

**COUNTY OF LASSEN  
SUSANVILLE, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
JUNE 30, 2022**

**COUNTY OF LASSEN  
 BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2022**

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**COUNTY OF LASSEN  
 BASIC FINANCIAL STATEMENTS  
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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors  
County of Lassen  
Susanville, California

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

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Lassen, California (the County), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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

***Change in Accounting Principle***

As described in Note 1 to the financial statements, in 2022, the County adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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

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

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

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

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

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

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

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

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

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, proportionate share of net pension liability – cost-sharing plan, schedule of contributions – cost-sharing plan, schedule of changes in net pension liability and related ratios – agent multiple employer plan, schedule of contributions – agent multiple employer plan, schedule of changes in net OPEB liability and related ratios – single employer plan, and the schedule of contributions – other postemployment benefits, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic

financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2023, 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 County's internal control over financial reporting and compliance.

*Price Pange & Company*

Clovis, California  
November 27, 2023

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

**COUNTY OF LASSEN**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

|   | Primary Government         |                             |                       |
|---|----------------------------|-----------------------------|-----------------------|
|   | Governmental<br>Activities | Business-Type<br>Activities | Total                 |
| <b>ASSETS</b>   |                            |                             |                       |
| Cash and investments                                    | \$ 61,721,683              | \$ 69,326                   | \$ 61,791,009         |
| Imprest and other deposits                              | 490,207                    | -                           | 490,207               |
| Deposits with others                                    | 8,663,145                  | -                           | 8,663,145             |
| Interest receivable                                     | 295,659                    | -                           | 295,659               |
| Accounts receivable                                     | 77,294                     | -                           | 77,294                |
| Taxes receivable  | 2,730,803                  | -                           | 2,730,803             |
| Due from other governmental entities                    | 8,356,540                  | -                           | 8,356,540             |
| Due from trust fund                                     | 2                          | -                           | 2                     |
| Inventory   | 1,219,282                  | -                           | 1,219,282             |
| Lease receivable  | 360,467                    | -                           | 360,467               |
| Long-term receivables, net of allowances                | 263,223                    | -                           | 263,223               |
| Capital assets:   |                            |                             |                       |
| Nondepreciable  | 16,292,403                 | -                           | 16,292,403            |
| Depreciable, net  | 59,089,793                 | 67,149                      | 59,156,942            |
| Total assets  | <u>159,560,501</u>         | <u>136,475</u>              | <u>159,696,976</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                   |                            |                             |                       |
| Deferred outflows from pensions                         | 7,431,623                  | -                           | 7,431,623             |
| Deferred outflows from OPEB                             | 1,290,036                  | -                           | 1,290,036             |
| Total deferred outflows of resources                    | <u>8,721,659</u>           | <u>-</u>                    | <u>8,721,659</u>      |
| <b>LIABILITIES</b>                                      |                            |                             |                       |
| Accounts payable  | 1,117,437                  | 24,236                      | 1,141,673             |
| Salaries and benefits payable                           | 1,356,666                  | -                           | 1,356,666             |
| Due to other governmental entities                      | 192,258                    | -                           | 192,258               |
| Unearned revenue  | 1,241,058                  | -                           | 1,241,058             |
| Financed purchases - due within one year                | 260,370                    | -                           | 260,370               |
| Compensated absences - due within one year              | 955,724                    | -                           | 955,724               |
| Leases liability - due within one year                  | 372,813                    | -                           | 372,813               |
| Claims and judgment payable - due within one year       | 2,058,008                  | -                           | 2,058,008             |
| Noncurrent liabilities:                                 |                            |                             |                       |
| Financed purchases - due in more than one year          | 2,977,660                  | -                           | 2,977,660             |
| Compensated absences - due in more than one year        | 318,573                    | -                           | 318,573               |
| Lease liability   | 1,148,233                  | -                           | 1,148,233             |
| Claims and judgment payable - due in more than one year | 2,058,008                  | -                           | 2,058,008             |
| Net pension liability                                   | 30,467,057                 | -                           | 30,467,057            |
| Net OPEB liability                                      | 1,997,640                  | -                           | 1,997,640             |
| Total liabilities                                       | <u>46,521,505</u>          | <u>24,236</u>               | <u>46,545,741</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                    |                            |                             |                       |
| Deferred inflows from pensions                          | 18,086,700                 | -                           | 18,086,700            |
| Deferred inflows from OPEB                              | 1,072,009                  | -                           | 1,072,009             |
| Deferred outflows from leases                           | 328,755                    | -                           | 328,755               |
| Total deferred inflows of resources                     | <u>19,487,464</u>          | <u>-</u>                    | <u>19,487,464</u>     |
| <b>NET POSITION</b>                                     |                            |                             |                       |
| Net investment in capital assets                        | 70,623,120                 | 67,149                      | 70,690,269            |
| Restricted  | 56,528,120                 | -                           | 56,528,120            |
| Unrestricted  | (24,878,049)               | 45,090                      | (24,832,959)          |
| Total net position                                      | <u>\$ 102,273,191</u>      | <u>\$ 112,239</u>           | <u>\$ 102,385,430</u> |

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF LASSEN  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022**

| Functions/Programs                            | Expenses             | Program Revenues        |  |  |                      | Net (Expense) Revenue<br>and Changes in Net Position |                             |                       |
|---|----------------------|-------------------------|--|--|----------------------|--|-----------------------------|-----------------------|
|   |                      | Charges<br>for Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Total                | Governmental<br>Activities                           | Business-Type<br>Activities | Total                 |
| <b>Primary Government:</b>                    |                      |                         |  |  |                      |  |                             |                       |
| Governmental activities:                      |                      |                         |  |  |                      |  |                             |                       |
| General government                            | \$ 7,548,378         | \$ 3,998,886            | \$ 6,386,147                             | \$ 1,583,964                           | \$ 11,968,997        | \$ 4,420,619   | \$ -                        | \$ 4,420,619          |
| Public protection                             | 23,072,578           | 1,527,047               | 18,799,582                               | -                                      | 20,326,629           | (2,745,949)  | -                           | (2,745,949)           |
| Public ways and facilities                    | 6,875,761            | 100,146                 | 6,658,797                                | 9,046,656                              | 15,805,599           | 8,929,838  | -                           | 8,929,838             |
| Health and sanitation                         | 11,045,129           | 1,319,113               | 9,052,198                                | -                                      | 10,371,311           | (673,818)  | -                           | (673,818)             |
| Public assistance                             | 16,350,911           | 613,963                 | 13,040,554                               | -                                      | 13,654,517           | (2,696,394)  | -                           | (2,696,394)           |
| Education                                     | 59,920               | -                       | -  | -                                      | -                    | (59,920)   | -                           | (59,920)              |
| Recreation and culture                        | 222,856              | -                       | -  | -                                      | -                    | (222,856)  | -                           | (222,856)             |
| Interest on long-term debt                    | 132,881              | -                       | -  | -                                      | -                    | (132,881)  | -                           | (132,881)             |
| Total governmental activities                 | <u>65,308,414</u>    | <u>7,559,155</u>        | <u>53,937,278</u>                        | <u>10,630,620</u>                      | <u>72,127,053</u>    | <u>6,818,639</u>                                     | <u>-</u>                    | <u>6,818,639</u>      |
| Business-type activities:                     |                      |                         |  |  |                      |  |                             |                       |
| County service area (Honey Lake TV)           | 95,856               | 115,307                 | -  | -                                      | 115,307              | -  | 19,451                      | 19,451                |
| Total business-type activities                | <u>95,856</u>        | <u>115,307</u>          | <u>-</u>                                 | <u>-</u>                               | <u>115,307</u>       | <u>-</u>   | <u>19,451</u>               | <u>19,451</u>         |
| Total primary government                      | <u>\$ 65,404,270</u> | <u>\$ 7,674,462</u>     | <u>\$ 53,937,278</u>                     | <u>\$ 10,630,620</u>                   | <u>\$ 72,242,360</u> | <u>6,818,639</u>                                     | <u>19,451</u>               | <u>6,838,090</u>      |
| General revenues:                             |                      |                         |  |  |                      |  |                             |                       |
| Taxes:  |                      |                         |  |  |                      |  |                             |                       |
| Property taxes                                |                      |                         |  |  |                      | 9,323,447  | -                           | 9,323,447             |
| Sales and use taxes                           |                      |                         |  |  |                      | 5,679,024  | -                           | 5,679,024             |
| Other taxes                                   |                      |                         |  |  |                      | 97,335   | -                           | 97,335                |
| Miscellaneous                                 |                      |                         |  |  |                      | 2,519,863  | 131                         | 2,519,994             |
| Unrestricted interest and investment earnings |                      |                         |  |  |                      | (1,627,574)  | (2,848)                     | (1,630,422)           |
| Total general revenues                        |                      |                         |  |  |                      | <u>15,992,095</u>                                    | <u>(2,717)</u>              | <u>15,989,378</u>     |
| Change in net position                        |                      |                         |  |  |                      | 22,810,734   | 16,734                      | 22,827,468            |
| Net position - beginning (restated)           |                      |                         |  |  |                      | <u>79,462,457</u>                                    | <u>95,505</u>               | <u>79,557,962</u>     |
| Net position - ending                         |                      |                         |  |  |                      | <u>\$ 102,273,191</u>                                | <u>\$ 112,239</u>           | <u>\$ 102,385,430</u> |

The notes to the basic financial statements are an integral part of this statement.

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## FUND FINANCIAL STATEMENTS

**COUNTY OF LASSEN**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

|  | Special Revenue Funds |                     |                     |                       |                                 |
|--|-----------------------|---------------------|---------------------|-----------------------|---------------------------------|
|  | General               | Road                | Welfare<br>Admin.   | Welfare<br>Assistance | Health and<br>Human<br>Services |
| <b>ASSETS</b>  |                       |                     |                     |                       |                                 |
| Cash and investments held in Treasury  | \$ 6,596,056          | \$ 3,415,168        | \$ 5,853,969        | \$ 7,727,358          | \$ 6,876,547                    |
| Imprest and other deposits   | -                     | 100                 | -                   | 428,826               | 4,026                           |
| Deposits with others   | 8,663,145             | -                   | -                   | -                     | -                               |
| Due from other governmental entities   | 655,920               | 2,148,971           | 193,938             | 700,627               | 744,057                         |
| Due from other funds   | 196,791               | -                   | -                   | -                     | -                               |
| Due from trust fund  | 2                     | -                   | -                   | -                     | -                               |
| Interest receivable  | 295,659               | -                   | -                   | -                     | -                               |
| Accounts receivable  | 48,347                | -                   | -                   | -                     | 15,300                          |
| Taxes receivable   | 2,730,803             | -                   | -                   | -                     | -                               |
| Lease receivable   | 360,467               | -                   | -                   | -                     | -                               |
| Inventory  | -                     | 1,219,282           | -                   | -                     | -                               |
| Long-term receivables, net of allowances   | -                     | -                   | -                   | -                     | -                               |
| <b>Total assets</b>  | <b>\$ 19,547,190</b>  | <b>\$ 6,783,521</b> | <b>\$ 6,047,907</b> | <b>\$ 8,856,811</b>   | <b>\$ 7,639,930</b>             |
| <b>LIABILITIES</b>   |                       |                     |                     |                       |                                 |
| Accounts payable   | \$ 83,205             | \$ 576,843          | \$ 35,424           | \$ -                  | \$ 158,817                      |
| Salaries and benefits payable  | 532,319               | 82,639              | 131,171             | -                     | 201,724                         |
| Due to other governmental entities   | 122,085               | -                   | -                   | -                     | -                               |
| Due to other funds   | -                     | -                   | -                   | -                     | -                               |
| Unearned revenue   | -                     | -                   | -                   | -                     | -                               |
| <b>Total liabilities</b>   | <b>737,609</b>        | <b>659,482</b>      | <b>166,595</b>      | <b>-</b>              | <b>360,541</b>                  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                       |                     |                     |                       |                                 |
| Unavailable revenue  | 2,730,803             | -                   | -                   | -                     | -                               |
| Unavailable revenue - loans  | -                     | -                   | -                   | -                     | -                               |
| Unavailable revenue - leases   | 328,755               | -                   | -                   | -                     | -                               |
| <b>Total deferred inflows of resources</b>   | <b>3,059,558</b>      | <b>-</b>            | <b>-</b>            | <b>-</b>              | <b>-</b>                        |
| <b>FUND BALANCES (DEFICITS)</b>  |                       |                     |                     |                       |                                 |
| Nonspendable:  |                       |                     |                     |                       |                                 |
| Deposits   | 8,663,145             | -                   | -                   | -                     | -                               |
| Inventory  | -                     | 1,219,282           | -                   | -                     | -                               |
| Leases   | 31,712                | -                   | -                   | -                     | -                               |
| Restricted   | 475,300               | 4,904,757           | 5,881,312           | 8,856,811             | 7,296,547                       |
| Committed  | -                     | -                   | -                   | -                     | -                               |
| Assigned   | 3,165,875             | -                   | -                   | -                     | -                               |
| Unassigned   | 3,413,991             | -                   | -                   | -                     | (17,158)                        |
| <b>Total fund balances (deficits)</b>  | <b>15,750,023</b>     | <b>6,124,039</b>    | <b>5,881,312</b>    | <b>8,856,811</b>      | <b>7,279,389</b>                |
| <b>Total liabilities, deferred inflows of resources<br/>and fund balances (deficits)</b> | <b>\$ 19,547,190</b>  | <b>\$ 6,783,521</b> | <b>\$ 6,047,907</b> | <b>\$ 8,856,811</b>   | <b>\$ 7,639,930</b>             |

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF LASSEN**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

| Special Revenue Funds |                         | Capital<br>Projects<br>Fund          | Total                             |                                |
|-----------------------|-------------------------|--------------------------------------|-----------------------------------|--------------------------------|
| Public<br>Safety      | County<br>Local Revenue | Courthouse<br>Square<br>Construction | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
| \$ 1,211,906          | \$ 8,175,358            | \$ 766,442                           | \$ 19,203,672                     | \$ 59,826,476                  |
| 24,886                | -                       | -                                    | 32,369                            | 490,207                        |
| -                     | -                       | -                                    | -                                 | 8,663,145                      |
| 563,021               | 991,993                 | 473,883                              | 1,884,130                         | 8,356,540                      |
| 103,697               | -                       | -                                    | 32,268                            | 332,756                        |
| -                     | -                       | -                                    | -                                 | 2                              |
| -                     | -                       | -                                    | -                                 | 295,659                        |
| -                     | -                       | -                                    | 13,647                            | 77,294                         |
| -                     | -                       | -                                    | -                                 | 2,730,803                      |
| -                     | -                       | -                                    | -                                 | 360,467                        |
| -                     | -                       | -                                    | -                                 | 1,219,282                      |
| -                     | -                       | -                                    | 263,223                           | 263,223                        |
| <u>\$ 1,903,510</u>   | <u>\$ 9,167,351</u>     | <u>\$ 1,240,325</u>                  | <u>\$ 21,429,309</u>              | <u>\$ 82,615,854</u>           |
| \$ 81,714             | \$ 16,688               | \$ -                                 | \$ 123,920                        | \$ 1,076,611                   |
| 238,866               | 15,023                  | -                                    | 138,404                           | 1,340,146                      |
| -                     | -                       | -                                    | 70,173                            | 192,258                        |
| -                     | 17,360                  | -                                    | 315,396                           | 332,756                        |
| <u>274,400</u>        | <u>-</u>                | <u>757,414</u>                       | <u>209,244</u>                    | <u>1,241,058</u>               |
| <u>594,980</u>        | <u>49,071</u>           | <u>757,414</u>                       | <u>857,137</u>                    | <u>4,182,829</u>               |
| -                     | -                       | 473,883                              | 80,000                            | 3,284,686                      |
| -                     | -                       | -                                    | 276,870                           | 276,870                        |
| -                     | -                       | -                                    | -                                 | 328,755                        |
| <u>-</u>              | <u>-</u>                | <u>473,883</u>                       | <u>356,870</u>                    | <u>3,890,311</u>               |
| -                     | -                       | -                                    | -                                 | 8,663,145                      |
| -                     | -                       | -                                    | -                                 | 1,219,282                      |
| -                     | -                       | -                                    | -                                 | 31,712                         |
| -                     | 9,118,280               | 9,028                                | 16,424,529                        | 52,966,564                     |
| 1,308,530             | -                       | -                                    | -                                 | 1,308,530                      |
| -                     | -                       | -                                    | 3,790,773                         | 6,956,648                      |
| -                     | -                       | -                                    | -                                 | 3,396,833                      |
| <u>1,308,530</u>      | <u>9,118,280</u>        | <u>9,028</u>                         | <u>20,215,302</u>                 | <u>74,542,714</u>              |
| <u>\$ 1,903,510</u>   | <u>\$ 9,167,351</u>     | <u>\$ 1,240,325</u>                  | <u>\$ 21,429,309</u>              | <u>\$ 82,615,854</u>           |

The notes to the basic financial statements are an integral part of this statement.

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**COUNTY OF LASSEN**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

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

|  |                |
|--|----------------|
| Total fund balances - government funds   | \$ 74,542,714  |
| Loans receivable and other long-term receivables are not available to pay current period expenditures and, therefore, are deferred in the governmental funds.  | 3,561,556      |
| Capital assets used in governmental activities were not current financial resources; therefore, they were not reported in the governmental funds balance sheet.  | 74,395,511     |
| Pension and OPEB related deferrals are reported as deferred outflows and inflows of resources on the statement of net position.  | (10,291,339)   |
| Internal service funds were used by the County to charge the cost of fleet services and information technology to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of the internal service funds were included in governmental activities in the statement of net position. | 2,230,971      |
| Long-term liabilities were not due and payable in the current period; therefore, they were not reported in the governmental funds balance sheet.   |                |
| Compensated absences   | (1,274,297)    |
| Claims liability   | (4,116,016)    |
| Financed purchases   | (3,238,030)    |
| Lease liability  | (1,521,046)    |
| Net pension liability  | (30,049,731)   |
| Net OPEB liability   | (1,967,102)    |
| Total net position - governmental activities   | \$ 102,273,191 |

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF LASSEN**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|  | Special Revenue Funds |                     |                     |                       |                                 |
|--|-----------------------|---------------------|---------------------|-----------------------|---------------------------------|
|  | General               | Road                | Welfare<br>Admin.   | Welfare<br>Assistance | Health and<br>Human<br>Services |
| <b>REVENUES</b>  |                       |                     |                     |                       |                                 |
| Taxes  | \$ 10,380,061         | \$ -                | \$ -                | \$ -                  | \$ -                            |
| Licenses and permits   | 362,607               | 8,193               | -                   | -                     | 3,862                           |
| Intergovernmental  | 3,460,905             | 15,625,414          | 6,356,188           | 6,353,389             | 3,745,457                       |
| Charges for services   | 2,969,729             | 67,564              | 560                 | -                     | 1,947,918                       |
| Fines and forfeitures  | 220,808               | -                   | -                   | -                     | 8,744                           |
| Use of money and property                                    | (821,243)             | (125,990)           | -                   | -                     | (276,787)                       |
| Other revenues   | <u>1,231,545</u>      | <u>120,185</u>      | <u>106,137</u>      | <u>70,817</u>         | <u>88,849</u>                   |
| Total revenues   | <u>17,804,412</u>     | <u>15,695,366</u>   | <u>6,462,885</u>    | <u>6,424,206</u>      | <u>5,518,043</u>                |
| <b>EXPENDITURES</b>  |                       |                     |                     |                       |                                 |
| Current:   |                       |                     |                     |                       |                                 |
| General government   | 6,419,939             | -                   | -                   | -                     | -                               |
| Public protection  | 3,743,182             | -                   | -                   | -                     | 191,032                         |
| Public ways and facilities                                   | -                     | 3,840,405           | -                   | -                     | -                               |
| Health and sanitation  | -                     | -                   | -                   | -                     | 8,530,294                       |
| Public assistance  | 144,092               | -                   | 7,983,530           | 7,531,189             | 1,312,550                       |
| Education  | 65,186                | -                   | -                   | -                     | -                               |
| Recreation and culture                                       | 30,279                | -                   | -                   | -                     | -                               |
| Capital outlay   | 27,988                | 10,472,693          | -                   | -                     | 29,274                          |
| Debt service:  |                       |                     |                     |                       |                                 |
| Principal  | -                     | -                   | 227,135             | -                     | 116,861                         |
| Interest   | -                     | -                   | 1,615               | -                     | 6,156                           |
| Total expenditures   | <u>10,430,666</u>     | <u>14,313,098</u>   | <u>8,212,280</u>    | <u>7,531,189</u>      | <u>10,186,167</u>               |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>7,373,746</u>      | <u>1,382,268</u>    | <u>(1,749,395)</u>  | <u>(1,106,983)</u>    | <u>(4,668,124)</u>              |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                       |                     |                     |                       |                                 |
| Transfers in   | 165,000               | -                   | 1,830,031           | 2,260,456             | 4,582,491                       |
| Transfers out  | <u>(6,468,242)</u>    | <u>-</u>            | <u>-</u>            | <u>(185,885)</u>      | <u>(132,671)</u>                |
| Total other financing sources (uses)                         | <u>(6,303,242)</u>    | <u>-</u>            | <u>1,830,031</u>    | <u>2,074,571</u>      | <u>4,449,820</u>                |
| Net change in fund balances                                  | 1,070,504             | 1,382,268           | 80,636              | 967,588               | (218,304)                       |
| Fund balances - beginning (restated)                         | <u>14,679,519</u>     | <u>4,741,771</u>    | <u>5,800,676</u>    | <u>7,889,223</u>      | <u>7,497,693</u>                |
| Fund balances - ending                                       | <u>\$ 15,750,023</u>  | <u>\$ 6,124,039</u> | <u>\$ 5,881,312</u> | <u>\$ 8,856,811</u>   | <u>\$ 7,279,389</u>             |

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF LASSEN**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
(Continued)

| Special Revenue Funds |                         | Capital<br>Projects<br>Fund          |                                   |                                |  |
|-----------------------|-------------------------|--------------------------------------|-----------------------------------|--------------------------------|--|
| Public<br>Safety      | County<br>Local Revenue | Courthouse<br>Square<br>Construction | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |  |
| \$ 121,496            | \$ -                    | \$ -                                 | \$ 4,481,985                      | \$ 14,983,542                  |  |
| 9,328                 | -                       | -                                    | 1,715                             | 385,705                        |  |
| 2,668,290             | 10,302,864              | 1,247,769                            | 14,623,307                        | 64,383,583                     |  |
| 424,288               | -                       | -                                    | 1,002,652                         | 6,412,711                      |  |
| 744                   | -                       | -                                    | 506,054                           | 736,350                        |  |
| (61,495)              | (299,777)               | 2,693                                | (3,563)                           | (1,586,162)                    |  |
| 655,877               | -                       | -                                    | 340,784                           | 2,614,194                      |  |
| <u>3,818,528</u>      | <u>10,003,087</u>       | <u>1,250,462</u>                     | <u>20,952,934</u>                 | <u>87,929,923</u>              |  |
| 604,748               | -                       | -                                    | 1,056,508                         | 8,081,195                      |  |
| 13,483,058            | 731,946                 | -                                    | 6,076,884                         | 24,226,102                     |  |
| -                     | -                       | -                                    | 30,121                            | 3,870,526                      |  |
| -                     | -                       | -                                    | 2,772,369                         | 11,302,663                     |  |
| -                     | -                       | -                                    | 188                               | 16,971,549                     |  |
| -                     | -                       | -                                    | -                                 | 65,186                         |  |
| -                     | -                       | -                                    | 111,215                           | 141,494                        |  |
| 364,707               | -                       | 1,096,841                            | 226,364                           | 12,217,867                     |  |
| 80,072                | -                       | -                                    | 200,547                           | 624,615                        |  |
| -                     | -                       | -                                    | 128,496                           | 136,267                        |  |
| <u>14,532,585</u>     | <u>731,946</u>          | <u>1,096,841</u>                     | <u>10,602,692</u>                 | <u>77,637,464</u>              |  |
| <u>(10,714,057)</u>   | <u>9,271,141</u>        | <u>153,621</u>                       | <u>10,350,242</u>                 | <u>10,292,459</u>              |  |
| 10,154,859            | -                       | -                                    | 1,370,549                         | 20,363,386                     |  |
| -                     | (4,788,977)             | -                                    | (8,787,611)                       | (20,363,386)                   |  |
| <u>10,154,859</u>     | <u>(4,788,977)</u>      | <u>-</u>                             | <u>(7,417,062)</u>                | <u>-</u>                       |  |
| (559,198)             | 4,482,164               | 153,621                              | 2,933,180                         | 10,292,459                     |  |
| <u>1,867,728</u>      | <u>4,636,116</u>        | <u>(144,593)</u>                     | <u>17,282,122</u>                 | <u>64,250,255</u>              |  |
| <u>\$ 1,308,530</u>   | <u>\$ 9,118,280</u>     | <u>\$ 9,028</u>                      | <u>\$ 20,215,302</u>              | <u>\$ 74,542,714</u>           |  |

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF LASSEN**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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

|  |                    |                      |
|--|--------------------|----------------------|
| Net change in fund balances - governmental funds   |                    | \$ 10,292,459        |
| <p>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 or amortization expense.</p>                  |                    |                      |
| Expenditures for general capital assets, infrastructure, and other related capital asset adjustments.  | 11,842,830         |                      |
| Less current year depreciation and amortization recorded in the government-wide financial statements.  | <u>(4,561,828)</u> | 7,281,002            |
| <p>Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>                     |                    |                      |
|  |                    | 4,716,989            |
| <p>Changes to OPEB liability and OPEB related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>                               |                    |                      |
|  |                    | (524,909)            |
| <p>Revenues that have not met the revenue recognition criteria in the fund financial statements are recognized as revenue in the government-wide financial statements. This amount represents the change in unavailable revenue from the prior year.</p> |                    |                      |
|  |                    | 189,226              |
| <p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>   |                    |                      |
| Principal paid on financed purchases   |                    | 253,438              |
| Principal paid on leases   |                    | 371,178              |
| <p>Certain 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.</p>  |                    |                      |
| Change in compensated absences   |                    | (105,085)            |
| Change in claim liabilities  |                    | 239,656              |
| <p>Internal service funds were used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>                           |                    |                      |
|  |                    | <u>96,780</u>        |
| Change in net position of governmental activities  |                    | <u>\$ 22,810,734</u> |

The notes to the basic financial statements are an integral part of this statement.

PROPRIETARY FUND FINANCIAL STATEMENTS

**COUNTY OF LASSEN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022**

|                                       | Business-Type<br>Activities<br>Enterprise Fund | Governmental<br>Activities |
|---------------------------------------|--|----------------------------|
|                                       | County Service Area<br>(Honey Lake TV)         | Internal<br>Service Funds  |
| <b>ASSETS</b>                         |  |                            |
| Current assets:                       |  |                            |
| Cash and investments                  | \$ 69,326                                      | \$ 1,895,207               |
| Total current assets                  | 69,326   | 1,895,207                  |
| Noncurrent assets:                    |  |                            |
| Capital assets:                       |  |                            |
| Depreciable, net                      | 67,149   | 986,685                    |
| Total noncurrent assets               | 67,149   | 986,685                    |
| Total assets                          | 136,475  | 2,881,892                  |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b> |  |                            |
| Deferred outflows from pensions       | -  | 79,222                     |
| Deferred outflows from OPEB           | -  | 19,720                     |
| Total deferred outflows of resources  | -  | 98,942                     |
| <b>LIABILITIES</b>                    |  |                            |
| Current liabilities:                  |  |                            |
| Accounts payable                      | 24,236   | 40,826                     |
| Salaries and benefits payable         | -  | 16,520                     |
| Total current liabilities             | 24,236   | 57,346                     |
| Noncurrent liabilities:               |  |                            |
| Net pension liability                 | -  | 417,326                    |
| Net OPEB liability                    | -  | 30,538                     |
| Total noncurrent liabilities          | -  | 447,864                    |
| Total liabilities                     | 24,236   | 505,210                    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |  |                            |
| Deferred inflows from pensions        | -  | 228,266                    |
| Deferred inflows from OPEB            | -  | 16,387                     |
| Total deferred inflows of resources   | -  | 244,653                    |
| <b>NET POSITION</b>                   |  |                            |
| Net investment in capital assets      | 67,149   | 986,685                    |
| Unrestricted                          | 45,090   | 1,244,286                  |
| Total net position                    | \$ 112,239                                     | \$ 2,230,971               |

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF LASSEN**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|  | Business-Type<br>Activities<br>Enterprise Fund | Governmental<br>Activities |
|--|--|----------------------------|
|  | County Service Area<br>(Honey Lake TV)         | Internal<br>Service Funds  |
| Operating revenues:                    |  |                            |
| Charges for services                   | \$ 115,307                                     | \$ 1,512,409               |
| Other revenue                          | <u>131</u>                                     | <u>101,984</u>             |
| Total operating revenues               | <u>115,438</u>                                 | <u>1,614,393</u>           |
| Operating expenses:                    |  |                            |
| Salaries and benefits                  | -  | 424,872                    |
| Services and supplies                  | 76,633   | 677,259                    |
| Depreciation                           | <u>19,223</u>                                  | <u>335,992</u>             |
| Total operating expenses               | <u>95,856</u>                                  | <u>1,438,123</u>           |
| Operating income (loss)                | <u>19,582</u>                                  | <u>176,270</u>             |
| Nonoperating revenues (expenses):      |  |                            |
| Investment earnings                    | <u>(2,848)</u>                                 | <u>(79,490)</u>            |
| Total nonoperating revenues (expenses) | <u>(2,848)</u>                                 | <u>(79,490)</u>            |
| Change in net position                 | 16,734   | 96,780                     |
| Net position - beginning               | <u>95,505</u>                                  | <u>2,134,191</u>           |
| Net position - ending                  | <u>\$ 112,239</u>                              | <u>\$ 2,230,971</u>        |

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF LASSEN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

|   | Business-Type<br>Activities<br>Enterprise Fund | Governmental<br>Activities |
|---|--|----------------------------|
|   | County Service Area<br>(Honey Lake TV)         | Internal<br>Service Funds  |
| Cash flows from operating activities:   |  |                            |
| Cash received from customers  | \$ 115,438                                     | \$ -                       |
| Cash received from interfund services provided  | -  | 1,614,393                  |
| Cash payments to suppliers for goods and services   | (52,397)                                       | (636,433)                  |
| Cash paid to employees for services   | -  | (509,994)                  |
| Net cash provided by (used for) operating activities  | 63,041   | 467,966                    |
| Cash flows from capital and related financing activities:   |  |                            |
| Payments related to the acquisition of capital assets   | (12,138)                                       | (350,568)                  |
| Net cash provided by (used for) capital and related financing activities                                  | (12,138)                                       | (350,568)                  |
| Cash flows from investing activities:   |  |                            |
| Investment earnings   | (2,848)  | (79,490)                   |
| Net cash provided by (used for) investing activities  | (2,848)  | (79,490)                   |
| Net increase (decrease) in cash and cash equivalents  | 48,055   | 37,908                     |
| Cash and investments - beginning  | 21,271   | 1,857,299                  |
| Cash and investments - ending   | \$ 69,326                                      | \$ 1,895,207               |
| <b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b> |  |                            |
| Operating income (loss)   | \$ 19,582                                      | \$ 176,270                 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: |  |                            |
| Depreciation  | 19,223   | 335,992                    |
| Changes in assets and liabilities:  |  |                            |
| (Increase) decrease in deferred outflows of resources for pensions  | -  | 21,821                     |
| (Increase) decrease in deferred outflows of resources for OPEB  | -  | (9,067)                    |
| Increase (decrease) in accounts payable   | 24,236   | 40,826                     |
| Increase (decrease) in accrued salaries   | -  | 3,275                      |
| Increase (decrease) in net pension liability  | -  | (344,713)                  |
| Increase (decrease) in net OPEB liability   | -  | 3,465                      |
| Increase (decrease) in deferred inflows of resources for pensions   | -  | 223,820                    |
| Increase (decrease) in deferred inflows of resources for OPEB   | -  | 16,277                     |
| Net cash provided by (used for) operating activities  | \$ 63,041                                      | \$ 467,966                 |

The notes to the basic financial statements are an integral part of this statement.

FIDUCIARY FUND FINANCIAL STATEMENTS

**COUNTY OF LASSEN**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2022**

|   | Private Purpose<br>Trust Fund | Custodial Funds             |                    |
|---|-------------------------------|-----------------------------|--------------------|
|   |                               | External<br>Investment Pool | Other<br>Custodial |
| <b>ASSETS</b>   |                               |                             |                    |
| Cash and investments held in Treasury                           | \$ 124,193                    | \$ 79,485,750               | \$ 819,180         |
| Cash and investments held<br>outside of Treasury                | 3,192,337                     | 233,515                     | 66,565             |
| Accounts receivable   | -                             | 115,679                     | -                  |
| Due from other governments                                      | -                             | 1,059,301                   | 226,234            |
| Other assets  | 319,842                       | -                           | -                  |
| Total assets  | <u>3,636,372</u>              | <u>80,894,245</u>           | <u>1,111,979</u>   |
| <b>LIABILITIES</b>  |                               |                             |                    |
| Accounts payable  | -                             | 730,427                     | -                  |
| Due to other governments and individuals                        | -                             | 1,098,460                   | 168,696            |
| Total liabilities   | <u>-</u>                      | <u>1,828,887</u>            | <u>168,696</u>     |
| <b>NET POSITION</b>   |                               |                             |                    |
| Restricted for pool participants                                | -                             | 79,065,358                  | -                  |
| Restricted for individuals, organizations and other governments | <u>3,636,372</u>              | <u>-</u>                    | <u>943,283</u>     |
| Total net position  | <u>\$ 3,636,372</u>           | <u>\$ 79,065,358</u>        | <u>\$ 943,283</u>  |

The notes to the basic financial statements are an integral part of this statement.

**COUNTY OF LASSEN**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|   | Private Purpose<br>Trust Fund | Custodial Funds             |                    |
|---|-------------------------------|-----------------------------|--------------------|
|   |                               | External<br>Investment Pool | Other<br>Custodial |
| <b>ADDITIONS</b>  |                               |                             |                    |
| Contributions:  |                               |                             |                    |
| Private contributions   | \$ 596,760                    | \$ -                        | \$ 94,895          |
| Contributions to pooled investments                                       | -                             | 125,176,955                 | -                  |
| Total contributions   | 596,760                       | 125,176,955                 | 94,895             |
| Investment earnings:  |                               |                             |                    |
| Interest and dividends  | 1,010                         | 575,714                     | 2,219              |
| Net decrease in the fair market value of investments                      | (348,213)                     | (3,296,769)                 | (44,156)           |
| Total investment earnings   | (347,203)                     | (2,721,055)                 | (41,937)           |
| Collections on behalf of others:  |                               |                             |                    |
| Property taxes collected for other governments                            | -                             | -                           | 24,487,296         |
| Other taxes, fees, fines, and forfeitures collected for other governments | -                             | -                           | 2,488,960          |
| Other collections   | -                             | -                           | 893,043            |
| Total collections on behalf of others                                     | -                             | -                           | 27,869,299         |
| Total additions   | 249,557                       | 122,455,900                 | 27,922,257         |
| <b>DEDUCTIONS</b>   |                               |                             |                    |
| Distributions from pooled investment                                      | -                             | 105,185,593                 | -                  |
| Retiree medical and dental payments                                       | -                             | -                           | 77,700             |
| Payments to other individuals and governments                             | 27,481                        | -                           | 29,135,214         |
| Total deductions  | 27,481                        | 105,185,593                 | 29,212,914         |
| Net increase (decrease) in fiduciary net position                         | 222,076                       | 17,270,307                  | (1,290,657)        |
| Net position, beginning   | 3,414,296                     | 61,795,051                  | 2,233,940          |
| Net position, ending  | \$ 3,636,372                  | \$ 79,065,358               | \$ 943,283         |

The notes to the basic financial statements are an integral part of this statement.

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## NOTES TO THE BASIC FINANCIAL STATEMENTS

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

The summary of significant accounting policies of the County of Lassen (the County) is presented to assist in understanding the County's financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

**A. Financial Reporting Entity**

The accounting methods and procedures adopted by the County conform to generally accepted accounting principles 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.

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 data from these units are combined with the data of the County. Each component unit has a June 30 year-end.

***Blended Component Units***

The Lassen County Public Facilities Corporation (the Corporation) is a nonprofit, public benefit corporation incorporated under the laws of the State of California and recorded by the Secretary of State on July 1, 1998. The Corporation's Board of Directors members are named by designated county elected or appointed position held, per the Corporation's bylaws. The Corporation has no other members and has no employees.

The County exercises significant influence over operations of the Corporation as it is anticipated that the County will be the sole lessee of all facilities owned by the Corporation. All major financing arrangements, contracts, and other transactions of the Corporation will be reflected in the lease payments of the County. Any surpluses of the Corporation revert to the county at the end of the lease period.

The County has assumed "moral obligation", and potentially a legal obligation, for any debt incurred by the Corporation. The Corporation was formed to provide financing assistance to the County for construction and acquisition of major capital facilities. Upon completion, the County intends to occupy all Corporation facilities. The Corporation has assigned certain rights under the lease agreement to TPB Investments, Inc. c/o Western Alliance Bank. The Corporation's financial activity is presented in the financial statements as the Debt Service Fund. Capital Assets acquired or constructed by the Corporation are included in the Statement of Net Position-Governmental Activities column.

Lassen County Community Development Commission, Bieber Lighting District, Lassen-Modoc Flood Control District, and County Service Area #1 are districts governed by the County Board of Supervisors. The component units' governing body is substantially the same as the primary government; hence, these units are presented by blending them with the primary government.

COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Accounting and Measurement Focus**

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below. The accounting policies of the County conform to GAAP in the United States for local governmental units. The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purpose of which they are to be spent and means by which spending activities are controlled.

***Government-Wide Financial Statements***

The County's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the County accompanied by a total column. Fiduciary activities of the County are not included in these statements.

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the County's net position and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the County in three categories:

- Fees, fines, and charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column, if any. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to and from other funds
- Advances to and from other funds
- Transfers in and out

COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Accounting and Measurement Focus (Continued)**

***Governmental Fund Financial Statements***

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. The County has presented all major funds that met the applicable criteria.

The County reports the following major governmental funds:

General Fund accounts 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 legislative and administrative, personnel, finance, counselor, elections, and property management.

Road Fund accounts for all revenues and expenditures necessary to carry out basic governmental activities of the County that relate to public thoroughways not accounted for through other funds.

Welfare Administration Fund accounts for all revenue and expenditures necessary to carry out basic governmental activities of the County that relate to Social Services programs, including social services administration, general relief, protective and community services.

Welfare Assistance Fund accounts for all revenue and expenditures necessary to carry out basic governmental activities of the County related to social services programs including CalWORKS and Foster Care.

Health and Human Services Fund accounts for all revenues and expenditures necessary to carry out basic governmental activities of the County that relate to health programs, children's programs and veterans' services, such as public health, mental health, veterans' services, public guardian, and drug and alcohol programs.

Public Safety Fund accounts for all revenues and expenditures necessary to carry out basic governmental activities of the County that relate to Public Safety, such as police protection, detention, public defender, and district attorney.

County Local Revenue Fund accounts for funding activity associated with 2011 Public Safety Realignment and shall be used exclusively for public safety services as defined in statute.

Courthouse Square Construction Fund accounts for funding and costs associated with the Lassen County Historic Courthouse Renovation Project.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Accounting and Measurement Focus (Continued)**

*Governmental Fund Financial Statements (Continued)*

Revenues are recognized when “measurable” and “available”. Measurable means knowing or being able to reasonably estimate the amount. Available means having been earned and collectible within the current period or within 60 days after year-end for property tax revenues, and 180 days after year-end with limited exceptions extending the availability period for certain grant revenues. Expenditures (including capital outlay) are recorded when the related liability is incurred, except for debt service expenditures (principal and interest), as well as expenditures related to compensated absences, which are reported when due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Unavailable revenue arises when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable/unearned revenue is removed from the balance sheet and revenue is recognized.

Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach of GASB Statement No. 34.

*Proprietary Fund Financial Statements*

The County reports the following proprietary funds:

*Enterprise Fund* is used to report an activity for which a fee is charged to external users for goods and services. The County’s enterprise fund includes County Service Area #1 (Honey Lake TV), which provides telecommunication services and county business parks.

*Internal Service Funds* account for vehicle fleet maintenance and information technology operations that provide services to other departments or agencies of the County, or to other governments, on a cost reimbursement basis.

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. The County has no major proprietary funds.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Accounting and Measurement Focus (Continued)**

***Fiduciary Fund Financial Statements***

The County reports the following Fiduciary Funds:

*Private Purpose Trust Fund* account for client assets being held by the County per court order and are to be used strictly for the client's benefit.

*External Investment Pool* accounts for the external portion of the County Treasurer'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, special districts that are governed by local boards, regional boards and authorities. The County separately maintains the entities' monies in individual funds; these funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

*Other Custodial Funds* account for assets held by the County as an agent for various individuals or other local governments and not required to be reported in pension (and other employee benefit trust funds). These include unapportioned property taxes and other custodial funds.

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

**C. Cash, Cash Equivalents and Investments**

The County follows the practice of pooling cash and investments of all funds except for funds required to be held by outside fiscal agents. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and investments. Investments are stated at fair market value.

For purposes of the Statement of Cash Flows of the proprietary fund types, cash and cash equivalents include all investments, as the County operates an internal cash management pool which maintains the general characteristics of a demand deposit account.

**D. Receivables**

Receivables consist mostly of amounts due from other government agencies. Management believes its receivables are fully collectible except for its long-term receivables on the Community Development Housing loans. It is the County's policy (with the exception of Community Development) to only record receivables as revenue at year-end and to verify those receivables are collected within 60 days. Any receivables noted that are expected to be received after 60 days are recorded as unavailable revenue in the governmental fund financial statements.

**E. Deposits with Others**

Deposits with others consist of deposits with Trindel Insurance Fund of \$8,663,145.

**F. Inventory**

Inventory is valued at cost. Road inventory consists of road supplies, fuel and various consumable items. The consumption method of accounting is used. The cost is recorded as an expenditure at the time individual inventory items are used. In governmental funds, reported inventories are equally offset by their categorization as "nonspendable" fund balances.

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Capital Assets**

Capital assets (including infrastructure and intangibles) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets include assets consisting of roads, bridges, buildings, equipment, water/sewer systems, lighting systems, drainage systems, and flood control. The County defines capital assets as assets 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 financial statements and proprietary funds.

Easement and right-of-way costs are included in the cost of the structure or infrastructure with which they are associated.

The estimated useful lives are as follows:

|                             |            |
|-----------------------------|------------|
| Infrastructure              | 5-50 years |
| Structures and improvements | 7-40 years |
| Equipment                   | 3-10 years |

**H. Right-to-Use Lease Asset**

Right-to-use lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payment made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service.

Right-to-use lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life on the underlying asset, unless the lease contains a purchase option that the County has determined is reasonably certain of being exercised.

**I. Leases**

Lessee: The County is a lessee for noncancellable leases of buildings. The lessee recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases, which it has determined is the prime rate at the inception of the lease.

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Leases (Continued)**

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The County is a lessor for noncancellable leases of land. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses the interest rate charged to the lessees as the discount rate. When the interest rate charged to the lessees is not provided, the County generally uses the implied rate of return as the discount rate for leases. When the implied rate of return cannot be determined, the County uses its estimated incremental borrowing rate which it has determined is the prime rate at the inception of the lease.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is comprised of fixed payments from the lessee.

**J. Compensated Absences**

In the governmental funds, compensated absences (unpaid vacation and other compensatory time off) are recorded as expenditures in the year paid. The County's policy is to liquidate any unpaid vacation at June 30 from future resources rather than current available expendable resources, so the entire unpaid liability for the governmental funds is recorded in the government-wide financial statements.

Unused vacation benefits may be accrued up to a maximum of 254 hours and are paid to employees upon termination. Other compensatory time off is accrued and paid to employees upon termination at 100%. Unused sick leave benefits do not vest with the employee and are lost upon termination. Therefore, unused sick leave benefits have not been accrued.

**K. Revenue Recognition - Property Taxes**

Property taxes are levied on real and personal property known as secured and unsecured taxes, respectively. A mid-year completion of construction or transfer of property will generate a supplemental tax bill reflecting the market value at that time. This bill is in addition to the regular roll and may be due at various time of the year.

COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Revenue Recognition - Property Taxes (Continued)**

Property taxes attach as an enforceable lien on January 1. Taxes are levied on July 1 and are payable in two installments, December 10 and April 10. All general property taxes are then allocated by the County Auditor's Office to the various taxing entities per the legislation implementing Proposition 13. The method of allocation used by the County is subject to review by the State of California. County property tax revenues are recognized when levied in accordance with the guidelines for implementation of the Teeter Plan for reporting property taxes.

The Teeter Plan allows the County to allocate secured and utility property taxes to jurisdictions, including the County, at 100% of the billed amount rather than the actual tax collection. The County collects all future delinquent tax payments, penalties and interest. Special tax assessments are not included in the Teeter Plan.

Once adopted, the Teeter Plan remains in effect unless either the County Board of Supervisors or resolutions from two-thirds of the participating jurisdictions order it discontinued.

**L. Interfund Receivables and Payables**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reports as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". In the governmental funds financial statements, the noncurrent advances between funds are offset by a corresponding nonspendable portion of fund balance to indicate that they are not available for appropriation and are not expendable available financial resources.

**M. Use of Estimates**

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

**N. Net Position/Fund Balances**

In the Government-Wide Financial Statements, net position is classified in the following categories:

*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 this category.

*Restricted* - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of government. This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

*Unrestricted* - This category represents the net position of the County, which is not restricted for any project or other purpose.

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

COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Net Position/Fund Balances (Continued)**

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

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

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

*Committed* - amounts that can only be used for specific purposes determined by formal action of the County's highest level or 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* - amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose. This is also the classification for residual funds in the County's special revenue funds.

*Unassigned* - these are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories, or negative balances in all other funds.

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

The County has established a fund within the General Fund known as the General Reserve. The intended use of the fund is to have resources available for future budgetary and cash flow needs. For the period ended June 30, 2022, the General Reserve is included as part of the unassigned fund balance of the General Fund.

The Board of Supervisors establishes, modifies or rescinds fund balance commitments and assignments by passage of an ordinance or resolution. This is done in conjunction with the adoption of the budget and subsequent budget amendments that occur throughout the year.

**O. Pensions**

In government-wide financial statements, pensions are recognized and disclosed using the accrual basis of accounting (see Note 10 and the RSI section immediately following the notes to the financial statements), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The County recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, measured as of the County's fiscal year-end or the County's proportionate share thereof in the case of a cost-sharing multiple-employer plan. Changes in the net pension liability during the period are recorded as pension expense, or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change, in the period incurred.

COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**O. Pensions (Continued)**

Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants including retirees, in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they arose. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

**P. Other Postemployment Benefits**

For purposes of measuring the net Other Postemployment Benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County's participation in the CalPERS Health Plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

|                    |                               |
|--------------------|-------------------------------|
| Valuation Date     | June 30, 2021                 |
| Measurement Date   | June 30, 2021                 |
| Measurement Period | July 1, 2020 to June 30, 2021 |

**Q. Unavailable Revenue**

In the fund financial statements, unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The County records unavailable revenue for transactions for which revenues have been earned, but for which funds are not available to meet current financial obligations.

**R. Pronouncements**

**New Accounting Pronouncements Adopted**

**Governmental Accounting Standards Board Statement No. 87**

For the year ended June 30, 2022, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the County's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated into the County's June 30, 2022 financial statements and resulted in an increase to the opening balance of capital assets and long-term debt of \$1,880,021 and \$1,892,224, respectively. See restatement of beginning net position/fund balance footnote for impact on net position and fund balance opening balances.

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 - 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 investment pool. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily cash balance of each fund.

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

The County's 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.

The County has established a treasury oversight committee to monitor and review the management of public funds maintained by the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the Board of Supervisors every month. The report covers the type of investments in the pool, maturity dates, par value, actual costs and fair value.

At June 30, 2022, total County cash and investments were as follows:

|  | <u>Within</u><br><u>County Treasury</u> | <u>Outside</u><br><u>County Treasury</u> |
|--|---|--|
| Cash:  |   |  |
| Cash on hand   | \$ 3,691                                | \$ -                                     |
| Deposits   | 6,842,378                               | 1,265,094                                |
| Outside Treasurer's Pool-EBT Account                             | -                                       | 428,826                                  |
| Treasurer Amortization Timing Difference                         | -                                       | -  |
| Misc. adj.   | (125,698)                               | -  |
| Less outstanding warrants and deposits                           | <u>(2,325,986)</u>                      | <u>-</u>                                 |
| <br>Total deposits   | <br><u>4,394,385</u>                    | <br><u>1,693,920</u>                     |
| Investments:   |   |  |
| In Treasurer's Pool  | 137,694,255                             | -  |
| Held by Public Guardian Office<br>outside of the County Treasury | -                                       | 2,288,704                                |
| Accrued interest   | <u>131,492</u>                          | <u>-</u>                                 |
| <br>Total investments  | <br><u>137,825,747</u>                  | <br><u>2,288,704</u>                     |
| <br>Total cash and investments                                   | <br><u>\$ 142,220,132</u>               | <br><u>\$ 3,982,624</u>                  |

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

Total cash and investments at June 30, 2022 were presented on the County's financial statements as follows:

|   | Within<br>County Treasury | Outside<br>County Treasury |
|---|---------------------------|----------------------------|
| Cash and investments in the Treasurer's Pool: |                           |                            |
| Primary government                            | \$ 61,791,009             | \$ 490,207                 |
| Private purpose trust funds                   | 124,193                   | 3,192,337                  |
| Custodial funds                               |                           |                            |
| External investment pool                      | 79,485,750                | 233,515                    |
| Other custodial                               | 819,180                   | 66,565                     |
| Total cash and investments                    | \$ 142,220,132            | \$ 3,982,624               |

The carrying amounts of the County's cash deposits within the Treasurer's pool were \$6,791,571 at June 30, 2022. Bank balances as of June 30, 2022 were \$6,842,378, which were fully insured and collateralized with securities held by the pledging financial institutions in the County's name as discussed in the following.

The California Government Code (Code) requires California banks and savings and loan associations to secure the County's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the County's name.

The market value of pledged securities 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. The County may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The County, however, has not waived the collateralization requirements.

**A. 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, and concentration risk. The investment limitations only apply to investments in the County Treasury.

| Authorized Investment Type                  | Maximum<br>Maturity | Maximum<br>Percentage of<br>Portfolio | Maximum<br>Investment in<br>One Issuer |
|---|---------------------|---------------------------------------|--|
| Issued by Lassen County                     | 5 years             | 10%                                   | No limit                               |
| U.S. Treasury Obligations                   | 5 years             | No limit                              | No limit                               |
| Supranationals                              | 5 years             | 30%                                   | No limit                               |
| Obligations to the State of California      | 1 year              | 10%                                   | No limit                               |
| Other local agency bonds, notes or warrants | 1 year              | 10%                                   | No limit                               |
|   |                     | 70% or 40%                            |  |
| Federal agency obligations                  | 5 years             | callable issues                       | 50%                                    |
| Banker's acceptances                        | 180 days            | 40%                                   | 10%                                    |
| Commercial paper                            | 270 days            | 40%                                   | 10%                                    |
| Negotiable certificates of deposit          | 1 year              | 30%                                   | 10%                                    |
| Medium-term corporate notes                 | 5 years             | 30%                                   | 5%                                     |
| Money Market Mutual Funds                   | N/A                 | 20%                                   | 10%                                    |
| Local Agency Investment Fund                | N/A                 | No limit                              | \$50M                                  |
| Other local government pools                | N/A                 | No limit                              | No limit                               |

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

The County may also hold securities for the purpose of collateralizing its deposits in accordance with Sections 53651 and 53652 of the Government Code.

At June 30, 2022, the County had the following investments:

| <u>Investment Type</u>         | <u>Interest Rates</u> | <u>Maturities</u> | <u>Cost</u>           | <u>Fair Value</u>     | <u>Percent of Portfolio</u> |
|--------------------------------|-----------------------|-------------------|-----------------------|-----------------------|-----------------------------|
| Included in County Treasury    |                       |                   |                       |                       |                             |
| Corporates/Supranationals      | .45%-3.8%             | 1/9/23-3/15/27    | \$ 53,793,746         | \$ 49,299,630         | 35.80%                      |
| Certificates of deposit        | .45%-3.8%             | 7/19/22-6/28/27   | 21,669,000            | 20,905,328            | 15.18%                      |
| Federal agency issues - coupon | .50%-3.240%           | 8/25/25-6/28/27   | 15,989,342            | 15,009,840            | 10.90%                      |
| Municipal bonds                | .70%-3.49%            | 9/1/2022-8/1/26   | 10,073,222            | 9,656,447             | 7.01%                       |
| LAIF                           | 0.0032                | On demand         | 42,823,010            | 42,823,010            | 31.10%                      |
| Total County Treasury          |                       |                   | <u>\$ 144,348,320</u> | <u>\$ 137,694,255</u> | <u>100.00%</u>              |

| <u>Investment Type</u>  | <u>Interest Rates</u> | <u>Maturities</u>  | <u>Cost</u>         | <u>Fair Value</u>   | <u>Percent of Portfolio</u> |
|---|-----------------------|--------------------|---------------------|---------------------|-----------------------------|
| Held by Public Guardian Office outside of the County Treasury       |                       |                    |                     |                     |                             |
| Money market  | N/A                   | N/A                | 20,338              | 20,338              | 0.9%                        |
| Certificates of deposit   | up to 1.5%            | 8/1/2021-1/3/22    | 124,228             | 124,228             | 5.4%                        |
| Mutual funds  | N/A                   | N/A                | 1,663,174           | 1,966,981           | 85.9%                       |
| Municipal bonds   | 5.13%                 | 6/1/2030           | 15,066              | 16,467              | 0.7%                        |
| Corporate bonds   | 4.78-4.89%            | 1/15/2027-11/15/34 | 30,005              | 30,929              | 1.4%                        |
| Annuities & life insurance  | N/A-3%                | 8/1/2023 & N/A     | 116,244             | 129,761             | 5.7%                        |
| Total held by Public Guardian Office outside of the County Treasury |                       |                    | <u>\$ 1,969,055</u> | <u>\$ 2,288,704</u> | <u>100.00</u>               |

**B. Interest Rate Risk**

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

| <u>Investment Type</u>         | <u>Fair Value</u> | <u>Years</u>          |                      |                     |                      |                      |                      |
|--------------------------------|-------------------|-----------------------|----------------------|---------------------|----------------------|----------------------|----------------------|
|                                |                   | <u>Less than 1</u>    | <u>1 to 2</u>        | <u>2 to 3</u>       | <u>3 to 4</u>        | <u>4 to 5</u>        | <u>Over 5 years</u>  |
| Included in County Treasury    |                   |                       |                      |                     |                      |                      |                      |
| Corporate bonds                | \$ 49,299,630     | \$ 1,239,232          | \$ -                 | \$ 3,127,686        | \$ 35,725,052        | \$ 9,207,660         | \$ -                 |
| Certificates of deposit        | 20,905,328        | 4,667,147             | 3,418,343            | 8,900,828           | 898,721              | 3,020,289            | -                    |
| Federal agency issues - coupon | 15,009,840        | -                     | -                    | -                   | 9,201,300            | 5,808,540            | -                    |
| Municipal bonds                | 9,656,447         | 1,996,597             | 2,278,403            | 4,473,247           | -                    | 908,200              | -                    |
| LAIF                           | 42,823,010        | 42,823,010            | -                    | -                   | -                    | -                    | -                    |
| Total County Treasury          |                   | <u>\$ 137,694,255</u> | <u>\$ 50,725,986</u> | <u>\$ 5,696,746</u> | <u>\$ 16,501,761</u> | <u>\$ 45,825,073</u> | <u>\$ 18,944,689</u> |

| <u>Investment Type</u>  | <u>Fair Value</u> | <u>Years</u>        |                     |               |               |                  |                     |
|---|-------------------|---------------------|---------------------|---------------|---------------|------------------|---------------------|
|   |                   | <u>Less than 1</u>  | <u>1 to 2</u>       | <u>2 to 3</u> | <u>3 to 4</u> | <u>4 to 5</u>    | <u>Over 5 years</u> |
| Held by Public Guardian Office outside of the County Treasury       |                   |                     |                     |               |               |                  |                     |
| Money market  | \$ 20,338         | 20,338              | -                   | -             | -             | -                | -                   |
| Certificates of deposit   | 124,228           | 124,228             | -                   | -             | -             | -                | -                   |
| Mutual funds  | 1,966,981         | 1,966,981           | -                   | -             | -             | -                | -                   |
| Municipal bonds   | 16,467            | -                   | -                   | -             | -             | -                | 16,467              |
| Corporate bonds   | 30,929            | -                   | -                   | -             | -             | 15,666           | 15,263              |
| Annuities & life insurance  | 129,761           | 129,761             | -                   | -             | -             | -                | -                   |
| Total held by Public Guardian Office outside of the County Treasury |                   | <u>\$ 2,288,704</u> | <u>\$ 2,241,308</u> | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ 15,666</u> | <u>\$ 31,730</u>    |

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

**C. Credit Risk**

State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standard & 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. The County does not have credit limits on government agency securities.

**D. Concentrations of Credit Risk**

At June 30, 2022, in accordance with State law and the County's Investment Policy, the County did not have 5% or more of its net investment in commercial paper, corporate bonds or medium-term notes of a single organization, nor did it have 10% or more of its net investment in any one money market mutual fund. Investments in obligations of the U.S. governments, U.S. governmental agencies, or government-sponsored enterprises are exempt from these limitations.

At June 30, 2022, the County Investment Pool held its net investments in obligations of certificates of deposits (15.18%), federal agency issues (10.90%), corporate bonds (35.80%), municipal obligations (7.01%), supranationals (0%), and the Local Agency Investment Fund (31.10%). The only investment that was in violation of state law and the investment policy were corporate bonds which exceeded 30%.

The following is a summary of the credit quality distribution and concentration or credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2022:

| Included in County Treasury    | Credit Quality Ratings |           | % of Portfolio |
|--------------------------------|------------------------|-----------|----------------|
|                                | Moody's                | S&P       |                |
| Certificates of deposit        | N/A - Aaa              | N/A - AA+ | 15.18%         |
| Corporate bonds                | N/A - Aaa              | N/A - AAA | 35.80%         |
| Federal agency issues - coupon | N/A - Aaa              | N/A - AA+ | 10.90%         |
| Municipal bonds                | N/A - Aa1              | BBB - AAA | 7.01%          |
| Local agency investment fund   | Not Rated              | Not Rated | 31.10%         |
| Total                          |                        |           | <u>100.00%</u> |

**E. Custodial Credit Risk**

For investments and deposits held with fiscal agents 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 and cash with fiscal agents had no securities exposed to custodial credit risk.

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

**F. Local Agency Investment Fund**

The County is a participant in the Local Agency Investment Fund (LAIF) which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Local Investment Advisory Board (LAIF Board) has oversight responsibility for LAIF. The LAIF Board consists of five members designated by State statute.

Investments in LAIF are available on demand and are reported at amortized costs. At June 30, 2022, the County had \$42,823,010 invested in LAIF. That total amount invested by all public agencies in LAIF on that day was \$3,659,430,023.

**G. County Investment Pool Summary**

The following represents a summary of net position and changes in net position for the Treasurer’s Investment Pool as of June 30, 2022:

Statement of Net Position:

|   |                                  |
|---|----------------------------------|
| Net position held for pool participants         | <u>\$ 142,220,132</u>            |
| Equity of internal investment pool participants | 61,791,009                       |
| Equity of external investment pool participants | <u>80,429,123</u>                |
| <br>Total net position                          | <br><u><u>\$ 142,220,132</u></u> |

Statement of Changes in Net Position:

|  |                   |
|--|-------------------|
| Investment earnings/(loss)                     | \$ (5,356,895)    |
| Investment expenses                            | (179,406)         |
| Net change in investments by pool participants | <u>27,332,952</u> |

|                                     |            |
|-------------------------------------|------------|
| Increase (decrease) in net position | 21,796,651 |
|-------------------------------------|------------|

Total net position:

|                   |                              |
|-------------------|------------------------------|
| Beginning of year | <u>120,423,481</u>           |
| End of year       | <u><u>\$ 142,220,132</u></u> |

**H. Investments Valuation**

The County categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

**H. Investments Valuation (Continued)**

The County does not have any investments that are measured using Level 1 or Level 3 inputs. Fair value measurements of the County's investments are as follows at June 30, 2022:

| <u>Investments by Fair Value Level</u>             | <u>Fair Value</u>         | <u>Level 2 Inputs</u> |
|--|---------------------------|-----------------------|
| Debt Securities:                                   |                           |                       |
| Certificates of Deposit                            | \$ 20,905,328             | \$ 20,905,328         |
| Corporate bonds                                    | 49,299,630                | 49,299,630            |
| Federal Agency Issues - Coupon                     | 15,009,840                | 15,009,840            |
| Municipal bonds                                    | 9,656,447                 | 9,656,447             |
|  | <u>94,871,245</u>         | <u>\$ 94,871,245</u>  |
| <br><u>Investments Measured at Amortized Costs</u> |                           |                       |
| LAIF   | <u>42,823,010</u>         |                       |
| <br>Total Investments                              | <br><u>\$ 137,694,255</u> |                       |

**NOTE 3 - RECEIVABLES**

Management believes its receivables are fully collectible except for certain long-term receivables on loans recorded in the Community and Economic Development Fund (a major fund). At June 30, 2022, the gross amount of these receivables was \$404,505 (includes current portion of \$13,647), and the allowance for uncollectible accounts was \$127,635, which resulted in a net amount of \$276,870.

| <u>Loan Type</u>                          | <u>Balance as of<br/>June 30, 2022</u> |
|---|--|
| HUD - Home 93                             | \$ 11,582                              |
| CDBG - 317 Rev                            | 1,274                                  |
| HUD - Home 94                             | 88,035                                 |
| CDBG - 89 RLF                             | 6,545                                  |
| CDBG                                      | <u>297,069</u>                         |
| Total loans receivable                    | 404,505                                |
| <br>Less: allowance for doubtful accounts | <br><u>(127,635)</u>                   |
| <br>Total loans receivable                | <br><u>\$ 276,870</u>                  |

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 - CAPITAL ASSETS**

**A. Governmental Activities**

Capital assets activity of the governmental activities for the year ended June 30, 2022 was as follows:

|   | Balance<br>July 1, 2021<br>(Restated) | Additions           | Retirements &<br>Adjustments | Transfers   | Balance<br>June 30, 2022 |
|---|---------------------------------------|---------------------|------------------------------|-------------|--------------------------|
| <b>Governmental Activities</b>                                |                                       |                     |                              |             |                          |
| Capital assets, not being depreciated/amortized:              |                                       |                     |                              |             |                          |
| Land  | \$ 2,575,419                          | \$ -                | \$ -                         | \$ -        | \$ 2,575,419             |
| Construction in progress                                      | 5,722,906                             | 7,994,078           | -                            | -           | 13,716,984               |
| Total capital assets, not being depreciated/amortized         | <u>8,298,325</u>                      | <u>7,994,078</u>    | <u>-</u>                     | <u>-</u>    | <u>16,292,403</u>        |
| Capital assets, being depreciated/amortized:                  |                                       |                     |                              |             |                          |
| Infrastructure  | 92,714,456                            | 3,551,656           | -                            | -           | 96,266,112               |
| Structures and improvements (includes leasehold improvements) | 27,975,068                            | 24,850              | -                            | -           | 27,999,918               |
| Equipment   | 22,148,475                            | 996,384             | (11,513)                     | -           | 23,133,346               |
| Right-to-use leased building                                  | 2,510,750                             | -                   | -                            | -           | 2,510,750                |
| Total capital assets, being depreciated/amortized             | <u>145,348,749</u>                    | <u>4,572,890</u>    | <u>(11,513)</u>              | <u>-</u>    | <u>149,910,126</u>       |
| Less accumulated depreciation/amortization for:               |                                       |                     |                              |             |                          |
| Infrastructure  | (50,992,797)                          | (2,970,987)         | -                            | -           | (53,963,784)             |
| Structures and improvements (includes leasehold improvements) | (16,649,823)                          | (790,790)           | -                            | -           | (17,440,613)             |
| Equipment   | (17,287,107)                          | (1,136,043)         | 11,513                       | -           | (18,411,637)             |
| Right-to-use leased building                                  | (630,729)                             | (373,570)           | -                            | -           | (1,004,299)              |
| Total accumulated depreciation/amortization                   | <u>(85,560,456)</u>                   | <u>(5,271,390)</u>  | <u>11,513</u>                | <u>-</u>    | <u>(90,820,333)</u>      |
| Total capital assets, being depreciated/amortized, net        | <u>59,788,293</u>                     | <u>(698,500)</u>    | <u>-</u>                     | <u>-</u>    | <u>59,089,793</u>        |
| Governmental activities capital assets, net                   | <u>\$ 68,086,618</u>                  | <u>\$ 7,295,578</u> | <u>\$ -</u>                  | <u>\$ -</u> | <u>\$ 75,382,196</u>     |

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

|                            |                         |
|----------------------------|-------------------------|
| General government         | \$ 406,166              |
| Public protection          | 666,658                 |
| Public ways and facilities | 3,292,238               |
| Health and sanitation      | 175,019                 |
| Public assistance          | 303,681                 |
| Recreation and culture     | 91,636                  |
| Internal service funds     | <u>335,992</u>          |
| <br>Total                  | <br><u>\$ 5,271,390</u> |

Depreciation on capital assets held by the County's internal service funds is charged to the various functions based on their usage of the assets.

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 - CAPITAL ASSETS (Continued)**

**B. Business-Type Activities**

Capital assets activity of the business-type activities for the year ended June 30, 2022 was as follows:

|  | Balance<br>June 30, 2021 | Additions         | Retirements | Transfers   | Balance<br>June 30, 2022 |
|--|--------------------------|-------------------|-------------|-------------|--------------------------|
| <b>Business-Type Activities</b>              |                          |                   |             |             |                          |
| Capital assets, being depreciated            |                          |                   |             |             |                          |
| Equipment                                    | \$ 508,883               | \$ 12,138         | \$ -        | \$ -        | \$ 521,021               |
| Total capital assets, being depreciated      | <u>508,883</u>           | <u>12,138</u>     | <u>-</u>    | <u>-</u>    | <u>521,021</u>           |
| Less accumulated depreciation for:           |                          |                   |             |             |                          |
| Equipment                                    | <u>(434,649)</u>         | <u>(19,223)</u>   | <u>-</u>    | <u>-</u>    | <u>(453,872)</u>         |
| Total accumulated depreciation               | <u>(434,649)</u>         | <u>(19,223)</u>   | <u>-</u>    | <u>-</u>    | <u>(453,872)</u>         |
| Total capital assets, being depreciated, net | <u>74,234</u>            | <u>(7,085)</u>    | <u>-</u>    | <u>-</u>    | <u>67,149</u>            |
| Business-type activities capital assets, net | <u>\$ 74,234</u>         | <u>\$ (7,085)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 67,149</u>         |

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

|                                     |                  |
|-------------------------------------|------------------|
| County Service Area (Honey Lake TV) | \$ <u>19,223</u> |
| Total                               | \$ <u>19,223</u> |

**NOTE 5 - LONG-TERM DEBT**

The following is a summary of long-term liability transactions for the year ended June 30, 2022:

|                                 | Restated<br>Balance<br>July 1, 2021 | Additions         | Deletions             | Balance<br>June 30, 2022 | Due Within<br>One Year | Due in More<br>Than One Year |
|---------------------------------|-------------------------------------|-------------------|-----------------------|--------------------------|------------------------|------------------------------|
| <b>Governmental Activities:</b> |                                     |                   |                       |                          |                        |                              |
| Compensated absences            | \$ 1,169,212                        | \$ 105,085        | \$ -                  | \$ 1,274,297             | \$ 955,724             | \$ 318,573                   |
| Leases                          | 1,892,224                           | -                 | (371,178)             | 1,521,046                | 372,813                | 1,148,233                    |
| Claims liability                | 4,355,672                           | 292,663           | (532,319)             | 4,116,016                | 2,058,008              | 2,058,008                    |
| <i>Direct borrowing:</i>        |                                     |                   |                       |                          |                        |                              |
| Financed purchases              | <u>3,491,468</u>                    | <u>-</u>          | <u>(253,438)</u>      | <u>3,238,030</u>         | <u>260,370</u>         | <u>2,977,660</u>             |
| Total long-term liabilities     | <u>\$ 10,908,576</u>                | <u>\$ 397,748</u> | <u>\$ (1,156,935)</u> | <u>\$ 10,149,389</u>     | <u>\$ 3,646,915</u>    | <u>\$ 6,502,474</u>          |

Claims liability has typically been liquidated from the General Fund. Compensated absences are generally liquidated by the General Fund. Finance purchases are the responsibility of the General Fund. Various leases are the responsibility of Health and Human Services Fund, HHS Contracts Fund and Welfare Administration Fund.

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 5 - LONG-TERM DEBT (Continued)**

**Financed Purchases**

On June 4, 2015, the County entered into a twenty-year financed purchase agreement under which the related building would become the property of the County at the end of the financed purchase agreement. The financed purchase agreement is secured by the financed purchase property and includes a provision, whereby, in an event of default, the County will surrender its possession of the financed purchase property and pay the lessor for any costs in relation to the return of the property.

On September 8, 2019, the County entered into a five-year financed purchase agreement under which the new Public Safety Software license would become the property of the County at the end of the lease agreement. The financed purchase agreement is secured by the leased software and includes a provision, whereby, in an event of default, the County will surrender its license to the software and cease further use.

As of June 30, 2022, annual debt service requirements for the County's financed purchase payable are as follows:

| Year Ending<br>June 30 | Principal           | Interest          |
|------------------------|---------------------|-------------------|
| 2023                   | \$ 260,370          | \$ 150,093        |
| 2024                   | 267,582             | 142,881           |
| 2025                   | 275,082             | 135,381           |
| 2026                   | 202,814             | 97,400            |
| 2027                   | 210,926             | 89,288            |
| 2028-2032              | 1,188,142           | 312,928           |
| 2033-2035              | <u>833,114</u>      | <u>67,522</u>     |
| Totals                 | <u>\$ 3,238,030</u> | <u>\$ 995,493</u> |

**NOTE 6 - LEASES**

**A. Leases as Lessor**

In fiscal year 2010, the County's General Fund leased a ground space of around 1,600 square feet of land to a third party. The noncancelable lease is for five years and includes options to extend for 25 years. The County will receive monthly payments of \$643. The County recognized \$6,218 in lease revenue and \$1,828 in interest revenue during the current fiscal year related to this lease. As of June 30, 2022, the County's receivable for lease payments was \$118,690. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$108,813.

In fiscal year 2007, the County's General Fund leased a ground space of around 4,900 square feet of land to a third party. The lease is for 29 years and the County will receive monthly payments of \$681. The County recognized \$6,628 in lease revenue and \$1,600 in interest revenue during the current fiscal year related to this lease. As of June 30, 2022, the County's receivable for lease payments was \$103,076. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$92,787.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 - LEASES (Continued)**

**A. Leases as Lessor (Continued)**

In fiscal year 2010, the County's General Fund leased ground space of land to a third party. The lease is for 30 years and the County will receive monthly payments of \$751. The County recognized \$7,266 in lease revenue and \$2,137 in interest revenue during the current fiscal year related to this lease. As of June 30, 2022, the County's receivable for lease payments was \$138,701. Also, the County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$127,155.

**B. Leases as Lessee**

In fiscal year 2019, the County's HHS Contract Fund and Health and Human Services Fund entered into a ten-year lease agreement as lessee for a building. The County is required to make monthly principal and interest payments of \$11,200. The lease has an interest rate of 0.90%. As of June 30, 2022, the value of the lease liability was \$784,728. The value of the right-to-use building as of the end of the current fiscal year was \$1,285,798 and had accumulated amortization of \$514,319.

Towards the end of fiscal year 2020, the County's Human Services Fund and Welfare Administration Fund entered into a five-year lease agreement as lessee for a building. The County is required to make monthly principal and interest payments of \$20,516. The lease has an interest rate of 0.20%. As of June 30, 2022, the value of the lease liability was \$736,318. The value of the right-to-use building as of the end of the current fiscal year was \$1,224,952 and had accumulated amortization of \$489,980.

The future principal and interest lease payments as of June 30, 2022 are as follows:

| Year Ending<br>June 30 | Principal           | Interest         | Total               |
|------------------------|---------------------|------------------|---------------------|
| 2023                   | \$ 372,813          | \$ 7,784         | \$ 380,597          |
| 2024                   | 374,459             | 1,251            | 375,710             |
| 2025                   | 376,116             | 663              | 376,779             |
| 2026                   | 131,362             | 298              | 131,660             |
| 2027                   | 132,549             | 200              | 132,749             |
| 2028 - 2029            | 133,747             | 653              | 134,400             |
| Total                  | <u>\$ 1,521,046</u> | <u>\$ 10,849</u> | <u>\$ 1,531,895</u> |

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 7 - INTERFUND TRANSACTIONS**

**A. Interfund Receivables/Payables**

Interfund receivables and payables represent borrowing between funds and regular services and supplies provided but not settled at year-end. The composition of interfund balances as of June 30, 2022 was as follows:

*Due to/from Other Funds*

*Between Funds within the Governmental Activities*

Current interfund balances arise in the normal course of operations and are expected to be repaid shortly after the end of the fiscal year.

|                              | Due to Other Funds |           | Due from Other Funds |                 |                             |                   |
|------------------------------|--------------------|-----------|----------------------|-----------------|-----------------------------|-------------------|
|                              |                    |           | Major Funds          |                 | Nonmajor Governmental Funds |                   |
|                              | General Fund       |           | Public Safety        | TCF/Bailiff     | Probation                   | Total             |
| Major Fund:                  |                    |           |                      |                 |                             |                   |
| County Local Revenue         | \$ 1,864           | \$        | \$ 3,977             | \$ -            | \$ 11,519                   | \$ 17,360         |
| Nonmajor Governmental Funds: |                    |           |                      |                 |                             |                   |
| DA Contracts                 | 77,872             |           | -                    | -               | -                           | 77,872            |
| Narcotics Task Force         | 51,182             |           | -                    | -               | -                           | 51,182            |
| CCF Equipment Replacement    | 59,166             |           | -                    | -               | -                           | 59,166            |
| Prison Trial Program         | 6,707              |           | 99,720               | 6,236           | 14,513                      | 127,176           |
| Total                        | <u>\$ 196,791</u>  | <u>\$</u> | <u>\$ 103,697</u>    | <u>\$ 6,236</u> | <u>\$ 26,032</u>            | <u>\$ 332,756</u> |

*Transfers In/Out*

*Between Funds within the Governmental Activities*

Transfers are for funding of capital projects, lease payments, debt service, and subsidies of various County operations and reallocations of special revenues. The following schedule summarizes the County's transfer activity:

|                              | Transfers Out     |                     | Transfers In        |                           |                      |                   |                             |                   |                      |
|------------------------------|-------------------|---------------------|---------------------|---------------------------|----------------------|-------------------|-----------------------------|-------------------|----------------------|
|                              |                   |                     | Major Funds         |                           |                      |                   | Nonmajor Governmental Funds |                   |                      |
|                              | General           | Welfare Admin.      | Welfare Assistance  | Health and Human Services | Public Safety        | Special Revenue   | Capital Projects            | Debt              | Total                |
| Major Funds:                 |                   |                     |                     |                           |                      |                   |                             |                   |                      |
| General                      | \$ -              | \$ 397,638          | \$ 160,000          | \$ 119,885                | \$ 5,358,375         | \$ 130,344        | \$ -                        | \$ 302,000        | \$ 6,468,242         |
| Welfare Assistance           | -                 | -                   | -                   | 185,885                   | -                    | -                 | -                           | -                 | 185,885              |
| Health and Human Services    | -                 | -                   | -                   | -                         | -                    | 132,671           | -                           | -                 | 132,671              |
| County Local Revenue         | -                 | 390,845             | 1,268,614           | 1,816,417                 | 678,453              | 634,648           | -                           | -                 | 4,788,977            |
| Nonmajor Governmental Funds: |                   |                     |                     |                           |                      |                   |                             |                   |                      |
| Special Revenue              | 15,000            | 1,041,548           | 831,842             | 2,460,304                 | 4,118,031            | 63,996            | 6,890                       | -                 | 8,537,611            |
| Capital Projects             | 150,000           | -                   | -                   | -                         | -                    | -                 | 100,000                     | -                 | 250,000              |
| Total                        | <u>\$ 165,000</u> | <u>\$ 1,830,031</u> | <u>\$ 2,260,456</u> | <u>\$ 4,582,491</u>       | <u>\$ 10,154,859</u> | <u>\$ 961,659</u> | <u>\$ 106,890</u>           | <u>\$ 302,000</u> | <u>\$ 20,363,386</u> |

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 - INTERFUND TRANSACTIONS (Continued)**

**A. Interfund Receivables/Payables (Continued)**

*Between Governmental and Business-Type Activities*

There were no transfers between governmental and business-type activities during the fiscal year ended June 30, 2022.

**NOTE 8 - DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The County has pension related items that qualify to be reported in deferred outflows of resources. The pension related deferred outflows of resources are described in detail in Note 10.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of items that qualify for reporting in this category, and they are unavailable revenues and pension deferrals.

- Unavailable revenues arise only under a modified accrual basis of accounting and is reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds for unavailable revenues are as follows:

|                                 | Unavailable<br>Revenue |
|---------------------------------|------------------------|
| <b>Governmental Activities:</b> |                        |
| General Fund:                   |                        |
| Taxes receivable                | \$ 2,730,803           |
| Leases                          | 328,755                |
| Courthouse Square Construction: |                        |
| Courthouse Renovation Project   | 473,883                |
| Non-Major Funds:                |                        |
| Long-Term Receivables           | 276,870                |
| Intergovernmental               | 80,000                 |
| Total                           | \$ 3,890,311           |

- The County has pension and OPEB related items that qualify to be reported in deferred inflows of resources, which are described in detail in Note 10 and Note 11.

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9 – FUND BALANCES**

A detailed schedule of fund balances at June 30, 2022 was as follows:

|  | General              | Roads               | Welfare Admin.      | Welfare Assistance  | Health and Human Services | Public Safety       | County Local Revenue | Courthouse Square Construction | Nonmajor Governmental | Total                |
|--|----------------------|---------------------|---------------------|---------------------|---------------------------|---------------------|----------------------|--------------------------------|-----------------------|----------------------|
| <b>Nonspendable:</b>                   |                      |                     |                     |                     |                           |                     |                      |                                |                       |                      |
| Deposits                               | \$ 8,663,145         | \$ -                | \$ -                | \$ -                | \$ -                      | \$ -                | \$ -                 | \$ -                           | \$ -                  | \$ 8,663,145         |
| Inventory                              | -                    | 1,219,282           | -                   | -                   | -                         | -                   | -                    | -                              | -                     | 1,219,282            |
| Leases                                 | 31,712               | -                   | -                   | -                   | -                         | -                   | -                    | -                              | -                     | 31,712               |
| <b>Total Nonspendable Fund Balance</b> | <b>8,694,857</b>     | <b>1,219,282</b>    | <b>-</b>            | <b>-</b>            | <b>-</b>                  | <b>-</b>            | <b>-</b>             | <b>-</b>                       | <b>-</b>              | <b>9,914,139</b>     |
| <b>Restricted:</b>                     |                      |                     |                     |                     |                           |                     |                      |                                |                       |                      |
| Purpose of Fund                        | -                    | 4,904,757           | 5,881,312           | 8,856,811           | 7,296,547                 | -                   | 9,118,280            | 9,028                          | -                     | 36,066,735           |
| Self-Insurance                         | 205,005              | -                   | -                   | -                   | -                         | -                   | -                    | -                              | -                     | 205,005              |
| Emergency Services                     | 270,295              | -                   | -                   | -                   | -                         | -                   | -                    | -                              | -                     | 270,295              |
| DA Contracts                           | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 30,027                | 30,027               |
| Mental Health Services Act             | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 3,666,573             | 3,666,573            |
| HHS Contracts                          | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 60,583                | 60,583               |
| Aviation                               | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 340,929               | 340,929              |
| TCF/Bailiff                            | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 254,520               | 254,520              |
| Supplemental Law Enforcement           | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 151,094               | 151,094              |
| Vital Statistics                       | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 94,888                | 94,888               |
| Recorder Micrographics                 | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 120,115               | 120,115              |
| Recorder Modernization                 | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 148,275               | 148,275              |
| Recorder AB130                         | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 111,147               | 111,147              |
| Inmate Welfare - County                | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 172,635               | 172,635              |
| Narcotics Asset Forfeiture             | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 5,407                 | 5,407                |
| Narcotics Task Force                   | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 37,165                | 37,165               |
| Bieber Lighting District               | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 30,895                | 30,895               |
| Lassen-Modoc Flood Control             | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 187,650               | 187,650              |
| Geothermal                             | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 297,129               | 297,129              |
| Mental Health Realignment              | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 964,874               | 964,874              |
| Social Services Realignment            | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 4,867,458             | 4,867,458            |
| Public Health Realignment              | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 1,234,901             | 1,234,901            |
| County Children's                      | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 21,618                | 21,618               |
| Prop 56 - Tobacco                      | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 13,355                | 13,355               |
| Sheriff DNA                            | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 221,482               | 221,482              |
| USDA Title III                         | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 247,360               | 247,360              |
| Child Support                          | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 184,930               | 184,930              |
| Community development                  | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 1,921,965             | 1,921,965            |
| Criminal Justice Facility Const.       | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 408,545               | 408,545              |
| Courthouse Construction                | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 601,456               | 601,456              |
| Coronavirus Relief                     | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 27,553                | 27,553               |
| <b>Total Restricted Fund Balance</b>   | <b>475,300</b>       | <b>4,904,757</b>    | <b>5,881,312</b>    | <b>8,856,811</b>    | <b>7,296,547</b>          | <b>-</b>            | <b>9,118,280</b>     | <b>9,028</b>                   | <b>16,424,529</b>     | <b>52,966,564</b>    |
| <b>Committed</b>                       |                      |                     |                     |                     |                           |                     |                      |                                |                       |                      |
| Purpose of Fund                        | -                    | -                   | -                   | -                   | -                         | 1,308,530           | -                    | -                              | -                     | 1,308,530            |
| <b>Total Committed Fund Balance</b>    | <b>-</b>             | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>                  | <b>1,308,530</b>    | <b>-</b>             | <b>-</b>                       | <b>-</b>              | <b>1,308,530</b>     |
| <b>Assigned</b>                        |                      |                     |                     |                     |                           |                     |                      |                                |                       |                      |
| Subsequent Year Budget Deficit         | 3,137,126            | -                   | -                   | -                   | -                         | -                   | -                    | -                              | -                     | 3,137,126            |
| Tobacco Settlement                     | 28,749               | -                   | -                   | -                   | -                         | -                   | -                    | -                              | -                     | 28,749               |
| Fish and Game                          | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 30,287                | 30,287               |
| DA Contract                            | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 4,325                 | 4,325                |
| Sheriff Contracts                      | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 261,532               | 261,532              |
| Cemetery                               | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 219,373               | 219,373              |
| Natural Resources                      | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 5,138                 | 5,138                |
| Fair                                   | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 540,634               | 540,634              |
| Probation                              | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 748,865               | 748,865              |
| Capital Improvements                   | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 10,516                | 10,516               |
| Capital Improvements Lease             | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 719,864               | 719,864              |
| Accumulated Capital Outlay             | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 1,070,640             | 1,070,640            |
| Fairgrounds Improvements               | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 7,210                 | 7,210                |
| CCF Equipment Replacement              | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 1,173                 | 1,173                |
| Jail Facilities Construction           | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 49,646                | 49,646               |
| Debt Service                           | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 6,912                 | 6,912                |
| Prison Trial Program                   | -                    | -                   | -                   | -                   | -                         | -                   | -                    | -                              | 114,658               | 114,658              |
| <b>Total Assigned Fund Balance</b>     | <b>3,165,875</b>     | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>-</b>                  | <b>-</b>            | <b>-</b>             | <b>-</b>                       | <b>3,790,773</b>      | <b>6,956,648</b>     |
| <b>Unassigned:</b>                     |                      |                     |                     |                     |                           |                     |                      |                                |                       |                      |
| Purpose of Fund                        | 3,413,991            | -                   | -                   | -                   | (17,158)                  | -                   | -                    | -                              | -                     | 3,396,833            |
| <b>Total Unassigned Fund Balance</b>   | <b>3,413,991</b>     | <b>-</b>            | <b>-</b>            | <b>-</b>            | <b>(17,158)</b>           | <b>-</b>            | <b>-</b>             | <b>-</b>                       | <b>-</b>              | <b>3,396,833</b>     |
| <b>Total Fund Balances</b>             | <b>\$ 15,750,023</b> | <b>\$ 6,124,039</b> | <b>\$ 5,881,312</b> | <b>\$ 8,856,811</b> | <b>\$ 7,279,389</b>       | <b>\$ 1,308,530</b> | <b>\$ 9,118,280</b>  | <b>\$ 9,028</b>                | <b>\$ 20,215,302</b>  | <b>\$ 74,542,714</b> |

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 – PENSION PLANS**

**AGENT MULTIPLE EMPLOYER PLANS**

**A. General Information**

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the County’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan 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 Plan are established by State statute and County 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 Miscellaneous Plan are applied as specified by the Public Employees’ Retirement Law.

The Public Employees’ Pension Reform Act of 2013 (PEPRA) requires new benefits and member contributions for new members as defined by PEPRA, that are hired after January 1, 2013. Pursuant to PEPRA, the Miscellaneous Plan is closed to new entrants as of January 1, 2013.

The Plans’ provisions and benefits in effect at June 30, 2022 are summarized as follows:

|   | <b>Miscellaneous</b>        |   |                                |
|---|-----------------------------|---|--------------------------------|
|   | <u>1st Tier</u>             | <u>2nd Tier</u>                           | <u>PEPRA</u>                   |
| Hire date   | Prior to<br>January 1, 2011 | January 1, 2011 thru<br>December 31, 2012 | On or after<br>January 1, 2013 |
| Benefit formula                                   | 2.0% @ 55                   | 2.0% @ 60                                 | 2.0% @ 62                      |
| Benefit vesting schedule                          | 5 years service             | 5 years service                           | 5 years service                |
| Benefit payments                                  | monthly for life            | monthly for life                          | monthly for life               |
| Retirement age                                    | 50 - 63                     | 50 - 63                                   | 52 - 67                        |
| Monthly benefits, as a % of eligible compensation | 1.426% to 2.418%            | 1.092% to 2.418%                          | 1.000% to 2.500%               |
| Required employee contribution rates              | 7.000%                      | 7.000%                                    | 7.000%                         |
| Required employer contribution rates              | 9.052%                      | 9.052%                                    | 9.052%                         |

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund, if applicable. The dollar amounts are billed on a monthly basis. The County’s required contribution for the unfunded liability was \$2,786,805 for the fiscal year ended June 30, 2022.

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

|  | <u>Miscellaneous</u> |
|--|----------------------|
| Inactive employees or beneficiaries currently receiving benefits | 641                  |
| Inactive employees entitled to but not yet receiving benefits    | 595                  |
| Active employees   | 366                  |
| Total  | <u>1,602</u>         |

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 - PENSION PLANS (Continued)**

**AGENT MULTIPLE EMPLOYER PLANS (Continued)**

**A. General Information (Continued)**

**Contributions** - Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

The County's contributions to the plan recognized as a part of pension expense for the year ended June 30, 2022 were \$4,169,623.

**B. Net Pension Liability**

As of June 30, 2022, the County reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$21,964,532.

The County's net pension liability for its Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

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

|                           | Miscellaneous  |
|---------------------------|--|
| Valuation Date            | June 30, 2020  |
| Measurement Date          | June 30, 2021  |
| Actuarial Cost Method     | Entry-Age Normal<br>Cost Method                                |
| Actuarial Assumptions:    |  |
| Discount Rate             | 7.15%  |
| Inflation                 | 2.500%   |
| Payroll Growth            | 2.750%   |
| Projected Salary Increase | Varies by Entry Age and<br>Service                             |
| Investment Rate Return    | 7.00% (1)  |
| Mortality                 | Derived using CalPERS'<br>Membership data for all<br>Funds (2) |

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

(2) The mortality table was developed based on CalPERS specific data.  
The table includes 15 years of projected mortality improvements using  
90% of Scale MP-2016 published by the Society of Actuaries.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 - PENSION PLANS (Continued)**

**AGENT MULTIPLE EMPLOYER PLANS (Continued)**

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

**Discount Rate** - The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Using historical returns of all the funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

| Asset Class (a)  | New Strategic Allocation | Real Return Years 1-10(b) | Real Return Years 11+(c) |
|------------------|--------------------------|---------------------------|--------------------------|
| Public Equity    | 50.0%                    | 4.80%                     | 5.98%                    |
| Fixed Income     | 28.0%                    | 1.00%                     | 2.62%                    |
| Inflation Assets | 0.0%                     | 0.77%                     | 1.81%                    |
| Private Equity   | 8.0%                     | 6.30%                     | 7.23%                    |
| Real Assets      | 13.0%                    | 3.75%                     | 4.93%                    |
| Liquidity        | 1.0%                     | 0.00%                     | -0.92%                   |
| Total            | <u>100%</u>              |                           |                          |

- (a) In the CalPERS ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.00% used for this period.
- (c) An expected inflation of 2.92% used for this period.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 - PENSION PLANS (Continued)**

**AGENT MULTIPLE EMPLOYER PLANS (Continued)**

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

The Net Pension Liability balance includes a portion attributable to superior court employees. These employees are not employees of the County of Lassen; however, disaggregated information was not available from CalPERS. The effect of this liability was deemed immaterial to the overall Net Pension Liability by County management.

The changes in the Net Pension Liability for the Plan follows:

|   | Increase (Decrease)        |                                |                          |
|---|----------------------------|--------------------------------|--------------------------|
|   | Total Pension<br>Liability | Plan Fiduciary<br>Net Position | Net Pension<br>Liability |
| <b>Balance at June 30, 2020 (Measurement Date)</b>            | \$ 143,560,652             | \$ 105,267,244                 | \$ 38,293,408            |
| <b>Changes in the year:</b>                                   |                            |                                |                          |
| Service cost  | 2,626,913                  | -                              | 2,626,913                |
| Interest on the total pension liability                       | 10,063,041                 | -                              | 10,063,041               |
| Differences between expected and actual experience            | (306,184)                  | -                              | (306,184)                |
| Contributions - employer                                      | -                          | 3,836,959                      | (3,836,959)              |
| Contributions - employee                                      | -                          | 1,161,079                      | (1,161,079)              |
| Net investment income   | -                          | 23,820,541                     | (23,820,541)             |
| Benefit payments, including refunds of employee contributions | (7,652,198)                | (7,652,198)                    | -                        |
| Administrative expenses                                       | -                          | (105,933)                      | 105,933                  |
| <b>Net changes</b>  | <u>4,731,572</u>           | <u>21,060,448</u>              | <u>(16,328,876)</u>      |
| <b>Balance at June 30, 2021 (Measurement Date)</b>            | <u>\$ 148,292,224</u>      | <u>\$ 126,327,692</u>          | <u>\$ 21,964,532</u>     |

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** - The following presents the net position liability of the County for the Miscellaneous Plan, calculated using the discount rate for the Plan, as well as what the County's net pension 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 rate:

| 1% Decrease<br>6.15% | Current Discount<br>Rate 7.15% | 1% Increase<br>8.15% |
|----------------------|--------------------------------|----------------------|
| \$ 39,757,770        | \$ 21,964,532                  | \$ 5,747,161         |

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

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 - PENSION PLANS (Continued)**

**AGENT MULTIPLE EMPLOYER PLANS (Continued)**

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

The County recognized pension expense, deferred outflows or resources and deferred inflows of resources included a portion attributable to superior court employees. These employees are not employees of the County of Lassen; however, disaggregated information was not available from CalPERS. The effect of this liability was deemed immaterial to the overall Net Pension Liability by County management.

For the year ended June 30, 2022, the County recognized pension expense of \$415,579. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Pension contributions subsequent to measurement date                         | \$ 4,169,623                      | \$ -                             |
| Differences between actual and expected experience                           | -                                 | 211,938                          |
| Net differences between projected and actual earnings on<br>plan investments | -                                 | 11,799,608                       |
| Total  | \$ 4,169,623                      | \$ 12,011,546                    |

\$4,169,623 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year Ending<br>June 30 |    |             |
|------------------------|----|-------------|
| 2023                   | \$ | (3,176,148) |
| 2024                   |    | (2,735,595) |
| 2025                   |    | (2,831,533) |
| 2026                   |    | (3,268,270) |
| 2027                   |    | -           |
| Thereafter             |    | -           |

**E. Payable to the Pension Plan**

The County did not have an outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 - PENSION PLANS (Continued)**

**COST-SHARING EMPLOYER PLANS**

**A. General Information**

**Plan Description** – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost Sharing Multiple-Employer Plan (Plan) administered by the California Public Employees’ Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The County of Lassen (County) sponsors three safety rate plans. Benefit provisions under the Plan are established by State statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

The rate plan provisions and benefits in effect at June 30, 2022 are summarized as follows:

|   | <b>Safety</b>               |   |                                |
|---|-----------------------------|---|--------------------------------|
|   | 1st Tier                    | 2nd Tier                                  | PEPRA                          |
| Hire date   | Prior to<br>January 1, 2011 | January 1, 2011 thru<br>December 31, 2012 | On or after<br>January 1, 2013 |
| Benefit formula                                   | 3.0% @ 50                   | 3.0% @ 55                                 | 2% @ 57                        |
| Benefit vesting schedule                          | 5 years service             | 5 years service                           | 5 years service                |
| Benefit payments                                  | monthly for life            | monthly for life                          | monthly for life               |
| Retirement age                                    | 50                          | 50 - 55                                   | 50 - 57                        |
| Monthly benefits, as a % of eligible compensation | 3.000%                      | 2.400% to 3.000%                          | 1.426% to 2.000%               |
| Required employee contribution rates              | 9.000%                      | 9.000%                                    | 13.000%                        |
| Required employer contribution rates              | 23.710%                     | 20.640%                                   | 13.130%                        |

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund, if applicable. The dollar amounts are billed on a monthly basis. The County’s required contribution for the unfunded liability was \$1,044,167 for the fiscal year ended June 30, 2022.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 - PENSION PLANS (Continued)**

**COST-SHARING EMPLOYER PLANS (Continued)**

**A. General Information (Continued)**

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions

The County’s contributions to the plan recognized as a part of pension expense for the year ended June 30, 2022 were \$1,474,074.

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2022, the County reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$8,502,525.

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

|                              |         |
|------------------------------|---------|
| Proportion - June 30, 2020   | 0.2248% |
| Proportion - June 30, 2021   | 0.2423% |
| Change - Increase (Decrease) | 0.0175% |

For the year ended June 30, 2022, the County recognized pension expense of \$594,903. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Pension contributions subsequent to measurement date   | \$ 1,656,920                      | \$ -                             |
| Differences between actual and expected experience   | 1,452,649                         | -                                |
| Net differences between projected and actual earnings on<br>plan investments                                       | -                                 | 5,060,637                        |
| Changes in employer's proportion   | 152,431                           | 34,524                           |
| Differences between the employer's actual contributions and the<br>employer's proportionate share of contributions | -                                 | 979,993                          |
| Total  | \$ 3,262,000                      | \$ 6,075,154                     |

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 - PENSION PLANS (Continued)**

**COST-SHARING EMPLOYER PLANS (Continued)**

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

\$1,656,920 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year Ending<br>June 30 |              |
|------------------------|--------------|
| 2023                   | \$ (882,778) |
| 2024                   | (1,002,182)  |
| 2025                   | (1,192,497)  |
| 2026                   | (1,392,617)  |
| 2027                   | -            |
| Thereafter             | -            |

**C. Actuarial Assumptions**

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

|                           |   |
|---------------------------|---|
| Valuation Date            | <u>Safety</u><br>June 30, 2020  |
| Measurement Date          | June 30, 2021   |
| Actuarial Cost Method     | Entry Age Normal  |
| Actuarial Assumptions:    |   |
| Discount Rate             | 7.15%   |
| Inflation                 | 2.50%   |
| Payroll Growth            | 2.75%   |
| Projected Salary Increase | Varies by Entry Age and<br>Service  |
| Investment Rate of Return | 7.15% <sup>(1)</sup>  |
| Mortality                 | Derived using CalPERS'<br>Membership data for all<br>Funds <sup>(2)</sup> |

<sup>(1)</sup> Net of pension plan investment expenses, including inflation

<sup>(2)</sup> The mortality table was developed based on CalPERS specific data.

The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scal MP 2016.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experiences Study can be found on the CalPERS website.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 – PENSION PLANS (Continued)**

**COST-SHARING EMPLOYER PLANS (Continued)**

**D. Discount Rate**

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected PERF cash flows. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the 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 adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

| Asset Class <sup>(a)</sup> | New Strategic<br>Allocation | Real Return<br>Years 1-10 <sup>(b)</sup> | Real Return<br>Years 11+ <sup>(c)</sup> |
|----------------------------|-----------------------------|--|---|
| Public Equity              | 50.0%                       | 4.80%                                    | 5.98%                                   |
| Fixed Income               | 28.0%                       | 1.00%                                    | 2.62%                                   |
| Inflation Assets           | 0.0%                        | 0.77%                                    | 1.81%                                   |
| Private Equity             | 8.0%                        | 6.30%                                    | 7.23%                                   |
| Real Assets                | 13.0%                       | 3.75%                                    | 4.93%                                   |
| Liquidity                  | 1.0%                        | 0.00%                                    | -0.92%                                  |
| Total                      | <u>100%</u>                 |  |   |

<sup>(a)</sup> In the CalPERS ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

<sup>(b)</sup> An expected inflation of 2.00% used for this period.

<sup>(c)</sup> An expected inflation of 2.92% used for this period.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 – PENSION PLANS (Continued)**

**COST-SHARING EMPLOYER PLANS (Continued)**

**D. Discount Rate (Continued)**

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

| 1% Decrease<br>6.15% | Current Discount Rate<br>7.15% | 1% Increase<br>8.15% |
|----------------------|--------------------------------|----------------------|
| \$ 16,274,310        | \$ 8,502,525                   | \$ 2,118,964         |

**E. Pension Plan Fiduciary Net Position**

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

**F. Payable to the Pension Plan**

The County did not have an outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**A. Plan Description**

Employees that meet the following requirements are eligible for coverage under the County’s single-employer defined benefit post-employment healthcare plan (OPEB Plan): 1) has 5 or more years of service with the County; 2) is at least 50 years of age at the date of retirement; and 3) is employed by the County at the time of retirement. During the year ended June 30, 2013, the County established an irrevocable trust with CalPERS, California Employers’ Retiree Benefit Trust Fund (CERBT) to pre-fund post-employment benefits. The County has since transferred assets out of CERBT and, as of the measurement date of June 30, 2021, the County only has assets in Public Agency Retirement Services (PARS), which is also used to pre-fund post-employment benefits.

**B. Employees Covered**

As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB plan:

|  | <u>Miscellaneous</u> |
|--|----------------------|
| Inactive plan member or beneficiaries currently receiving benefits | 132                  |
| Inactive plan members entitled to but not yet receiving benefits   | -                    |
| Active employees   | 365                  |
| Total  | 497                  |

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**C. Contributions**

The County has elected to contribute toward the cost of premiums, for the retiree and spouse, up to a maximum monthly amount, which is specified in the County’s bargaining agreements with its employee groups. The minimum employer contribution specified by CalPERS for 2022 is \$149 per month and is currently less than the County’s paid contribution. For the fiscal year ended June 30, 2022, the County paid premiums totaling \$436,903, but did not make any contributions directly to the plan.

**D. Net OPEB Liability**

The County's net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:

|  |   |
|--|---|
| Discount Rate                          | 6.80%   |
| Inflation                              | 2.50%   |
| Projected Salary Increase              | 2.80% per annum, in aggregate                           |
| Investment Rate Return                 | 6.80%   |
| Mortality Rate <sup>(1)</sup>          | Derived using CalPERS'<br>Membership data for all Funds |
| Pre-Retirement Turnover <sup>(2)</sup> | Derived using CalPERS'<br>Membership data for all Funds |
| Healthcare Cost Trend Rates            | 6.50%, trending down to 4.50%<br>thereafter             |

<sup>(1)</sup> Pre-retirement mortality information was derived from the following:

- Employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021.
- Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021.
- Disabled Retirees:
  - Safety: SOA Pub-2010 Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021.
  - Miscellaneous: SOA Pub-2010 Non Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021.

<sup>(2)</sup> Pre-retirement turnover information was derived from the termination rates under the 2021 experience study for the CalPERS pension plan.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**D. Net OPEB Liability (Continued)**

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

| Asset Class            | Target Allocation | Long-term Expected Real Rate of Return |
|------------------------|-------------------|--|
| Global Equity          | 40.0%             | 5.50%                                  |
| Global Debt Securities | 43.0%             | 2.35%                                  |
| Inflation Assets       | 5.0%              | 1.50%                                  |
| Commodities            | 4.0%              | 1.75%                                  |
| REITs                  | 8.0%              | 3.65%                                  |
| Total                  | <u>100.0%</u>     |  |

**E. Discount Rate**

The discount rate used to measure the total OPEB liability is 6.80%. This is the expected long-term rate of return on County assets determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage and adding in expected inflation (2.5%). Based on those assumptions, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

**F. Change in Net OPEB Liability**

|  | Increase (Decrease)  |                             |                     |
|--|----------------------|-----------------------------|---------------------|
|  | Total OPEB Liability | Plan Fiduciary Net Position | Net OPEB Liability  |
| <b>Balance at June 30, 2021<br/>(Valuation Date June 30, 2020)</b> | \$ 8,397,438         | \$ 6,360,091                | \$ 2,037,347        |
| <b>Changes in the year:</b>  |                      |                             |                     |
| Service cost   | 245,660              | -                           | 245,660             |
| Interest on the total OPEB liability                               | 587,242              | -                           | 587,242             |
| Changes in benefit terms   | 758,503              | -                           | 758,503             |
| Differences between expected and actual experience                 | (17,374)             | -                           | (17,374)            |
| Changes of assumptions   | 567,481              | -                           | 567,481             |
| Contributions - employer (including implicit rate subsidy)         | -                    | 516,586                     | (516,586)           |
| Net investment income  | -                    | 1,700,612                   | (1,700,612)         |
| Benefit payments, including refunds of member contributions        | (516,586)            | (516,586)                   | -                   |
| Administrative expenses  | -                    | (35,979)                    | 35,979              |
| <b>Net changes</b>   | <u>1,624,926</u>     | <u>1,664,633</u>            | <u>(39,707)</u>     |
| <b>Balance at June 30, 2021 (Measurement Date)</b>                 | <u>\$ 10,022,364</u> | <u>\$ 8,024,724</u>         | <u>\$ 1,997,640</u> |

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**G. Sensitivity of the Net OPEB liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the County if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

| 1% Decrease<br>5.80% | Current Discount<br>Rate 6.80% | 1% Increase<br>7.80% |
|----------------------|--------------------------------|----------------------|
| \$ 3,104,709         | \$ 1,997,640                   | \$ 1,063,485         |

**H. Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trends**

The following presents the net OPEB liability of the County if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

| 1% Decrease 5.50%<br>decreasing to<br>3.50% | Current Healthcare<br>Cost Trend Rates<br>6.50% decreasing to<br>4.50% | 1% Increase<br>7.50% increasing to<br>5.50% |
|---|--|---|
| \$ 944,393                                  | \$ 1,997,640   | \$ 3,270,260                                |

**I. OPEB Expense and Deferred Outflows of Resources Related to OPEB**

For the year ended June 30, 2022, the County recognized an OPEB expense of \$1,054,647. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| OPEB contributions subsequent to measurement date                         | \$ 318,185                        | \$ -                             |
| Changes of assumptions  | 510,733                           | 159,841                          |
| Differences between actual and expected experience                        | 461,118                           | 74,630                           |
| Net differences between projected and actual earnings on plan investments | -                                 | 837,538                          |
| Total   | <u>\$ 1,290,036</u>               | <u>\$ 1,072,009</u>              |

**COUNTY OF LASSEN  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2022**

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)**

**I. OPEB Expense and Deferred Outflows of Resources Related to OPEB (Continued)**

\$318,185 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 ending June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

| Year Ending<br>June 30 |    |           |
|------------------------|----|-----------|
| 2023                   | \$ | (91,396)  |
| 2024                   |    | (77,022)  |
| 2025                   |    | (97,278)  |
| 2026                   |    | (144,490) |
| 2027                   |    | 106,845   |
| Thereafter             |    | 203,183   |

The County did not have an outstanding amount of contributions payable to OPEB required for the year ended June 30, 2022.

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

**A. Grant Programs**

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. The County believes that disallowed expenditures, if any, based on subsequent audits, will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

**B. General Litigation**

The County is at times involved as a defendant in various legal proceedings. There are no current cases, in the opinion of the County, for which the outcomes will have a material adverse effect on the financial position of the County.

**COUNTY OF LASSEN  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 JUNE 30, 2022**

**NOTE 13 – JOINT POWERS AGREEMENT**

**A. Lassen Regional Solid Waste Management Authority**

In 1999, the Lassen Regional Solid Waste Management Authority (the Authority) was created under a joint powers agreement between the County and the City of Susanville. It was formed to fund, plan, operate, administer, and maintain solid waste facilities, sites and services, including all mandated costs for planning, waste diversion, and both closure and post-closure of sites, as well as public education, waste transfer, material recovery, recycling, household hazardous waste programs, and other AB939 programs. The Authority has a Board of Directors, which consists of five persons, two from the County and two from the City, and one public member at-large who is appointed by the City and County members. Members share equally in the Authority’s assets, to be distributed upon termination of the joint venture agreement. The members have no share of the Authority’s debts, liabilities, and obligations. The County has no ongoing financial interest or responsibility as of June 30, 2014.

Pursuant to a contract between the County and the Authority, the County provides services to the Authority, including personnel and related benefits, and accounting services. During the year ended June 30, 2020 (the most recent year-end financial information available), the Authority paid the County \$671,496 for personnel services and related benefits and \$40,129 for accounting and administrative services. The Authority has financial statements prepared and they can be obtained from management of the Authority.

Condensed financial information for the Authority as of June 30, 2020, is presented below:

|                                  | Amount       |
|----------------------------------|--------------|
| <b>Statement of Net Position</b> |              |
| Assets                           | \$ 6,099,002 |
| Liabilities                      | (6,709,118)  |
| Net position (deficit)           | \$ (610,116) |
| <br><b>Revenues and Expenses</b> |              |
| Revenues                         | \$ 2,002,629 |
| Expenses                         | (1,778,412)  |
| Net gain (loss)                  | \$ 224,217   |

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 13 - JOINT POWERS AGREEMENT (Continued)**

**B. Lassen Transit Service Agency**

The Lassen Transit Service Agency (Agency) was created as a joint powers agreement (JPA) between the County and the City of Susanville on July 17, 2002 under the provisions of Article 1, Chapter 5, Division 7, Title 1 of the California Government Code Section 6500. The Agency is charged with the administration and operation of the Lassen Rural Bus (LRB) public transportation services within Lassen County under the jurisdiction of the Lassen County Transportation Commission (Commission), the Regional Transportation Planning Agency for the County. The Commission is comprised of three members of the Lassen County Board of Supervisors and three members of the City of Susanville City Council and allocates and distributes the Transportation Development Act (TDA) funding for the LRB service operations. In addition to TDA funds, the Agency receives funding through several resources including the federal government and the State of California. Formerly, all of the transactions of the Agency were reported in the Rural Bus Fund of the County. Effective July 1, 2002, the Agency became a separate legal entity and is no longer considered a part of the County. The County has no ongoing financial interest or responsibility as of June 30, 2016. The Agency has financial statements prepared and they can be obtained from management of the Agency.

Condensed financial information for the Agency as of June 30, 2022 is presented below:

|                                  | Amount              |
|----------------------------------|---------------------|
| <b>Statement of Net Position</b> |                     |
| Assets                           | \$ 3,016,010        |
| Liabilities                      | <u>(1,457,080)</u>  |
| Net position (deficit)           | <u>\$ 1,558,930</u> |
| <br><b>Revenues and Expenses</b> |                     |
| Revenues                         | \$ 1,950,487        |
| Expenses                         | <u>(1,906,810)</u>  |
| Net gain (loss)                  | <u>\$ 43,677</u>    |

**COUNTY OF LASSEN**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 13 - JOINT POWERS AGREEMENT (Continued)**

**C. Honey Lake Valley Recreation Authority**

The Honey Lake Valley Recreation Authority (HLVRA) was created by a joint powers agreement between the County and the City of Susanville on November 18, 2013 under the provisions of California Government Code 6500 et. Seq. HLVRA is an entity separate from its member agencies created for the purpose of owning and operating public recreation facilities, including a swimming pool. HLVRA has a five-member board of directors comprised of two representatives from each member agency and one member at large. It is anticipated that the authority will receive funding from its members and shall remain in effect for 15 years from the date of adoption and thereafter terminate. Upon termination HLVRA funds remaining, after payment of all obligations, shall be divided in proportion to the contribution of each member agency.

Condensed financial information for HLVRA as of June 30, 2021 is presented below:

|                                  | Amount       |
|----------------------------------|--------------|
| <b>Statement of Net Position</b> |              |
| Assets                           | \$ 3,164,567 |
| Liabilities                      | (29,943)     |
| Net position (deficit)           | \$ 3,134,624 |
| <br><b>Revenues and Expenses</b> |              |
| Revenues                         | \$ 290,807   |
| Expenses                         | (304,369)    |
| Net gain (loss)                  | \$ (13,562)  |

**NOTE 14 - RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County participates in a JPA named Trindel Insurance Fund, to provide coverage for workers' compensation and general liability exposure and to pay for the administration of the program. Primary and excess workers' compensation insurance, as well as excess property and general liability insurance are reinsured through a commercial company. There is a self-insured retention of \$100,000 for general liability, \$25,000 for property, and \$300,000 for workers compensation. Above the self-insured retention, various limits are applied to excess insurance programs. Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years. At June 30, 2021, Trindel Insurance Fund was classified as a claims-servicing or account pool, wherein the County retains the risk of loss and is considered self-insured with regard to liability and workers compensation. The County currently reports all of its risk management activities in the General Fund. Premiums due to Trindel are reported when incurred. The liability for outstanding claims was determined based on historical trends and actual activity.

**COUNTY OF LASSEN  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 14 - RISK MANAGEMENT (Continued)**

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

|  | <u>2022</u>         | <u>2021</u>         |
|--|---------------------|---------------------|
| Unpaid claims July 1                                       | \$ 4,355,672        | \$ 4,677,720        |
| Incurred claims (including IBNRs) and changes in estimates | 292,663             | 108,626             |
| Current year payments                                      | <u>(532,319)</u>    | <u>(430,674)</u>    |
| Unpaid claims June 30                                      | <u>\$ 4,116,016</u> | <u>\$ 4,355,672</u> |

**NOTE 15 - RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE**

The beginning net position/fund balance of the funds identified below have been restated to record a change in accounting principle and previous year's revenue as presented in the reconciliation below:

|  | <u>Government<br/>Wide</u>         | <u>Governmental<br/>Funds</u> |  |
|--|------------------------------------|-------------------------------|--|
|  | <u>Governmental<br/>Activities</u> | <u>General</u>                | <u>Nonmajor<br/>Governmental<br/>Funds</u> |
| Net position/fund balance, June 30, 2021, as previously reported | <u>\$ 82,412,949</u>               | <u>\$ 14,648,584</u>          | <u>\$ 20,251,346</u>                       |
| Prior period adjustments:  |                                    |                               |  |
| Overstatement of revenue   | <u>(2,969,224)</u>                 | <u>-</u>                      | <u>(2,969,224)</u>                         |
| Total prior period adjustments                                   | <u>(2,969,224)</u>                 | <u>-</u>                      | <u>(2,969,224)</u>                         |
| Change in accounting principle:                                  |                                    |                               |  |
| Implementation of GASB 87 leases                                 | <u>18,732</u>                      | <u>30,935</u>                 | <u>-</u>                                   |
| Total change in accounting principle                             | <u>18,732</u>                      | <u>30,935</u>                 | <u>-</u>                                   |
| Net position/fund balance, July 1, 2021, as restated             | <u>\$ 79,462,457</u>               | <u>\$ 14,679,519</u>          | <u>\$ 17,282,122</u>                       |

**NOTE 16 - SUBSEQUENT EVENT**

On April 13, 2021, the California Department of Corrections and Rehabilitation (CDCR) announced the closure of the California Correctional Center (CCC) in Lassen County by June 30, 2022. The state budget ultimately set the closure date of June 30, 2023. The CCC closed June 2023. There will be a potential impact to local revenues due to decreased property tax values and a reduction in sales taxes. Net future impact to the County is unknown.

Management has evaluated and concluded that there are no other subsequent events that have occurred from June 30, 2022 through the date the financial statements were available to be issued at November 27, 2023 that would require disclosure or adjustment.

REQUIRED SUPPLEMENTARY INFORMATION

**COUNTY OF LASSEN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|   | <u>Budgeted Amounts</u> |                       | <u>Actual</u><br>Amounts | <u>Variance with</u><br>Final Budget |
|---|-------------------------|-----------------------|--------------------------|--------------------------------------|
|   | <u>Original</u>         | <u>Final</u>          |                          |                                      |
| <b>REVENUES</b>   |                         |                       |                          |                                      |
| Taxes   | \$ 10,632,000           | \$ 10,677,000         | \$ 10,380,061            | \$ (296,939)                         |
| Licenses and permits                                      | 325,000                 | 325,000               | 362,607                  | 37,607                               |
| Intergovernmental   | 3,535,388               | 3,544,388             | 3,460,905                | (83,483)                             |
| Charges for services                                      | 2,815,019               | 2,815,019             | 2,969,729                | 154,710                              |
| Fines and forfeitures                                     | 651,500                 | 651,500               | 220,808                  | (430,692)                            |
| Use of money and property                                 | 200,750                 | 200,750               | (821,243)                | (1,021,993)                          |
| Other revenues  | 812,388                 | 812,388               | 1,231,545                | 419,157                              |
|   | <u>18,972,045</u>       | <u>19,026,045</u>     | <u>17,804,412</u>        | <u>(1,221,633)</u>                   |
| <b>EXPENDITURES</b>                                       |                         |                       |                          |                                      |
| <b>Current:</b>   |                         |                       |                          |                                      |
| General government  | 7,718,317               | 7,716,317             | 6,419,939                | 1,296,378                            |
| Public protection   | 4,856,594               | 4,820,012             | 3,743,182                | 1,076,830                            |
| Public assistance   | 148,708                 | 148,708               | 144,092                  | 4,616                                |
| Education   | 77,738                  | 77,260                | 65,186                   | 12,074                               |
| Recreation and culture                                    | 21,250                  | 21,250                | 30,279                   | (9,029)                              |
| Capital outlay  | 193,366                 | 470,677               | 27,988                   | 442,689                              |
|   | <u>13,015,973</u>       | <u>13,254,224</u>     | <u>10,430,666</u>        | <u>2,823,558</u>                     |
| Excess (deficiency) of revenues over (under) expenditures | <u>5,956,072</u>        | <u>5,771,821</u>      | <u>7,373,746</u>         | <u>1,601,925</u>                     |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                         |                       |                          |                                      |
| Transfers in  | 610,849                 | 610,849               | 165,000                  | (445,849)                            |
| Transfers out   | <u>(8,241,230)</u>      | <u>(8,265,730)</u>    | <u>(6,468,242)</u>       | <u>1,797,488</u>                     |
|   | <u>(7,630,381)</u>      | <u>(7,654,881)</u>    | <u>(6,303,242)</u>       | <u>1,351,639</u>                     |
| Net change in fund balance                                | <u>\$ (1,674,309)</u>   | <u>\$ (1,883,060)</u> | 1,070,504                | <u>\$ 2,953,564</u>                  |
| Fund balance - beginning (restated)                       |                         |                       | <u>14,679,519</u>        |                                      |
| Fund balance - ending                                     |                         |                       | <u>\$ 15,750,023</u>     |                                      |

**COUNTY OF LASSEN  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ROAD FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

|                            | <u>Budgeted Amounts</u> |                       | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget</u> |
|----------------------------|-------------------------|-----------------------|---------------------------|---------------------------------------|
|                            | <u>Original</u>         | <u>Final</u>          |                           |                                       |
| <b>REVENUES</b>            |                         |                       |                           |                                       |
| Licenses and permits       | \$ 10,000               | \$ 10,000             | \$ 8,193                  | \$ (1,807)                            |
| Intergovernmental          | 19,653,285              | 19,653,285            | 15,625,414                | (4,027,871)                           |
| Charges for services       | -                       | -                     | 67,564                    | 67,564                                |
| Use of money and property  | 12,000                  | 12,000                | (125,990)                 | (137,990)                             |
| Other revenues             | -                       | -                     | 120,185                   | 120,185                               |
|                            | <u>19,675,285</u>       | <u>19,675,285</u>     | <u>15,695,366</u>         | <u>(3,979,919)</u>                    |
| <b>EXPENDITURES</b>        |                         |                       |                           |                                       |
| Current:                   |                         |                       |                           |                                       |
| Public ways and facilities | 5,981,202               | 5,981,202             | 3,840,405                 | 2,140,797                             |
| Capital outlay             | 15,845,000              | 15,845,000            | 10,472,693                | 5,372,307                             |
|                            | <u>21,826,202</u>       | <u>21,826,202</u>     | <u>14,313,098</u>         | <u>7,513,104</u>                      |
| Net change in fund balance | <u>\$ (2,150,917)</u>   | <u>\$ (2,150,917)</u> | 1,382,268                 | <u>\$ 3,533,185</u>                   |
| Fund balance - beginning   |                         |                       | <u>4,741,771</u>          |                                       |
| Fund balance - ending      |                         |                       | <u>\$ 6,124,039</u>       |                                       |

**COUNTY OF LASSEN  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
WELFARE ADMINISTRATION FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

|   | <u>Budgeted Amounts</u> |                    | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget</u> |
|---|-------------------------|--------------------|---------------------------|---------------------------------------|
|   | <u>Original</u>         | <u>Final</u>       |                           |                                       |
| <b>REVENUES</b>   |                         |                    |                           |                                       |
| Intergovernmental   | \$ 6,522,268            | \$ 6,687,185       | \$ 6,356,188              | \$ (330,997)                          |
| Charges for services                                      | -                       | 424,774            | 560                       | (424,214)                             |
| Other revenues  | 60,000                  | 60,000             | 106,137                   | 46,137                                |
|   | <u>6,582,268</u>        | <u>7,171,959</u>   | <u>6,462,885</u>          | <u>(709,074)</u>                      |
| <b>EXPENDITURES</b>                                       |                         |                    |                           |                                       |
| Current:  |                         |                    |                           |                                       |
| Public assistance   | 9,890,956               | 10,159,514         | 7,983,530                 | 2,175,984                             |
| Capital outlay  | 10,000                  | 70,000             | -                         | 70,000                                |
| Debt service:   |                         |                    |                           |                                       |
| Principal   | -                       | -                  | 227,135                   | (227,135)                             |
| Interest  | -                       | -                  | 1,615                     | (1,615)                               |
|   | <u>9,900,956</u>        | <u>10,229,514</u>  | <u>8,212,280</u>          | <u>2,017,234</u>                      |
| Excess (deficiency) of revenues over (under) expenditures | <u>(3,318,688)</u>      | <u>(3,057,555)</u> | <u>(1,749,395)</u>        | <u>1,308,160</u>                      |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                         |                    |                           |                                       |
| Transfers in  | <u>3,316,700</u>        | <u>3,316,700</u>   | <u>1,830,031</u>          | <u>(1,486,669)</u>                    |
| Total other financing sources (uses)                      | <u>3,316,700</u>        | <u>3,316,700</u>   | <u>1,830,031</u>          | <u>(1,486,669)</u>                    |
| Net change in fund balance                                | <u>\$ (1,988)</u>       | <u>\$ 259,145</u>  | 80,636                    | <u>\$ (178,509)</u>                   |
| Fund balance - beginning                                  |                         |                    | <u>5,800,676</u>          |                                       |
| Fund balance - ending                                     |                         |                    | <u>\$ 5,881,312</u>       |                                       |

**COUNTY OF LASSEN  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
WELFARE ASSISTANCE FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

|   | <u>Budgeted Amounts</u> |                     | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget</u> |
|---|-------------------------|---------------------|---------------------------|---------------------------------------|
|   | <u>Original</u>         | <u>Final</u>        |                           |                                       |
| REVENUES  |                         |                     |                           |                                       |
| Intergovernmental   | \$ 4,968,438            | \$ 4,968,438        | \$ 6,353,389              | \$ 1,384,951                          |
| Other revenues  | <u>125,000</u>          | <u>125,000</u>      | <u>70,817</u>             | <u>(54,183)</u>                       |
| Total revenues  | <u>5,093,438</u>        | <u>5,093,438</u>    | <u>6,424,206</u>          | <u>1,330,768</u>                      |
| EXPENDITURES  |                         |                     |                           |                                       |
| Current:  |                         |                     |                           |                                       |
| Public assistance   | <u>10,147,656</u>       | <u>10,147,656</u>   | <u>7,531,189</u>          | <u>2,616,467</u>                      |
| Total expenditures  | <u>10,147,656</u>       | <u>10,147,656</u>   | <u>7,531,189</u>          | <u>2,616,467</u>                      |
| Excess (deficiency) of revenues over (under) expenditures | <u>(5,054,218)</u>      | <u>(5,054,218)</u>  | <u>(1,106,983)</u>        | <u>3,947,235</u>                      |
| OTHER FINANCING SOURCES (USES)                            |                         |                     |                           |                                       |
| Transfers in  | 5,047,042               | 5,047,042           | 2,260,456                 | (2,786,586)                           |
| Transfers out   | <u>(241,472)</u>        | <u>(241,472)</u>    | <u>(185,885)</u>          | <u>55,587</u>                         |
| Total other financing sources (uses)                      | <u>4,805,570</u>        | <u>4,805,570</u>    | <u>2,074,571</u>          | <u>(2,730,999)</u>                    |
| Net change in fund balance                                | <u>\$ (248,648)</u>     | <u>\$ (248,648)</u> | 967,588                   | <u>\$ 1,216,236</u>                   |
| Fund balance - beginning                                  |                         |                     | <u>7,889,223</u>          |                                       |
| Fund balance - ending                                     |                         |                     | <u>\$ 8,856,811</u>       |                                       |

**COUNTY OF LASSEN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**HEALTH AND HUMAN SERVICES FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|   | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with</u> |
|---|-------------------------|---------------------|---------------------|----------------------|
|   | <u>Original</u>         | <u>Final</u>        |                     |                      |
| <b>REVENUES</b>   |                         |                     |                     |                      |
| Licenses and permits                                      | \$ 5,000                | \$ 5,000            | \$ 3,862            | \$ (1,138)           |
| Intergovernmental   | 5,170,706               | 5,245,706           | 3,745,457           | (1,500,249)          |
| Charges for services                                      | 2,182,351               | 2,182,351           | 1,947,918           | (234,433)            |
| Fines and forfeitures                                     | 7,500                   | 7,500               | 8,744               | 1,244                |
| Use of money and property                                 | -                       | -                   | (276,787)           | (276,787)            |
| Other revenues  | <u>54,000</u>           | <u>54,000</u>       | <u>88,849</u>       | <u>34,849</u>        |
| Total revenues  | <u>7,419,557</u>        | <u>7,494,557</u>    | <u>5,518,043</u>    | <u>(1,976,514)</u>   |
| <b>EXPENDITURES</b>                                       |                         |                     |                     |                      |
| <b>Current:</b>   |                         |                     |                     |                      |
| Public protection   | 193,880                 | 193,880             | 191,032             | 2,848                |
| Health and sanitation                                     | 11,191,070              | 11,259,379          | 8,530,294           | 2,729,085            |
| Public assistance   | 2,326,628               | 2,326,628           | 1,312,550           | 1,014,078            |
| Capital outlay  | 565,000                 | 565,000             | 29,274              | 535,726              |
| <b>Debt service:</b>                                      |                         |                     |                     |                      |
| Principal   | -                       | -                   | 116,861             | (116,861)            |
| Interest  | <u>-</u>                | <u>-</u>            | <u>6,156</u>        | <u>(6,156)</u>       |
| Total expenditures  | <u>14,276,578</u>       | <u>14,344,887</u>   | <u>10,186,167</u>   | <u>4,158,720</u>     |
| Excess (deficiency) of revenues over (under) expenditures | <u>(6,857,021)</u>      | <u>(6,850,330)</u>  | <u>(4,668,124)</u>  | <u>2,182,206</u>     |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                         |                     |                     |                      |
| Transfers in  | 6,881,152               | 6,881,152           | 4,582,491           | (2,298,661)          |
| Transfers out   | <u>(866,935)</u>        | <u>(910,056)</u>    | <u>(132,671)</u>    | <u>777,385</u>       |
| Total other financing sources (uses)                      | <u>6,014,217</u>        | <u>5,971,096</u>    | <u>4,449,820</u>    | <u>(1,521,276)</u>   |
| Net change in fund balance                                | <u>\$ (842,804)</u>     | <u>\$ (879,234)</u> | (218,304)           | <u>\$ 660,930</u>    |
| Fund balance - beginning                                  |                         |                     | <u>7,497,693</u>    |                      |
| Fund balance - ending                                     |                         |                     | <u>\$ 7,279,389</u> |                      |

**COUNTY OF LASSEN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**PUBLIC SAFETY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|   | <u>Budgeted Amounts</u> |                       | <u>Actual</u><br>Amounts | <u>Variance with</u><br>Final Budget |
|---|-------------------------|-----------------------|--------------------------|--------------------------------------|
|   | <u>Original</u>         | <u>Final</u>          |                          |                                      |
| <b>REVENUES</b>   |                         |                       |                          |                                      |
| Taxes   | \$ 106,000              | \$ 106,000            | \$ 121,496               | \$ 15,496                            |
| Licenses and permits                                      | 10,000                  | 10,000                | 9,328                    | (672)                                |
| Intergovernmental   | 2,427,200               | 2,427,200             | 2,668,290                | 241,090                              |
| Charges for services                                      | 598,053                 | 598,053               | 424,288                  | (173,765)                            |
| Fines and forfeitures                                     | -                       | -                     | 744                      | 744                                  |
| Use of money and property                                 | 6,240                   | 6,240                 | (61,495)                 | (67,735)                             |
| Other revenues  | 547,598                 | 572,598               | 655,877                  | 83,279                               |
|   | <u>3,695,091</u>        | <u>3,720,091</u>      | <u>3,818,528</u>         | <u>98,437</u>                        |
| <b>EXPENDITURES</b>                                       |                         |                       |                          |                                      |
| <b>Current:</b>   |                         |                       |                          |                                      |
| General government  | 823,401                 | 823,401               | 604,748                  | 218,653                              |
| Public protection   | 14,864,277              | 14,956,151            | 13,483,058               | 1,473,093                            |
| Capital outlay  | 560,000                 | 560,000               | 364,707                  | 195,293                              |
| <b>Debt service:</b>                                      |                         |                       |                          |                                      |
| Principal   | 80,070                  | 80,070                | 80,072                   | (2)                                  |
|   | <u>16,327,748</u>       | <u>16,419,622</u>     | <u>14,532,585</u>        | <u>1,887,037</u>                     |
| Excess (deficiency) of revenues over (under) expenditures | <u>(12,632,657)</u>     | <u>(12,699,531)</u>   | <u>(10,714,057)</u>      | <u>1,985,474</u>                     |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                         |                       |                          |                                      |
| Transfers in  | 11,555,299              | 11,591,799            | 10,154,859               | (1,436,940)                          |
|   | <u>11,555,299</u>       | <u>11,591,799</u>     | <u>10,154,859</u>        | <u>(1,436,940)</u>                   |
| Net change in fund balance                                | <u>\$ (1,077,358)</u>   | <u>\$ (1,107,732)</u> | (559,198)                | <u>\$ 548,534</u>                    |
| Fund balance - beginning                                  |                         |                       | <u>1,867,728</u>         |                                      |
| Fund balance - ending                                     |                         |                       | <u>\$ 1,308,530</u>      |                                      |

**COUNTY OF LASSEN  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
COUNTY LOCAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

|   | <u>Budgeted Amounts</u> |                     | <u>Actual<br/>Amounts</u> | <u>Variance with<br/>Final Budget</u> |
|---|-------------------------|---------------------|---------------------------|---------------------------------------|
|   | <u>Original</u>         | <u>Final</u>        |                           |                                       |
| <b>REVENUES</b>   |                         |                     |                           |                                       |
| Intergovernmental   | \$ 7,572,598            | \$ 8,495,739        | \$ 10,302,864             | \$ 1,807,125                          |
| Use of money and property                                 | <u>-</u>                | <u>-</u>            | <u>(299,777)</u>          | <u>(299,777)</u>                      |
| Total revenues  | <u>7,572,598</u>        | <u>8,495,739</u>    | <u>10,003,087</u>         | <u>1,507,348</u>                      |
| <b>EXPENDITURES</b>                                       |                         |                     |                           |                                       |
| Current:  |                         |                     |                           |                                       |
| Public protection   | 850,745                 | 1,000,870           | 731,946                   | 268,924                               |
| Capital outlay  | <u>100,000</u>          | <u>100,000</u>      | <u>-</u>                  | <u>100,000</u>                        |
| Total expenditures  | <u>950,745</u>          | <u>1,100,870</u>    | <u>731,946</u>            | <u>368,924</u>                        |
| Excess (deficiency) of revenues over (under) expenditures | <u>6,621,853</u>        | <u>7,394,869</u>    | <u>9,271,141</u>          | <u>1,876,272</u>                      |
| <b>OTHER FINANCING SOURCES (USES)</b>                     |                         |                     |                           |                                       |
| Transfers out   | <u>(7,405,495)</u>      | <u>(7,508,241)</u>  | <u>(4,788,977)</u>        | <u>2,719,264</u>                      |
| Total other financing sources (uses)                      | <u>(7,405,495)</u>      | <u>(7,508,241)</u>  | <u>(4,788,977)</u>        | <u>2,719,264</u>                      |
| Net change in fund balance                                | <u>\$ (783,642)</u>     | <u>\$ (113,372)</u> | 4,482,164                 | <u>\$ 4,595,536</u>                   |
| Fund balance - beginning                                  |                         |                     | <u>4,636,116</u>          |                                       |
| Fund balance - ending                                     |                         |                     | <u>\$ 9,118,280</u>       |                                       |

**COUNTY OF LASSEN**  
**NOTES TO THE BUDGETARY COMPARISON SCHEDULES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING**

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

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the major 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. Supplementary appropriations normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. Budgets are prepared in accordance with Generally Accepted Accounting Principles. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and amended during the fiscal year by four-fifths vote of the Board of Supervisors.

The County uses an encumbrance system as an extension of normal budgetary accounting for the general, special revenue and capital projects funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at the end of the year are liquidated and are appropriated in the next year's budget.

The budget approved by the Board of Supervisors for the general fund includes budgeted expenditures and reimbursements for amounts disbursed on behalf of other governmental funds. Actual reimbursements for these items have been eliminated in the accompanying budgetary financial schedules. Accordingly, the related budgets for these items have also been eliminated in order to provide a meaningful comparison of actual and budgeted results of operations.

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

**NOTE 2 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended June 30, 2022, expenditures exceeded appropriations in the following amounts:

|                            |          |
|----------------------------|----------|
| General Fund:              |          |
| Current:                   |          |
| Recreation and culture     | \$ 9,029 |
| Welfare Administration:    |          |
| Debt service:              |          |
| Principal                  | 227,135  |
| Interest                   | 1,615    |
| Health and Human Services: |          |
| Debt service:              |          |
| Principal                  | 116,861  |
| Interest                   | 6,156    |
| Public Safety:             |          |
| Debt service:              |          |
| Principal                  | 2        |

**COUNTY OF LASSEN  
PROPORTIONATE SHARE OF NET PENSION LIABILITY - COST-SHARING PLAN  
FOR THE YEAR ENDED JUNE 30, 2022  
LAST 10 YEARS\***

|   | 2015         | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          | 2022         |
|---|--------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Proportion of the net pension liability   | 0.24280%     | 0.24360%      | 0.23440%      | 0.22690%      | 0.22730%      | 0.22470%      | 0.22480%      | 0.24230%     |
| Proportionate share of the net pension liability                                  | \$ 9,181,100 | \$ 10,038,807 | \$ 12,137,581 | \$ 13,558,759 | \$ 13,338,118 | \$ 14,025,487 | \$ 14,977,677 | \$ 8,502,525 |
| Covered payroll   | \$ 2,892,309 | \$ 2,934,651  | \$ 3,009,642  | \$ 3,061,933  | \$ 3,411,392  | \$ 3,361,551  | \$ 3,478,009  | \$ 3,320,968 |
| Proportionate share of the net pension liability as percentage of covered payroll | 317.43%      | 342.08%       | 403.29%       | 442.82%       | 390.99%       | 417.23%       | 430.64%       | 256.03%      |
| Plan fiduciary net position as a percentage of the total pension liability        | 76.05%       | 73.82%        | 70.61%        | 70.75%        | 72.92%        | 73.15%        | 72.82%        | 85.27%       |

**Notes to Schedule:**

**Changes in Benefit Terms** - None

**Changes of Assumptions** - None

\*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF LASSEN  
SCHEDULE OF CONTRIBUTIONS - COST-SHARING PLAN  
FOR THE YEAR ENDED JUNE 30, 2022  
LAST 10 YEARS\***

|  | <u>2014</u>      | <u>2015</u>    | <u>2016</u>      | <u>2017</u>      | <u>2018</u>      | <u>2019</u>      | <u>2020</u>      | <u>2021</u>      | <u>2022</u>      |
|--|------------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Actuarially required contribution<br>(actuarially determined)            | \$ 1,002,554     | \$ 957,019     | \$ 1,210,999     | \$ 1,341,053     | \$ 1,463,196     | \$ 1,609,527     | \$ 1,819,281     | \$ 1,474,074     | \$ 1,656,920     |
| Contributions in relation to the actuarially<br>determined contributions | <u>1,002,554</u> | <u>957,019</u> | <u>1,210,999</u> | <u>1,341,053</u> | <u>1,463,196</u> | <u>1,609,527</u> | <u>1,819,281</u> | <u>1,474,074</u> | <u>1,656,920</u> |
| Contribution deficiency (excess)   | <u>\$ -</u>      | <u>\$ -</u>    | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| Covered payroll  | \$ 2,892,309     | \$ 2,934,651   | \$ 3,009,642     | \$ 3,061,933     | \$ 3,411,392     | \$ 3,361,551     | \$ 3,478,009     | \$ 3,320,968     | \$ 3,448,828     |
| Contributions as a percentage of covered                                 | 34.66%           | 32.61%         | 40.24%           | 43.80%           | 42.89%           | 47.88%           | 52.31%           | 44.39%           | 48.04%           |

\*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF LASSEN**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**AGENT MULTIPLE EMPLOYER PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**LAST 10 YEARS\***

|  | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total Pension Liability:</b>  |               |               |               |               |               |               |               |               |
| Service cost   | \$ 2,549,991  | \$ 2,314,595  | \$ 2,312,659  | \$ 2,585,135  | \$ 2,738,532  | \$ 2,718,354  | \$ 2,661,458  | \$ 2,626,913  |
| Interest on total pension liability  | 7,479,108     | 7,878,496     | 8,288,074     | 8,501,019     | 8,908,234     | 9,380,954     | 9,724,005     | 10,063,041    |
| Changes in benefit terms   | -             | -             | -             | -             | -             | -             | -             | -             |
| Changes of assumptions   | -             | (1,876,185)   | -             | 6,894,698     | (772,838)     | -             | -             | -             |
| Differences between expected and actual experience                         | -             | 462,586       | 701,808       | (1,200,769)   | 1,468,640     | 1,523,093     | (395,266)     | (306,184)     |
| Benefit payments, including refunds of employee contributions              | (5,140,550)   | (5,324,219)   | (5,755,683)   | (5,997,063)   | (6,329,626)   | (6,766,978)   | (6,988,334)   | (7,652,198)   |
| Net change in total pension liability                                      | 4,888,549     | 3,455,273     | 5,546,858     | 10,783,020    | 6,012,942     | 6,855,423     | 5,001,863     | 4,731,572     |
| Total pension liability - beginning  | 101,016,724   | 105,905,273   | 109,360,546   | 114,907,404   | 125,690,424   | 131,703,366   | 138,558,789   | 143,560,652   |
| Total pension liability - ending (a)                                       | 105,905,273   | 109,360,546   | 114,907,404   | 125,690,424   | 131,703,366   | 138,558,789   | 143,560,652   | 148,292,224   |
| <b>Plan Fiduciary Net Position:</b>  |               |               |               |               |               |               |               |               |
| Plan to plan resource movement   | -             | 2,579         | (233)         | 37,601        | (231)         | -             | -             | -             |
| Contributions - employer   | 1,910,144     | 1,759,112     | 2,024,304     | 2,301,324     | 2,620,469     | 3,040,426     | 3,485,097     | 3,836,959     |
| Contributions - employee   | 1,216,676     | 1,081,585     | 1,149,564     | 1,112,227     | 1,212,019     | 1,225,685     | 1,223,347     | 1,161,079     |
| Net investment income  | 13,609,094    | 2,005,219     | 448,970       | 9,606,169     | 7,908,533     | 6,445,207     | 5,105,441     | 23,820,541    |
| Administrative expenses  | (111,112)     | (100,309)     | (54,313)      | (128,583)     | (146,783)     | (70,619)      | (145,565)     | (105,933)     |
| Other Miscellaneous Income/(Expense) <sup>(1)</sup>                        | -             | -             | -             | -             | (278,743)     | -             | -             | -             |
| Benefit payments   | (5,140,550)   | (5,324,219)   | (5,755,683)   | (5,997,063)   | (6,329,626)   | (6,766,978)   | (6,988,334)   | (7,652,198)   |
| Net change in plan fiduciary net position                                  | 11,484,252    | (576,033)     | (2,187,391)   | 6,931,675     | 4,985,638     | 3,873,721     | 2,679,986     | 21,060,448    |
| Plan fiduciary net position beginning                                      | 78,075,396    | 89,559,648    | 88,983,615    | 86,796,224    | 93,727,899    | 98,713,537    | 102,587,258   | 105,267,244   |
| Plan fiduciary net position - ending (b)                                   | 89,559,648    | 88,983,615    | 86,796,224    | 93,727,899    | 98,713,537    | 102,587,258   | 105,267,244   | 126,327,692   |
| Net pension liability - ending (a)-(b)                                     | \$ 16,345,625 | \$ 20,376,931 | \$ 28,111,180 | \$ 31,962,525 | \$ 32,989,829 | \$ 35,971,531 | \$ 38,293,408 | \$ 21,964,532 |
| Plan fiduciary net position as a percentage of the total pension liability | 84.57%        | 81.37%        | 75.54%        | 74.57%        | 74.95%        | 74.04%        | 73.33%        | 85.19%        |
| Covered payroll  | \$ 14,663,071 | \$ 14,454,495 | \$ 14,850,738 | \$ 15,779,786 | \$ 16,586,516 | \$ 16,943,333 | \$ 15,844,949 | \$ 15,519,026 |
| Net pension liability as a percentage of covered payroll                   | 111.47%       | 140.97%       | 189.29%       | 202.55%       | 198.90%       | 212.30%       | 241.68%       | 141.53%       |

**Notes to Schedule:**

**Changes in Benefit Terms** - None

**Changes in Assumptions** - None in 2019 - 2021. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

\*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

<sup>(1)</sup>During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

**COUNTY OF LASSEN  
SCHEDULE OF CONTRIBUTIONS - AGENT MULTIPLE EMPLOYER PLAN  
FOR THE YEAR ENDED JUNE 30, 2022  
LAST 10 YEARS\***

|  | <u>2014</u>      | <u>2015</u>      | <u>2016</u>      | <u>2017</u>      | <u>2018</u>      | <u>2019</u>      | <u>2020</u>      | <u>2021</u>      | <u>2022</u>      |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Actuarially required contribution<br>(actuarially determined)            | \$ 1,712,500     | \$ 1,759,112     | \$ 2,024,304     | \$ 2,301,324     | \$ 2,620,469     | \$ 3,040,426     | \$ 3,485,097     | \$ 3,836,959     | \$ 4,169,623     |
| Contributions in relation to the actuarially<br>determined contributions | <u>1,712,500</u> | <u>1,759,112</u> | <u>2,024,304</u> | <u>2,301,324</u> | <u>2,620,469</u> | <u>3,040,426</u> | <u>3,485,097</u> | <u>3,836,959</u> | <u>4,169,623</u> |
| Contribution deficiency (excess)   | <u>\$ -</u>      |
| Covered payroll  | \$ 14,663,071    | \$ 14,454,495    | \$ 14,850,738    | \$ 15,779,786    | \$ 16,586,516    | \$ 16,943,333    | \$ 15,844,949    | \$ 15,519,026    | \$ 15,519,838    |
| Contributions as a percentage of covered payroll                         | 11.68%           | 12.17%           | 13.63%           | 14.58%           | 15.80%           | 17.94%           | 22.00%           | 24.72%           | 26.87%           |

\*Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF LASSEN**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**SINGLE EMPLOYER PLAN**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**LAST 10 YEARS\***

|   | 2018          | 2019          | 2020          | 2021          | 2022          |
|---|---------------|---------------|---------------|---------------|---------------|
| <b>Total OPEB Liability:</b>  |               |               |               |               |               |
| Service cost  | \$ 246,072    | \$ 263,297    | \$ 270,539    | \$ 240,163    | \$ 245,660    |
| Interest on total OPEB liability  | 479,336       | 497,839       | 517,865       | 570,911       | 587,242       |
| Changes in benefit terms  | -             | -             | -             | -             | 758,503       |
| Changes of assumptions  | -             | -             | (255,748)     | -             | 567,481       |
| Differences between expected and actual experience                      | -             | -             | 737,787       | (75,847)      | (17,374)      |
| Benefit payments, including refunds of employee contributions           | (450,614)     | (506,000)     | (466,483)     | (498,572)     | (516,586)     |
| Net change in total OPEB liability                                      | 274,794       | 255,136       | 803,960       | 236,655       | 1,624,926     |
| Total OPEB liability - beginning  | 6,826,893     | 7,101,687     | 7,356,823     | 8,160,783     | 8,397,438     |
| Total OPEB liability - ending (a)                                       | 7,101,687     | 7,356,823     | 8,160,783     | 8,397,438     | 10,022,364    |
| <b>Plan Fiduciary Net Position:</b>                                     |               |               |               |               |               |
| Contributions - employer (including implicit rate subsidy)              | 999,332       | 232,325       | 330,458       | 643,264       | 516,586       |
| Net investment income   | 549,897       | 470,507       | 306,735       | 191,680       | 1,700,612     |
| Benefit payments  | (450,614)     | (506,000)     | (466,483)     | (498,572)     | (516,586)     |
| Administrative expenses   | (2,784)       | (3,098)       | (23,225)      | (30,857)      | (35,979)      |
| Other expense   | -             | (7,875)       | -             | -             | -             |
| Net change in plan fiduciary net position                               | 1,095,831     | 185,859       | 147,485       | 305,515       | 1,664,633     |
| Plan fiduciary net position beginning                                   | 4,625,401     | 5,721,232     | 5,907,091     | 6,054,576     | 6,360,091     |
| Plan fiduciary net position - ending (b)                                | 5,721,232     | 5,907,091     | 6,054,576     | 6,360,091     | 8,024,724     |
| Net OPEB liability - ending (a)-(b)                                     | \$ 1,380,455  | \$ 1,449,732  | \$ 2,106,207  | \$ 2,037,347  | \$ 1,997,640  |
| Plan fiduciary net position as a percentage of the total OPEB liability | 80.56%        | 80.29%        | 74.19%        | 75.74%        | 80.07%        |
| Covered payroll   | \$ 18,841,719 | \$ 19,997,908 | \$ 20,304,884 | \$ 19,522,500 | \$ 20,069,130 |
| Net OPEB liability as a percentage of covered payroll                   | 7.33%         | 7.25%         | 10.37%        | 10.44%        | 9.95%         |

The following assumptions have been updated since the prior valuation:

**Changes in Assumptions:**

- Discount rate as of the Measurement Date has been updated to be based on the expected investment return under the 2021 experience study for the CalPERS pension plan. The prior full valuation used a discount rate of 7.00%. The current full valuation uses a discount rate of 6.80%.
- Mortality table has been updated from CalPERS 2017 pension valuation to the rates below.
  - Employees and retirees: SOA Pub-2010 General Headcount
  - Surviving Spouses: SOA Pub-2010 Continuing Survivor
  - Disabled Retirees:
    - Safety: SOA Pub-2010 Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021.
    - Miscellaneous: SOA Pub-2010 Non Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021.
- Retirement, termination, disability rates have been updated to the most recent CalPERS rates.
- Salary scale assumptions have been updated to the most recent CalPERS rates.
- Health care trend rates have been updated to an initial rate of 6.5% decreasing by 0.5% annually to an ultimate rate of 4.5%. Also, a stipend trend rate of 1.0% has been added to accommodate further increase in stipend amounts.

\* Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

**COUNTY OF LASSEN**  
**SCHEDULE OF CONTRIBUTIONS - OTHER POSTEMPLOYMENT BENEFITS**  
**FOR THE YEAR ENDED JUNE 30, 2022**  
**LAST 10 YEARS\***

|  | 2017                | 2018              | 2019             | 2020                | 2021              | 2022              |
|--|---------------------|-------------------|------------------|---------------------|-------------------|-------------------|
| Actuarially required contribution<br>(actuarially determined)            | \$ 425,948          | \$ 390,610        | \$ 399,062       | \$ 466,483          | \$ 498,572        | \$ 516,586        |
| Contributions in relation to the actuarially<br>determined contributions | <u>999,332</u>      | <u>-</u>          | <u>330,458</u>   | <u>643,264</u>      | <u>315,708</u>    | <u>318,185</u>    |
| Contribution deficiency (excess)   | <u>\$ (573,384)</u> | <u>\$ 390,610</u> | <u>\$ 68,604</u> | <u>\$ (176,781)</u> | <u>\$ 182,864</u> | <u>\$ 198,401</u> |
| Covered payroll  | \$ 18,841,719       | \$ 19,997,908     | \$ 20,304,884    | \$ 19,000,000       | \$ 19,522,500     | \$ 20,069,130     |
| Contributions as a percentage of covered payroll                         | 5.30%               | 0.00%             | 1.63%            | 3.39%               | 1.62%             | 1.59%             |

\* Schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

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## SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

**COUNTY OF LASSEN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

|   | Special Revenue Funds |                      |                  |                  |                                  |
|---|-----------------------|----------------------|------------------|------------------|----------------------------------|
|   | DA<br>Contracts       | Sheriff<br>Contracts | HHS<br>Contracts | Fish & Game      | Mental<br>Health<br>Services Act |
| <b>ASSETS</b>   |                       |                      |                  |                  |                                  |
| Cash and investments  | \$ 30,028             | \$ 247,475           | \$ 67,337        | \$ 30,287        | \$ 3,299,385                     |
| Imprest and other deposits  | -                     | -                    | -                | -                | -                                |
| Due from other governmental entities  | 93,193                | 16,075               | -                | -                | 404,027                          |
| Due from other funds  | -                     | -                    | -                | -                | -                                |
| Accounts receivable   | -                     | -                    | -                | -                | -                                |
| Long-term receivables   | -                     | -                    | -                | -                | -                                |
|   | <u>-</u>              | <u>-</u>             | <u>-</u>         | <u>-</u>         | <u>-</u>                         |
| Total assets  | <u>\$ 123,221</u>     | <u>\$ 263,550</u>    | <u>\$ 67,337</u> | <u>\$ 30,287</u> | <u>\$ 3,703,412</u>              |
| <b>LIABILITIES</b>  |                       |                      |                  |                  |                                  |
| Accounts payable  | \$ -                  | \$ -                 | \$ -             | \$ -             | \$ 33,850                        |
| Salaries and benefits payable   | 10,997                | 2,018                | 6,754            | -                | 2,989                            |
| Due to other governmental entities  | -                     | -                    | -                | -                | -                                |
| Due to other funds  | 77,872                | -                    | -                | -                | -                                |
| Unearned revenue  | -                     | -                    | -                | -                | -                                |
|   | <u>-</u>              | <u>-</u>             | <u>-</u>         | <u>-</u>         | <u>-</u>                         |
| Total liabilities   | <u>88,869</u>         | <u>2,018</u>         | <u>6,754</u>     | <u>-</u>         | <u>36,839</u>                    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                       |                      |                  |                  |                                  |
| Unavailable revenue   | -                     | -                    | -                | -                | -                                |
| Unavailable revenue - loans   | -                     | -                    | -                | -                | -                                |
|   | <u>-</u>              | <u>-</u>             | <u>-</u>         | <u>-</u>         | <u>-</u>                         |
| Total deferred inflows of resources   | <u>-</u>              | <u>-</u>             | <u>-</u>         | <u>-</u>         | <u>-</u>                         |
| <b>FUND BALANCES (DEFICIT)</b>  |                       |                      |                  |                  |                                  |
| Nonspendable:   |                       |                      |                  |                  |                                  |
| Advances and deposits   | -                     | -                    | -                | -                | -                                |
| Prepaid expenses  | -                     | -                    | -                | -                | -                                |
| Inventory   | -                     | -                    | -                | -                | -                                |
| Restricted  | 30,027                | -                    | 60,583           | -                | 3,666,573                        |
| Committed   | -                     | -                    | -                | -                | -                                |
| Assigned  | 4,325                 | 261,532              | -                | 30,287           | -                                |
| Unassigned  | -                     | -                    | -                | -                | -                                |
|   | <u>-</u>              | <u>-</u>             | <u>-</u>         | <u>-</u>         | <u>-</u>                         |
| Total fund balances (deficits)  | <u>34,352</u>         | <u>261,532</u>       | <u>60,583</u>    | <u>30,287</u>    | <u>3,666,573</u>                 |
| Total liabilities, deferred inflows of resources and fund balances (deficits) | <u>\$ 123,221</u>     | <u>\$ 263,550</u>    | <u>\$ 67,337</u> | <u>\$ 30,287</u> | <u>\$ 3,703,412</u>              |

**COUNTY OF LASSEN**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds    |                          |                          |                                    |                         |
|--|--------------------------|--------------------------|--------------------------|------------------------------------|-------------------------|
|  | Cemetery                 | Aviation                 | TCF/Bailiff              | Supplemental<br>Law<br>Enforcement | Vital<br>Statistics     |
| <b>ASSETS</b>  |                          |                          |                          |                                    |                         |
| Cash and investments   | \$ 222,428               | \$ 341,287               | \$ 262,831               | \$ 42,537                          | \$ 94,888               |
| Imprest and other deposits   | -                        | -                        | -                        | -                                  | -                       |
| Due from other governmental entities   | -                        | 80,000                   | 5,453                    | 142,606                            | -                       |
| Due from other funds   | -                        | -                        | 6,236                    | -                                  | -                       |
| Accounts receivable  | -                        | -                        | -                        | -                                  | -                       |
| Long-term receivables  | -                        | -                        | -                        | -                                  | -                       |
| <b>Total assets</b>  | <b><u>\$ 222,428</u></b> | <b><u>\$ 421,287</u></b> | <b><u>\$ 274,520</u></b> | <b><u>\$ 185,143</u></b>           | <b><u>\$ 94,888</u></b> |
| <b>LIABILITIES</b>   |                          |                          |                          |                                    |                         |
| Accounts payable   | \$ -                     | \$ -                     | \$ -                     | \$ -                               | \$ -                    |
| Salaries and benefits payable  | 3,055                    | 358                      | 20,000                   | -                                  | -                       |
| Due to other governmental entities   | -                        | -                        | -                        | 34,049                             | -                       |
| Due to other funds   | -                        | -                        | -                        | -                                  | -                       |
| Unearned revenue   | -                        | -                        | -                        | -                                  | -                       |
| <b>Total liabilities</b>   | <b><u>3,055</u></b>      | <b><u>358</u></b>        | <b><u>20,000</u></b>     | <b><u>34,049</u></b>               | <b><u>-</u></b>         |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                          |                          |                          |                                    |                         |
| Unavailable revenue  | -                        | 80,000                   | -                        | -                                  | -                       |
| Unavailable revenue - loans  | -                        | -                        | -                        | -                                  | -                       |
| <b>Total deferred inflows of resources</b>   | <b><u>-</u></b>          | <b><u>80,000</u></b>     | <b><u>-</u></b>          | <b><u>-</u></b>                    | <b><u>-</u></b>         |
| <b>FUND BALANCES (DEFICIT)</b>   |                          |                          |                          |                                    |                         |
| Nonspendable:  |                          |                          |                          |                                    |                         |
| Advances and deposits  | -                        | -                        | -                        | -                                  | -                       |
| Prepaid expenses   | -                        | -                        | -                        | -                                  | -                       |
| Inventory  | -                        | -                        | -                        | -                                  | -                       |
| Restricted   | -                        | 340,929                  | 254,520                  | 151,094                            | 94,888                  |
| Committed  | -                        | -                        | -                        | -                                  | -                       |
| Assigned   | 219,373                  | -                        | -                        | -                                  | -                       |
| Unassigned   | -                        | -                        | -                        | -                                  | -                       |
| <b>Total fund balances (deficits)</b>  | <b><u>219,373</u></b>    | <b><u>340,929</u></b>    | <b><u>254,520</u></b>    | <b><u>151,094</u></b>              | <b><u>94,888</u></b>    |
| <b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b> | <b><u>\$ 222,428</u></b> | <b><u>\$ 421,287</u></b> | <b><u>\$ 274,520</u></b> | <b><u>\$ 185,143</u></b>           | <b><u>\$ 94,888</u></b> |

**COUNTY OF LASSEN**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds     |                           |                   |                             |                                  |
|--|---------------------------|---------------------------|-------------------|-----------------------------|----------------------------------|
|  | Recorder<br>Micrographics | Recorder<br>Modernization | Recorder<br>AB130 | Inmate<br>Welfare<br>County | Narcotics<br>Asset<br>Forfeiture |
| <b>ASSETS</b>  |                           |                           |                   |                             |                                  |
| Cash and investments   | \$ 120,115                | \$ 148,275                | \$ 111,147        | \$ 173,828                  | \$ 5,407                         |
| Imprest and other deposits   | -                         | -                         | -                 | -                           | -                                |
| Due from other governmental entities   | -                         | -                         | -                 | -                           | -                                |
| Due from other funds   | -                         | -                         | -                 | -                           | -                                |
| Accounts receivable  | -                         | -                         | -                 | -                           | -                                |
| Long-term receivables  | -                         | -                         | -                 | -                           | -                                |
| <b>Total assets</b>  | <u>\$ 120,115</u>         | <u>\$ 148,275</u>         | <u>\$ 111,147</u> | <u>\$ 173,828</u>           | <u>\$ 5,407</u>                  |
| <b>LIABILITIES</b>   |                           |                           |                   |                             |                                  |
| Accounts payable   | \$ -                      | \$ -                      | \$ -              | \$ -                        | \$ -                             |
| Salaries and benefits payable  | -                         | -                         | -                 | 1,193                       | -                                |
| Due to other governmental entities   | -                         | -                         | -                 | -                           | -                                |
| Due to other funds   | -                         | -                         | -                 | -                           | -                                |
| Unearned revenue   | -                         | -                         | -                 | -                           | -                                |
| <b>Total liabilities</b>   | <u>-</u>                  | <u>-</u>                  | <u>-</u>          | <u>1,193</u>                | <u>-</u>                         |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                           |                           |                   |                             |                                  |
| Unavailable revenue  | -                         | -                         | -                 | -                           | -                                |
| Unavailable revenue - loans  | -                         | -                         | -                 | -                           | -                                |
| <b>Total deferred inflows of resources</b>   | <u>-</u>                  | <u>-</u>                  | <u>-</u>          | <u>-</u>                    | <u>-</u>                         |
| <b>FUND BALANCES (DEFICIT)</b>   |                           |                           |                   |                             |                                  |
| Nonspendable:  |                           |                           |                   |                             |                                  |
| Advances and deposits  | -                         | -                         | -                 | -                           | -                                |
| Prepaid expenses   | -                         | -                         | -                 | -                           | -                                |
| Inventory  | -                         | -                         | -                 | -                           | -                                |
| Restricted   | 120,115                   | 148,275                   | 111,147           | 172,635                     | 5,407                            |
| Committed  | -                         | -                         | -                 | -                           | -                                |
| Assigned   | -                         | -                         | -                 | -                           | -                                |
| Unassigned   | -                         | -                         | -                 | -                           | -                                |
| <b>Total fund balances (deficits)</b>  | <u>120,115</u>            | <u>148,275</u>            | <u>111,147</u>    | <u>172,635</u>              | <u>5,407</u>                     |
| <b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b> | <u>\$ 120,115</u>         | <u>\$ 148,275</u>         | <u>\$ 111,147</u> | <u>\$ 173,828</u>           | <u>\$ 5,407</u>                  |

**COUNTY OF LASSEN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022  
(Continued)**

|   | Special Revenue Funds   |                                |                       |                      |                   |
|---|-------------------------|--------------------------------|-----------------------|----------------------|-------------------|
|   | Narcotics<br>Task Force | Bieber<br>Lighting<br>District | Lassen-Modoc<br>Flood | Natural<br>Resources | Geothermal        |
| <b>ASSETS</b>   |                         |                                |                       |                      |                   |
| Cash and investments  | \$ -                    | \$ 30,895                      | \$ 187,650            | \$ 8,298             | \$ 297,129        |
| Imprest and other deposits  | -                       | -                              | -                     | -                    | -                 |
| Due from other governmental entities  | 112,378                 | -                              | -                     | -                    | -                 |
| Due from other funds  | -                       | -                              | -                     | -                    | -                 |
| Accounts receivable   | -                       | -                              | -                     | -                    | -                 |
| Long-term receivables   | -                       | -                              | -                     | -                    | -                 |
|   | <u>-</u>                | <u>-</u>                       | <u>-</u>              | <u>-</u>             | <u>-</u>          |
| Total assets  | <u>\$ 112,378</u>       | <u>\$ 30,895</u>               | <u>\$ 187,650</u>     | <u>\$ 8,298</u>      | <u>\$ 297,129</u> |
| <b>LIABILITIES</b>  |                         |                                |                       |                      |                   |
| Accounts payable  | \$ -                    | \$ -                           | \$ -                  | \$ -                 | \$ -              |
| Salaries and benefits payable   | 4,895                   | -                              | -                     | 3,160                | -                 |
| Due to other governmental entities  | 19,136                  | -                              | -                     | -                    | -                 |
| Due to other funds  | 51,182                  | -                              | -                     | -                    | -                 |
| Unearned revenue  | -                       | -                              | -                     | -                    | -                 |
|   | <u>-</u>                | <u>-</u>                       | <u>-</u>              | <u>-</u>             | <u>-</u>          |
| Total liabilities   | <u>75,213</u>           | <u>-</u>                       | <u>-</u>              | <u>3,160</u>         | <u>-</u>          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                         |                                |                       |                      |                   |
| Unavailable revenue   | -                       | -                              | -                     | -                    | -                 |
| Unavailable revenue - loans   | -                       | -                              | -                     | -                    | -                 |
|   | <u>-</u>                | <u>-</u>                       | <u>-</u>              | <u>-</u>             | <u>-</u>          |
| Total deferred inflows of resources   | <u>-</u>                | <u>-</u>                       | <u>-</u>              | <u>-</u>             | <u>-</u>          |
| <b>FUND BALANCES (DEFICIT)</b>  |                         |                                |                       |                      |                   |
| Nonspendable:   |                         |                                |                       |                      |                   |
| Advances and deposits   | -                       | -                              | -                     | -                    | -                 |
| Prepaid expenses  | -                       | -                              | -                     | -                    | -                 |
| Inventory   | -                       | -                              | -                     | -                    | -                 |
| Restricted  | 37,165                  | 30,895                         | 187,650               | -                    | 297,129           |
| Committed   | -                       | -                              | -                     | -                    | -                 |
| Assigned  | -                       | -                              | -                     | 5,138                | -                 |
| Unassigned  | -                       | -                              | -                     | -                    | -                 |
|   | <u>-</u>                | <u>-</u>                       | <u>-</u>              | <u>-</u>             | <u>-</u>          |
| Total fund balances (deficits)  | <u>37,165</u>           | <u>30,895</u>                  | <u>187,650</u>        | <u>5,138</u>         | <u>297,129</u>    |
| Total liabilities, deferred inflows of resources and fund balances (deficits) | <u>\$ 112,378</u>       | <u>\$ 30,895</u>               | <u>\$ 187,650</u>     | <u>\$ 8,298</u>      | <u>\$ 297,129</u> |

**COUNTY OF LASSEN**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds           |                                   |                                 |                      |                       |
|--|---------------------------------|-----------------------------------|---------------------------------|----------------------|-----------------------|
|  | Mental<br>Health<br>Realignment | Social<br>Services<br>Realignment | Public<br>Health<br>Realignment | County<br>Children's | Fair                  |
| <b>ASSETS</b>  |                                 |                                   |                                 |                      |                       |
| Cash and investments   | \$ 664,919                      | \$ 4,839,837                      | \$ 1,112,125                    | \$ 21,618            | \$ 520,571            |
| Imprest and other deposits   | -                               | -                                 | -                               | -                    | 32,369                |
| Due from other governmental entities   | 316,943                         | 27,621                            | 122,776                         | -                    | -                     |
| Due from other funds   | -                               | -                                 | -                               | -                    | -                     |
| Accounts receivable  | -                               | -                                 | -                               | -                    | -                     |
| Long-term receivables  | -                               | -                                 | -                               | -                    | -                     |
|  | <u>-</u>                        | <u>-</u>                          | <u>-</u>                        | <u>-</u>             | <u>-</u>              |
| <br>Total assets   | <br><u>\$ 981,862</u>           | <br><u>\$ 4,867,458</u>           | <br><u>\$ 1,234,901</u>         | <br><u>\$ 21,618</u> | <br><u>\$ 552,940</u> |
| <b>LIABILITIES</b>   |                                 |                                   |                                 |                      |                       |
| Accounts payable   | \$ -                            | \$ -                              | \$ -                            | \$ -                 | \$ -                  |
| Salaries and benefits payable  | -                               | -                                 | -                               | -                    | 12,306                |
| Due to other governmental entities   | 16,988                          | -                                 | -                               | -                    | -                     |
| Due to other funds   | -                               | -                                 | -                               | -                    | -                     |
| Unearned revenue   | -                               | -                                 | -                               | -                    | -                     |
|  | <u>-</u>                        | <u>-</u>                          | <u>-</u>                        | <u>-</u>             | <u>-</u>              |
| <br>Total liabilities  | <br><u>16,988</u>               | <br><u>-</u>                      | <br><u>-</u>                    | <br><u>-</u>         | <br><u>12,306</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                                 |                                   |                                 |                      |                       |
| Unavailable revenue  | -                               | -                                 | -                               | -                    | -                     |
| Unavailable revenue - loans  | -                               | -                                 | -                               | -                    | -                     |
|  | <u>-</u>                        | <u>-</u>                          | <u>-</u>                        | <u>-</u>             | <u>-</u>              |
| <br>Total deferred inflows of resources  | <br><u>-</u>                    | <br><u>-</u>                      | <br><u>-</u>                    | <br><u>-</u>         | <br><u>-</u>          |
| <b>FUND BALANCES (DEFICIT)</b>   |                                 |                                   |                                 |                      |                       |
| Nonspendable:  |                                 |                                   |                                 |                      |                       |
| Advances and deposits  | -                               | -                                 | -                               | -                    | -                     |
| Prepaid expenses   | -                               | -                                 | -                               | -                    | -                     |
| Inventory  | -                               | -                                 | -                               | -                    | -                     |
| Restricted   | 964,874                         | 4,867,458                         | 1,234,901                       | 21,618               | -                     |
| Committed  | -                               | -                                 | -                               | -                    | -                     |
| Assigned   | -                               | -                                 | -                               | -                    | 540,634               |
| Unassigned   | -                               | -                                 | -                               | -                    | -                     |
|  | <u>-</u>                        | <u>-</u>                          | <u>-</u>                        | <u>-</u>             | <u>-</u>              |
| <br>Total fund balances (deficits)   | <br><u>964,874</u>              | <br><u>4,867,458</u>              | <br><u>1,234,901</u>            | <br><u>21,618</u>    | <br><u>540,634</u>    |
| <br>Total liabilities, deferred inflows of<br>resources and fund balances (deficits) | <br><u>\$ 981,862</u>           | <br><u>\$ 4,867,458</u>           | <br><u>\$ 1,234,901</u>         | <br><u>\$ 21,618</u> | <br><u>\$ 552,940</u> |

**COUNTY OF LASSEN**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds |                   |                   |                   |                         |
|--|-----------------------|-------------------|-------------------|-------------------|-------------------------|
|  | Prop 56<br>Tobacco    | USDA<br>Title III | Probation<br>Fund | Child<br>Support  | Prison Trial<br>Program |
| <b>ASSETS</b>  |                       |                   |                   |                   |                         |
| Cash and investments   | \$ 13,355             | \$ 247,360        | \$ 587,103        | \$ 220,524        | \$ -                    |
| Imprest and other deposits   | -                     | -                 | -                 | -                 | -                       |
| Due from other governmental entities   | -                     | -                 | 191,134           | -                 | 311,585                 |
| Due from other funds   | -                     | -                 | 26,032            | -                 | -                       |
| Accounts receivable  | -                     | -                 | -                 | -                 | -                       |
| Long-term receivables  | -                     | -                 | -                 | -                 | -                       |
| <b>Total assets</b>  | <u>\$ 13,355</u>      | <u>\$ 247,360</u> | <u>\$ 804,269</u> | <u>\$ 220,524</u> | <u>\$ 311,585</u>       |
| <b>LIABILITIES</b>   |                       |                   |                   |                   |                         |
| Accounts payable   | \$ -                  | \$ -              | \$ 7,691          | \$ 12,628         | \$ 69,751               |
| Salaries and benefits payable  | -                     | -                 | 47,713            | 22,966            | -                       |
| Due to other governmental entities   | -                     | -                 | -                 | -                 | -                       |
| Due to other funds   | -                     | -                 | -                 | -                 | 127,176                 |
| Unearned revenue   | -                     | -                 | -                 | -                 | -                       |
| <b>Total liabilities</b>   | <u>-</u>              | <u>-</u>          | <u>55,404</u>     | <u>35,594</u>     | <u>196,927</u>          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                       |                   |                   |                   |                         |
| Unavailable revenue  | -                     | -                 | -                 | -                 | -                       |
| Unavailable revenue - loans  | -                     | -                 | -                 | -                 | -                       |
| <b>Total deferred inflows of resources</b>   | <u>-</u>              | <u>-</u>          | <u>-</u>          | <u>-</u>          | <u>-</u>                |
| <b>FUND BALANCES (DEFICIT)</b>   |                       |                   |                   |                   |                         |
| Nonspendable:  |                       |                   |                   |                   |                         |
| Advances and deposits  | -                     | -                 | -                 | -                 | -                       |
| Prepaid expenses   | -                     | -                 | -                 | -                 | -                       |
| Inventory  | -                     | -                 | -                 | -                 | -                       |
| Restricted   | 13,355                | 247,360           | -                 | 184,930           | -                       |
| Committed  | -                     | -                 | -                 | -                 | -                       |
| Assigned   | -                     | -                 | 748,865           | -                 | 114,658                 |
| Unassigned   | -                     | -                 | -                 | -                 | -                       |
| <b>Total fund balances (deficits)</b>  | <u>13,355</u>         | <u>247,360</u>    | <u>748,865</u>    | <u>184,930</u>    | <u>114,658</u>          |
| <b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b> | <u>\$ 13,355</u>      | <u>\$ 247,360</u> | <u>\$ 804,269</u> | <u>\$ 220,524</u> | <u>\$ 311,585</u>       |

**COUNTY OF LASSEN**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds |                       |                          | Total<br>Special Revenue<br>Funds |
|--|-----------------------|-----------------------|--------------------------|-----------------------------------|
|  | Sheriff DNA           | Coronavirus<br>Relief | Community<br>Development |                                   |
| <b>ASSETS</b>  |                       |                       |                          |                                   |
| Cash and investments   | \$ 221,482            | \$ 236,797            | \$ 1,921,965             | \$ 16,328,883                     |
| Imprest and other deposits   | -                     | -                     | -                        | 32,369                            |
| Due from other governmental entities   | -                     | -                     | -                        | 1,823,791                         |
| Due from other funds   | -                     | -                     | -                        | 32,268                            |
| Accounts receivable  | -                     | -                     | 13,647                   | 13,647                            |
| Long-term receivables  | -                     | -                     | 263,223                  | 263,223                           |
|  | <u>          </u>     | <u>          </u>     | <u>          </u>        | <u>          </u>                 |
| Total assets   | <u>\$ 221,482</u>     | <u>\$ 236,797</u>     | <u>\$ 2,198,835</u>      | <u>\$ 18,494,181</u>              |
| <b>LIABILITIES</b>   |                       |                       |                          |                                   |
| Accounts payable   | \$ -                  | \$ -                  | \$ -                     | \$ 123,920                        |
| Salaries and benefits payable  | -                     | -                     | -                        | 138,404                           |
| Due to other governmental entities   | -                     | -                     | -                        | 70,173                            |
| Due to other funds   | -                     | -                     | -                        | 256,230                           |
| Unearned revenue   | -                     | 209,244               | -                        | 209,244                           |
|  | <u>          </u>     | <u>          </u>     | <u>          </u>        | <u>          </u>                 |
| Total liabilities  | <u>-</u>              | <u>209,244</u>        | <u>-</u>                 | <u>797,971</u>                    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                       |                       |                          |                                   |
| Unavailable revenue  | -                     | -                     | -                        | 80,000                            |
| Unavailable revenue - loans  | -                     | -                     | 276,870                  | 276,870                           |
|  | <u>          </u>     | <u>          </u>     | <u>          </u>        | <u>          </u>                 |
| Total deferred inflows of resources  | <u>-</u>              | <u>-</u>              | <u>276,870</u>           | <u>356,870</u>                    |
| <b>FUND BALANCES (DEFICIT)</b>   |                       |                       |                          |                                   |
| Nonspendable:  |                       |                       |                          |                                   |
| Advances and deposits  | -                     | -                     | -                        | -                                 |
| Prepaid expenses   | -                     | -                     | -                        | -                                 |
| Inventory  | -                     | -                     | -                        | -                                 |
| Restricted   | 221,482               | 27,553                | 1,921,965                | 15,414,528                        |
| Committed  | -                     | -                     | -                        | -                                 |
| Assigned   | -                     | -                     | -                        | 1,924,812                         |
| Unassigned   | -                     | -                     | -                        | -                                 |
|  | <u>          </u>     | <u>          </u>     | <u>          </u>        | <u>          </u>                 |
| Total fund balances (deficits)   | <u>221,482</u>        | <u>27,553</u>         | <u>1,921,965</u>         | <u>17,339,340</u>                 |
| Total liabilities, deferred inflows of<br>resources and fund balances (deficits) | <u>\$ 221,482</u>     | <u>\$ 236,797</u>     | <u>\$ 2,198,835</u>      | <u>\$ 18,494,181</u>              |

**COUNTY OF LASSEN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022  
(Continued)**

|  | Capital Projects Funds                       |                         |                                  |                                  |                            |
|--|--|-------------------------|----------------------------------|----------------------------------|----------------------------|
|  | Criminal<br>Justice Facility<br>Construction | Capital<br>Improvements | Capital<br>Improvements<br>Lease | Accumulated<br>Capital<br>Outlay | Courthouse<br>Construction |
| <b>ASSETS</b>  |  |                         |                                  |                                  |                            |
| Cash and investments   | \$ 408,545                                   | \$ 10,516               | \$ 719,864                       | \$ 1,070,640                     | \$ 601,456                 |
| Imprest and other deposits   | -  | -                       | -                                | -                                | -                          |
| Due from other governmental entities   | -  | -                       | -                                | -                                | -                          |
| Due from other funds   | -  | -                       | -                                | -                                | -                          |
| Accounts receivable  | -  | -                       | -                                | -                                | -                          |
| Long-term receivables  | -  | -                       | -                                | -                                | -                          |
| <b>Total assets</b>  | <b><u>\$ 408,545</u></b>                     | <b><u>\$ 10,516</u></b> | <b><u>\$ 719,864</u></b>         | <b><u>\$ 1,070,640</u></b>       | <b><u>\$ 601,456</u></b>   |
| <b>LIABILITIES</b>   |  |                         |                                  |                                  |                            |
| Accounts payable   | \$ -   | \$ -                    | \$ -                             | \$ -                             | \$ -                       |
| Salaries and benefits payable  | -  | -                       | -                                | -                                | -                          |
| Due to other governmental entities   | -  | -                       | -                                | -                                | -                          |
| Due to other funds   | -  | -                       | -                                | -                                | -                          |
| Unearned revenue   | -  | -                       | -                                | -                                | -                          |
| <b>Total liabilities</b>   | <b><u>-</u></b>                              | <b><u>-</u></b>         | <b><u>-</u></b>                  | <b><u>-</u></b>                  | <b><u>-</u></b>            |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |  |                         |                                  |                                  |                            |
| Unavailable revenue  | -  | -                       | -                                | -                                | -                          |
| Unavailable revenue - loans  | -  | -                       | -                                | -                                | -                          |
| <b>Total deferred inflows of resources</b>   | <b><u>-</u></b>                              | <b><u>-</u></b>         | <b><u>-</u></b>                  | <b><u>-</u></b>                  | <b><u>-</u></b>            |
| <b>FUND BALANCES (DEFICIT)</b>   |  |                         |                                  |                                  |                            |
| Nonspendable:  |  |                         |                                  |                                  |                            |
| Advances and deposits  | -  | -                       | -                                | -                                | -                          |
| Prepaid expenses   | -  | -                       | -                                | -                                | -                          |
| Inventory  | -  | -                       | -                                | -                                | -                          |
| Restricted   | 408,545                                      | -                       | -                                | -                                | 601,456                    |
| Committed  | -  | -                       | -                                | -                                | -                          |
| Assigned   | -  | 10,516                  | 719,864                          | 1,070,640                        | -                          |
| Unassigned   | -  | -                       | -                                | -                                | -                          |
| <b>Total fund balances (deficits)</b>  | <b><u>408,545</u></b>                        | <b><u>10,516</u></b>    | <b><u>719,864</u></b>            | <b><u>1,070,640</u></b>          | <b><u>601,456</u></b>      |
| <b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b> | <b><u>\$ 408,545</u></b>                     | <b><u>\$ 10,516</u></b> | <b><u>\$ 719,864</u></b>         | <b><u>\$ 1,070,640</u></b>       | <b><u>\$ 601,456</u></b>   |

**COUNTY OF LASSEN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022  
(Continued)**

|   | Capital Projects Funds |                              |                                 |                                    |
|---|------------------------|------------------------------|---------------------------------|------------------------------------|
|   | Fair<br>Improvement    | CCF Equipment<br>Replacement | Jail Facilities<br>Construction | Total<br>Capital<br>Projects Funds |
| <b>ASSETS</b>   |                        |                              |                                 |                                    |
| Cash and investments  | \$ 7,210               | \$ -                         | \$ 49,646                       | \$ 2,867,877                       |
| Imprest and other deposits  | -                      | -                            | -                               | -                                  |
| Due from other governmental entities  | -                      | 60,339                       | -                               | 60,339                             |
| Due from other funds  | -                      | -                            | -                               | -                                  |
| Accounts receivable   | -                      | -                            | -                               | -                                  |
| Long-term receivables   | -                      | -                            | -                               | -                                  |
|   | -                      | -                            | -                               | -                                  |
| Total assets  | <u>\$ 7,210</u>        | <u>\$ 60,339</u>             | <u>\$ 49,646</u>                | <u>\$ 2,928,216</u>                |
| <b>LIABILITIES</b>  |                        |                              |                                 |                                    |
| Accounts payable  | \$ -                   | \$ -                         | \$ -                            | \$ -                               |
| Salaries and benefits payable   | -                      | -                            | -                               | -                                  |
| Due to other governmental entities  | -                      | -                            | -                               | -                                  |
| Due to other funds  | -                      | 59,166                       | -                               | 59,166                             |
| Unearned revenue  | -                      | -                            | -                               | -                                  |
|   | -                      | -                            | -                               | -                                  |
| Total liabilities   | <u>-</u>               | <u>59,166</u>                | <u>-</u>                        | <u>59,166</u>                      |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                        |                              |                                 |                                    |
| Unavailable revenue   | -                      | -                            | -                               | -                                  |
| Unavailable revenue - loans   | -                      | -                            | -                               | -                                  |
|   | -                      | -                            | -                               | -                                  |
| Total deferred inflows of resources   | <u>-</u>               | <u>-</u>                     | <u>-</u>                        | <u>-</u>                           |
| <b>FUND BALANCES (DEFICIT)</b>  |                        |                              |                                 |                                    |
| Nonspendable:   |                        |                              |                                 |                                    |
| Advances and deposits   | -                      | -                            | -                               | -                                  |
| Prepaid expenses  | -                      | -                            | -                               | -                                  |
| Inventory   | -                      | -                            | -                               | -                                  |
| Restricted  | -                      | -                            | -                               | 1,010,001                          |
| Committed   | -                      | -                            | -                               | -                                  |
| Assigned  | 7,210                  | 1,173                        | 49,646                          | 1,859,049                          |
| Unassigned  | -                      | -                            | -                               | -                                  |
|   | -                      | -                            | -                               | -                                  |
| Total fund balances (deficits)  | <u>7,210</u>           | <u>1,173</u>                 | <u>49,646</u>                   | <u>2,869,050</u>                   |
| Total liabilities, deferred inflows of resources and fund balances (deficits) | <u>\$ 7,210</u>        | <u>\$ 60,339</u>             | <u>\$ 49,646</u>                | <u>\$ 2,928,216</u>                |

**COUNTY OF LASSEN**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Debt Service Fund |                               | Total                             |
|--|-------------------|-------------------------------|-----------------------------------|
|  | Debt<br>Service   | Total<br>Debt Service<br>Fund | Nonmajor<br>Governmental<br>Funds |
| <b>ASSETS</b>  |                   |                               |                                   |
| Cash and investments   | \$ 6,912          | \$ 6,912                      | \$ 19,203,672                     |
| Imprest and other deposits   | -                 | -                             | 32,369                            |
| Due from other governmental entities   | -                 | -                             | 1,884,130                         |
| Due from other funds   | -                 | -                             | 32,268                            |
| Accounts receivable  | -                 | -                             | 13,647                            |
| Long-term receivables  | -                 | -                             | 263,223                           |
|  |                   |                               |                                   |
| Total assets   | \$ 6,912          | \$ 6,912                      | \$ 21,429,309                     |
| <b>LIABILITIES</b>   |                   |                               |                                   |
| Accounts payable   | \$ -              | \$ -                          | \$ 123,920                        |
| Salaries and benefits payable  | -                 | -                             | 138,404                           |
| Due to other governmental entities   | -                 | -                             | 70,173                            |
| Due to other funds   | -                 | -                             | 315,396                           |
| Unearned revenue   | -                 | -                             | 209,244                           |
|  |                   |                               |                                   |
| Total liabilities  | -                 | -                             | 857,137                           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                   |                               |                                   |
| Unavailable revenue  | -                 | -                             | 80,000                            |
| Unavailable revenue - loans  | -                 | -                             | 276,870                           |
|  |                   |                               |                                   |
| Total deferred inflows of resources  | -                 | -                             | 356,870                           |
| <b>FUND BALANCES (DEFICIT)</b>   |                   |                               |                                   |
| Nonspendable:  |                   |                               |                                   |
| Advances and deposits  | -                 | -                             | -                                 |
| Prepaid expenses   | -                 | -                             | -                                 |
| Inventory  | -                 | -                             | -                                 |
| Restricted   | -                 | -                             | 16,424,529                        |
| Committed  | -                 | -                             | -                                 |
| Assigned   | 6,912             | 6,912                         | 3,790,773                         |
| Unassigned   | -                 | -                             | -                                 |
|  |                   |                               |                                   |
| Total fund balances (deficits)   | 6,912             | 6,912                         | 20,215,302                        |
| Total liabilities, deferred inflows of<br>resources and fund balances (deficits) | \$ 6,912          | \$ 6,912                      | \$ 21,429,309                     |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

|  | Special Revenue Funds |                      |                  |                  |                                  |
|--|-----------------------|----------------------|------------------|------------------|----------------------------------|
|  | DA Contracts          | Sheriff<br>Contracts | HHS<br>Contracts | Fish & Game      | Mental<br>Health<br>Services Act |
| <b>REVENUES</b>  |                       |                      |                  |                  |                                  |
| Taxes  | \$ -                  | \$ 14,759            | \$ -             | \$ -             | \$ -                             |
| Licenses and permits   | -                     | -                    | -                | -                | -                                |
| Intergovernmental  | 349,450               | 21,023               | 150,000          | -                | 3,359,869                        |
| Charges for services   | -                     | -                    | -                | -                | -                                |
| Fines and forfeitures  | -                     | -                    | -                | 636              | -                                |
| Use of money and property                                    | 27                    | (10,338)             | (3,212)          | -                | (128,721)                        |
| Other revenues   | 31,573                | -                    | 12,729           | -                | 646                              |
| Total revenues   | <u>381,050</u>        | <u>25,444</u>        | <u>159,517</u>   | <u>636</u>       | <u>3,231,794</u>                 |
| <b>EXPENDITURES</b>  |                       |                      |                  |                  |                                  |
| Current:   |                       |                      |                  |                  |                                  |
| General government   | -                     | -                    | -                | -                | -                                |
| Public protection  | 350,602               | 11,846               | -                | 2,195            | -                                |
| Public ways and facilities                                   | -                     | -                    | -                | -                | -                                |
| Health and sanitation  | -                     | -                    | 239,003          | -                | 2,497,097                        |
| Public assistance  | -                     | -                    | -                | -                | -                                |
| Recreation and culture                                       | -                     | -                    | -                | -                | -                                |
| Capital outlay   | -                     | -                    | -                | -                | -                                |
| Debt service:  |                       |                      |                  |                  |                                  |
| Principal  | -                     | -                    | 27,181           | -                | -                                |
| Interest   | -                     | -                    | 1,648            | -                | -                                |
| Total expenditures   | <u>350,602</u>        | <u>11,846</u>        | <u>267,832</u>   | <u>2,195</u>     | <u>2,497,097</u>                 |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>30,448</u>         | <u>13,598</u>        | <u>(108,315)</u> | <u>(1,559)</u>   | <u>734,697</u>                   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                       |                      |                  |                  |                                  |
| Transfers in   | -                     | -                    | 49,007           | -                | -                                |
| Transfers out  | -                     | -                    | -                | -                | (530,804)                        |
| Total other financing sources (uses)                         | <u>-</u>              | <u>-</u>             | <u>49,007</u>    | <u>-</u>         | <u>(530,804)</u>                 |
| Net changes in fund balances                                 | 30,448                | 13,598               | (59,308)         | (1,559)          | 203,893                          |
| Fund balances - beginning (restated)                         | <u>3,904</u>          | <u>247,934</u>       | <u>119,891</u>   | <u>31,846</u>    | <u>3,462,680</u>                 |
| Fund balances (deficits) - ending                            | <u>\$ 34,352</u>      | <u>\$ 261,532</u>    | <u>\$ 60,583</u> | <u>\$ 30,287</u> | <u>\$ 3,666,573</u>              |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds |                   |                   |                                    |                     |
|--|-----------------------|-------------------|-------------------|------------------------------------|---------------------|
|  | Cemetery              | Aviation          | TCF/Bailiff       | Supplemental<br>Law<br>Enforcement | Vital<br>Statistics |
| <b>REVENUES</b>  |                       |                   |                   |                                    |                     |
| Taxes  | \$ 136,820            | \$ -              | \$ -              | \$ -                               | \$ -                |
| Licenses and permits   | 1,715                 | -                 | -                 | -                                  | -                   |
| Intergovernmental  | 1,621                 | -                 | 319,857           | 1,010,423                          | -                   |
| Charges for services   | -                     | -                 | 328,171           | -                                  | 7,796               |
| Fines and forfeitures  | -                     | -                 | -                 | -                                  | -                   |
| Use of money and property                                    | (9,334)               | (14,230)          | -                 | (218)                              | (3,965)             |
| Other revenues   | 24,062                | 384               | 4,164             | -                                  | -                   |
| Total revenues   | <u>154,884</u>        | <u>(13,846)</u>   | <u>652,192</u>    | <u>1,010,205</u>                   | <u>3,831</u>        |
| <b>EXPENDITURES</b>  |                       |                   |                   |                                    |                     |
| Current:   |                       |                   |                   |                                    |                     |
| General government   | -                     | -                 | -                 | -                                  | -                   |
| Public protection  | 150,483               | -                 | 564,610           | 168,755                            | 1,723               |
| Public ways and facilities                                   | -                     | 29,912            | -                 | -                                  | -                   |
| Health and sanitation  | -                     | -                 | -                 | -                                  | -                   |
| Public assistance  | -                     | -                 | -                 | -                                  | -                   |
| Recreation and culture                                       | -                     | -                 | -                 | -                                  | -                   |
| Capital outlay   | -                     | -                 | -                 | -                                  | -                   |
| Debt service:  |                       |                   |                   |                                    |                     |
| Principal  | -                     | -                 | -                 | -                                  | -                   |
| Interest   | -                     | -                 | -                 | -                                  | -                   |
| Total expenditures   | <u>150,483</u>        | <u>29,912</u>     | <u>564,610</u>    | <u>168,755</u>                     | <u>1,723</u>        |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>4,401</u>          | <u>(43,758)</u>   | <u>87,582</u>     | <u>841,450</u>                     | <u>2,108</u>        |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                       |                   |                   |                                    |                     |
| Transfers in   | -                     | -                 | -                 | -                                  | -                   |
| Transfers out  | -                     | -                 | -                 | (711,912)                          | -                   |
| Total other financing sources (uses)                         | <u>-</u>              | <u>-</u>          | <u>-</u>          | <u>(711,912)</u>                   | <u>-</u>            |
| Net changes in fund balances                                 | 4,401                 | (43,758)          | 87,582            | 129,538                            | 2,108               |
| Fund balances - beginning (restated)                         | <u>214,972</u>        | <u>384,687</u>    | <u>166,938</u>    | <u>21,556</u>                      | <u>92,780</u>       |
| Fund balances (deficits) - ending                            | <u>\$ 219,373</u>     | <u>\$ 340,929</u> | <u>\$ 254,520</u> | <u>\$ 151,094</u>                  | <u>\$ 94,888</u>    |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds     |                           |                   |                             |                                  |
|--|---------------------------|---------------------------|-------------------|-----------------------------|----------------------------------|
|  | Recorder<br>Micrographics | Recorder<br>Modernization | Recorder<br>AB130 | Inmate<br>Welfare<br>County | Narcotics<br>Asset<br>Forfeiture |
| <b>REVENUES</b>  |                           |                           |                   |                             |                                  |
| Taxes  | \$ -                      | \$ -                      | \$ -              | \$ -                        | \$ -                             |
| Licenses and permits   | -                         | -                         | -                 | -                           | -                                |
| Intergovernmental  | -                         | -                         | -                 | -                           | -                                |
| Charges for services   | 8,393                     | 27,744                    | 40,842            | 58,945                      | -                                |
| Fines and forfeitures  | -                         | -                         | -                 | -                           | -                                |
| Use of money and property                                    | (5,036)                   | (6,201)                   | (4,657)           | (7,112)                     | (225)                            |
| Other revenues   | -                         | -                         | -                 | 89,670                      | -                                |
| Total revenues   | <u>3,357</u>              | <u>21,543</u>             | <u>36,185</u>     | <u>141,503</u>              | <u>(225)</u>                     |
| <b>EXPENDITURES</b>  |                           |                           |                   |                             |                                  |
| Current:   |                           |                           |                   |                             |                                  |
| General government   | -                         | -                         | -                 | -                           | -                                |
| Public protection  | 49,131                    | 1,236                     | 4,631             | 149,652                     | -                                |
| Public ways and facilities                                   | -                         | -                         | -                 | -                           | -                                |
| Health and sanitation  | -                         | -                         | -                 | -                           | -                                |
| Public assistance  | -                         | -                         | -                 | -                           | -                                |
| Recreation and culture                                       | -                         | -                         | -                 | -                           | -                                |
| Capital outlay   | -                         | -                         | -                 | -                           | -                                |
| Debt service:  |                           |                           |                   |                             |                                  |
| Principal  | -                         | -                         | -                 | -                           | -                                |
| Interest   | -                         | -                         | -                 | -                           | -                                |
| Total expenditures   | <u>49,131</u>             | <u>1,236</u>              | <u>4,631</u>      | <u>149,652</u>              | <u>-</u>                         |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>(45,774)</u>           | <u>20,307</u>             | <u>31,554</u>     | <u>(8,149)</u>              | <u>(225)</u>                     |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                           |                           |                   |                             |                                  |
| Transfers in   | -                         | -                         | -                 | -                           | -                                |
| Transfers out  | -                         | -                         | (15,000)          | -                           | -                                |
| Total other financing sources (uses)                         | <u>-</u>                  | <u>-</u>                  | <u>(15,000)</u>   | <u>-</u>                    | <u>-</u>                         |
| Net changes in fund balances                                 | (45,774)                  | 20,307                    | 16,554            | (8,149)                     | (225)                            |
| Fund balances - beginning (restated)                         | <u>165,889</u>            | <u>127,968</u>            | <u>94,593</u>     | <u>180,784</u>              | <u>5,632</u>                     |
| Fund balances (deficits) - ending                            | <u>\$ 120,115</u>         | <u>\$ 148,275</u>         | <u>\$ 111,147</u> | <u>\$ 172,635</u>           | <u>\$ 5,407</u>                  |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds   |                                |                       |                      |                   |
|--|-------------------------|--------------------------------|-----------------------|----------------------|-------------------|
|  | Narcotics<br>Task Force | Bieber<br>Lighting<br>District | Lassen-Modoc<br>Flood | Natural<br>Resources | Geothermal        |
| <b>REVENUES</b>  |                         |                                |                       |                      |                   |
| Taxes  | \$ -                    | \$ 3,510                       | \$ 10,538             | \$ -                 | \$ -              |
| Licenses and permits   | -                       | -                              | -                     | -                    | -                 |
| Intergovernmental  | 277,794                 | 39                             | 124                   | -                    | 26,958            |
| Charges for services   | -                       | -                              | -                     | -                    | -                 |
| Fines and forfeitures  | -                       | -                              | -                     | -                    | -                 |
| Use of money and property                                    | (761)                   | (1,288)                        | (7,833)               | (574)                | (12,397)          |
| Other revenues   | -                       | -                              | -                     | 893                  | -                 |
| <b>Total revenues</b>  | <u>277,033</u>          | <u>2,261</u>                   | <u>2,829</u>          | <u>319</u>           | <u>14,561</u>     |
| <b>EXPENDITURES</b>  |                         |                                |                       |                      |                   |
| Current:   |                         |                                |                       |                      |                   |
| General government   | -                       | 3,098                          | -                     | -                    | -                 |
| Public protection  | 224,933                 | -                              | -                     | -                    | 18,050            |
| Public ways and facilities                                   | -                       | -                              | 209                   | -                    | -                 |
| Health and sanitation  | -                       | -                              | -                     | -                    | -                 |
| Public assistance  | -                       | -                              | -                     | -                    | -                 |
| Recreation and culture                                       | -                       | -                              | -                     | 111,215              | -                 |
| Capital outlay   | -                       | -                              | -                     | -                    | -                 |
| Debt service:  |                         |                                |                       |                      |                   |
| Principal  | -                       | -                              | -                     | -                    | -                 |
| Interest   | -                       | -                              | -                     | -                    | -                 |
| <b>Total expenditures</b>                                    | <u>224,933</u>          | <u>3,098</u>                   | <u>209</u>            | <u>111,215</u>       | <u>18,050</u>     |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>52,100</u>           | <u>(837)</u>                   | <u>2,620</u>          | <u>(110,896)</u>     | <u>(3,489)</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                         |                                |                       |                      |                   |
| Transfers in   | -                       | -                              | -                     | 130,344              | -                 |
| Transfers out  | (51,406)                | -                              | -                     | -                    | -                 |
| <b>Total other financing sources (uses)</b>                  | <u>(51,406)</u>         | <u>-</u>                       | <u>-</u>              | <u>130,344</u>       | <u>-</u>          |
| Net changes in fund balances                                 | 694                     | (837)                          | 2,620                 | 19,448               | (3,489)           |
| Fund balances - beginning (restated)                         | <u>36,471</u>           | <u>31,732</u>                  | <u>185,030</u>        | <u>(14,310)</u>      | <u>300,618</u>    |
| Fund balances (deficits) - ending                            | <u>\$ 37,165</u>        | <u>\$ 30,895</u>               | <u>\$ 187,650</u>     | <u>\$ 5,138</u>      | <u>\$ 297,129</u> |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds           |                                   |                                 |                      |                   |
|--|---------------------------------|-----------------------------------|---------------------------------|----------------------|-------------------|
|  | Mental<br>Health<br>Realignment | Social<br>Services<br>Realignment | Public<br>Health<br>Realignment | County<br>Children's | Fair              |
| <b>REVENUES</b>  |                                 |                                   |                                 |                      |                   |
| Taxes  | \$ 1,258,246                    | \$ 2,536,838                      | \$ 236,004                      | \$ -                 | \$ -              |
| Licenses and permits   | -                               | -                                 | -                               | -                    | -                 |
| Intergovernmental  | 237,445                         | 106,876                           | 1,744,761                       | 442                  | 954,341           |
| Charges for services   | -                               | -                                 | -                               | 3,344                | -                 |
| Fines and forfeitures  | -                               | -                                 | -                               | -                    | -                 |
| Use of money and property                                    | (27,007)                        | (199,545)                         | (45,602)                        | (904)                | 628,449           |
| Other revenues   | -                               | -                                 | -                               | 3                    | 500               |
| <b>Total revenues</b>  | <u>1,468,684</u>                | <u>2,444,169</u>                  | <u>1,935,163</u>                | <u>2,885</u>         | <u>1,583,290</u>  |
| <b>EXPENDITURES</b>  |                                 |                                   |                                 |                      |                   |
| Current:   |                                 |                                   |                                 |                      |                   |
| General government   | -                               | -                                 | -                               | -                    | 971,808           |
| Public protection  | -                               | -                                 | -                               | -                    | -                 |
| Public ways and facilities                                   | -                               | -                                 | -                               | -                    | -                 |
| Health and sanitation  | 36,269                          | -                                 | -                               | -                    | -                 |
| Public assistance  | -                               | -                                 | -                               | 188                  | -                 |
| Recreation and culture                                       | -                               | -                                 | -                               | -                    | -                 |
| Capital outlay   | -                               | -                                 | -                               | -                    | 76,319            |
| Debt service:  |                                 |                                   |                                 |                      |                   |
| Principal  | -                               | -                                 | -                               | -                    | -                 |
| Interest   | -                               | -                                 | -                               | -                    | -                 |
| <b>Total expenditures</b>                                    | <u>36,269</u>                   | <u>-</u>                          | <u>-</u>                        | <u>188</u>           | <u>1,048,127</u>  |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>1,432,415</u>                | <u>2,444,169</u>                  | <u>1,935,163</u>                | <u>2,697</u>         | <u>535,163</u>    |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                 |                                   |                                 |                      |                   |
| Transfers in   | -                               | -                                 | -                               | -                    | -                 |
| Transfers out  | (1,144,755)                     | (1,792,192)                       | (1,492,194)                     | -                    | (6,890)           |
| <b>Total other financing sources (uses)</b>                  | <u>(1,144,755)</u>              | <u>(1,792,192)</u>                | <u>(1,492,194)</u>              | <u>-</u>             | <u>(6,890)</u>    |
| Net changes in fund balances                                 | 287,660                         | 651,977                           | 442,969                         | 2,697                | 528,273           |
| Fund balances - beginning (restated)                         | <u>677,214</u>                  | <u>4,215,481</u>                  | <u>791,932</u>                  | <u>18,921</u>        | <u>12,361</u>     |
| Fund balances (deficits) - ending                            | <u>\$ 964,874</u>               | <u>\$ 4,867,458</u>               | <u>\$ 1,234,901</u>             | <u>\$ 21,618</u>     | <u>\$ 540,634</u> |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds |                   |                   |                   |                         |
|--|-----------------------|-------------------|-------------------|-------------------|-------------------------|
|  | Prop 56<br>Tobacco    | USDA<br>Title III | Probation         | Child<br>Support  | Prison Trial<br>Program |
| <b>REVENUES</b>  |                       |                   |                   |                   |                         |
| Taxes  | \$ -                  | \$ -              | \$ -              | \$ -              | \$ -                    |
| Licenses and permits   | -                     | -                 | -                 | -                 | -                       |
| Intergovernmental  | 107                   | 115,713           | 862,392           | 971,726           | 1,223,870               |
| Charges for services   | -                     | -                 | 97,828            | -                 | -                       |
| Fines and forfeitures  | -                     | -                 | 373,387           | -                 | -                       |
| Use of money and property                                    | -                     | (10,498)          | (24,797)          | (8,805)           | -                       |
| Other revenues   | -                     | -                 | 162,943           | 13,126            | 67                      |
| Total revenues   | <u>107</u>            | <u>105,215</u>    | <u>1,471,753</u>  | <u>976,047</u>    | <u>1,223,937</u>        |
| <b>EXPENDITURES</b>  |                       |                   |                   |                   |                         |
| Current:   |                       |                   |                   |                   |                         |
| General government   | -                     | -                 | -                 | -                 | -                       |
| Public protection  | -                     | -                 | 2,085,159         | 917,048           | 1,290,230               |
| Public ways and facilities                                   | -                     | -                 | -                 | -                 | -                       |
| Health and sanitation  | -                     | -                 | -                 | -                 | -                       |
| Public assistance  | -                     | -                 | -                 | -                 | -                       |
| Recreation and culture                                       | -                     | -                 | -                 | -                 | -                       |
| Capital outlay   | -                     | 37,370            | -                 | -                 | -                       |
| Debt service:  |                       |                   |                   |                   |                         |
| Principal  | -                     | -                 | -                 | -                 | -                       |
| Interest   | -                     | -                 | -                 | -                 | -                       |
| Total expenditures   | <u>-</u>              | <u>37,370</u>     | <u>2,085,159</u>  | <u>917,048</u>    | <u>1,290,230</u>        |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>107</u>            | <u>67,845</u>     | <u>(613,406)</u>  | <u>58,999</u>     | <u>(66,293)</u>         |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                       |                   |                   |                   |                         |
| Transfers in   | -                     | -                 | 782,308           | -                 | -                       |
| Transfers out  | -                     | -                 | -                 | -                 | -                       |
| Total other financing sources (uses)                         | <u>-</u>              | <u>-</u>          | <u>782,308</u>    | <u>-</u>          | <u>-</u>                |
| Net changes in fund balances                                 | 107                   | 67,845            | 168,902           | 58,999            | (66,293)                |
| Fund balances - beginning (restated)                         | <u>13,248</u>         | <u>179,515</u>    | <u>579,963</u>    | <u>125,931</u>    | <u>180,951</u>          |
| Fund balances (deficits) - ending                            | <u>\$ 13,355</u>      | <u>\$ 247,360</u> | <u>\$ 748,865</u> | <u>\$ 184,930</u> | <u>\$ 114,658</u>       |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Special Revenue Funds |                       |                          | Total<br>Special Revenue<br>Funds |
|--|-----------------------|-----------------------|--------------------------|-----------------------------------|
|  | Sheriff DNA           | Coronavirus<br>Relief | Community<br>Development |                                   |
| <b>REVENUES</b>  |                       |                       |                          |                                   |
| Taxes  | \$ -                  | \$ -                  | \$ -                     | \$ 4,196,715                      |
| Licenses and permits   | -                     | -                     | -                        | 1,715                             |
| Intergovernmental  | -                     | 2,759,980             | -                        | 14,494,811                        |
| Charges for services   | -                     | -                     | -                        | 573,063                           |
| Fines and forfeitures  | 17,877                | -                     | -                        | 391,900                           |
| Use of money and property                                    | (10,973)              | 16,677                | (64,947)                 | 35,973                            |
| Other revenues   | -                     | -                     | -                        | 340,760                           |
| Total revenues   | <u>6,904</u>          | <u>2,776,657</u>      | <u>(64,947)</u>          | <u>20,034,937</u>                 |
| <b>EXPENDITURES</b>  |                       |                       |                          |                                   |
| Current:   |                       |                       |                          |                                   |
| General government   | -                     | 7,802                 | -                        | 982,708                           |
| Public protection  | 53                    | -                     | -                        | 5,990,337                         |
| Public ways and facilities                                   | -                     | -                     | -                        | 30,121                            |
| Health and sanitation  | -                     | -                     | -                        | 2,772,369                         |
| Public assistance  | -                     | -                     | -                        | 188                               |
| Recreation and culture                                       | -                     | -                     | -                        | 111,215                           |
| Capital outlay   | -                     | -                     | -                        | 113,689                           |
| Debt service:  |                       |                       |                          |                                   |
| Principal  | -                     | -                     | -                        | 27,181                            |
| Interest   | -                     | -                     | -                        | 1,648                             |
| Total expenditures   | <u>53</u>             | <u>7,802</u>          | <u>-</u>                 | <u>10,029,456</u>                 |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>6,851</u>          | <u>2,768,855</u>      | <u>(64,947)</u>          | <u>10,005,481</u>                 |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                       |                       |                          |                                   |
| Transfers in   | -                     | -                     | -                        | 961,659                           |
| Transfers out  | -                     | (2,792,458)           | -                        | (8,537,611)                       |
| Total other financing sources (uses)                         | <u>-</u>              | <u>(2,792,458)</u>    | <u>-</u>                 | <u>(7,575,952)</u>                |
| Net changes in fund balances                                 | 6,851                 | (23,603)              | (64,947)                 | 2,429,529                         |
| Fund balances - beginning (restated)                         | <u>214,631</u>        | <u>51,156</u>         | <u>1,986,912</u>         | <u>14,909,811</u>                 |
| Fund balances (deficits) - ending                            | <u>\$ 221,482</u>     | <u>\$ 27,553</u>      | <u>\$ 1,921,965</u>      | <u>\$ 17,339,340</u>              |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Capital Projects Funds                       |                         |                                  |                                  |                            |
|--|--|-------------------------|----------------------------------|----------------------------------|----------------------------|
|  | Criminal<br>Justice Facility<br>Construction | Capital<br>Improvements | Capital<br>Improvements<br>Lease | Accumulated<br>Capital<br>Outlay | Courthouse<br>Construction |
| <b>REVENUES</b>  |  |                         |                                  |                                  |                            |
| Taxes  | \$ -   | \$ -                    | \$ -                             | \$ 285,270                       | \$ -                       |
| Licenses and permits   | -  | -                       | -                                | -                                | -                          |
| Intergovernmental  | -  | -                       | -                                | 3,381                            | -                          |
| Charges for services   | -  | -                       | -                                | 429,589                          | -                          |
| Fines and forfeitures  | 42,106                                       | -                       | -                                | -                                | 72,048                     |
| Use of money and property                                    | (17,076)                                     | (167)                   | 2,852                            | -                                | (25,144)                   |
| Other revenues   | 24   | -                       | -                                | -                                | -                          |
| Total revenues   | <u>25,054</u>                                | <u>(167)</u>            | <u>2,852</u>                     | <u>718,240</u>                   | <u>46,904</u>              |
| <b>EXPENDITURES</b>  |  |                         |                                  |                                  |                            |
| Current:   |  |                         |                                  |                                  |                            |
| General government   | -  | 23,800                  | -                                | 50,000                           | -                          |
| Public protection  | 2  | -                       | -                                | -                                | -                          |
| Public ways and facilities                                   | -  | -                       | -                                | -                                | -                          |
| Health and sanitation  | -  | -                       | -                                | -                                | -                          |
| Public assistance  | -  | -                       | -                                | -                                | -                          |
| Recreation and culture                                       | -  | -                       | -                                | -                                | -                          |
| Capital outlay   | -  | 72,760                  | -                                | -                                | -                          |
| Debt service:  |  |                         |                                  |                                  |                            |
| Principal  | -  | -                       | -                                | -                                | -                          |
| Interest   | -  | -                       | -                                | -                                | -                          |
| Total expenditures   | <u>2</u>                                     | <u>96,560</u>           | <u>-</u>                         | <u>50,000</u>                    | <u>-</u>                   |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>25,052</u>                                | <u>(96,727)</u>         | <u>2,852</u>                     | <u>668,240</u>                   | <u>46,904</u>              |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |  |                         |                                  |                                  |                            |
| Transfers in   | -  | 100,000                 | -                                | -                                | -                          |
| Transfers out  | -  | -                       | -                                | (250,000)                        | -                          |
| Total other financing sources (uses)                         | <u>-</u>                                     | <u>100,000</u>          | <u>-</u>                         | <u>(250,000)</u>                 | <u>-</u>                   |
| Net changes in fund balances                                 | 25,052                                       | 3,273                   | 2,852                            | 418,240                          | 46,904                     |
| Fund balances - beginning (restated)                         | <u>383,493</u>                               | <u>7,243</u>            | <u>717,012</u>                   | <u>652,400</u>                   | <u>554,552</u>             |
| Fund balances (deficits) - ending                            | <u>\$ 408,545</u>                            | <u>\$ 10,516</u>        | <u>\$ 719,864</u>                | <u>\$ 1,070,640</u>              | <u>\$ 601,456</u>          |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Capital Projects Funds |                              |                                 | Total<br>Capital<br>Projects Funds |
|--|------------------------|------------------------------|---------------------------------|------------------------------------|
|  | Fair<br>Improvement    | CCF Equipment<br>Replacement | Jail Facilities<br>Construction |                                    |
| <b>REVENUES</b>  |                        |                              |                                 |                                    |
| Taxes  | \$ -                   | \$ -                         | \$ -                            | \$ 285,270                         |
| Licenses and permits   | -                      | -                            | -                               | -                                  |
| Intergovernmental  | -                      | 125,115                      | -                               | 128,496                            |
| Charges for services   | -                      | -                            | -                               | 429,589                            |
| Fines and forfeitures  | -                      | -                            | -                               | 114,154                            |
| Use of money and property                                    | (1)                    | -                            | -                               | (39,536)                           |
| Other revenues   | -                      | -                            | -                               | 24                                 |
| Total revenues   | <u>(1)</u>             | <u>125,115</u>               | <u>-</u>                        | <u>917,997</u>                     |
| <b>EXPENDITURES</b>  |                        |                              |                                 |                                    |
| Current:   |                        |                              |                                 |                                    |
| General government   | -                      | -                            | -                               | 73,800                             |
| Public protection  | -                      | 86,545                       | -                               | 86,547                             |
| Public ways and facilities                                   | -                      | -                            | -                               | -                                  |
| Health and sanitation  | -                      | -                            | -                               | -                                  |
| Public assistance  | -                      | -                            | -                               | -                                  |
| Recreation and culture                                       | -                      | -                            | -                               | -                                  |
| Capital outlay   | -                      | 39,915                       | -                               | 112,675                            |
| Debt service:  |                        |                              |                                 |                                    |
| Principal  | -                      | -                            | -                               | -                                  |
| Interest   | -                      | -                            | -                               | -                                  |
| Total expenditures   | <u>-</u>               | <u>126,460</u>               | <u>-</u>                        | <u>273,022</u>                     |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>(1)</u>             | <u>(1,345)</u>               | <u>-</u>                        | <u>644,975</u>                     |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                        |                              |                                 |                                    |
| Transfers in   | 6,890                  | -                            | -                               | 106,890                            |
| Transfers out  | -                      | -                            | -                               | (250,000)                          |
| Total other financing sources (uses)                         | <u>6,890</u>           | <u>-</u>                     | <u>-</u>                        | <u>(143,110)</u>                   |
| Net changes in fund balances                                 | 6,889                  | (1,345)                      | -                               | 501,865                            |
| Fund balances - beginning (restated)                         | <u>321</u>             | <u>2,518</u>                 | <u>49,646</u>                   | <u>2,367,185</u>                   |
| Fund balances (deficits) - ending                            | <u>\$ 7,210</u>        | <u>\$ 1,173</u>              | <u>\$ 49,646</u>                | <u>\$ 2,869,050</u>                |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**  
(Continued)

|  | Debt Service Fund |           | Total         |
|--|-------------------|-----------|---------------|
|  | Debt              | Debt      | Nonmajor      |
|  | Service           | Service   | Governmental  |
|  | Total             | Total     | Funds         |
| <b>REVENUES</b>  |                   |           |               |
| Taxes  | \$ -              | \$ -      | \$ 4,481,985  |
| Licenses and permits   | -                 | -         | 1,715         |
| Intergovernmental  | -                 | -         | 14,623,307    |
| Charges for services   | -                 | -         | 1,002,652     |
| Fines and forfeitures  | -                 | -         | 506,054       |
| Use of money and property                                    | -                 | -         | (3,563)       |
| Other revenues   | -                 | -         | 340,784       |
|  | -                 | -         | 340,784       |
| Total revenues   | -                 | -         | 20,952,934    |
| <b>EXPENDITURES</b>  |                   |           |               |
| Current:   |                   |           |               |
| General government   | -                 | -         | 1,056,508     |
| Public protection  | -                 | -         | 6,076,884     |
| Public ways and facilities                                   | -                 | -         | 30,121        |
| Health and sanitation  | -                 | -         | 2,772,369     |
| Public assistance  | -                 | -         | 188           |
| Recreation and culture                                       | -                 | -         | 111,215       |
| Capital outlay   | -                 | -         | 226,364       |
| Debt service:  |                   |           |               |
| Principal  | 173,366           | 173,366   | 200,547       |
| Interest   | 126,848           | 126,848   | 128,496       |
|  | 300,214           | 300,214   | 10,602,692    |
| Total expenditures   | 300,214           | 300,214   | 10,602,692    |
| Excess (deficiency) of revenues over<br>(under) expenditures | (300,214)         | (300,214) | 10,350,242    |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                   |           |               |
| Transfers in   | 302,000           | 302,000   | 1,370,549     |
| Transfers out  | -                 | -         | (8,787,611)   |
|  | 302,000           | 302,000   | (7,417,062)   |
| Total other financing sources (uses)                         | 302,000           | 302,000   | (7,417,062)   |
| Net changes in fund balances                                 | 1,786             | 1,786     | 2,933,180     |
| Fund balances - beginning (restated)                         | 5,126             | 5,126     | 17,282,122    |
| Fund balances (deficits) - ending                            | \$ 6,912          | \$ 6,912  | \$ 20,215,302 |

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INTERNAL SERVICE FUNDS

**COUNTY OF LASSEN  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2022**

|                                       | <u>Information<br/>Services</u> | <u>Fleet<br/>Maintenance</u> | <u>Total</u>        |
|---------------------------------------|---------------------------------|------------------------------|---------------------|
| <b>ASSETS</b>                         |                                 |                              |                     |
| Current assets:                       |                                 |                              |                     |
| Cash and investments                  | \$ 344,527                      | \$ 1,550,680                 | \$ 1,895,207        |
| Total current assets                  | <u>344,527</u>                  | <u>1,550,680</u>             | <u>1,895,207</u>    |
| Noncurrent assets:                    |                                 |                              |                     |
| Capital assets:                       |                                 |                              |                     |
| Depreciable, net                      | <u>240,469</u>                  | <u>746,216</u>               | <u>986,685</u>      |
| Total noncurrent assets               | <u>240,469</u>                  | <u>746,216</u>               | <u>986,685</u>      |
| Total assets                          | <u>584,996</u>                  | <u>2,296,896</u>             | <u>2,881,892</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b> |                                 |                              |                     |
| Deferred outflows from pensions       | 50,869                          | 28,353                       | 79,222              |
| Deferred outflows from OPEB           | <u>11,951</u>                   | <u>7,769</u>                 | <u>19,720</u>       |
| Total deferred outflows of resources  | <u>62,820</u>                   | <u>36,122</u>                | <u>98,942</u>       |
| <b>LIABILITIES</b>                    |                                 |                              |                     |
| Current liabilities:                  |                                 |                              |                     |
| Accounts payable                      | 40,826                          | -                            | 40,826              |
| Salaries and benefits payable         | <u>11,811</u>                   | <u>4,709</u>                 | <u>16,520</u>       |
| Total current liabilities             | <u>52,637</u>                   | <u>4,709</u>                 | <u>57,346</u>       |
| Noncurrent liabilities:               |                                 |                              |                     |
| Net pension liability                 | 267,967                         | 149,359                      | 417,326             |
| Net OPEB Liability                    | <u>18,507</u>                   | <u>12,031</u>                | <u>30,538</u>       |
| Total noncurrent liabilities          | <u>286,474</u>                  | <u>161,390</u>               | <u>447,864</u>      |
| Total liabilities                     | <u>339,111</u>                  | <u>166,099</u>               | <u>505,210</u>      |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                                 |                              |                     |
| Deferred inflows from pensions        | 146,526                         | 81,740                       | 228,266             |
| Deferred inflows from OPEB            | <u>9,931</u>                    | <u>6,456</u>                 | <u>16,387</u>       |
| Total deferred inflows of resources   | <u>156,457</u>                  | <u>88,196</u>                | <u>244,653</u>      |
| <b>NET POSITION</b>                   |                                 |                              |                     |
| Net investment in capital assets      | 240,469                         | 746,216                      | 986,685             |
| Unrestricted                          | <u>(88,221)</u>                 | <u>1,332,507</u>             | <u>1,244,286</u>    |
| Total net position                    | <u>\$ 152,248</u>               | <u>\$ 2,078,723</u>          | <u>\$ 2,230,971</u> |

**COUNTY OF LASSEN**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|  | Information<br>Services | Fleet<br>Maintenance | Total               |
|--|-------------------------|----------------------|---------------------|
| Operating revenues:                    |                         |                      |                     |
| Charges for services                   | \$ 827,100              | \$ 685,309           | \$ 1,512,409        |
| Other revenue                          | <u>2,444</u>            | <u>99,540</u>        | <u>101,984</u>      |
| Total operating revenues               | <u>829,544</u>          | <u>784,849</u>       | <u>1,614,393</u>    |
| Operating expenses:                    |                         |                      |                     |
| Salaries and benefits                  | 307,887                 | 116,985              | 424,872             |
| Services and supplies                  | 548,898                 | 128,361              | 677,259             |
| Depreciation                           | <u>51,399</u>           | <u>284,593</u>       | <u>335,992</u>      |
| Total operating expenses               | <u>908,184</u>          | <u>529,939</u>       | <u>1,438,123</u>    |
| Operating income (loss)                | <u>(78,640)</u>         | <u>254,910</u>       | <u>176,270</u>      |
| Nonoperating revenues (expenses):      |                         |                      |                     |
| Investment earnings                    | <u>(13,907)</u>         | <u>(65,583)</u>      | <u>(79,490)</u>     |
| Total nonoperating revenues (expenses) | <u>(13,907)</u>         | <u>(65,583)</u>      | <u>(79,490)</u>     |
| Change in net position                 | (92,547)                | 189,327              | 96,780              |
| Net position - beginning               | <u>244,795</u>          | <u>1,889,396</u>     | <u>2,134,191</u>    |
| Net position - ending                  | <u>\$ 152,248</u>       | <u>\$ 2,078,723</u>  | <u>\$ 2,230,971</u> |

**COUNTY OF LASSEN  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

|   | Information<br>Services | Fleet<br>Maintenance | Total               |
|---|-------------------------|----------------------|---------------------|
| Cash flows from operating activities:   |                         |                      |                     |
| Cash received from interfund services provided  | \$ 829,544              | \$ 784,849           | \$ 1,614,393        |
| Cash paid to suppliers for goods and services   | (508,072)               | (128,361)            | (636,433)           |
| Cash paid to employees for services   | <u>(336,104)</u>        | <u>(173,890)</u>     | <u>(509,994)</u>    |
| Net cash provided by (used for) operating activities  | <u>(14,632)</u>         | <u>482,598</u>       | <u>467,966</u>      |
| Cash flows from capital and related financing activities:   |                         |                      |                     |
| Payment related to the acquisition of capital assets  | <u>-</u>                | <u>(350,568)</u>     | <u>(350,568)</u>    |
| Net cash provided by (used for) capital and related financing activities                                  | <u>-</u>                | <u>(350,568)</u>     | <u>(350,568)</u>    |
| Cash flows from investing activities:   |                         |                      |                     |
| Investment earnings   | <u>(13,907)</u>         | <u>(65,583)</u>      | <u>(79,490)</u>     |
| Net cash provided by (used for) investing activities  | <u>(13,907)</u>         | <u>(65,583)</u>      | <u>(79,490)</u>     |
| Net increase (decrease) in cash and cash equivalents  | (28,539)                | 66,447               | 37,908              |
| Cash and cash equivalents - beginning   | <u>373,066</u>          | <u>1,484,233</u>     | <u>1,857,299</u>    |
| Cash and cash equivalents - ending  | <u>\$ 344,527</u>       | <u>\$ 1,550,680</u>  | <u>\$ 1,895,207</u> |
| <b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b> |                         |                      |                     |
| Operating income (loss)   | \$ (78,640)             | \$ 254,910           | \$ 176,270          |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: |                         |                      |                     |
| Depreciation  | 51,399                  | 284,593              | 335,992             |
| (Increase) decrease in deferred outflows of resources for pensions  | 7,782                   | 14,039               | 21,821              |
| (Increase) decrease in deferred outflows of resources for OPEB  | (4,342)                 | (4,725)              | (9,067)             |
| Increase (decrease) in accounts payable   | 40,826                  | -                    | 40,826              |
| Increase (decrease) in accrued salaries   | 3,181                   | 94                   | 3,275               |
| Increase (decrease) in net pension liability  | (187,725)               | (156,988)            | (344,713)           |
| Increase (decrease) in net OPEB liability   | (832)                   | 4,297                | 3,465               |
| Increase (decrease) in deferred inflows of resources for pensions   | 143,867                 | 79,953               | 223,820             |
| Increase (decrease) in deferred inflows of resources for OPEB   | <u>9,852</u>            | <u>6,425</u>         | <u>16,277</u>       |
| Net cash provided by (used for) operating activities  | <u>\$ (14,632)</u>      | <u>\$ 482,598</u>    | <u>\$ 467,966</u>   |