEPENDENT AUDITORS' REPORT

Honorable Board of Supervisors
County of Yuba
Marysville, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Yuba, California, (the County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Yuba County Water Agency and the Yuba First Five Commission, which represent 100% of the assets, net position, and revenues of the discretely presented component units. These financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinion insofar as they relate to the amounts included in the discretely presented component units, is based solely on the report by other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of change in the net pension liability and related ratios, schedule of contributions, schedule of changes to the total OPEB liability and budgetary comparison information, as listed in the table of contents, 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

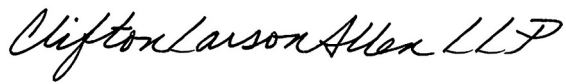
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic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

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

Honorable Board of Supervisors
County of Yuba

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2021 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
March 25, 2021



MANAGEMENT'S DISCUSSION AND ANALYSIS



**COUNTY OF YUBA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

This Management Discussion and Analysis of the County of Yuba's (County) basic financial statements presents a discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2020. Please read it in conjunction with the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the 2019-2020 fiscal year by \$122.6 million. Of this amount, \$68.8 million is restricted for capital projects, debt service, and other public uses (restricted net position), and \$212.8 million is invested in capital assets, net of related debt. Unrestricted net position is deficit by \$159.1 million. Unrestricted Net Position consists mainly of Net Pension Liability and Net OPEB Liability in the amounts of \$155.0 million and \$20.7 million, respectively. Further details of the Net Pension Liability and the Net OPEB Liability can be found in Notes 10 and 12 to the financial statements.

Fiscal year 19-20 was a year of growth for Yuba County. The County began experiencing an increase in housing construction and an accompanying increase in property values. This resulted in growth in property tax revenues. Coupled with that growth was an increase in sales tax revenues. The County collected approximately \$5.1 million in sales tax revenue specifically related to the 1% sales tax measure passed in November 2018. However, the county continues to restrict these resources pending the resolution of pending litigation. See Note 14 for additional information.

During the last quarter of fiscal year 19-20 the County began its response to the COVID-19 pandemic. The initial response came under the FEMA umbrella but shifted to the Department of Health as the efforts progressed. The county expended significant funds in response to the pandemic in an effort to comply with health directives, assist other agencies and organizations with their response efforts, and protect the public welfare. The county initially expected to see a decrease in sales tax revenues in the last quarter, however we noted that the revenue increased nominally. The county is in a position where the majority of discretionary revenue comes from property taxes which has currently not had a significant adverse affect on county financial operations.

In the latter half of 19-20, the sheriff fleet entered into a lease agreement to purchase \$1.2 million in vehicles for operations. This allowed the sheriff to modernize a significant number of vehicles in the fleet, reducing annual maintenance costs. Approximately \$600k of assets was acquired in 19-20 with the remaining assets acquired in the beginning of the 20-21 fiscal year.

As a continuation of the clean up efforts from the 2018 Camp Fire, the county received fire-related waste and debris. The county collects revenue from disposal of fire related debris which again increased collections of waste disposal fees. The county received approximately \$4.4 million in such fees in 19-20, the majority of which were received in the first quarter of 19-20. These fees are not typical and are not expected to continue at this level. We saw a return to normal for this revenue source in the latter half of 19-20.

The county also completed a substantial number of construction projects in 19-20, moving approximately \$28.0 million in Construction in Process (CIP) projects to functioning assets. See Note 4 for additional information.

**COUNTY OF YUBA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

As of June 30, 2020, the County's governmental funds reported combined fund balances of \$136.1 million. Of this amount, approximately \$44.5 million dollars are designated as assigned and unassigned in accordance with GASB 54 pronouncements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements and 3) Notes 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 private-sector business.

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

The statement of activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. earned but uncollected revenues and earned but unused vacation leave). Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, recreation and cultural services. The business-type activities of the County include the County Airport.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for government activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of

**COUNTY OF YUBA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

In addition to the General Fund, the County maintains individual governmental funds organized according to their type (special revenue, debt service, and capital projects). Major funds are presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. Major governmental funds include the General Fund, Public Works Fund, Social Services Fund, Public Safety Fund, and the debt service fund of the Yuba County Financing Authority, a blended component unit. All other governmental fund types are presented in aggregate as Other Governmental Funds.

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

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's programs. The County's fiduciary funds are comprised of agency funds and the investment trust fund, and private purpose trust fund.

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 regarding the County's budgetary process has been provided along with budgetary comparison schedules for the County's general fund and for each of the major governmental special revenue funds. This budgetary information is in addition to and follows the supplementary schedule concerning the County's progress in funding its obligation to provide pension and other postemployment benefits to its employees.

**COUNTY OF YUBA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

**Table 1
The County's Net Position (In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets:						
Current and Other Assets	\$ 156,358	\$ 130,348	\$ 102	\$ 304	\$ 156,460	\$ 130,652
Capital Assets	237,803	226,337	5,867	6,047	243,670	232,384
Total Assets	394,161	356,685	5,969	6,351	400,130	363,036
Deferred Outflows of Resources	27,663	30,930	-	-	27,663	30,930
Liabilities:						
Current and Other Liabilities	19,188	22,233	55	476	19,243	22,709
Long-Term Liabilities	280,221	272,169	209	226	280,430	272,395
Total Liabilities	299,409	294,402	264	702	299,673	295,104
Deferred Inflows of Resources	5,504	5,975	-	-	5,504	5,975
Net Position:						
Net Investment in Capital Assets	207,163	191,714	5,641	5,803	212,804	197,517
Restricted Net Position	68,882	67,970	-	-	68,882	67,970
Unrestricted Net Position	(159,134)	(172,446)	64	(154)	(159,070)	(172,600)
Total Net Position	\$ 116,911	\$ 87,238	\$ 5,705	\$ 5,649	\$ 122,616	\$ 92,887

ANALYSIS OF NET POSITION

As noted earlier, net position may serve as a useful indicator of government's financial position. In the case of the County of Yuba, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$122.6 million at the close of the fiscal year ending June 30, 2020. The increase in net position can be attributed in part, to an increase in total assets from \$363.0 million in 2019 to \$400.1 million in 2020, coupled with a smaller increase in liabilities, from \$295.1 million in 2019 to \$299.7 million in 2020.

Restricted Net Position, the use of which is restricted by entities external to the County (i.e. external creditors, other governmental agencies, or by law through constitutional powers or enabling legislation) comprise \$68.9 million for the current fiscal year, an increase of \$9 million from the prior year total of \$68.0 million.

Net investment in capital assets increased from \$197.5 million in 2019 to \$212.8 million in 2020. Note 5 to the financial statements contains further details of the County's fixed assets.

**COUNTY OF YUBA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

The following table indicates the changes in net position for governmental and business-type activities:

**Table 2
The County's Net Position
(in Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for Services	\$ 60,863	\$ 40,787	\$ 481	\$ 380	\$ 61,344	\$ 41,167
Operating Grants and Contributions	112,836	94,479	-	-	112,836	94,479
Capital Grants and Contributions	3,070	10,070	406	3,452	3,476	13,522
General Revenues:						
Property Taxes	14,720	13,154	-	-	14,720	13,154
Transit Occupancy Tax	399	449	-	-	399	449
Sales and Use Taxes	11,885	7,178	-	-	11,885	7,178
Other	711	725	-	-	711	725
Unrestricted Interest and Investment Earnings	2,517	3,173	-	1	2,517	3,174
Miscellaneous	6,237	5,167	-	-	6,237	5,167
Total Revenues	213,238	175,182	887	3,833	214,125	179,015
Expenses						
General Government	14,332	15,799	-	-	14,332	15,799
Public Safety	72,479	63,277	-	-	72,479	63,277
Public Ways and Facilities	19,001	19,491	-	-	19,001	19,491
Health and Sanitation	8,054	8,022	-	-	8,054	8,022
Public Assistance	64,268	59,003	-	-	64,268	59,003
Education	927	765	-	-	927	765
Recreation and Culture	285	565	-	-	285	565
Interest on Long-Term Debt	4,084	3,807	-	-	4,084	3,807
Airport	-	-	966	684	966	684
Total Expenses	183,430	170,729	966	684	184,396	171,413
Change in Net Position Before Transfers	29,808	4,453	(79)	3,149	29,729	7,602
Transfers	(135)	(50)	135	50	-	-
Change in Net Position	29,673	4,403	56	3,199	29,729	7,602
Net Position - Beginning of Year	87,238	82,835	5,649	2,450	92,887	85,285
Net Position - End of Year	\$ 116,911	\$ 87,238	\$ 5,705	\$ 5,649	\$ 122,616	\$ 92,887

Overall, activities in the current year increased the County's net position by \$29.7 million. The County saw an overall increase of \$35.1 million in revenues to \$214.1 million in 2020 from \$179.0 million in 2019. A portion of the increase resulted from recognizing approximately \$16.9 million in revenue resulting from a legal settlement related to fires. The revenue was recognized in 19-20 but the cash was not received until the 20-21 fiscal year. The County saw a decrease of \$10.0 million on capital grants and contributions. The county saw an increase in property tax revenue, to \$14.7 million in 2020 from \$13.2 million in 2019. The increase in revenue was accompanied by an increase of \$13.0 million in expenses, from \$171.4 million to \$184.4 million. Public Safety expenditures increased from \$63.3 million to \$72.5 million and Public Assistance saw an increase of \$5.3 million. The county has identified Public Safety as a priority for and has dedicated additional resources to bolster such services to the public. The increase in Public Assistance is driven by an increased focus on the homeless and also providing aid an assistance to combatting COVID-19. We expect these types of expenditures to continue into 20-21 due to the ongoing pandemic.

**COUNTY OF YUBA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental funds: Governmental activities are generally accounted for under the General Fund, 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 as spendable resources. Such information is useful in assessing the County's short-term financing requirements, in particular, unreserved fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

As of June 30, 2020, the County's governmental funds reported a combined ending fund balance of \$136.0 million, compared to \$108.8 million of the previous year, an increase of 25.0%. Of the \$136.0 million in fund balance, \$62.9 million is classified under GASB 54 as restricted, due to grant and other regulatory provisions. Committed and Assigned fund balance increased from \$32.3 million to \$57.7 million from 2019 to 2020.

The General Fund is the chief operating fund of the County. As of June 30, 2020, the General Fund had an overall unrestricted fund balance of \$56.1 million. Of the \$56.1 million, \$13.6 million is committed to activities related to Public Protection, Education, Capital Projects, and other governmental functions. The County has also assigned \$27.1 million of the overall unrestricted fund balance for General Contingencies, Capital Projects, Recreation & Cultural, and other efforts.

In addition to the General Fund, the County maintains four major governmental funds: the Public Works fund, Social Services fund, the Public Safety fund, and the Yuba Levee Financing Authority Debt Service fund.

The Public Works fund is used for the planning, design, construction, maintenance, and administration of the County's roads and infrastructure. The Public Works fund recorded \$17.7 million in revenues for 2020 compared to \$22.8 million in revenues in 2019. Expenditures increased to \$28.0 million in 2020 from \$27.3 million in 2019. As previously mentioned, expenditures in the Public Works fund are driven mainly by other governmental funding, typically from the state of California and the federal government. Public Works also entered into a loan arrangement with the Yuba Water Agency in fiscal year 18-19 to fund seventy miles of road repairs in the County. The loan was secured by future revenue streams from the increase in gas taxes passed in November 2018. The reduction in revenue and the increase in expenditures is caused by the fact that the revenue for the construction projects was received toward the end of 18-19 but the construction efforts didn't start until early 19-20.

The Social Services fund is used for providing services and assistance to County individuals and families, including foster care, medical services, general assistance for indigent adults, and time-limited benefit payment programs to help needy families. The Social Services fund reported \$54.4 million in revenues for 2020 compared to \$46.9 million in revenues for 2019. Expenditures for Social Service increased by approximately \$5.6 million from 2019 to 2020.

The Public Safety fund accounts for the operations of public safety departments that include sheriff, district attorney, jail, and juvenile hall. In 2020, revenues were \$15.4 million compared to \$13.7 million in 2019. Expenditures during 2020 increased by \$2.8 million to \$42.6 million; up from \$39.8 million in 2019. Public Safety receives the majority of their funding in the form of transfers in from the General

**COUNTY OF YUBA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Fund. Transfers In to Public Safety increased from \$26.3 million in 2019 to \$27.7 million in 2020. As stated previously, this situation results from the county prioritizing Public Safety efforts and dedicating discretionary revenue to that function.

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

The County's only enterprise fund is the County Airport. Net position for the Airport as of June 30, 2020 was \$5.7 million which was an increase from a 2019 balance of \$5.6 million. For the fiscal year ended June 30, 2020, the Airport generated an operating loss of approximately \$485 thousand, but received transfers in the amount of approximately \$134.8 thousand which caused the fund to end the year with a positive cash change in net position of approximately \$55.8 thousand.

GENERAL FUND BUDGETARY HIGHLIGHTS

**Table 3
Budgetary Comparison Schedule – General Fund
Year Ended June 30, 2020
(In Thousands)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Budgetary Fund Balances - Beginning	\$ 30,209	\$ 30,209	\$ 30,209	\$ -
Resources (Inflows)	79,812	81,950	62,447	(19,503)
Total Charges to Appropriations	<u>(84,646)</u>	<u>(86,942)</u>	<u>(56,279)</u>	<u>30,663</u>
Budgetary Fund Balances - Ending	<u>\$ 25,375</u>	<u>\$ 25,217</u>	<u>\$ 36,377</u>	<u>\$ 11,160</u>

Actual inflows for 2020 were lower than the final budgeted revenue by \$19.5 million. The County's actual expenditures were lower than budgeted expenditures by approximately \$53.1 million.

Capital Assets: The County of Yuba's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounted to \$243.7 million (net of accumulated depreciation) compared to \$232.4 million reported in 2019. This investment in capital assets includes land, buildings and improvements, machinery and equipment, roads, highways, and bridges. Additional information on the County's capital assets can be found in Note 5 of the Notes to Basic Financial Statements.

**COUNTY OF YUBA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Debt Administration: At the end of the current fiscal year, the County had total long-term obligations outstanding of \$111.3 million. The long-term obligations are as follows:

- \$70.1 million – Refunded Bonds Payable
- \$11.7 million – Certificates of Participation
- \$9.3 million – Capital Leases
- \$8.2 million – Note Payable for Roadway improvements

Additional information on the County's long-term debt obligations can be found in Note 7 of the Notes to the Basic Financial Statements.

ECONOMIC OUTLOOK

Due to the COVID-19 pandemic, the county is focused on responding to community needs as much as is feasible. We had expected a decrease in discretionary revenues but that has not materialized to the extent anticipated. Yuba County derives the majority of discretionary revenue from property taxes. The governor of California provided a stay for delinquencies in property tax payments through May, 2021. We expected this to create an increase in delinquent (or late) payments but our overall delinquency percentage for 19-20 did not increase. There is a chance that percentage could increase for 20-21 but we do not expect a significant increase.

Sales tax, while important is not a primary contributor. And the single largest sales tax generator for the county is a large retail store that was deemed "essential" by California standards and continued to provide services to the public. Additionally, sales tax generated from online sales provided additional revenue. As the county is not dependent significantly on sales tax revenue for operations, we have not seen adverse financial impacts.

For fiscal year 20-21, the county expects to see increased expenditures related to the pandemic response. The county shifted, as much as possible, to a telework operation and invested in technology resources to improve that capacity across all governmental functions. At the same time, the county expects to receive significant funding from federal and state intergovernmental resources to offset some of the costs associated with the response.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Yuba County Auditor-Controller, 915 8th Street, Suite 105, Marysville, California 95901.



BASIC FINANCIAL STATEMENTS
Government-Wide Financial Statements



COUNTY OF YUBA
STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Totals	First Five Commission	Yuba County Water Agency
ASSETS					
Cash and Investments	\$ 103,188,979	\$ 29,667	\$ 103,218,646	\$ 2,490,115	\$ 140,211,203
Accounts Receivable	24,831,251	72,465	24,903,716	-	4,322,873
Interest Receivable	594,250	-	594,250	14,662	709,683
Due from Other Governments	10,779,452	-	10,779,452	129,848	2,377,862
Inventories	76,659	-	76,659	-	-
Prepaid Expenses	5,831	-	5,831	-	777,734
Deposits With Others	724,025	-	724,025	-	-
Notes Receivable	16,157,860	-	16,157,860	-	38,292,922
OPEB Asset	-	-	-	-	821,263
Capital Assets:					
Nondepreciable	31,672,131	685,767	32,357,898	-	61,838,760
Depreciable, Net	206,130,931	5,181,246	211,312,177	-	147,799,336
Total Assets	<u>394,161,369</u>	<u>5,969,145</u>	<u>400,130,514</u>	<u>2,634,625</u>	<u>397,151,636</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charge on Refunding	4,006,249	-	4,006,249	-	-
Deferred OPEB	1,062,566	-	1,062,566	-	700,695
Deferred Pension	22,594,156	-	22,594,156	-	1,969,583
	<u>27,662,971</u>	<u>-</u>	<u>27,662,971</u>	<u>-</u>	<u>2,670,278</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	4,187,180	13,875	4,201,055	56,796	4,589,578
Salaries and Benefits Payable	6,137,945	-	6,137,945	23,104	185,467
Due to Component Unit	-	-	-	-	75,000
Interest Payable	1,304,727	-	1,304,727	-	-
Deposits from Others	-	23,995	23,995	-	621,785
Other Liabilities	104,862	-	104,862	-	-
Unearned Revenue	518,224	-	518,224	-	8,855,248
Long-Term Liabilities:					
Due Within One Year	6,935,250	17,675	6,952,925	15,171	801,758
Due in More than One Year	104,410,470	208,790	104,619,260	-	298,263
Net OPEB Liability					
Due Within One Year	633,671	-	633,671	-	-
Due in More than One Year	20,084,949	-	20,084,949	-	-
Net Pension Liability	155,091,698	-	155,091,698	-	2,529,141
Total Liabilities	<u>299,408,976</u>	<u>264,335</u>	<u>299,673,311</u>	<u>95,071</u>	<u>17,956,240</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Pension	3,001,685	-	3,001,685	-	467,018
Deferred OPEB	2,502,259	-	2,502,259	-	518,401
Total Deferred Inflow of Resources	<u>5,503,944</u>	<u>-</u>	<u>5,503,944</u>	<u>-</u>	<u>985,419</u>
NET POSITION					
Net investment in capital assets	207,162,640	5,640,548	212,803,188	-	209,638,096
Restricted for:					
Capital projects	99,222	-	99,222	-	-
Debt service	7,654,359	-	7,654,359	-	-
Other	61,128,533	-	61,128,533	2,539,554	-
Unrestricted	(159,133,334)	64,262	(159,069,072)	-	171,242,159
Total Net Position	<u>\$ 116,911,420</u>	<u>\$ 5,704,810</u>	<u>\$ 122,616,230</u>	<u>\$ 2,539,554</u>	<u>\$ 380,880,255</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF YUBA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	First Five Commission	Yuba County Water Agency
					Governmental Activities	Business-Type Activities			
PRIMARY GOVERNMENT									
Governmental Activities:									
General Government	\$ 14,332,427	\$ 31,820,093	\$ 19,357,665	\$ -	\$ 36,845,331	\$ -	\$ 36,845,331		
Public Protection	72,478,916	17,244,810	10,764,584	-	(44,469,522)	-	(44,469,522)		
Public Ways and Facilities	19,001,301	8,960,948	6,488,461	3,069,779	(482,113)	-	(482,113)		
Health and Sanitation	8,054,288	1,752,439	6,227,907	-	(73,942)	-	(73,942)		
Public Assistance	64,266,103	1,059,020	69,971,896	-	6,764,813	-	6,764,813		
Education	927,249	14,296	25,919	-	(887,034)	-	(887,034)		
Recreation and Culture	285,420	11,569	-	-	(273,851)	-	(273,851)		
Interest on Long-Term Debt	4,083,830	-	-	-	(4,083,830)	-	(4,083,830)		
Total Governmental Activities	183,429,534	60,863,175	112,836,432	3,069,779	(6,660,148)	-	(6,660,148)		
Business-Type Activities:									
Airport	966,331	480,631	-	406,268	-	(79,432)	(79,432)		
Total Business-Type Activities	966,331	480,631	-	406,268	-	(79,432)	(79,432)		
Total Primary Government	\$ 184,395,865	\$ 61,343,806	\$ 112,836,432	\$ 3,476,047	(6,660,148)	(79,432)	(6,739,580)		
Component Units:									
First Five Commission	\$ 922,054	\$ -	\$ 874,859	\$ -				\$ (47,195)	\$ -
Yuba County Water Agency	54,102,983	60,824,920	4,247,515	-				-	10,969,452
Total Component Units	\$ 55,025,037	\$ 60,824,920	\$ 5,122,374	\$ -				(47,195)	10,969,452
GENERAL REVENUES									
Taxes:									
Property Taxes					14,719,714	-	14,719,714	-	2,739
Sales and Use Taxes					11,884,588	-	11,884,588	-	-
Transient Occupancy Tax					398,901	-	398,901	-	-
Other					711,143	-	711,143	-	-
Unrestricted Interest and Investment Earnings					2,517,248	131	2,517,379	51,714	3,875,017
Miscellaneous					6,236,524	269	6,236,793	-	38,342
Transfers					(134,791)	134,791	-	-	-
Total General Revenues					36,333,327	135,191	36,468,518	51,714	3,916,098
Change in Net Position					29,673,179	55,759	29,728,938	4,519	14,885,550
Net Position - Beginning of Year					87,238,241	5,649,051	92,887,292	2,535,035	365,994,705
Net Position - End of Year					\$ 116,911,420	\$ 5,704,810	\$ 122,616,230	\$ 2,539,554	\$ 380,880,255

See accompanying Notes to Basic Financial Statements.



BASIC FINANCIAL STATEMENTS

Fund Financial Statements



**COUNTY OF YUBA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	General	Public Works	Social Services
ASSETS			
Cash and Investments	\$ 39,649,485	\$ 24,584,278	\$ 10,558,210
Accounts Receivable	19,127,433	579,650	1,894,325
Due from Other Governments	3,019,618	677,614	3,782,696
Interest Receivable	378,306	124,617	3,925
Due from Other Funds	368,399	431,546	818,745
Prepays	5,831	-	-
Notes Receivable	250,000	-	-
Inventory	-	76,659	-
	<u>\$ 62,799,072</u>	<u>\$ 26,474,364</u>	<u>\$ 17,057,901</u>
LIABILITIES			
Accounts Payable	\$ 680,261	\$ 1,360,081	\$ 856,627
Salaries and Benefits Payable	1,950,080	251,880	1,593,466
Due to Other Funds	446,546	261,767	49,526
Other Liabilities	-	-	-
Unearned Revenue	-	-	518,224
Total Liabilities	<u>3,076,887</u>	<u>1,873,728</u>	<u>3,017,843</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	736,234	418,403	1,873,894
FUND BALANCES			
Nonspendable	5,831	76,659	-
Restricted	2,883,466	9,092,345	12,166,164
Committed	13,640,561	15,013,229	-
Assigned	27,057,263	-	-
Unassigned	15,398,830	-	-
Total Fund Balances	<u>58,985,951</u>	<u>24,182,233</u>	<u>12,166,164</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 62,799,072</u>	<u>\$ 26,474,364</u>	<u>\$ 17,057,901</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF YUBA
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Public Safety	Yuba Levee Financing Authority Debt Service Fund	Other Governmental	Total
ASSETS				
Cash and Investments	\$ 3,588,177	\$ 161,836	\$ 20,793,763	\$ 99,335,749
Accounts Receivable	1,403,774	-	592,715	23,597,897
Due from Other Governments	137,747	-	3,161,777	10,779,452
Interest Receivable	8,102	722	60,279	575,951
Due from Other Funds	206,887	-	109,790	1,935,367
Prepays	-	-	-	5,831
Notes Receivable	-	8,787,814	7,120,046	16,157,860
Inventory	-	-	-	76,659
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 5,344,687</u>	<u>\$ 8,950,372</u>	<u>\$ 31,838,370</u>	<u>\$ 152,464,766</u>
LIABILITIES				
Accounts Payable	\$ 522,584	\$ -	\$ 420,787	\$ 3,840,340
Salaries and Benefits Payable	1,977,764	-	364,755	6,137,945
Due to Other Funds	-	-	1,177,528	1,935,367
Other Liabilities	-	-	104,862	104,862
Unearned Revenue	-	-	-	518,224
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>2,500,348</u>	<u>-</u>	<u>2,067,932</u>	<u>12,536,738</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	345,212	-	495,999	3,869,742
FUND BALANCES				
Nonspendable	-	-	-	82,490
Restricted	521,004	8,950,372	29,237,859	62,851,210
Committed	-	-	-	28,653,790
Assigned	1,978,123	-	36,580	29,071,966
Unassigned	-	-	-	15,398,830
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>2,499,127</u>	<u>8,950,372</u>	<u>29,274,439</u>	<u>136,058,286</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,344,687</u>	<u>\$ 8,950,372</u>	<u>\$ 31,838,370</u>	<u>\$ 152,464,766</u>

**COUNTY OF YUBA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2020**

Fund Balance - Total Governmental Funds \$ 136,058,286

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. 225,048,548

Unavailable revenues represent amounts not available to fund current expenditures and, therefore, are not reported in the governmental funds. 3,869,742

Deferred outflows of resources - refunding 4,006,249
 Deferred outflows of resources - pension 22,594,156
 Deferred outflows of resources - OPEB 1,062,566

Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds. (1,304,727)

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

Bonds Payable (73,047,435)
 Notes Payable (8,215,000)
 Certificates of Participation (7,033,921)
 Capital Leases (3,643,106)
 Compensated Absences (7,980,890)
 Net OPEB Liability (20,718,620)
 Net Pension Liability (155,091,698)

Deferred inflows of resources - pension (3,001,685)
 Deferred inflows of resources - OPEB (2,502,259)

Internal service funds are used by the County to charge the cost of self-insurance risk management and management of fleet maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 6,811,214

Net Position of Governmental Activities \$ 116,911,420



**COUNTY OF YUBA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>General</u>	<u>Public Works</u>	<u>Social Services</u>
REVENUES			
Taxes	\$ 27,032,780	\$ 593,689	\$ -
Licenses, Permits, and Fees	6,584,005	2,537,827	-
Fines, Forfeitures, and Penalties	18,155,251	40,000	-
Use of Money and Property	1,481,347	447,363	5,719
Intergovernmental	23,833,436	9,638,387	53,286,345
Charges for Services	13,655,305	4,059,497	1,053,584
Other Revenues	1,208,056	400,343	10,880
Total Revenues	<u>91,950,180</u>	<u>17,717,106</u>	<u>54,356,528</u>
EXPENDITURES			
Current:			
General Government	13,516,797	-	-
Public Protection	17,411,896	-	-
Public Ways and Facilities	1,032	27,998,093	-
Health and Sanitation	1,462,481	-	3,743
Public Assistance	531,682	-	60,548,403
Education	877,959	-	-
Recreation and Culture	332,266	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>34,134,113</u>	<u>27,998,093</u>	<u>60,552,146</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	57,816,067	(10,280,987)	(6,195,618)
OTHER FINANCING SOURCES (USES)			
Transfers in	3,253,686	8,575,006	10,157,351
Transfers out	<u>(32,292,776)</u>	<u>(1,176,447)</u>	<u>(977,473)</u>
Total Other Financing Sources (Uses)	<u>(29,039,090)</u>	<u>7,398,559</u>	<u>9,179,878</u>
NET CHANGES IN FUND BALANCES	28,776,977	(2,882,428)	2,984,260
Fund Balances - Beginning of Year	<u>30,208,974</u>	<u>27,064,661</u>	<u>9,181,904</u>
FUND BALANCES - END OF YEAR	<u>\$ 58,985,951</u>	<u>\$ 24,182,233</u>	<u>\$ 12,166,164</u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF YUBA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	Public Safety	Yuba Levee Financing Authority Debt Service Fund	Other Governmental	Total
REVENUES				
Taxes	\$ -	\$ -	\$ 87,877	\$ 27,714,346
Licenses, Permits, and Fees	38,423	644,776	-	9,805,031
Fines, Forfeitures, and Penalties	80,114	-	93,173	18,368,538
Use of Money and Property	273,203	6,068	268,181	2,481,881
Intergovernmental	2,842,331	-	25,081,901	114,682,400
Charges for Services	11,355,643	-	2,593,077	32,717,106
Other Revenues	767,411	-	3,849,834	6,236,524
Total Revenues	<u>15,357,125</u>	<u>650,844</u>	<u>31,974,043</u>	<u>212,005,826</u>
EXPENDITURES				
Current:				
General Government	-	-	-	13,516,797
Public Protection	42,560,890	-	3,474,198	63,446,984
Public Ways and Facilities	-	-	1,552,992	29,552,117
Health and Sanitation	-	-	6,363,746	7,829,970
Public Assistance	-	-	94,020	61,174,105
Education	-	-	-	877,959
Recreation and Culture	-	-	-	332,266
Debt Service:				
Principal	-	-	3,321,742	3,321,742
Interest	-	-	3,597,052	3,597,052
Capital Outlay	-	-	283,165	283,165
Total Expenditures	<u>42,560,890</u>	<u>-</u>	<u>18,686,915</u>	<u>183,932,157</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(27,203,765)	650,844	13,287,128	28,073,669
OTHER FINANCING SOURCES (USES)				
Transfers in	27,707,739	-	4,474,662	54,168,444
Transfers out	(370,780)	(1,644,563)	(18,564,481)	(55,026,520)
Total Other Financing Sources (Uses)	<u>27,336,959</u>	<u>(1,644,563)</u>	<u>(14,089,819)</u>	<u>(858,076)</u>
NET CHANGES IN FUND BALANCES	133,194	(993,719)	(802,691)	27,215,593
Fund Balances - Beginning of Year	<u>2,365,933</u>	<u>9,944,091</u>	<u>30,077,130</u>	<u>108,842,693</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,499,127</u>	<u>\$ 8,950,372</u>	<u>\$ 29,274,439</u>	<u>\$ 136,058,286</u>

**COUNTY OF YUBA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2020**

Net Change to Fund Balance - Total Governmental Funds \$ 27,215,593

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

Revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 1,110,154

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

Expenditures for General Capital Assets and Infrastructure	\$ 25,112,154	
Less: Current Year Depreciation	<u>(13,355,462)</u>	11,756,692

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

Principal Repayments on Long-term Debt		3,321,742
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of long-term debt discounts and premiums	(227,494)	
Change in Compensated Absences	(828,239)	
Change in Interest Payable	10,066	
Change in Net Pension Liability and Related Deferred Inflows/Outflows	(12,825,898)	
Change in Net OPEB Liability and Related Deferred Inflows/Outflows	<u>(892,895)</u>	(14,764,460)

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

1,033,458

Change in Net Position of Governmental Activities **\$ 29,673,179**

**COUNTY OF YUBA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020**

	Business-Type Activities - Enterprise Fund	Governmental Activities
	Nonmajor Enterprise Fund County Airport	Internal Service Funds
ASSETS		
Current Assets:		
Cash and Investments	\$ 29,667	\$ 3,853,230
Accounts Receivable	72,465	1,233,354
Interest Receivable	-	18,299
Deposits with others	-	724,025
Total Current Assets	102,132	5,828,908
Noncurrent Assets:		
Capital Assets:		
Nondepreciable	685,767	-
Depreciable, Net	5,181,246	12,754,514
Total Noncurrent Assets	5,867,013	12,754,514
Total Assets	5,969,145	18,583,422
LIABILITIES		
Current Liabilities:		
Accounts Payable	13,875	346,840
Deposits from others	23,995	-
Certificates of Participation, Current Portion	-	170,000
Capital Leases, Current Portion	-	828,817
Notes Payable, Current Portion	17,675	-
Claims Liability, Current Portion	-	75,000
Total Current Liabilities	55,545	1,420,657
Noncurrent Liabilities:		
Certificates of Participation	-	5,021,138
Capital Leases	-	4,836,413
Notes Payable	208,790	-
Claims Liability	-	494,000
Total Noncurrent Liabilities	208,790	10,351,551
Total Liabilities	264,335	11,772,208
NET POSITION		
Net Investment in Capital Assets	5,640,548	1,898,146
Unrestricted	64,262	4,913,068
Total Net Position	\$ 5,704,810	\$ 6,811,214

See accompanying Notes to Basic Financial Statements.

COUNTY OF YUBA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Fund Nonmajor Enterprise Fund County Airport	Governmental Activities Internal Service Funds
OPERATING REVENUES		
User Fees and Charges	\$ -	\$ 20,592,977
Rents and Concession	480,631	-
Other Revenue	269	41,634
Total Operating Revenues	480,900	20,634,611
OPERATING EXPENSES		
Salaries and Benefits	76,798	-
Services and Supplies	523,529	19,514,262
Claims Expense	-	(212,351)
Depreciation	357,136	874,701
Total Operating Expenses	957,463	20,176,612
OPERATING INCOME (LOSS)	(476,563)	457,999
NONOPERATING REVENUE (EXPENSES)		
Investment Income	131	35,367
Interest Expense	(8,868)	(269,350)
Intergovernmental Revenue	-	86,157
Total Nonoperating Revenue (Expenses)	(8,737)	(147,826)
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(485,300)	310,173
Capital Contributions	406,268	-
Transfers in	134,791	803,902
Transfers out	-	(80,617)
CHANGE IN NET POSITION	55,759	1,033,458
Net Position - Beginning of Year	5,649,051	5,777,756
NET POSITION - END OF YEAR	\$ 5,704,810	\$ 6,811,214

See accompanying Notes to Basic Financial Statements.

**COUNTY OF YUBA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

	Business-Type Activities - <u>Enterprise Fund</u>	<u>Governmental Activities</u>
	Nonmajor Enterprise Fund <u>County Airport</u>	<u>Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Customers and Users	\$ 464,484	\$ 20,377,576
Cash Paid to Suppliers for Goods and Services	(761,451)	(19,759,917)
Cash Paid to Employees for Salaries and Benefits	<u>(76,798)</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	(373,765)	617,659
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Received from Other Funds	(206,296)	-
Transfers in	134,791	803,902
Transfers out	-	(80,617)
Operating Grants	<u>-</u>	<u>86,157</u>
Net Cash Provided (Used) by Noncapital Financing Activities	(71,505)	809,442
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(177,614)	(72,653)
Capital Grants	406,268	-
Principal Paid on Capital Debt	(16,977)	(1,430,982)
Interest Paid on Capital Debt	<u>(8,868)</u>	<u>(269,350)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>202,809</u>	<u>(1,772,985)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	<u>277</u>	<u>41,036</u>
Net Cash Provided (Used) by Investing Activities	<u>277</u>	<u>41,036</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(242,184)	(304,848)
Cash and Cash Equivalents - Beginning of Year	<u>271,851</u>	<u>4,158,078</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 29,667</u>	<u>\$ 3,853,230</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF YUBA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

	Business-Type Activities - Enterprise Fund	Governmental Activities
	Nonmajor Enterprise Fund County Airport	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (476,563)	\$ 457,999
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	357,136	874,701
Changes in Assets and Liabilities:		
Receivables	(40,286)	(257,035)
Prepays	-	-
Deposits with Others	-	-
Accounts Payable	(237,922)	222,640
Accrued Salaries and Benefits	-	-
Deposits from Others	23,870	(141,646)
Compensated Absences	-	-
Claims Liability	-	(539,000)
Net Cash Provided (Used) by Operating Activities	\$ (373,765)	\$ 617,659
NONCASH INVESTING, CAPITAL AND FINANCIAL ACTIVITIES		
Purchase of equipment and vehicles on account	\$ -	\$ (1,235,670)

See accompanying Notes to Basic Financial Statements.

**COUNTY OF YUBA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

	Agency Funds	Investment Trust Fund	Private Purpose Trust Fund
ASSETS			
Cash and Investments	\$ 3,027,168	\$ 338,833,230	\$ 57,311
Cash with Fiscal Agent	-	2,799,337	-
Interest Receivable	-	1,518,818	273
Taxes Receivable	4,163,073	-	-
Total Assets	7,190,241	343,151,385	57,584
LIABILITIES			
Notes Payable	-	-	847,591
Agency Obligations	7,190,241	-	-
Total Liabilities	7,190,241	-	847,591
NET POSITION			
Net Position (Deficit) Held in Trust for Other Purposes	-	343,151,385	(790,007)
Total Net Position	\$ -	\$ 343,151,385	\$ (790,007)

See accompanying Notes to Basic Financial Statements.

**COUNTY OF YUBA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2020**

	Investment Trust Fund	Private Purpose Trust Fund
ADDITIONS		
Interest and Investment Income	\$ 4,988,385	\$ 936
Contributions from Participants	185,556,459	-
Other	-	41,946
	190,544,844	42,882
DEDUCTIONS		
Distributions to Participants	125,437,160	-
Total Deductions	125,437,160	-
CHANGE IN NET POSITION	65,107,684	42,882
Net Position - Beginning of Year	278,043,701	(832,889)
NET POSITION - END OF YEAR	\$ 343,151,385	\$ (790,007)

See accompanying Notes to Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS

The notes provided in the financial section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a summary of significant accounting policies for the County, and other necessary disclosure of pertinent matters relating to the financial position of the County. The notes express significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The County of Yuba (County), the primary government, is a political subdivision of the State of California. The County operates under an Administrator – Board of Supervisors form of government and provides the following services: public safety, highways and streets, sanitation, health and social services, public improvements, planning and zoning, and general administrative services.

The accounting methods and procedures adopted by the County conform to accounting principles generally accepted in the United States of America as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 61.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30th year-end.

Blended Component Units

The following entities are included in the County's reporting entity as blended component units because of their operational and financial relationship with the County and because the Yuba County Board of Supervisors also serves as their governing board.

Yuba Public Finance Corporation
In-Home Supportive Services Public Authority of the County of Yuba
County Community Service Areas and Districts
Linda Lighting District
Gledhill Landscaping and Lighting District

The Yuba Levee Finance Authority is included in the County's reporting entity as a blended component unit because of its financial relationship with the County. The Authority was formed on July 22, 2008, as a joint exercise of powers authority between the County of Yuba and the Yuba County Water Agency, for the primary purpose of providing financial assistance to facilitate improvements to the levee system in the County.

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

Discretely Presented Component Units

The Yuba County Water Agency is a local government agency created in 1959 by the Yuba County Water Agency Act to control flood and storm waters and to conserve such waters for beneficial and useful purposes within the County. This agency is a legally separate and independent entity from the County of Yuba. The Board of Directors of the Water Agency consists of the five members of the Board of Supervisors of the County and two at-large members. The day-to-day operations of the agency are managed by an appointed General Manager, hired by the Water Agency's governing Board. The five members of the County's Board of Supervisors collectively form a majority of the Water Agency's seven member Board of Directors.

Since there is not a financial benefit or burden relationship between the County and the Water Agency and the County does not have operational responsibility for the Agency, the Water Agency is considered a discretely presented component unit of the County in accordance with GASB Statement No. 61. Complete financial statements of the Yuba County Water Agency can be obtained by contacting the Water Agency's Department of Financial Services at 1220 F Street, Marysville, CA 95901.

The First Five Children and Families Yuba Commission (CCFC) was established under the provisions of the California Children and Families Act (the Act). The CCFC is a public entity legally separate and apart from the County and its purpose is to develop, adopt, promote, and implement early childhood development programs in the County of Yuba consistent with the goals and objectives of the Act.

The CCFC is administered by a governing board of seven members, which are appointed by the County Board of Supervisors. Three members are representatives of the County's health care departments, County's social services departments, and Board of Supervisors. The County Board of Supervisors may remove any CCFC member at any time. Since the County Board of Supervisors can impose their will on the Commission, the Commission is considered a discretely presented component unit of the County. Separately issued financial statements may be obtained at the Commission's administration offices located at 1114 Yuba Street, Suite 121, Marysville, CA 95901.

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County and between the County and its discretely presented component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

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

Fund Financial Statements

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

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

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

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 and education services.
- The *Public Works Fund* is a special revenue fund used to account for funds allocated for the planning, design, construction, maintenance, and administration of County transportation activities (Public Ways and Facilities).
- The *Social Services Fund* is used to account for reserves and expenditures to provide services and assistance to County individuals and families. Eligibility programs include foster care, County medical services, general assistance for indigent adults and time-limited benefit payment programs to help needy families.
- The *Public Safety Fund* is used to account for the operations of public safety departments that include sheriff, district attorney, jail, and juvenile hall.
- The *Yuba Levee Financing Authority Debt Service Fund* is used to account for the accumulation of cash for the payment of principal and interest related to the bonds issued by the Yuba Levee Financing Authority.

The County reports the following additional fund types:

- The *County Airport Nonmajor Enterprise Fund* accounts for the activity associated with the airport, including improvements.
- *Internal Service Funds* account for the County's fleet maintenance services provided to other departments or other governments, the Sheriff's auto service, utility charges related to solar projects, and the County's self-insurance programs. Activities include various insurance programs, including workers compensation, general liability, health, unemployment, general insurance, and short-term disability.

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

- The *Investment Trust Fund* accounts for the external portion of the County's Investment Pool which commingles resources of legally separate local governments within the County in an investment portfolio for the benefit of all participants. These entities include school and community college districts, other special districts governed by local boards, regional boards, and authorities. These funds represent the assets, primarily cash and investments, held by the County in trust for these participants.
- The *Agency Funds* account for assets held by the County as an agent for the state and various local governments. These funds typically do not involve a formal trust agreement and are used to account for situations where the role is purely custodial such as the receipt, temporary investment, or remittance of fiduciary resources.
- The *Private Purpose Trust Fund* accounts for assets and liabilities of the Successor Agency to the Redevelopment Agency.

C. Basis of Accounting

The government-wide, proprietary, and fiduciary 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 taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available ("susceptible to accrual"). Property and sales taxes, interest, state and federal grants, and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period so as to be measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

D. Cash and Investments

The County follows the practice of pooling cash and investments of all funds with the County Treasurer except for restricted funds held by outside custodians and trustees. In accordance with authorized investment laws, the County Treasurer invests in higher quality securities including various variable rate securities, such as federal agency notes, negotiable certificates of deposit and highly rated corporate medium-term notes.

The fair values of investments are obtained by using quotations obtained from independent published sources. Investments in external investment pools are reported at amortized cost which approximates fair value.

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less and pooled cash to be cash equivalents.

E. Receivables

Receivables consist mostly of amounts due from other agencies. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

F. Inventory

Inventory consists of expendable supplies held for consumption. Inventories are valued at cost on a first-in, first-out basis. The consumption method of accounting for inventory is used where cost is recorded as an expenditure at the time individual inventory items are used. Reported inventories are equally offset by a corresponding nonspendable portion of fund balance to indicate that they are not available spendable financial resources.

G. Capital Assets and Depreciation

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed fixed assets are valued at their estimated acquisition value on the date contributed. Capital assets include public domain, general fixed assets consisting of certain improvements including roads, bridges, water/sewer, lighting system, drainage system, and flood control. Capital equipment consists of purchased equipment with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

The estimated lives are as follows:

Infrastructure	20 – 60 Years
Structures and Improvements	15 – 60 Years
Equipment	3 – 20 Years

H. Property Taxes

Property taxes, including tax rates, are regulated by the State and are locally administered by the County. The County is responsible for assessing, collecting, and distributing property taxes in accordance with state law. Liens on real property are established January 1 for the ensuing fiscal year. The property tax is levied as of July 1 on all taxable property located in the County. Secured property taxes are due in two equal installments on November 1 and February 1 and are delinquent after December 10 and April 10, respectively. Additionally, supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction.

The County and its political subdivisions operate under the provisions of Sections 4701-4717 of the California Revenue and Taxation Code. This provision is otherwise known as the “Teeter Plan.” Under this method, the accounts of political subdivisions that adopted the Teeter Plan and levy taxes on the County tax roll are credited with 100% of their respective secured tax levy, regardless of the actual payments and delinquencies. This method then provides for Teetered delinquent penalties and redemptions to flow to the County’s General Fund.

Pursuant to Section 4703 of the California Revenue and Taxation Code, all counties electing to operate under the “Teeter Plan,” are required to maintain a Property Tax Losses Reserve Fund. The fund is used to cover losses that may occur in the amount of tax liens as a result of special sales of tax-defaulted property. Whenever in any year the amount of the Tax Losses Reserve Fund has reached an amount equivalent to 1% of the total of all taxes and assessments levied on the secured roll for that year, the excess may be credited to the County’s General Fund.

I. 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 three items which qualify for reporting in this category: pension, OPEB and deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has three types of items which qualify for reporting in this category: pensions, OPEB and unavailable revenue. The item, *unavailable revenue*, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: intergovernmental revenue and charges for services. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

J. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as a long-term liability in the government-wide financial statements. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. In accordance with the provisions of Statement No. 16 of the Governmental Accounting Standards Board, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

K. 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) plans (Plans) and additions to/deductions from the Plans' 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.

L. Other Postemployment Benefits (OPEB)

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

M. Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due 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). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

Advances to other funds, when reported in the General Fund financial statements, are offset by a corresponding nonspendable portion of fund balance to indicate that they are not available for appropriation and are not available financial resources. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

N. Net Position

The government-wide and business-type activities financial statements utilize a net position presentation. Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources and is displayed in three components:

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category represents net position that are subject to constraints either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the County, not restricted for any project or other purpose.

When both restricted and unrestricted net position is available, restricted resources are used first, then unrestricted resources as they are needed.

O. Fund Balance

In the fund financial statements, the following classifications describe the relative strength of the spending constraints placed on the purposes for which governmental fund resources can be used:

Nonspendable fund balance – This category represents amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact.

Restricted fund balance – This category represents amounts with constraints placed on their use by those external to the County, including creditors, grantors, contributors or laws and regulations of other governments. It also includes constraints imposed by law through constitutional provisions or enabling legislation.

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

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

Assigned fund balance – This category represents 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 – This category represents the residual classification that includes amounts not contained in the other classifications.

The County’s board establishes, modifies, or rescinds fund balance commitments and assignments by passage of a resolution. When restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, followed by the unrestricted resources that are committed, assigned and unassigned, in this order as they are needed.

Fund Balance Policy

The County has established the following goals and policies for fund balance:

1. The General Fund’s committed fund balances for economic uncertainties should be accumulated over time until 6% of the annual operating budget reserve level is achieved (appropriations less capital outlay, assigned and committed fund balances).
2. The General Fund’s committed fund balances for contingencies should be set at a level to provide for unanticipated increases to the County budget. An analysis to determine potential increases will be completed to determine appropriate level of funding.
3. Commitments for self-insurance funds shall be actuarially determined at least every other year. Balances should be maintained at the 80% confidence level or net estimated losses.
4. Loans or transfers to or from internal services and enterprise funds shall be limited to meeting one-time funding requirements in County operating funds, and shall require repayment with interest.

P. Use of Estimates

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

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 2 DEFICIT FUND NET POSITION

The following internal service funds had deficit net positions. These deficits are expected to be eliminated through future internal charges.

Workers Comp Insurance	\$8,296
Liability Insurance	\$80,599

NOTE 3 CASH AND INVESTMENTS

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the pool. Interest earned on the investment pool is distributed quarterly to the participating funds using a formula based on the average daily cash balance of each fund.

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

The investment pool is accounted for on an amortized cost basis. The value of pool shares that may be withdrawn is determined on an amortized basis, which differs from fair value. The County has not provided or obtained any legally binding guarantees during the fiscal year to support the value of the pool shares.

Cash and investments held by fiscal agents outside of the County's investment pool are restricted as to its use. It consists of funds designated by debt agreements as reserve funds and for use in capital projects.

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

At June 30, 2020, total County cash and investments were as follows:

CASH

Cash on Hand	\$ 41,730
Deposits	15,840,447
Deposits held with Fiscal Agents	2,834,051
Outstanding Warrants	<u>(8,207,650)</u>
Subtotal	10,508,578

INVESTMENTS

Investment Pool	579,678,432
Held with Fiscal Agents	<u>450,000</u>
Total Investments	<u>580,128,432</u>

Total Cash and Investments	<u><u>\$ 590,637,010</u></u>
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**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

Total cash and investments at June 30, 2020 were presented on the County's financial statements as follows:

Primary Government	\$ 103,218,646
Discretely Presented Component Units	142,701,318
Investment Trust Fund	341,632,567
Agency Fund	3,027,168
Private Purpose Trust Fund	57,311
Total	\$ 590,637,010

Deposits – Custodial Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code requires that a financial institution secure the County's cash deposits by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of pledged securities in the collateral pool must equal at least 110% of the County's cash deposits. California law also allows institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the County's total cash deposits. At June 30, 2020, none of the County's deposits was exposed to custodial risk.

Investments

The table below identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, where more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk. The County annually adopts a "Statement of Investment Policy." The policy is based on criteria established by government code and adds further restrictions as to the types of investments allowed, concentration limits, and maximum terms.

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Federal Agency Obligations	5 Years	None	None
U.S. Treasury Bills	5 Years	None	None
State of California Obligations	5 Years	None	None
Local Agency Bonds and Obligations	5 Years	None	None
Banker's Acceptances	180 Days	40%	30%
Commercial Paper - Selected Agencies	270 Days	40%	10%
Negotiable Certificates of Deposit	5 Years	30%	None
Non-negotiable Certificates of Deposit	5 Years	30%	None
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 Days	20%	None
Medium-Term Corporate Notes	5 Years	30%	None
Money Market Mutual Funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None
California Asset Management Program	N/A	None	None

At June 30, 2020, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	WAM (Years)
Yuba County Investment Pool					
Federal Agency Obligations	0.50% - 2.88%	7/13/2020 - 8/2/2025	\$ 192,271,966	\$ 192,271,966	5.19
Medium-Term Corporate Notes	0.92% - 4.13%	11/5/2020 - 1/22/2024	102,483,082	102,483,082	4.13
Commercial Paper	0.92% - 1.45%	10/7/2020 - 2/12/2021	19,837,325	19,837,325	1.45
Negotiable CD's	0.58% - 1.20%	8/14/2020 - 6/15/2021	45,000,833	45,000,833	2.47
U.S. Treasury Notes	1.50%	11/30/2024	9,895,220	9,895,220	1.50
CalTRUST Liquidation Fund	Variable	On Demand	10,000,000	10,000,000	-
California Asset Management Pool	Variable	On Demand	56,000,000	56,000,000	-
Local Agency Investment Fund (LAIF)	Variable	On Demand	74,862,013	74,862,013	-
Total			<u>\$ 510,350,439</u>	<u>\$ 510,350,439</u>	2.95
Yuba County Bond Portfolio					
California Asset Management Pool	Variable	On Demand	<u>\$ 69,327,993</u>	<u>\$ 69,327,993</u>	-
Total Pooled Investments			<u>\$ 579,678,432</u>	<u>\$ 579,678,432</u>	

Fair Value Measurements

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

Level 1 – Investments reflect prices quoted in active markets;

Level 2 – Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,

Level 3 – Investments reflect prices based upon unobservable sources.

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

	Fair Value	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Federal Agency Obligations	\$ 192,271,966	\$ -	\$ 192,271,966	\$ -
Medium-Term Corporate Notes	102,483,082	-	102,483,082	-
U.S. Treasury Notes	9,895,220	-	9,895,220	-
Negotiable CD's	45,000,833	-	45,000,833	-
Commercial Paper	19,837,325	-	19,837,325	-
Total Investments by Fair Value Level	369,488,427	\$ -	\$ 369,488,426	\$ -
Investments Measured at Amortized Cost				
CalTRUST Liquidation Fund	10,000,000			
California Asset Management Pool	125,327,992			
Local Agency Investment Fund	74,862,013			
Total Investments Measured at Amortized Cost	210,190,005			
Total Pooled Investments	\$ 579,678,432			

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County manages its exposure to declines in fair values by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities to provide the necessary cash flow and liquidity needed for operations. The County monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service for a maturity of up to one year and a rating of AA for maturities beyond one year.

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

Concentration of Credit Risk

At June 30, 2020, in accordance with state law and the County's investment policy, the County did not have 10% or more of its net investment in any one mutual fund. Investments in any one issuer (other than U.S. Treasury securities, money market mutual funds, and external investment pools) that represent 5% or more of the total county investments are as follows:

Federal Home Loan Bank	Federal Agency	\$ 29,060,000
Federal Home Loan Mortgage Corp.	Federal Agency	100,250,000
Federal Farm Credit Bank	Federal Agency	34,995,625

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County's investment pool's fair value at June 30, 2020.

	<u>Quality Rating Range</u>	<u>% of Portfolio</u>
Federal Agency Obligations	AAA	33.2%
Medium-Term Corporate Notes	A-AA	17.7%
Negotiable CD'S	A-AAA	7.8%
CalTRUST Liquidation Fund	Unrated	1.7%
California Asset Management Pool	Unrated	21.6%
Local Agency Investment Fund	Unrated	12.9%
Commercial Paper	AA	3.4%
U.S. Treasury Notes	Unrated	1.7%
Total		<u>100.0%</u>

Custodial Credit Risk

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

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
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County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the County's primary investment pool and bond investment pool as of June 30, 2020:

Statement of Net Position

Net Position Held for Pool Participants	<u>\$ 576,252,111</u>
Equity of External Pool Participants	\$ 479,044,433
Equity of Internal Pool Participants	<u>97,207,678</u>
Total Net Position	<u>\$ 576,252,111</u>

Statement of Changes in Net Position

Net Position at July 1, 2019	\$ 507,097,815
Net Change in Investments by Pool Participants	<u>69,154,296</u>
Net Position at June 30, 2020	<u>\$ 576,252,111</u>

NOTE 4 INTERFUND TRANSACTIONS

Due to/from Other Funds

Interfund receivables and payables represent borrowing between funds and regular service and supplies provided but not settled at year-end. The composition of interfund balances as of June 30, 2020 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Public Works	\$ 261,767
	Nonmajor Governmental Funds	<u>106,632</u>
		368,399
Public Works	General Fund	429,703
	Nonmajor Governmental Funds	<u>1,843</u>
		431,546
Social Services	General Fund	16,045
	Nonmajor Governmental Funds	<u>802,700</u>
		818,745
Public Safety	Social Services	1,768
	Nonmajor Governmental Funds	<u>205,119</u>
		206,887
Nonmajor Governmental Funds	General Fund	799
	Social Services	47,758
	Nonmajor Governmental Funds	<u>61,233</u>
		<u>109,790</u>
Total		<u>\$ 1,935,367</u>

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
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Transfers

Transfers represent subsidies of various County operations. The following schedule briefly summarizes the County's transfer activities:

<u>Transfer From</u>	<u>Transfer to</u>	<u>Amount</u>
General Fund	Public Safety Fund	\$ 22,405,310
	Social Services Fund	135,000
	Public Works	8,569,848
	Internal Service Funds	754,935
	Nonmajor Governmental Funds	292,892
	Nonmajor Enterprise Fund	<u>134,791</u>
		32,292,776
Nonmajor Governmental Funds	General Fund	3,133,185
	Public Safety	5,237,966
	Social Services	10,022,351
	Public Works	5,158
	Nonmajor Governmental Funds	<u>165,821</u>
		18,564,481
Public Works	General Fund	34,550
	Internal Service Funds	48,968
	Nonmajor Governmental Funds	<u>1,092,929</u>
		1,176,447
Public Safety	General Fund	5,333
	Nonmajor Governmental Funds	<u>365,447</u>
		370,780
Social Services	Public Safety	64,463
	Nonmajor Governmental Funds	<u>913,010</u>
		977,473
Yuba Levee Finance Authority	Nonmajor Governmental Funds	1,644,563
Internal Service Funds	General Fund	<u>80,617</u>
Total		<u>\$ 55,107,137</u>

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Additions	Retirements	Transfers and Adjustments	Ending Balance
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 12,735,023	\$ 13,985	\$ -	\$ -	\$ 12,749,008
Construction in Progress	24,502,158	22,444,494	-	(28,023,529)	18,923,123
Total Capital Assets, Not Being Depreciated	37,237,181	22,458,479	-	(28,023,529)	31,672,131
Capital Assets, Being Depreciated:					
Infrastructure	336,416,438	1,460,200	-	27,134,257	365,010,895
Structures and Improvements	66,505,508	9,227	-	-	66,514,735
Equipment	17,920,628	1,768,544	(465,809)	889,272	20,112,635
Total Capital Assets, Being Depreciated	420,842,574	3,237,971	(465,809)	28,023,529	451,638,265
Accumulated Depreciation for:					
Infrastructure	(189,045,288)	(11,405,371)	-	-	(200,450,659)
Structures and Improvements	(28,858,783)	(1,780,925)	-	-	(30,639,708)
Equipment	(13,838,911)	(1,043,865)	465,809	-	(14,416,967)
Total Accumulated Depreciation	(231,742,982)	(14,230,161)	465,809	-	(245,507,334)
Total Capital Assets, Being Depreciated, Net	189,099,592	(10,992,190)	-	28,023,529	206,130,931
Governmental Activities Capital Assets, Net	<u>\$ 226,336,773</u>	<u>\$ 11,466,289</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237,803,062</u>
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 508,359	\$ -	\$ -	\$ -	\$ 508,359
Construction in Progress	-	177,408	-	-	177,408
Total Capital Assets, Not Being Depreciated	508,359	177,408	-	-	685,767
Capital Assets, Being Depreciated:					
Structures and Improvements	10,360,555	206	-	-	10,360,761
Equipment	243,536	-	-	-	243,536
Total Capital Assets, Being Depreciated	10,604,091	206	-	-	10,604,297
Accumulated Depreciation for:					
Structures and Improvements	(4,822,379)	(357,136)	-	-	(5,179,515)
Equipment	(243,536)	-	-	-	(243,536)
Total Accumulated Depreciation	(5,065,915)	(357,136)	-	-	(5,423,051)
Total Capital Assets, Being Depreciated, Net	5,538,176	(356,930)	-	-	5,181,246
Business-Type Activities Capital Assets, Net	<u>\$ 6,046,535</u>	<u>\$ (179,522)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,867,013</u>

Depreciation expense was allocated to functions as follows:

Governmental Activities:	
General Government	\$ 654,979
Public Protection	1,003,841
Public Ways and Facilities	11,652,703
Health and Sanitation	5,064
Public Assistance	23,461
Recreation and culture	15,412
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions based on their Usage of Assets	874,701
Total Governmental Activities	<u>\$ 14,230,161</u>
Business-Type Activities:	
Airport	<u>\$ 357,136</u>

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
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The following presents the Capital asset activity for the Yuba County Water Agency, a discretely presented component unit of the County of Yuba, for the year ended June 30, 2020:

	Beginning Balance	Additions	Retirements	Transfers and Adjustments	Ending Balance
Capital Assets, Not Being					
Depreciated:					
General Fund	\$ 45,325,508	\$ 5,359,761	\$ -	\$ -	\$ 50,685,269
Power Systems Fund	7,958,025	4,136,184	-	(940,718)	11,153,491
Total Capital Assets, Not Being Depreciated	53,283,533	9,495,945	-	(940,718)	61,838,760
Capital Assets, Being					
Depreciated:					
General Fund	25,216,392	891,699	(23,444)	-	26,084,647
Power Systems Fund	262,802,730	445,292	(117,295)	940,718	264,071,445
Total Capital Assets, Being Depreciated	288,019,122	1,336,991	(140,739)	940,718	290,156,092
Accumulated Depreciation for:					
General Fund	(7,546,102)	(1,055,079)	23,444	-	(8,577,737)
Power Systems Fund	(128,952,218)	(4,944,096)	117,295	-	(133,779,019)
Total Accumulated Depreciation	(136,498,320)	(5,999,175)	140,739	-	(142,356,756)
Total Capital Assets, Being Depreciated, Net	151,520,802	(4,662,184)	-	940,718	147,799,336
Capital Assets, Net	<u>\$ 204,804,335</u>	<u>\$ 4,833,761</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,638,096</u>

NOTE 6 SHORT-TERM LIABILITIES

On July 11, 2019, the County entered into a loan agreement with Yuba County Water Agency, a discretely presented component unit, for \$9,602,593 with interest calculated at a rate per annum equal to the average rate of interest earned by the Yuba County Treasurer investment pool. The loan was used to pay the annual CalPERS lump sum prepayment option for the unfunded liability portion of the County's CalPERS payment due for the Miscellaneous and Safety Plans for fiscal year 2019-20. The County repaid the entire outstanding balance of the loan with interest in June 2020.

The following is a summary of short-term liability transactions for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Due to Other Governments	\$ 669,298	\$ 9,602,593	\$ (10,271,891)	\$ -

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 7 LONG-TERM LIABILITIES

Long-term debt at June 30, 2020 consisted of the following:

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2020
<u>Governmental Activities</u>						
2017 Refunding Revenue Bonds (Series A) Levee Improvements	2017	2038	4.00% - 5.00%	\$1,880,000 - \$4,875,000	\$ 64,175,000	\$ 58,845,000
2017 Refunding Revenue Bonds (Series B) Levee Improvements	2017	2024	1.625% - 3.520%	\$205,000 - \$2,685,000	14,035,000	11,205,000
<u>Note from Direct Borrowings or Placements:</u>						
2015 Certificates of Participation Sheriff Facility Improvements	2015	2045	5.00%	\$135,000 - \$435,000	6,425,000	6,425,000
2015 Certificates of Participation Airport Solar Project	2015	2035	2.47% - 4.80%	\$120,000 - \$530,000	5,650,000	5,235,000
Note Payable to YCWA Infrastructure Improvements	2019	2029	2.25%	\$785,000 - \$995,000	<u>9,000,000</u>	<u>8,215,000</u>
Total Governmental Activities					<u>\$ 99,285,000</u>	<u>\$ 89,925,000</u>
<u>Business-type Activities</u>						
<u>Note from Direct Borrowings or Placements:</u>						
State of California (CalTrans) Airport Improvement Loan	2012	2022	5.08%	\$4,482 - \$7,004	\$ 56,600	\$ 13,669
Airport Improvement Loan	2018	2035	3.52%	\$10,273 - \$17,876	<u>233,704</u>	<u>212,796</u>
Total Business-type Activities					<u>\$ 290,304</u>	<u>\$ 226,465</u>

The following table lists the County's assets that are pledged as collateral for various debts:

<u>Debt</u>	<u>Asset Pledged</u>
2015 Certificates of Participation (Sheriff Facility)	Sheriff Facility
2015 Certificates of Participation (CREB)	Sheriff Facility
2016 Equipment Lease	Equipment
2017 Refunding Revenue Bonds (Levee Improvements)	Government Center, Jail Expansion
2019 Note Payable (SB1 Financing)	Streets

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

The following is a summary of long-term liability transactions for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts Due Within One Year
Governmental Activities					
Refunding Bonds Payable	\$ 72,465,000	\$ -	\$ (2,415,000)	\$ 70,050,000	\$ 2,465,000
Add: Unamortized Premium	3,163,959	-	(166,524)	2,997,435	-
Certificates of Participation	11,815,000	-	(155,000)	11,660,000	305,000
Add: Unamortized Premium	660,041	-	(51,120)	608,921	-
Less: Unamortized Discount	(43,862)	-	-	(43,862)	-
Note Payable	9,000,000	-	(785,000)	8,215,000	835,000
Capital Leases	9,470,390	1,235,670	(1,397,724)	9,308,336	920,543
Compensated Absences	7,152,651	3,972,545	(3,144,306)	7,980,890	2,334,707
Liability for Self-Insurance	1,108,000	-	(539,000)	569,000	75,000
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 114,791,179</u>	<u>\$ 5,208,215</u>	<u>\$ (8,653,674)</u>	<u>\$ 111,345,720</u>	<u>\$ 6,935,250</u>
Business-Type Activities					
Loans Payable	\$ 243,442	\$ -	\$ (16,977)	\$ 226,465	\$ 17,675
Total Business-type Activities					
Long-Term Liabilities	<u>\$ 262,890</u>	<u>\$ -</u>	<u>\$ (16,977)</u>	<u>\$ 226,465</u>	<u>\$ 17,675</u>

As of June 30, 2020, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30,	Governmental Activities					
	Certificates of Participation		Bonds Payable		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 305,000	\$ 557,293	\$ 2,465,000	\$ 2,963,430	\$ 835,000	\$ 184,838
2022	325,000	544,286	2,530,000	2,895,452	855,000	166,050
2023	350,000	530,068	2,605,000	2,817,984	870,000	146,813
2024	375,000	514,308	2,685,000	2,731,989	890,000	127,238
2025	405,000	497,128	2,800,000	2,624,092	910,000	107,213
2026 - 2030	2,460,000	2,169,096	16,340,000	10,841,000	3,855,000	219,263
2031 - 2035	3,390,000	1,469,875	20,735,000	6,307,450	-	-
2036 - 2040	2,080,000	745,220	19,890,000	1,629,200	-	-
2041 - 2045	1,970,000	305,250	-	-	-	-
Total	<u>\$ 11,660,000</u>	<u>\$ 7,332,524</u>	<u>\$ 70,050,000</u>	<u>\$ 32,810,597</u>	<u>\$ 8,215,000</u>	<u>\$ 951,415</u>

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

As of June 30, 2020, annual debt service requirements of business-type activities to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Business-Type Activities</u>	
	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 17,675	\$ 8,192
2022	18,401	7,465
2023	11,799	6,707
2024	12,215	6,292
2025	12,645	5,861
2026 - 2030	70,229	22,302
2031 - 2035	83,501	9,029
Total	<u>\$ 226,465</u>	<u>\$ 65,848</u>

Claims and judgments will be paid from the County's insurance funds. Compensated absences liabilities will be paid by several of the County's funds, including the general fund, special revenue funds, and internal service funds.

NOTE 8 LEASES

Capital Leases

The County entered into a capital lease agreement under which the related leasehold improvements will become the property of the County when all terms of the lease agreements are met.

The following is a summary of equipment leased under capital lease agreements by the County as of June 30, 2020:

	<u>Stated Interest Rate</u>	<u>Remaining Payments as of June 30, 2020</u>
Sheriffs building	2.00%	\$ 3,515,000
Solar panels	2.00%	5,064,560
Ford F550 Bucket Truck	7.31%	60,679
Ford F550 Bucket Truck	8.00%	67,427
Sheriff Fleet Lease	3.90%	600,670
Total		<u>\$9,308,336</u>

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

As of June 30, 2020, future minimum lease payments under capital leases are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>
2021	\$ 1,121,535
2022	1,179,100
2023	1,174,648
2024	1,209,752
2025	1,086,767
2026 - 2030	3,821,527
2031 - 2033	785,400
Total Future Minimum Lease Payments	10,378,729
Less: Interest	(1,070,392)
Present Value of Minimum Lease Payments	<u>\$ 9,308,336</u>

The County leases energy services building improvements under certain lease obligations as capital leases. Included in the governmental activities are the following capital asset amounts under capital leases:

	<u>Governmental Activities</u>
Structures and Improvements	\$ 11,507,939
Vehicles	785,616
Less: Accumulated Depreciation	(1,089,414)
Total	<u>\$ 11,204,141</u>

Operating Leases

The County has commitments under long-term operating lease agreements. During the fiscal year ended June 30, 2020, the County paid rents on these leases of \$3,185,572. Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>
2021	\$ 3,265,216
2022	3,346,844
2023	3,430,514
2024	3,516,276
2025	3,604,188
2026 - 2030	19,418,436
2031 - 2035	21,970,248
2036 - 2040	24,857,330
2041 - 2045	10,834,688
Total	<u>\$ 94,243,740</u>

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 9 REVOLVING NOTES RECEIVABLE

At June 30, 2020, the County had \$7,120,046 of revolving notes receivable reported in the governmental funds. Principal and interest are revolved as new loans as collections are received.

The County’s revolving loans reported in governmental funds were derived from the following grant programs:

Community Development Block Grant	\$	4,258,907
HOME Investment Partnerships Program		2,658,899
EDBG Economic Development Initiative		202,240
Total		\$ 7,120,046

NOTE 10 PUBLIC EMPLOYEE RETIREMENT SYSTEM

A. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the County’s separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and County’s resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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 each plan are applied as specified by the Public Employees’ Retirement Law.

**COUNTY OF YUBA
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The Plans' provisions and benefits in effect at June 30, 2020 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date	2% @ 55	2% @ 62
Benefit Formula	5 Years of Service	5 Years of Service
Benefit Vesting Schedule	Monthly for Life	Monthly for Life
Benefit Payment	50 - 55	52 - 67
Retirement Age	1.4% to 2.4%	1.0% to 2.5%
Monthly Benefits, as a % of Eligible Compensation	7.00%	6.25%
Required Employee Contribution Rates	8.57%	7.00%
Required Employer Contribution Rates		

	Safety	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date	2% @ 50	2.7% @ 57
Benefit Formula	5 Years of Service	5 Years of Service
Benefit Vesting Schedule	Monthly for Life	Monthly for Life
Benefit Payment	50	50
Retirement Age	2.0% to 2.7%	2.0% to 2.7%
Monthly Benefits, as a % of Eligible Compensation	9.00%	11.75%
Required Employee Contribution Rates	15.07%	15.07%
Required Employer Contribution Rates		

Employees Covered – At June 30, 2020, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive Employees or Beneficiaries Currently Receiving Benefits	930	181
Inactive Employees Entitled to but Not Yet Receiving Benefits	634	214
Active Employees	632	190
Total	<u>2,196</u>	<u>585</u>

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 both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2019 (the measurement date), the active employee contribution rate is 7 percent of annual pay for miscellaneous employees (6.25 percent for miscellaneous PEPRA employees hired on or after January 1, 2013), and 9 percent for safety employees (10.75 percent for safety PEPRA employees hired on or after January 1, 2013). The employer's contribution rate is 8.613 percent of annual payroll for miscellaneous employees and

**COUNTY OF YUBA
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16.792 percent of annual payroll for safety employees. Employer contribution rates may change if plan contracts are amended. Further, the employees pay a portion or all of their required CalPERS contribution to CalPERS depending on their labor agreements with the County. When employees are required to pay only a portion of their required contribution, the County pays the remaining portion on their behalf and for their account. Payments made by the County to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Additionally, certain bargaining units have negotiated to pay a portion of the County portion of PERS as a cost reduction measure for the County. During the year ended June 30, 2020, the County contributed \$9,431,200 to the Miscellaneous Plan and \$4,705,543 to the Safety Plan.

B. Net Pension Liability

The County's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 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, 2018 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2018	June 30, 2018
Measurement Date	June 30, 2019	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase (1)	Varies by Entry Age and Service	
Investment Rate of Return (2)	7.38%	7.38%
Mortality Rate Table	Derived using CalPERS' Membership Data for All Funds	
	Contract COLA up to 2.75% until Purchasing Power Applies	
Postretirement Benefit Increase	Projection Allowance Floor on Purchasing Power Applies, 2.75% Thereafter	

(1) Depending on age, service, and type of engagement

(2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018 valuation were based on the results of a 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
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Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each 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 percent discount rate, net of administrative expense, is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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.

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.

<u>Pension</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10 (a)</u>	<u>Real Return Years 11+ (b)</u>
Global Equity	50.00 %	4.80 %	5.98 %
Global Fixed Income	28.00	1.00	2.62
Inflation Assets	-	0.77	1.81
Private Equity	8.00	6.30	7.23
Real Estate	13.00	3.75	4.93
Liquidity	1.00	-	(0.92)
	<u>100.00 %</u>		

(a) An expected inflation of 2.00% used for this period.

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

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for each Plan follow:

Miscellaneous Plan	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 322,654,426	\$ 219,856,372	\$ 102,798,054
Changes in the Year:			
Service Cost	5,842,363	-	5,842,363
Interest on Total Pension Liability	22,924,688	-	22,924,688
Changes in Assumptions	-	-	-
Differences Between Expected and Actual Experience	3,893,093	-	3,893,093
Contribution - Employer	-	7,796,284	(7,796,284)
Contribution - Employee	-	3,240,101	(3,240,101)
Net Investment Income	-	14,298,839	(14,298,839)
Benefit Payments, including Refunds of Employee Contributions	(16,302,744)	(16,302,744)	-
Administrative Expenses	-	(156,557)	156,557
Other Charges	-	509	(509)
Change in Allocation	(692,316)	(471,744)	(220,572)
Net Changes	15,665,084	8,404,688	7,260,396
Balance at June 30, 2019	\$ 338,319,510	\$ 228,261,060	\$ 110,058,450

The above schedule excludes the Court's share of the Miscellaneous Plan determined at June 30, 2020 to be 6.99% of the Plan's total pension liability and fiduciary net position. The County's portion is 93.01%.

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

<u>Safety Plan</u>	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c)=(a)-(b)
Balance at June 30, 2018	\$ 132,376,541	\$ 90,153,733	\$ 42,222,808
Changes in the Year:			
Service Cost	3,238,552	-	3,238,552
Interest on Total Pension Liability	9,492,712	-	9,492,712
Changes in Assumptions	-	-	-
Differences Between Expected and Actual Experience	1,428,993	-	1,428,993
Contribution - Employer	-	3,867,052	(3,867,052)
Contribution - Employee	-	1,569,191	(1,569,191)
Net Investment Income	-	5,977,701	(5,977,701)
Benefit Payments, including Refunds of Employee Contributions	(5,319,224)	(5,319,224)	-
Administrative Expenses	-	(64,336)	64,336
Other Charges	-	209	(209)
Change in Allocation	-	-	-
Net Changes	<u>8,841,033</u>	<u>6,030,593</u>	<u>2,810,440</u>
Balance at June 30, 2019	<u>\$ 141,217,574</u>	<u>\$ 96,184,326</u>	<u>\$ 45,033,248</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the County for each Plan, calculated using the discount rate for each Plan, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 153,761,928	\$ 66,275,000
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 110,058,449	\$ 45,033,248
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 73,732,119	\$ 27,753,367

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

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

For the year ended June 30, 2020, the County recognized pension expense of \$19,726,718 for the miscellaneous plan and \$7,297,843 for the safety plan. At

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

June 30, 2020, 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>
<u>Miscellaneous Plan</u>		
Differences Between Expected and Actual Experience	\$ 3,823,806	\$ -
Changes in Assumptions	-	619,792
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	1,225,346
County Contributions Subsequent to the Measurement Date	9,431,200	-
Total	<u>\$ 13,255,006</u>	<u>\$ 1,845,138</u>

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>Safety Plan</u>		
Differences Between Expected and Actual Experience	\$ 1,647,774	\$ 143,329
Changes in Assumptions	2,985,833	541,323
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	471,895
County Contributions Subsequent to the Measurement Date	4,705,543	-
Total	<u>\$ 9,339,150</u>	<u>\$ 1,156,547</u>

The County reported \$14,136,743 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 ended June 30, 2021. 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>Deferred Outflows/(Inflows) of Resources</u>	
	<u>Miscellaneous Plan</u>	<u>Safety Plan</u>
2021	\$ 2,657,425	\$ 2,128,183
2022	(552,148)	913,538
2023	(352,722)	155,288
2024	226,113	280,051
Total	<u>\$ 1,978,668</u>	<u>\$ 3,477,060</u>

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 11 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. For most insurable risks, the County is self-insured up to a maximum amount per claim. Amounts in excess of established limits are covered through the County's membership in the County Supervisors Association of California Excess Insurance Authority or with commercial policies.

The County is a member of the California State Association of Counties Excess Insurance Authority (CSAC-EIA), a public entity risk pool currently operating as a common risk manager and insurance program for counties. Should actual losses among pool participants be greater than anticipated, the County will be assessed its pro rata share of the deficiency. Conversely, if the actual pool losses are less than anticipated, the County will be refunded its pro rata share of the excess. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The County currently reports its risk management activities in the internal services funds, which include general liability, workers' compensation, health, unemployment, and short-term disability. All of the County funds participate in the County self-insured programs and make payments to the corresponding internal service fund based on estimated costs to pay prior and current years' claims. The estimated claims liability of \$569,000 as reported in the internal service funds at June 30, 2020, is based on the requirements of Governmental Accounting Standards Board (GASB) Statement No. 10, as amended by GASB Statement No. 30. These statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated.

Estimates of the liabilities for incurred (both reported and unreported) but unpaid claims are based on claims loss reports and actuarial reports. Liabilities are based on the estimated cost of settling the claims.

Changes in the County's claims liabilities amount for the fiscal years ended June 30, 2020 and 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Unpaid Claims, Beginning of Year	\$ 1,108,000	\$ 533,000
Estimated Claims Incurred and Adjustments	(212,351)	1,136,558
Claims Payments	<u>(326,649)</u>	<u>(561,558)</u>
Unpaid Claims, End of Year	<u>\$ 569,000</u>	<u>\$ 1,108,000</u>

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS

Plan Description.

The County of Yuba (“County”) Retiree Healthcare Plan is a single-employer defined benefit healthcare plan administered by the County. The Plan provides healthcare insurance benefits to eligible retirees. Benefit provisions are established and may be amended by the County. Retiree medical benefits are provided through the California Public Employees’ Retirement System healthcare program. The County contributes the Public Employees Medical and Hospital Care Act (PEMHCA) minimum required employer contribution towards the retiree monthly premium for eligible retirees participating in PEMHCA.

Actuarial Assumptions

The Total OPEB Liability was determined using an actuarial valuation as of June 30, 2019, using the following assumptions:

Actuarial Assumption	June 30, 2019 Measurement Date
Actuarial Valuation Date	June 30, 2019
Contribution Policy	No pre-funding
Discount Rate	3.51% at June 30, 2019 (Bond Buyer 20-bond Index) 3.87% at June 30, 2018 (Bond Buyer 20-bond Index)
Inflation	2.50%
Mortality, Retirement Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	MacLeod Watts Scale 2020 applied generationally from 2015
Salary Increases	Aggregate - 3% Annually Merit - CalPERS 1997-2015 Experience Study
Medical Trend	5.4% in 2021, decreasing gradually to 4.0% by 2076
PEMHCA Minimum Increase	4.0% annually
Participation at Retirement	Actives: For Pre-Medicare, 60% if covered, 30% if waived; for Medicare, 40% if covered, 20% if waived Retirees: 100% if covered, 10% re-elect at 65 if waived

Employees Covered by Benefit Terms

At June 30, 2020, the following employees were covered by the benefit terms:

Active employees	777
Inactive employees currently receiving benefits	158
Inactive employees entitled to but not yet receiving benefits	<u>388</u>
Total	<u><u>1,323</u></u>

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

Changes in the Total OPEB Liability

The table below shows the changes in the Total OPEB liability as of June 30, 2020.

	<u>Increase (Decrease)</u>
	<u>Total OPEB</u>
	<u>Liability</u>
Balance at June 30, 2019 <i>(Valuation Date June 30, 2019)</i>	\$ 19,421,399
Changes recognized for the measurement period:	
Service cost	1,060,789
Interest	781,664
Difference between expected and actual experience	484,380
Changes of assumptions	(461,300)
Benefit payments	(568,312)
Net changes	1,297,221
Balance at June 30, 2020 <i>(Measurement Date June 30, 2019)</i>	\$ <u>20,718,620</u>

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

The following represents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
	(2.51%)	(3.51%)	(4.51%)
Total OPEB Liability	\$23,914,802	\$20,718,620	\$18,108,285

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

The following represents the net OPEB liability of the County, as well as what the County total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates.

	<u>Current Healthcare Cost</u>		
	<u>1% Decrease</u>	<u>Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$17,623,946	\$20,718,620	\$24,663,456

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the County recognized OPEB expense of \$1,526,566. OPEB expense represents the change in the new OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 633,671	\$ -
Changes of assumptions	-	2,502,259
Differences between expected and actual experience	428,895	-
Total	\$ 1,062,566	\$ 2,502,259

The \$633,671 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year June 30, 2021. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Deferred Outflows (Inflows) of Resources
2021	\$ (315,887)
2022	(315,887)
2023	(315,887)
2024	(315,887)
2025	(315,887)
Thereafter	(493,929)

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 13 NET POSITION/FUND BALANCES

Net Position

The government-wide statement of net position reports \$68,882,114 million of restricted net position, none of which is restricted by enabling legislation. Net investment in capital assets was comprised of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital Assets, Net of Accumulated Depreciation	\$ 237,803,062	\$ 5,867,013
Outstanding Principal of Capital-Related Debt	(29,748,395)	(226,465)
Capital Asset Purchases in Accounts Payable	(892,027)	-
Net Investment in Capital Assets	<u>\$ 207,162,640</u>	<u>\$ 5,640,548</u>

Net position was restricted for the following purposes:

Capital Projects	\$ 99,222
Debt Service	7,654,359
Other Restrictions:	
Public Assistance Programs	23,093,514
Public Facilities	20,538,354
Public Safety	14,359,693
Public Health	3,136,972
Total	<u>\$ 68,882,114</u>

**COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

Detail of the fund balance classifications of the governmental funds as of June 30, 2020 is as follows:

	General Fund	Public Works	Social Services	Public Safety	Yuba Levee Financing Authority Debt Ser.	Other Governmental Funds	Total
Nonspendable:							
Inventory	\$ -	\$ 76,659	\$ -	\$ -	\$ -	\$ -	\$ 76,659
Prepays	5,831	-	-	-	-	-	5,831
Total Nonspendable	5,831	76,659	-	-	-	-	82,490
Restricted for:							
General Government	326,766	-	-	-	-	-	326,766
Public Protection	2,356,455	-	-	521,004	-	10,601,771	13,479,230
Public Assistance	-	-	12,166,164	-	-	8,889,113	21,055,277
Health and Sanitation	200,245	-	-	-	-	2,409,088	2,609,333
Public Ways and Facilities	-	9,092,345	-	-	-	7,229,951	16,322,296
Debt Service	-	-	-	-	8,950,372	8,714	8,959,086
Capital Projects	-	-	-	-	-	99,222	99,222
Total Restricted	2,883,466	9,092,345	12,166,164	521,004	8,950,372	29,237,859	62,851,210
Committed:							
General Government	1,503,365	-	-	-	-	-	1,503,365
Public Protection	7,750,549	-	-	-	-	-	7,750,549
Health and Sanitation	722,230	-	-	-	-	-	722,230
Public Ways and Facilities	-	15,013,229	-	-	-	-	15,013,229
Education	1,745,411	-	-	-	-	-	1,745,411
Capital Projects	635,321	-	-	-	-	-	635,321
Recreation and Culture	1,283,685	-	-	-	-	-	1,283,685
Total Committed	13,640,561	15,013,229	-	-	-	-	28,653,790
Assigned for:							
General Contingencies	3,847,370	-	-	-	-	-	3,847,370
Public Protection	-	-	-	1,978,123	-	-	1,978,123
Recreation and Culture	235,189	-	-	-	-	-	235,189
Capital Projects	4,806,329	-	-	-	-	36,580	4,842,909
Other	18,168,375	-	-	-	-	-	18,168,375
Total Assigned	27,057,263	-	-	1,978,123	-	36,580	29,071,966
Unassigned							
	15,398,830	-	-	-	-	-	15,398,830
Total Fund Balances	\$ 58,985,951	\$ 24,182,233	\$ 12,166,164	\$ 2,499,127	\$ 8,950,372	\$ 29,274,439	\$ 136,058,286

NOTE 14 COMMITMENTS AND CONTINGENCIES

Federal Grants – The County participates in several federal and state grant programs. These programs have been audited in accordance with the provisions of the Uniform Guidance and applicable state requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The County expects such amounts, if any, to be immaterial.

Construction Commitments – The County has entered into various contracts for the construction of certain projects. At June 30, 2020, the County has outstanding commitments of \$20,864,605 for road, bridge and other construction projects.

Pending Litigation, Claims, and Assessments – The County is currently in litigation related to a challenge to a one-percent (1%) sales tax increase passed by a majority of voters in November 2018. The County has been collecting the additional sales tax since April 2019. At the direction of the Auditor-Controller, the collections have been set aside in the County

COUNTY OF YUBA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

Treasury pending the outcome of the litigation. The matter is currently on appeal. In the event of an outcome unfavorable to the County, the potential amount to be refunded is estimated to be up to approximately \$10.0 million, the current value of the assets set aside.

NOTE 15 JOINT VENTURE

The County and Reclamation District No. 784 (Members) formed the Three Rivers Levee Improvement Authority (TRLIA) in 2004 for the purpose of providing flood control improvements located in the County, including improvements to the levee system and related drainage improvements. The Authority's Board consists of two representatives from each Member. The County has no equity interest in the Authority.

Four work phases have been identified with the goal of achieving 200-year flood protection. The cost to complete the four phases is estimated to be \$400 million and will be funded mostly by local development fees and State funding.

The Authority, as originally formed, will cease to exist upon completion of the projects for which it was formed. At that time, ownership of the levee improvements will be transferred to the existing owner, primarily the State of California, and maintenance responsibility will be assumed by Reclamation District No. 784 and the other entities established to perform this function.

At June 30, 2020, the Authority's investment account in the County's investment pool had a balance of \$14,759,259.

To fund the Phase IV levee improvements, the County and the Yuba County Water Agency entered into an agreement with the State of California on April 14, 2008 to provide a local match of \$53.3 million in order to obtain a State grant of up to \$138.5 million. Subsequently, other parties contributed \$6.7 million to the project reducing the required match to \$46.6 million. To sufficiently fund the match, the County and the Yuba County Water Agency formed the Yuba Levee Financing Authority for the purpose of issuing bonds.

The County has a levee impact fee program in place to fully repay itself and the Yuba County Water Agency for all borrowing and associated costs necessary to complete the financing.

Copies of the Authority's financial statements may be obtained from TRLIA, 1114 Yuba Street, Suite 218, Marysville, California 95901.

NOTE 16 SUBSEQUENT EVENTS

On July 28, 2020, the County entered into a loan agreement with Yuba County Water Agency, a discretely presented component unit, for \$10,881,032 with interest calculated at a rate per annum equal to the average rate of interest earned by the Yuba County Treasurer investment pool. The loan was used to pay the annual CalPERS lumpsum prepayment option for the unfunded liability portion of the County's CalPERS payment due for the Miscellaneous and Safety Plans for fiscal year 2020-21. The loan is scheduled to be repaid by June 30, 2021.



REQUIRED SUPPLEMENTARY INFORMATION



COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30, 2020

	Reporting Fiscal Year (Measurement Date)					
	Miscellaneous Plans					
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Last 10 Fiscal Years*						
Total Pension Liability						
Service Cost	\$ 5,842,363	\$ 5,949,621	\$ 5,663,893	\$ 5,132,002	\$ 5,314,155	\$ 5,211,955
Interest on Total Pension Liability	22,924,688	21,827,021	20,690,270	20,131,772	19,706,715	21,174,313
Changes of Assumptions	-	(1,750,440)	16,938,573		(4,754,339)	11,225,919
Differences Between Expected and Actual Experience	3,893,093	3,469,328	(2,706,290)	(139,173)	1,478,766	(1,373,630)
Benefit Payments, including Refunds of Employee Contributions	(16,302,744)	(14,840,874)	(14,166,472)	(12,967,119)	(12,081,083)	(11,770,502)
Change in Allocation	(692,316)	2,186,382	18,786	(6,710,217)	(2,656,539)	-
Net Change in Total Pension Liability	15,665,084	16,841,038	26,438,760	5,447,265	7,007,675	24,468,055
Total Pension Liability - Beginning	322,654,426	305,813,388	279,374,628	273,927,363	266,919,688	242,451,633
Total Pension Liability - Ending	<u>\$ 338,319,510</u>	<u>\$ 322,654,426</u>	<u>\$ 305,813,388</u>	<u>\$ 279,374,628</u>	<u>\$ 273,927,363</u>	<u>\$ 266,919,688</u>
Plan Fiduciary Net Position						
Plan to Plan Resource Movement	\$ -	\$ (510)	\$ (1,104)	\$ -	\$ -	\$ -
Contributions - Employer	7,796,284	6,977,541	6,423,717	6,033,705	5,814,663	5,229,573
Contributions - Employee	3,240,101	3,201,851	3,057,533	2,865,802	2,665,719	2,505,418
Net Investment Income	14,298,839	17,503,607	21,085,168	1,069,143	4,447,902	29,704,646
Benefit Payments, including Refunds of Employee Contributions	(16,302,744)	(14,840,874)	(14,166,472)	(12,967,119)	(12,081,083)	(11,770,502)
Administrative Expense	(156,557)	(324,050)	(281,054)	(117,906)	(223,206)	67,050
Other Charges	509	(615,376)	-	-	-	-
Change in Allocation	(471,744)	1,476,194	12,800	(4,858,162)	(565,835)	-
Net Change in Plan Fiduciary Net Position	8,404,688	13,378,383	16,130,588	(7,974,537)	58,160	25,736,185
Plan Fiduciary Net Position - Beginning	219,856,372	206,477,989	190,347,401	198,321,938	198,263,778	172,527,593
Plan Fiduciary Net Position - Ending	<u>\$ 228,261,060</u>	<u>\$ 219,856,372</u>	<u>\$ 206,477,989</u>	<u>\$ 190,347,401</u>	<u>\$ 198,321,938</u>	<u>\$ 198,263,778</u>
Net Pension Liability - Ending	<u>\$ 110,058,450</u>	<u>\$ 102,798,054</u>	<u>\$ 99,335,399</u>	<u>\$ 89,027,227</u>	<u>\$ 75,605,425</u>	<u>\$ 68,655,910</u>
Plan Fiduciary Net Percentage as a Percentage of the Total Pension Liability	67.47%	68.14%	67.52%	68.13%	72.40%	74.28%
Covered Payroll	\$ 40,884,113	\$ 41,130,414	\$ 39,348,871	\$ 39,260,787	\$ 38,865,954	\$ 36,550,878
Net Pension Liability as a Percentage of Covered Payroll	269.20%	249.93%	252.45%	226.76%	194.53%	187.84%

Notes to Schedule:

Valuation Date 6/30/2018 6/30/2017 6/30/2016 6/30/2015 6/30/2014 6/30/2013
Change to Benefit Terms: None
Change in Assumptions: The discount rate used to measure the total pension liability was 7.65% as of June 30, 2015 and June 30, 2016 and was reduced to 7.15% as of June 30, 2017.

*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
SCHEDULE OF CHANGE IN THE NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30, 2020

	Reporting Fiscal Year (Measurement Date)					
	Safety Plans					
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Last 10 Fiscal Years*						
Total Pension Liability						
Service Cost	\$ 3,238,552	\$ 3,123,255	\$ 3,246,120	\$ 2,810,721	\$ 2,693,121	\$ 2,672,753
Interest on Total Pension Liability	9,492,712	8,893,859	8,408,647	7,906,723	7,354,519	6,980,027
Changes of Assumptions	-	(759,362)	7,700,303	-	(1,980,769)	-
Differences Between Expected and Actual Experience	1,428,993	626,860	(213,521)	875,596	(1,069,461)	-
Benefit Payments, including Refunds of Employee Contributions	(5,319,224)	(4,937,182)	(4,412,103)	(3,936,571)	(3,590,777)	(3,493,738)
Change in Allocation	-	-	-	-	-	-
Net Change in Total Pension Liability	<u>8,841,033</u>	<u>6,947,430</u>	<u>14,729,446</u>	<u>7,656,469</u>	<u>3,406,633</u>	<u>6,159,042</u>
Total Pension Liability - Beginning	<u>132,376,541</u>	<u>125,429,111</u>	<u>110,699,665</u>	<u>103,043,196</u>	<u>99,636,563</u>	<u>93,477,521</u>
Total Pension Liability - Ending	<u>\$ 141,217,574</u>	<u>\$ 132,376,541</u>	<u>\$ 125,429,111</u>	<u>\$ 110,699,665</u>	<u>\$ 103,043,196</u>	<u>\$ 99,636,563</u>
Plan Fiduciary Net Position						
Plan to Plan Resource Movement	\$ -	\$ (209)	\$ -	\$ -	\$ -	\$ -
Contributions - Employer	3,867,052	3,444,902	3,244,065	2,902,586	2,533,127	2,237,580
Contributions - Employee	1,569,191	1,373,787	1,275,542	1,190,152	1,144,463	1,071,378
Net Investment Income	5,977,701	7,111,677	8,398,299	414,287	1,620,946	10,866,886
Benefit Payments, including Refunds of Employee Contributions	(5,319,224)	(4,937,182)	(4,412,103)	(3,936,571)	(3,590,777)	(3,493,738)
Administrative Expense	(64,336)	(130,175)	(110,944)	(45,476)	(83,970)	-
Other Charges	209	(247,205)	-	-	-	-
Change in Allocation	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	<u>6,030,593</u>	<u>6,615,595</u>	<u>8,394,859</u>	<u>524,978</u>	<u>1,623,789</u>	<u>10,682,106</u>
Plan Fiduciary Net Position - Beginning	<u>90,153,733</u>	<u>83,538,138</u>	<u>75,143,279</u>	<u>74,618,301</u>	<u>72,994,512</u>	<u>62,312,406</u>
Plan Fiduciary Net Position - Ending	<u>\$ 96,184,326</u>	<u>\$ 90,153,733</u>	<u>\$ 83,538,138</u>	<u>\$ 75,143,279</u>	<u>\$ 74,618,301</u>	<u>\$ 72,994,512</u>
Net Pension Liability - Ending	<u>\$ 45,033,248</u>	<u>\$ 42,222,808</u>	<u>\$ 41,890,973</u>	<u>\$ 35,556,386</u>	<u>\$ 28,424,895</u>	<u>\$ 26,642,051</u>
Plan Fiduciary Net Percentage as a Percentage of the Total Pension Liability	68.11%	68.10%	66.60%	67.88%	72.41%	73.26%
Covered Payroll	\$ 13,280,920	\$ 12,669,377	\$ 13,348,632	\$ 12,915,137	\$ 12,317,604	\$ 11,836,293
Net Pension Liability as a Percentage of Covered Payroll	339.08%	333.27%	313.82%	275.31%	230.77%	225.09%
Notes to Schedule:						
Valuation Date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
Change to Benefit Terms: None						
Change in Assumptions: The discount rate used to measure the total pension liability was 7.65% as of June 30, 2015 and June 30, 2016 and was reduced to 7.15% as of June 30, 2017.						

*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

**COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION PLAN CONTRIBUTIONS
YEAR ENDED JUNE 30, 2020**

Last 10 Fiscal Years*	Reporting Fiscal Year					
	Miscellaneous Plans					
	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 9,431,200	\$ 7,931,744	\$ 7,008,612	\$ 6,423,717	\$ 6,033,705	\$ 5,814,663
Contributions Related to the Actuarially Determined Contribution	<u>(9,431,200)</u>	<u>(7,931,744)</u>	<u>(7,008,612)</u>	<u>(6,423,717)</u>	<u>(6,033,705)</u>	<u>(5,814,663)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 41,541,718	\$ 40,884,113	\$ 41,130,414	\$ 39,348,871	\$ 39,260,787	\$ 38,865,954
Contributions as a Percentage of Covered Payroll	22.70 %	19.40 %	17.04 %	16.33 %	15.37 %	14.96 %

*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

Last 10 Fiscal Years*	Reporting Fiscal Year					
	Safety Plans					
	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 4,705,543	\$ 3,876,421	\$ 3,444,902	\$ 3,244,065	\$ 2,902,586	\$ 2,533,127
Contributions Related to the Actuarially Determined Contribution	<u>(4,705,543)</u>	<u>(3,876,421)</u>	<u>(3,444,902)</u>	<u>(3,244,065)</u>	<u>(2,902,586)</u>	<u>(2,533,127)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 12,796,071	\$ 13,280,920	\$ 12,669,377	\$ 13,348,632	\$ 12,915,137	\$ 12,317,604
Contributions as a Percentage of Covered Payroll	36.77 %	29.19 %	27.19 %	24.30 %	22.47 %	20.57 %

*Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

**COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES TO TOTAL OPEB LIABILITY
YEAR ENDED JUNE 30, 2020**

	Reporting Year (Measurement Year)	Reporting Year (Measurement Year)	Reporting Year (Measurement Year)
Last 10 Fiscal Years*	2020	2019	2018
	2019	2018	2017
Total OPEB Liability			
Service Cost	\$ 1,060,789	\$ 1,060,789	\$ 1,221,754
Interest on Total OPEB Liability	781,664	707,100	589,481
Changes in Assumptions	(461,300)	(809,569)	(2,152,774)
Differences between expected and actual experience	484,380	-	-
Benefit Payments	(568,312)	(455,051)	(404,217)
Net Change in Total OPEB Liability	1,297,221	503,269	(745,756)
Total OPEB Liability - Beginning	19,421,399	18,918,130	19,663,886
Total OPEB Liability - Ending	\$ 20,718,620	\$ 19,421,399	\$ 18,918,130
 Covered Employee Payroll	\$ 52,766,629	\$ 51,037,000	\$ 49,656,032
 Net OPEB Liability as a Percentage of Covered Employee Payroll	39.26%	38.05%	38.10%

Change to Benefit Terms: None

Changes of Assumptions: The discount rate used to measure the total OPEB liability was 3.87% as of June 30, 2018, and was reduced to 3.51% as of June 30, 2019.

*Historical information is required only for the measurement periods for which GASB 75 is applicable.

Future years' information will be displayed up to 10 years as information becomes available.

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

**COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 19,917,500	\$ 19,917,500	\$ 27,032,780	\$ 7,115,280
Licenses, Permits, and Fees	1,795,400	1,746,672	2,168,006	421,334
Fines, Forfeits, and Penalties	1,221,101	1,221,101	1,051,991	(169,110)
Use of Money and Property	670,800	666,464	1,028,270	361,806
Intergovernmental	18,800,143	19,533,084	15,606,431	(3,926,653)
Charges for Services	14,582,934	14,712,091	12,195,902	(2,516,189)
Other Revenues	121,928	242,055	110,372	(131,683)
Total Revenues	<u>57,109,806</u>	<u>58,038,967</u>	<u>59,193,752</u>	<u>1,154,785</u>
EXPENDITURES				
General Government	\$ 17,170,148	\$ 17,148,791	\$ 13,350,915	3,797,876
Public Protection	19,761,403	21,180,359	17,291,062	3,889,297
Health and Sanitation	1,667,930	1,667,930	1,450,951	216,979
Public Assistance	585,318	585,318	531,682	53,636
Education	1,069,309	1,185,474	877,959	307,515
Recreation and Culture	428,212	431,012	332,266	98,746
Total Expenditures	<u>40,682,320</u>	<u>42,198,884</u>	<u>33,834,835</u>	<u>8,364,049</u>
EXCESS DEFICIENCY OF REVENUES (OVER) UNDER EXPENDITURES	16,427,486	15,840,083	25,358,917	9,518,834
OTHER FINANCING SOURCES (USES)				
Transfers in	22,701,906	23,910,953	3,253,686	(20,657,267)
Transfers out	(43,964,130)	(44,743,024)	(22,443,777)	22,299,247
Total Other Financing Sources (Uses)	<u>(21,262,224)</u>	<u>(20,832,071)</u>	<u>(19,190,091)</u>	<u>1,641,980</u>
NET CHANGE IN FUND BALANCES	<u>\$ (4,834,738)</u>	<u>\$ (4,991,988)</u>	6,168,826	<u>\$ 11,160,814</u>
Fund Balance - Beginning of Year			<u>30,208,974</u>	
FUND BALANCE - END OF YEAR			<u>\$ 36,377,800</u>	

**COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2020**

Explanation of differences between statement of revenues, expenditures, and changes in fund balance:

	<u>Budgetary Comparison Schedule</u>	<u>Trust Funds Not Budgeted</u>	<u>Statement of Revenues, Expenditures and Changes in Fund Balance</u>
Total Revenues	\$ 59,193,752	\$ 32,756,428	\$ 91,950,180
Total Expenditures	<u>33,834,835</u>	<u>299,278</u>	<u>34,134,113</u>
Revenues Over (Under) Expenditures	25,358,917	32,457,150	57,816,067
Total Other Financing Sources (Uses)	<u>(19,190,091)</u>	<u>(9,848,999)</u>	<u>(29,039,090)</u>
Net Change in Fund Balances	<u>\$ 6,168,826</u>	<u>\$ 22,608,151</u>	<u>\$ 28,776,977</u>
Fund Balance - Beginning of Year			\$ 30,208,974
Net Change in Fund Balances - Budgetary Comparison Schedule			6,168,826
Net Change in Fund Balances - Trust Funds Not Budgeted			<u>22,608,151</u>
FUND BALANCE - END OF YEAR			<u><u>\$ 58,985,951</u></u>

**COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PUBLIC WORKS
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 433,197	\$ 593,689	\$ 593,689	\$ -
Licenses, Permits, and Fees	187,000	254,000	212,657	(41,343)
Fines, Forfeits, and Penalties	40,000	40,000	40,000	-
Use of Money and Property	40,000	56,000	68,986	12,986
Intergovernmental	11,094,916	11,250,716	9,638,387	(1,612,329)
Charges for Services	1,888,713	1,931,213	2,537,907	606,694
Other Revenues	425,600	425,600	400,343	(25,257)
Total Revenues	<u>14,109,426</u>	<u>14,551,218</u>	<u>13,491,969</u>	<u>(1,059,249)</u>
EXPENDITURES				
Current:				
Public Way and Facilities	<u>33,773,183</u>	<u>34,354,975</u>	<u>27,998,093</u>	<u>6,356,882</u>
EXCESS DEFICIENCY OF REVENUES (OVER) UNDER EXPENDITURES				
	(19,663,757)	(19,803,757)	(14,506,124)	5,297,633
OTHER FINANCING SOURCES (USES)				
Transfers in	10,202,065	10,312,065	8,532,463	(1,779,602)
Transfers out	<u>(1,130,114)</u>	<u>(1,140,114)</u>	<u>(1,176,447)</u>	<u>(36,333)</u>
Total Other Financing Sources (Uses)	<u>9,071,951</u>	<u>9,171,951</u>	<u>7,356,016</u>	<u>(1,815,935)</u>
NET CHANGE IN FUND BALANCES				
	<u>\$ (10,591,806)</u>	<u>\$ (10,631,806)</u>	(7,150,108)	<u>\$ 3,481,698</u>
Fund Balance - Beginning of Year			<u>27,064,661</u>	
FUND BALANCE - END OF YEAR			<u>\$ 19,914,553</u>	

**COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PUBLIC WORKS
YEAR ENDED JUNE 30, 2020**

Explanation of differences between statement of revenues, expenditures, and changes in fund balance:

	Budgetary Comparison Schedule	Trust Funds Not Budgeted	Statement of Revenues, Expenditures and Changes in Fund Balance
Total Revenues	\$ 13,491,969	\$ 4,225,137	\$ 17,717,106
Total Expenditures	<u>27,998,093</u>	<u>-</u>	<u>27,998,093</u>
Revenues Over (Under) Expenditures	(14,506,124)	4,225,137	(10,280,987)
Total Other Financing Sources (Uses)	<u>7,356,016</u>	<u>42,543</u>	<u>7,398,559</u>
Net Change in Fund Balances	<u>\$ (7,150,108)</u>	<u>\$ 4,267,680</u>	<u>\$ (2,882,428)</u>
Fund Balance - Beginning of Year			\$ 27,064,661
Net Change in Fund Balances - Budgetary Comparison Schedule			(7,150,108)
Net Change in Fund Balances - Trust Funds Not Budgeted			<u>4,267,680</u>
FUND BALANCE - END OF YEAR			<u>\$ 24,182,233</u>

**COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
SOCIAL SERVICES FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 60,017,038	\$ 61,124,257	\$ 35,977,009	\$ (25,147,248)
Charges for Services	136,001	865,851	1,013,822	147,971
Other Revenues	-	-	2,487	2,487
Total Revenues	<u>60,153,039</u>	<u>61,990,108</u>	<u>36,993,318</u>	<u>(24,996,790)</u>
EXPENDITURES				
Current:				
Public Assistance	<u>62,941,627</u>	<u>64,803,696</u>	<u>60,367,530</u>	<u>4,436,166</u>
Total Expenditures	<u>62,941,627</u>	<u>64,803,696</u>	<u>60,367,530</u>	<u>4,436,166</u>
EXCESS DEFICIENCY OF REVENUES (OVER) UNDER EXPENDITURES	(2,788,588)	(2,813,588)	(23,374,212)	(20,560,624)
OTHER FINANCING SOURCES				
Transfers in	<u>250,000</u>	<u>275,000</u>	<u>10,142,351</u>	<u>9,867,351</u>
NET CHANGE IN FUND BALANCES	<u>\$ (2,538,588)</u>	<u>\$ (2,538,588)</u>	(13,231,861)	<u>\$ (10,693,273)</u>
Fund Balance - Beginning of Year			<u>9,181,904</u>	
FUND BALANCE - END OF YEAR			<u>\$ (4,049,957)</u>	

Explanation of differences between statement of revenues, expenditures, and changes in fund balance:

	Budgetary Comparison Schedule	Trust Funds Not Budgeted	Statement of Revenues, Expenditures and Changes in Fund Balance
Total Revenues	\$ 36,993,318	\$ 17,363,210	\$ 54,356,528
Total Expenditures	<u>60,367,530</u>	<u>184,616</u>	<u>60,552,146</u>
Revenues Over (Under) Expenditures	(23,374,212)	17,178,594	(6,195,618)
Total Other Financing Sources (Uses)	<u>10,142,351</u>	<u>(962,473)</u>	<u>9,179,878</u>
Net Change in Fund Balances	<u>\$ (13,231,861)</u>	<u>\$ 16,216,121</u>	<u>\$ 2,984,260</u>
Fund Balance - Beginning of Year			\$ 9,181,904
Net Change in Fund Balances - Budgetary Comparison Schedule			(13,231,861)
Net Change in Fund Balances - Trust Funds Not Budgeted			<u>16,216,121</u>
FUND BALANCE - END OF YEAR			<u>\$ 12,166,164</u>

**COUNTY OF YUBA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses, Permits, and Fees	\$ 50,010	\$ 33,010	\$ 38,423	\$ 5,413
Use of Money and Property	331,579	331,324	245,554	(85,770)
Intergovernmental	6,362,933	6,264,844	2,689,589	(3,575,255)
Charges for Services	9,036,998	9,795,559	8,767,058	(1,028,501)
Other Revenues	266,214	267,863	267,785	(78)
Total Revenues	<u>16,047,734</u>	<u>16,692,600</u>	<u>12,008,409</u>	<u>(4,684,191)</u>
EXPENDITURES				
Current:				
Public Protection	<u>42,624,865</u>	<u>43,795,766</u>	<u>42,524,498</u>	<u>1,271,268</u>
EXCESS DEFICIENCY OF REVENUES (OVER) UNDER EXPENDITURES	(26,577,131)	(27,103,166)	(30,516,089)	(3,412,923)
OTHER FINANCING SOURCES (USES)				
Transfers in	25,726,968	26,225,735	27,643,276	1,417,541
Transfers out	(453,873)	(427,105)	(370,780)	56,325
Total Other Financing Sources (Uses)	<u>25,273,095</u>	<u>25,798,630</u>	<u>27,272,496</u>	<u>1,473,866</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,304,036)</u>	<u>\$ (1,304,536)</u>	(3,243,593)	<u>\$ (1,939,057)</u>
Fund Balance - Beginning of Year			<u>2,365,933</u>	
FUND BALANCE - END OF YEAR			<u>\$ (877,660)</u>	

Explanation of differences between statement of revenues, expenditures, and changes in fund balance:

	Budgetary Comparison Schedule	Trust Funds Not Budgeted	Statement of Revenues, Expenditures and Changes in Fund Balance
Total Revenues	\$ 12,008,409	\$ 3,348,716	\$ 15,357,125
Total Expenditures	<u>42,524,498</u>	<u>36,392</u>	<u>42,560,890</u>
Revenues Over (Under) Expenditures	(30,516,089)	3,312,324	(27,203,765)
Total Other Financing Sources (Uses)	<u>27,272,496</u>	<u>64,463</u>	<u>27,336,959</u>
Net Change in Fund Balances	<u>\$ (3,243,593)</u>	<u>\$ 3,376,787</u>	<u>\$ 133,194</u>
Fund Balance - Beginning of Year			\$ 2,365,933
Net Change in Fund Balances - Budgetary Comparison Schedule			(3,243,593)
Net Change in Fund Balances - Trust Funds Not Budgeted			<u>3,376,787</u>
FUND BALANCE - END OF YEAR			<u>\$ 2,499,127</u>

**COUNTY OF YUBA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2020**

BUDGETARY BASIS OF ACCOUNTING

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Ordinance. This ordinance 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.

Expenditures are controlled at the object level within budget units for the County. The object level within a budget unit is the level at which expenditures may not legally exceed appropriations. Any amendments or transfers of appropriations between object levels within the same budget unit or between departments or funds are approved by the Board of Supervisors. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

Budgets are adopted on a basis which materially conforms to generally accepted accounting principles except that interfund transfers are reported as revenues and expenditures.

SUPPLEMENTARY INFORMATION



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Funds are used to account for financial resources to be used for the expenditures for capital outlays (other than those financed by proprietary funds).

Debt Service Funds are used to account for and report financial resources restricted, committed, or assigned to pay debt principal and interest.



**COUNTY OF YUBA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue			
	Fish and Game	Health Service Fund	Child Support Services	County IHSS Authority
ASSETS				
Cash and Investments	\$ 26,486	\$ 1,911,966	\$ 436,606	\$ 275,273
Accounts Receivable	-	380,573	-	115,952
Due from Other Governments	-	776,498	-	-
Interest Receivable	-	3,057	2,965	-
Due from Other Funds	-	75,433	-	-
Notes Receivable	-	-	-	-
Total Assets	<u>\$ 26,486</u>	<u>\$ 3,147,527</u>	<u>\$ 439,571</u>	<u>\$ 391,225</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 238,407	\$ 8,861	\$ 450
Salaries and Benefits Payable	-	199,863	164,892	-
Due to Other Funds	-	188,096	-	6,849
Other Liabilities	-	-	-	-
Total Liabilities	-	626,366	173,753	7,299
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	380,047	-	115,952
FUND BALANCE				
Restricted	26,486	2,141,114	265,818	267,974
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>26,486</u>	<u>2,141,114</u>	<u>265,818</u>	<u>267,974</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 26,486</u>	<u>\$ 3,147,527</u>	<u>\$ 439,571</u>	<u>\$ 391,225</u>

**COUNTY OF YUBA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue		
	Local Revenue 2011	County Service Areas	Public Assistance Programs
ASSETS			
Cash and Investments	\$ 8,774,128	\$ 7,525,815	\$ 1,760,864
Accounts Receivable	-	3,657	3,028
Due from Other Governments	2,385,279	-	-
Interest Receivable	-	43,717	10,020
Due from Other Funds	33,633	-	-
Notes Receivable	-	-	7,120,046
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 11,193,040</u>	<u>\$ 7,573,189</u>	<u>\$ 8,893,958</u>
LIABILITIES			
Accounts Payable	\$ -	\$ 144,931	\$ 778
Salaries and Benefits Payable	-	-	-
Due to Other Funds	883,573	93,445	4,067
Other Liabilities	-	104,862	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	883,573	343,238	4,845
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
FUND BALANCE			
Restricted	10,309,467	7,229,951	8,889,113
Assigned	-	-	-
Unassigned	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	10,309,467	7,229,951	8,889,113
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,193,040</u>	<u>\$ 7,573,189</u>	<u>\$ 8,893,958</u>

**COUNTY OF YUBA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Capital Projects		
	Jail Improvement Construction	Grant-financed Capital Projects	Debt-Financed Capital Projects
ASSETS			
Cash and Investments	\$ 14,032	\$ 59,539	\$ 340
Accounts Receivable	22,548	66,957	-
Due from Other Governments	-	-	-
Interest Receivable	-	518	2
Due from Other Funds	-	724	-
Notes Receivable	-	-	-
Total Assets	\$ 36,580	\$ 127,738	\$ 342
LIABILITIES			
Accounts Payable	\$ -	\$ 27,360	\$ -
Salaries and Benefits Payable	-	-	-
Due to Other Funds	-	1,498	-
Other Liabilities	-	-	-
Total Liabilities	-	28,858	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
FUND BALANCE			
Restricted	-	98,880	342
Assigned	36,580	-	-
Unassigned	-	-	-
Total Fund Balances	36,580	98,880	342
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 36,580	\$ 127,738	\$ 342

**COUNTY OF YUBA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Debt Service	Total Nonmajor Governmental Funds
ASSETS		
Cash and Investments	\$ 8,714	\$ 20,793,763
Accounts Receivable	-	592,715
Due from Other Governments	-	3,161,777
Interest Receivable	-	60,279
Due from Other Funds	-	109,790
Notes Receivable	-	7,120,046
	<u>\$ 8,714</u>	<u>\$ 31,838,370</u>
LIABILITIES		
Accounts Payable	\$ -	\$ 420,787
Salaries and Benefits Payable	-	364,755
Due to Other Funds	-	1,177,528
Other Liabilities	-	104,862
Total Liabilities	<u>-</u>	<u>2,067,932</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	-	495,999
FUND BALANCE		
Restricted	8,714	29,237,859
Assigned	-	36,580
Unassigned	-	-
Total Fund Balances	<u>8,714</u>	<u>29,274,439</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,714</u>	<u>\$ 31,838,370</u>

**COUNTY OF YUBA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue			
	Fish and Game	Health Service Fund	Child Support Services	County IHSS Authority
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines, Forfeitures, and Penalties	1,520	91,653	-	-
Use of Money and Property	-	10,365	12,172	-
Intergovernmental	-	5,465,070	3,427,634	592,918
Charges for Services	-	36,856	-	-
Other Revenues	-	59,515	526	-
Total Revenues	<u>1,520</u>	<u>5,663,459</u>	<u>3,440,332</u>	<u>592,918</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Protection	-	1,605	3,472,593	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	5,796,954	-	566,792
Public Assistance	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>5,798,559</u>	<u>3,472,593</u>	<u>566,792</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,520	(135,100)	(32,261)	26,126
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,000,711	-	100,000
Transfers out	-	(1,040,333)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(39,622)</u>	<u>-</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCES	1,520	(174,722)	(32,261)	126,126
Fund Balances - Beginning of Year	<u>24,966</u>	<u>2,315,836</u>	<u>298,079</u>	<u>141,848</u>
FUND BALANCES - END OF YEAR	<u>\$ 26,486</u>	<u>\$ 2,141,114</u>	<u>\$ 265,818</u>	<u>\$ 267,974</u>

**COUNTY OF YUBA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue		
	Local Revenue 2011	County Service Areas	Public Assistance Programs
REVENUES			
Taxes	\$ -	\$ 87,877	\$ -
Fines, Forfeitures, and Penalties	-	-	-
Use of Money and Property	-	144,267	98,159
Intergovernmental	15,597,613	(106,908)	331
Charges for Services	-	2,323,624	5,436
Other Revenues	-	-	-
Total Revenues	<u>15,597,613</u>	<u>2,448,860</u>	<u>103,926</u>
EXPENDITURES			
Current:			
General Government	-	-	-
Public Protection	-	-	-
Public Ways and Facilities	-	1,552,992	-
Health and Sanitation	-	-	-
Public Assistance	-	-	94,020
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>1,552,992</u>	<u>94,020</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	15,597,613	895,868	9,906
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	139,759
Transfers out	<u>(16,936,813)</u>	<u>(205,158)</u>	<u>(140,656)</u>
Total Other Financing Sources (Uses)	<u>(16,936,813)</u>	<u>(205,158)</u>	<u>(897)</u>
NET CHANGE IN FUND BALANCES	(1,339,200)	690,710	9,009
Fund Balances - Beginning of Year	<u>11,648,667</u>	<u>6,539,241</u>	<u>8,880,104</u>
FUND BALANCES - END OF YEAR	<u>\$ 10,309,467</u>	<u>\$ 7,229,951</u>	<u>\$ 8,889,113</u>

**COUNTY OF YUBA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Capital Projects		
	Jail Improvement Construction	Grant-financed Capital Projects	Debt-financed Capital Projects
REVENUES			
Taxes	\$ -	\$ -	\$ -
Fines, Forfeitures, and Penalties	-	-	-
Use of Money and Property	-	2,899	319
Intergovernmental	-	105,243	-
Charges for Services	227,161	-	-
Other Revenues	-	-	-
Total Revenues	<u>227,161</u>	<u>108,142</u>	<u>319</u>
EXPENDITURES			
Current:			
General Government	-	-	-
Public Protection	-	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Capital Outlay	-	283,165	-
Total Expenditures	<u>-</u>	<u>283,165</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	227,161	(175,023)	319
OTHER FINANCING SOURCES (USES)			
Transfers in	-	105,191	-
Transfers out	<u>(215,459)</u>	<u>-</u>	<u>(26,062)</u>
Total Other Financing Sources (Uses)	<u>(215,459)</u>	<u>105,191</u>	<u>(26,062)</u>
NET CHANGE IN FUND BALANCES	11,702	(69,832)	(25,743)
Fund Balances - Beginning of Year	<u>24,878</u>	<u>168,712</u>	<u>26,085</u>
FUND BALANCES - END OF YEAR	<u>\$ 36,580</u>	<u>\$ 98,880</u>	<u>\$ 342</u>

**COUNTY OF YUBA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Debt Service	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>
REVENUES		
Taxes	\$ -	\$ 87,877
Fines, Forfeitures, and Penalties	-	93,173
Use of Money and Property	-	268,181
Intergovernmental	-	25,081,901
Charges for Services	-	2,593,077
Other Revenues	3,789,793	3,849,834
Total Revenues	<u>3,789,793</u>	<u>31,974,043</u>
EXPENDITURES		
Current:		
General Government	-	-
Public Protection	-	3,474,198
Public Ways and Facilities	-	1,552,992
Health and Sanitation	-	6,363,746
Public Assistance	-	94,020
Debt Service:		
Principal	3,321,742	3,321,742
Interest	3,597,052	3,597,052
Capital Outlay	-	283,165
Total Expenditures	<u>6,918,794</u>	<u>18,686,915</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,129,001)	13,287,128
OTHER FINANCING SOURCES (USES)		
Transfers in	3,129,001	4,474,662
Transfers out	-	(18,564,481)
Total Other Financing Sources (Uses)	<u>3,129,001</u>	<u>(14,089,819)</u>
NET CHANGE IN FUND BALANCES	-	(802,691)
Fund Balances - Beginning of Year	<u>8,714</u>	<u>30,077,130</u>
FUND BALANCES - END OF YEAR	<u>\$ 8,714</u>	<u>\$ 29,274,439</u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.



COUNTY OF YUBA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020

	Automotive Service	Workers Comp Insurance	Liability Insurance	Health Insurance	General Insurance
ASSETS					
Current Assets:					
Cash and Investments	\$ 444,501	\$ -	\$ 490,216	\$ 1,060,104	\$ 109,918
Accounts Receivable	243,471	-	-	964,071	-
Interest Receivable	2,314	(3,819)	1,287	5,900	444
Deposits with others	724,025	-	-	-	-
Total Current Assets	<u>1,414,311</u>	<u>(3,819)</u>	<u>491,503</u>	<u>2,030,075</u>	<u>110,362</u>
Capital Assets:					
Depreciable, Net	<u>806,889</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	2,221,200	(3,819)	491,503	2,030,075	110,362
LIABILITIES					
Current Liabilities:					
Accounts Payable	119,808	4,477	3,102	416	-
Certificates of Participation, Current Portion	-	-	-	-	-
Capital Leases, Current Portion	142,741	-	-	-	-
Claims Liability, Current Portion	-	-	75,000	-	-
Total Current Liabilities	<u>262,549</u>	<u>4,477</u>	<u>78,102</u>	<u>416</u>	<u>-</u>
Long-Term Liabilities:					
Certificates of Participation	-	-	-	-	-
Capital Leases	457,929	-	-	-	-
Claims Liability	-	-	494,000	-	-
Total Noncurrent Liabilities	<u>457,929</u>	<u>-</u>	<u>494,000</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>720,478</u>	<u>4,477</u>	<u>572,102</u>	<u>416</u>	<u>-</u>
NET POSITION					
Net Investment in Capital Assets	206,219	-	-	-	-
Unrestricted	<u>1,294,503</u>	<u>(8,296)</u>	<u>(80,599)</u>	<u>2,029,659</u>	<u>110,362</u>
Total Net Position	<u>\$ 1,500,722</u>	<u>\$ (8,296)</u>	<u>\$ (80,599)</u>	<u>\$ 2,029,659</u>	<u>\$ 110,362</u>

COUNTY OF YUBA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
JUNE 30, 2020

	Unemployment Insurance	Short-term Disability Insurance	Network Infrastructure	Utility	Total
ASSETS					
Current Assets:					
Cash and Investments	\$ 418,997	\$ 122,686	\$ 55,059	\$ 1,151,749	\$ 3,853,230
Accounts Receivable	8,583	9,557	-	7,672	1,233,354
Interest Receivable	2,413	719	75	8,966	18,299
Deposits with others	-	-	-	-	724,025
Total Current Assets	<u>429,993</u>	<u>132,962</u>	<u>55,134</u>	<u>1,168,387</u>	<u>5,828,908</u>
Capital Assets:					
Depreciable, Net	-	-	42,528	11,905,097	12,754,514
Total Assets	<u>429,993</u>	<u>132,962</u>	<u>97,662</u>	<u>13,073,484</u>	<u>18,583,422</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	59,984	127,779	-	31,274	346,840
Certificates of Participation, Current Portion	-	-	-	170,000	170,000
Capital Leases, Current Portion	-	-	-	686,076	828,817
Claims Liability, Current Portion	-	-	-	-	75,000
Total Current Liabilities	<u>59,984</u>	<u>127,779</u>	<u>-</u>	<u>887,350</u>	<u>1,420,657</u>
Long-Term Liabilities:					
Certificates of Participation	-	-	-	5,021,138	5,021,138
Capital Leases	-	-	-	4,378,484	4,836,413
Claims Liability	-	-	-	-	494,000
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,399,622</u>	<u>10,351,551</u>
Total Liabilities	<u>59,984</u>	<u>127,779</u>	<u>-</u>	<u>10,286,972</u>	<u>11,772,208</u>
NET POSITION					
Net Investment in Capital Assets	-	-	42,528	1,649,399	1,898,146
Unrestricted	370,009	5,183	55,134	1,137,113	4,913,068
Total Net Position	<u>\$ 370,009</u>	<u>\$ 5,183</u>	<u>\$ 97,662</u>	<u>\$ 2,786,512</u>	<u>\$ 6,811,214</u>

**COUNTY OF YUBA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Automotive Service	Workers Comp Insurance	Liability Insurance	Health Insurance	General Insurance
OPERATING REVENUES					
Charges for Services	\$ 1,104,777	\$ 2,486,094	\$ 2,002,650	\$ 11,787,424	\$ 111,619
Other Revenues	31,596	-	-	-	-
Total Operating Revenues	<u>1,136,373</u>	<u>2,486,094</u>	<u>2,002,650</u>	<u>11,787,424</u>	<u>111,619</u>
OPERATING EXPENSES					
Services and Supplies	1,423,476	2,330,763	1,589,636	11,562,480	113,737
Claims expense	-	-	(212,351)	-	-
Depreciation	265,119	-	-	-	-
Total Operating Expenses	<u>1,688,595</u>	<u>2,330,763</u>	<u>1,377,285</u>	<u>11,562,480</u>	<u>113,737</u>
NET OPERATING INCOME (LOSS)	(552,222)	155,331	625,365	224,944	(2,118)
NONOPERATING REVENUE (EXPENSE)					
Investment Income (Expense)	12,213	(31,509)	(3,586)	20,217	1,100
Interest Expense	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Total Nonoperating Revenue (Expense)	<u>12,213</u>	<u>(31,509)</u>	<u>(3,586)</u>	<u>20,217</u>	<u>1,100</u>
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(540,009)	123,822	621,779	245,161	(1,018)
Transfers in	657,000	-	-	-	-
Transfers out	<u>(80,617)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	36,374	123,822	621,779	245,161	(1,018)
Net Position - Beginning of Year	<u>1,464,348</u>	<u>(132,118)</u>	<u>(702,378)</u>	<u>1,784,498</u>	<u>111,380</u>
NET POSITION - END OF YEAR	<u>\$ 1,500,722</u>	<u>\$ (8,296)</u>	<u>\$ (80,599)</u>	<u>\$ 2,029,659</u>	<u>\$ 110,362</u>

**COUNTY OF YUBA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Unemployment Insurance	Short-Term Disability Insurance	Network Infrastructure	Utility	Total
OPERATING REVENUES					
Charges for Services	\$ 84,996	\$ -	\$ 853,607	\$ 2,161,810	\$ 20,592,977
Other Revenues	-	10,038	-	-	41,634
Total Operating Revenues	<u>84,996</u>	<u>10,038</u>	<u>853,607</u>	<u>2,161,810</u>	<u>20,634,611</u>
OPERATING EXPENSES					
Services and Supplies	171,604	10,036	1,110,480	1,202,050	19,514,262
Claims expense	-	-	-	-	(212,351)
Depreciation	-	-	28,352	581,230	874,701
Total Operating Expenses	<u>171,604</u>	<u>10,036</u>	<u>1,138,832</u>	<u>1,783,280</u>	<u>20,176,612</u>
NET OPERATING INCOME (LOSS)	(86,608)	2	(285,225)	378,530	457,999
NONOPERATING REVENUE (EXPENSE)					
Investment Income (Expense)	9,335	-	1,330	26,267	35,367
Interest Expense	-	-	-	(269,350)	(269,350)
Intergovernmental revenue	-	-	-	86,157	86,157
Total Nonoperating Revenue (Expense)	<u>9,335</u>	<u>-</u>	<u>1,330</u>	<u>(156,926)</u>	<u>(147,826)</u>
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	(77,273)	2	(283,895)	221,604	310,173
Transfers in	-	-	146,902	-	803,902
Transfers out	-	-	-	-	(80,617)
CHANGE IN NET POSITION	(77,273)	2	(136,993)	221,604	1,033,458
Net Position - Beginning of Year	<u>447,282</u>	<u>5,181</u>	<u>234,655</u>	<u>2,564,908</u>	<u>5,777,756</u>
NET POSITION - END OF YEAR	<u>\$ 370,009</u>	<u>\$ 5,183</u>	<u>\$ 97,662</u>	<u>\$ 2,786,512</u>	<u>\$ 6,811,214</u>

**COUNTY OF YUBA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Automotive Services	Workers Comp Insurance	Liability Insurance	Health Insurance	General Insurance
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Receipts from Interfund Services Provided	\$ 894,372	\$ 2,486,094	\$ 2,010,185	\$ 11,753,050	\$ 111,619
Cash Paid to Suppliers for Goods and Services	(1,352,629)	(2,330,769)	(1,948,998)	(11,566,152)	(113,737)
Net Cash Provided (Used) by Operating Activities	(458,257)	155,325	61,187	186,898	(2,118)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	657,000	-	-	-	-
Transfers out	(80,617)	-	-	-	-
Grants	-	-	-	-	-
Net Cash Provided (Used) by Financing Activities	576,383	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received (Paid)	15,921	(31,022)	(3,087)	19,164	1,185
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of Capital Assets	(72,653)	-	-	-	-
Principal Paid on Capital Debt	(635,000)	-	-	-	-
Interest Paid on Capital Debt	-	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(707,653)	-	-	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(573,606)	124,303	58,100	206,062	(933)
Cash and Cash Equivalents - Beginning,	1,018,107	(124,303)	432,116	854,042	110,851
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 444,501	\$ -	\$ 490,216	\$ 1,060,104	\$ 109,918

**COUNTY OF YUBA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Unemployment Insurance	Short-Term Disability Insurance	Network Infrastructure	Utility	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Receipts from Interfund Services Provided	\$ 80,941	\$ 9,171	\$ 853,607	\$ 2,178,537	\$ 20,377,576
Cash Paid to Suppliers for Goods and Services	(138,416)	(27,960)	(1,110,480)	(1,170,776)	(19,759,917)
Net Cash Provided (Used) by Operating Activities	(57,475)	(18,789)	(256,873)	1,007,761	617,659
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	-	146,902	-	803,902
Transfers out	-	-	-	-	(80,617)
Grants	-	-	-	86,157	86,157
Net Cash Provided (Used) by Financing Activities	-	-	146,902	86,157	809,442
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received (Paid)	9,821	187	2,039	26,828	41,036
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of Capital Assets	-	-	-	-	(72,653)
Principal Paid on Capital Debt	-	-	-	(795,982)	(1,430,982)
Interest Paid on Capital Debt	-	-	-	(269,350)	(269,350)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-	(1,065,332)	(1,772,985)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(47,654)	(18,602)	(107,932)	55,414	(304,848)
Cash and Cash Equivalents - Beginning,	466,651	141,288	162,991	1,096,335	4,158,078
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 418,997	\$ 122,686	\$ 55,059	\$ 1,151,749	\$ 3,853,230

**COUNTY OF YUBA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Automotive Services	Workers Comp Insurance	Liability Insurance	Health Insurance	General Insurance
RECONCILIATION OF OPERATING INCOME					
(LOSS) TO NET CASH PROVIDED (USED)					
BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (552,222)	\$ 155,331	\$ 625,365	\$ 224,944	\$ (2,118)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by					
Operating Activities:					
Depreciation	265,119	-	-	-	-
Changes in Assets and Liabilities:					
Increase (Decrease) in:					
Accounts Receivable	(242,001)	-	7,535	(34,374)	-
Prepays	-	-	-	-	-
Deposits with others	-	-	-	-	-
Accounts Payable	70,847	(6)	(32,713)	(3,672)	-
Deposits from others	-	-	-	-	-
Claims Liability	-	-	(539,000)	-	-
Net Cash Provided (Used) by					
Operating Activities	<u>\$ (458,257)</u>	<u>\$ 155,325</u>	<u>\$ 61,187</u>	<u>\$ 186,898</u>	<u>\$ (2,118)</u>
SCHEDULE OF NONCASH CAPITAL AND FINANCING					
ACTIVITIES					
Purchase of equipment and vehicles on account	<u>\$ (1,235,670)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF YUBA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Unemployment Insurance	Short-Term Disability Insurance	Network Infrastructure	Utility	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (86,608)	\$ 2	\$ (285,225)	\$ 378,530	\$ 457,999
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	-	-	28,352	581,230	874,701
Changes in Assets and Liabilities:					
Increase (Decrease) in:					
Accounts Receivable	(4,055)	(867)	-	16,727	(257,035)
Prepays	-	-	-	-	-
Deposits with others	-	-	-	-	-
Accounts Payable	33,188	123,722	-	31,274	222,640
Deposits from others	-	(141,646)	-	-	(141,646)
Claims Liability	-	-	-	-	(539,000)
Net Cash Provided (Used) by Operating Activities	<u>\$ (57,475)</u>	<u>\$ (18,789)</u>	<u>\$ (256,873)</u>	<u>\$ 1,007,761</u>	<u>\$ 617,659</u>
SCHEDULE OF NONCASH CAPITAL AND FINANCING ACTIVITIES					
Purchase of equipment and vehicles on account	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,235,670)</u>