

**COUNTY OF LASSEN
SUSANVILLE, CALIFORNIA**

BASIC FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2021**

**COUNTY OF LASSEN
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

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**COUNTY OF LASSEN
 BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2021**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
County of Lassen
Susanville, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Lassen, California (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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Opinions

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

Adoption of New Accounting Standard

As described in Note 1 to the financial statements, for the fiscal year ended June 30, 2021, the County adopted new accounting guidance, GASB No. 84, Fiduciary Activities, which has resulted in a restatement of the net position and fund balance as of July 1, 2020. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 66-73, proportionate share of net pension liability - cost-sharing plan on page 74, schedule of contributions - cost-sharing plan on page 75, schedule of changes in net pension liability and related ratios - agent multiple employer plan on page 76, schedule of contributions - agent multiple employer plan on page 77, schedule of changes in net OPEB liability and related ratios - single employer plan on page 78, and the schedule of contributions - other postemployment benefits on page 79, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America requires 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.

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 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.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual 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 September 29, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Price Pange & Company

Clovis, California
September 29, 2022

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

**COUNTY OF LASSEN
STATEMENT OF NET POSITION
JUNE 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 55,985,440	\$ 21,271	\$ 56,006,711
Imprest cash	23,188	-	23,188
Deposits with others	8,081,973	-	8,081,973
Interest receivable	277,060	-	277,060
Accounts receivable	36,233	-	36,233
Taxes receivable	2,614,539	-	2,614,539
Due from other governmental entities	6,597,843	-	6,597,843
Inventory	1,081,813	-	1,081,813
Long-term receivables, net of allowances	273,011	-	273,011
Capital assets:			
Nondepreciable	8,298,325	-	8,298,325
Depreciable, net	<u>57,908,272</u>	<u>74,234</u>	<u>57,982,506</u>
Total assets	<u>141,177,697</u>	<u>95,505</u>	<u>141,273,202</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows from pensions	7,924,486	-	7,924,486
Deferred outflows from OPEB	<u>985,128</u>	<u>-</u>	<u>985,128</u>
Total deferred outflows of resources	<u>8,909,614</u>	<u>-</u>	<u>8,909,614</u>
LIABILITIES			
Accounts payable	1,189,634	-	1,189,634
Salaries and benefits payable	1,376,538	-	1,376,538
Capital lease - due within one year	333,504	-	333,504
Compensated absences - due within one year	876,909	-	876,909
Claims and judgment payable - due within one year	2,177,836	-	2,177,836
Noncurrent liabilities:			
Capital lease - due in more than one year	3,157,964	-	3,157,964
Compensated absences - due in more than one year	292,303	-	292,303
Claims and judgment payable - due in more than one year	2,177,836	-	2,177,836
Net pension liability	53,271,085	-	53,271,085
Net OPEB liability	<u>2,037,347</u>	<u>-</u>	<u>2,037,347</u>
Total liabilities	<u>66,890,956</u>	<u>-</u>	<u>66,890,956</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows from pensions	591,596	-	591,596
Deferred inflows from OPEB	<u>191,810</u>	<u>-</u>	<u>191,810</u>
Total deferred inflows of resources	<u>783,406</u>	<u>-</u>	<u>783,406</u>
NET POSITION			
Net investment in capital assets	62,715,129	74,234	62,789,363
Restricted	60,280,335	-	60,280,335
Unrestricted	<u>(40,582,515)</u>	<u>21,271</u>	<u>(40,561,244)</u>
Total net position	<u>\$ 82,412,949</u>	<u>\$ 95,505</u>	<u>\$ 82,508,454</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, 2021**

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	Governmental Activities	Business-Type Activities	Total
Primary Government:								
Governmental activities:								
General government	\$ 8,585,887	\$ 4,252,474	\$ 9,275,916	\$ 3,207,853	\$ 16,736,243	\$ 8,150,356	\$ -	\$ 8,150,356
Public protection	25,197,057	1,588,377	16,014,626	-	17,603,003	(7,594,054)	-	(7,594,054)
Public ways and facilities	6,822,718	30,832	6,462,341	1,200,567	7,693,740	871,022	-	871,022
Health and sanitation	11,517,960	1,276,254	8,114,735	-	9,390,989	(2,126,971)	-	(2,126,971)
Public assistance	17,663,504	609,215	10,676,728	-	11,285,943	(6,377,561)	-	(6,377,561)
Education	83,411	-	-	-	-	(83,411)	-	(83,411)
Recreation and culture	239,040	-	11,649	-	11,649	(227,391)	-	(227,391)
Interest on long-term debt	133,516	-	-	-	-	(133,516)	-	(133,516)
Total governmental activities	<u>70,243,093</u>	<u>7,757,152</u>	<u>50,555,995</u>	<u>4,408,420</u>	<u>62,721,567</u>	<u>(7,521,526)</u>	<u>-</u>	<u>(7,521,526)</u>
Business-type activities:								
County service area (Honey Lake TV)	<u>84,163</u>	<u>113,524</u>	<u>-</u>	<u>-</u>	<u>113,524</u>	<u>-</u>	<u>29,361</u>	<u>29,361</u>
Total business-type activities	<u>84,163</u>	<u>113,524</u>	<u>-</u>	<u>-</u>	<u>113,524</u>	<u>-</u>	<u>29,361</u>	<u>29,361</u>
Total primary government	<u>\$ 70,327,256</u>	<u>\$ 7,870,676</u>	<u>\$ 50,555,995</u>	<u>\$ 4,408,420</u>	<u>\$ 62,835,091</u>	<u>(7,521,526)</u>	<u>29,361</u>	<u>(7,492,165)</u>
General revenues:								
Taxes:								
Property taxes						12,127,153	-	12,127,153
Sales and use taxes						4,897,774	-	4,897,774
Other taxes						105,865	-	105,865
Miscellaneous						3,491,140	32	3,491,172
Unrestricted interest and investment earnings						850,650	294	850,944
Gain on sale of capital assets						1,340	-	1,340
Total general revenues and transfers						<u>21,473,922</u>	<u>326</u>	<u>21,474,248</u>
Change in net position						13,952,396	29,687	13,982,083
Net position - beginning (restated)						<u>68,460,553</u>	<u>65,818</u>	<u>68,526,371</u>
Net position - ending						<u>\$ 82,412,949</u>	<u>\$ 95,505</u>	<u>\$ 82,508,454</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, 2021

	Special Revenue Funds				
	General	Road	Community Development	Welfare Admin.	Welfare Assistance
ASSETS					
Cash and investments held in Treasury	\$ 6,160,753	\$ 2,196,177	\$ 1,986,912	\$ 5,788,435	\$ 7,283,486
Imprest cash	-	100	-	-	-
Deposits with others	8,081,973	-	-	-	-
Due from other governmental entities	412,676	1,628,927	-	191,621	315,487
Due from other funds	396,299	-	-	-	295,944
Interest receivable	277,060	-	-	-	-
Accounts receivable	-	-	17,507	-	-
Taxes receivable	2,614,539	-	-	-	-
Inventory	-	1,081,813	-	-	-
Long-term receivables, net of allowances	-	-	273,011	-	-
Total assets	<u>\$ 17,943,300</u>	<u>\$ 4,907,017</u>	<u>\$ 2,277,430</u>	<u>\$ 5,980,056</u>	<u>\$ 7,894,917</u>
LIABILITIES					
Accounts payable	\$ 128,281	\$ 87,810	\$ -	\$ 40,705	\$ 5,694
Salaries and benefits payable	546,041	77,436	-	138,675	-
Due to other funds	5,855	-	-	-	-
Total liabilities	<u>680,177</u>	<u>165,246</u>	<u>-</u>	<u>179,380</u>	<u>5,694</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	2,614,539	-	-	-	-
Unavailable revenue - loans	-	-	290,518	-	-
Total deferred inflows of resources	<u>2,614,539</u>	<u>-</u>	<u>290,518</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)					
Nonspendable:					
Deposits	8,081,973	-	-	-	-
Inventory	-	1,081,813	-	-	-
Restricted	701,094	3,659,958	1,986,912	5,800,676	7,889,223
Committed	-	-	-	-	-
Assigned	3,424,361	-	-	-	-
Unassigned	2,441,156	-	-	-	-
Total fund balances (deficits)	<u>14,648,584</u>	<u>4,741,771</u>	<u>1,986,912</u>	<u>5,800,676</u>	<u>7,889,223</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 17,943,300</u>	<u>\$ 4,907,017</u>	<u>\$ 2,277,430</u>	<u>\$ 5,980,056</u>	<u>\$ 7,894,917</u>

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

COUNTY OF LASSEN
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

Special Revenue Funds			Capital Projects Fund		
Health and Human Services	Public Safety	County Local Revenue	Courthouse Square Construction	Nonmajor Governmental Funds	Total Governmental Funds
\$ 7,262,785	\$ 1,420,735	\$ 4,421,350	\$ 479,937	\$ 17,127,571	\$ 54,128,141
4,156	7,079	-	-	11,853	23,188
-	-	-	-	-	8,081,973
491,247	705,148	537,044	246,406	2,069,287	6,597,843
-	130,884	-	-	30,393	853,520
-	-	-	-	-	277,060
7,077	-	-	-	11,649	36,233
-	-	-	-	-	2,614,539
-	-	-	-	-	1,081,813
-	-	-	-	-	273,011
<u>\$ 7,765,265</u>	<u>\$ 2,263,846</u>	<u>\$ 4,958,394</u>	<u>\$ 726,343</u>	<u>\$ 19,250,753</u>	<u>\$ 73,967,321</u>
\$ 69,760	\$ 46,901	\$ -	\$ 730,200	\$ 80,283	\$ 1,189,634
197,812	257,735	16,559	-	129,035	1,363,293
-	-	305,719	1,647	540,299	853,520
<u>267,572</u>	<u>304,636</u>	<u>322,278</u>	<u>731,847</u>	<u>749,617</u>	<u>3,406,447</u>
-	91,482	-	139,089	236,702	3,081,812
-	-	-	-	-	290,518
-	<u>91,482</u>	-	<u>139,089</u>	<u>236,702</u>	<u>3,372,330</u>
-	-	-	-	-	8,081,973
-	-	-	-	-	1,081,813
7,497,693	-	4,636,116	-	15,572,547	47,744,219
-	1,867,728	-	-	-	1,867,728
-	-	-	-	2,706,197	6,130,558
-	-	-	(144,593)	(14,310)	2,282,253
<u>7,497,693</u>	<u>1,867,728</u>	<u>4,636,116</u>	<u>(144,593)</u>	<u>18,264,434</u>	<u>67,188,544</u>
<u>\$ 7,765,265</u>	<u>\$ 2,263,846</u>	<u>\$ 4,958,394</u>	<u>\$ 726,343</u>	<u>\$ 19,250,753</u>	<u>\$ 73,967,321</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, 2021

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

Total fund balances - government funds	\$ 67,188,544
Loans receivable and other long-term receivables are not available to pay current period expenditures and, therefore, are deferred in the governmental funds.	3,372,330
Capital assets used in governmental activities were not current financial resources; therefore, they were not reported in the governmental funds balance sheet.	65,234,488
Pension and OPEB related deferrals are reported as deferred outflows and inflows of resources on the statement of net position.	8,019,068
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.	2,134,191
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	(1,169,212)
Claims liability	(4,355,672)
Capital leases	(3,491,468)
Net pension liability	(52,509,046)
Net OPEB Liability	(2,010,274)
Total net position - governmental activities	\$ 82,412,950

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, 2021

	Special Revenue Funds				
	General	Road	Community Development	Welfare Admin.	Welfare Assistance
REVENUES					
Taxes	\$ 10,516,374	\$ -	\$ -	\$ -	\$ -
Licenses and permits	269,883	11,570	-	-	-
Intergovernmental	3,417,357	7,662,856	-	5,621,877	5,210,880
Charges for services	2,756,524	6,362	-	1,233	-
Fines and forfeitures	526,372	-	-	-	-
Use of money and property	276,618	23,533	66,737	-	-
Other revenues	2,094,212	249,324	-	74,094	122,906
Total revenues	<u>19,857,340</u>	<u>7,953,645</u>	<u>66,737</u>	<u>5,697,204</u>	<u>5,333,786</u>
EXPENDITURES					
Current:					
General government	6,890,115	-	-	-	-
Public protection	3,529,691	-	-	-	-
Public ways and facilities	-	4,669,423	-	-	-
Health and sanitation	-	-	-	-	-
Public assistance	130,031	-	-	7,544,519	7,900,634
Education	79,958	-	-	-	-
Recreation and culture	23,670	-	-	-	-
Capital outlay	151,884	3,691,472	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>10,805,349</u>	<u>8,360,895</u>	<u>-</u>	<u>7,544,519</u>	<u>7,900,634</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9,051,991</u>	<u>(407,250)</u>	<u>66,737</u>	<u>(1,847,315)</u>	<u>(2,566,848)</u>
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	-	1,340	-	-	-
Transfers in	316,724	-	-	2,225,049	3,034,548
Transfers out	(7,955,458)	-	(27,504)	-	(157,906)
Total other financing sources (uses)	<u>(7,638,734)</u>	<u>1,340</u>	<u>(27,504)</u>	<u>2,225,049</u>	<u>2,876,642</u>
Net change in fund balances	1,413,257	(405,910)	39,233	377,734	309,794
Fund balances - beginning (restated)	<u>13,235,327</u>	<u>5,147,681</u>	<u>1,947,679</u>	<u>5,422,942</u>	<u>7,579,429</u>
Fund balances - ending	<u>\$ 14,648,584</u>	<u>\$ 4,741,771</u>	<u>\$ 1,986,912</u>	<u>\$ 5,800,676</u>	<u>\$ 7,889,223</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, 2021
(Continued)

Special Revenue Funds			Capital Projects Fund		
Health and Human Services	Public Safety	County Local Revenue	Courthouse Square Construction	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 103,344	\$ -	\$ -	\$ 3,896,534	\$ 14,516,252
3,258	14,307	-	-	1,535	300,553
3,380,638	2,458,761	7,491,007	3,043,467	17,268,393	55,555,236
1,900,719	585,161	-	-	1,067,265	6,317,264
8,072	9,603	-	-	632,274	1,176,321
13,242	(8,510)	-	(10,278)	513,560	874,902
104,608	493,271	-	-	261,243	3,399,658
<u>5,410,537</u>	<u>3,655,937</u>	<u>7,491,007</u>	<u>3,033,189</u>	<u>23,640,804</u>	<u>82,140,186</u>
-	714,115	-	-	952,696	8,556,926
172,081	12,318,223	605,495	-	6,235,323	22,860,813
-	-	-	-	24,875	4,694,298
8,410,405	-	-	-	2,656,514	11,066,919
1,454,621	-	-	-	3,531	17,033,336
-	-	-	-	-	79,958
-	-	-	-	98,013	121,683
101,006	760,052	-	3,154,049	313,052	8,171,515
-	-	-	-	166,698	166,698
-	-	-	-	133,516	133,516
<u>10,138,113</u>	<u>13,792,390</u>	<u>605,495</u>	<u>3,154,049</u>	<u>10,584,218</u>	<u>72,885,662</u>
<u>(4,727,576)</u>	<u>(10,136,453)</u>	<u>6,885,512</u>	<u>(120,860)</u>	<u>13,056,586</u>	<u>9,254,524</u>
-	-	-	-	-	1,340
5,002,034	10,602,329	497,853	-	1,984,665	23,663,202
(127,306)	-	(6,932,384)	-	(8,462,644)	(23,663,202)
<u>4,874,728</u>	<u>10,602,329</u>	<u>(6,434,531)</u>	<u>-</u>	<u>(6,477,979)</u>	<u>1,340</u>
147,152	465,876	450,981	(120,860)	6,578,607	9,255,864
<u>7,350,541</u>	<u>1,401,852</u>	<u>4,185,135</u>	<u>(23,733)</u>	<u>11,685,827</u>	<u>57,932,680</u>
<u>\$ 7,497,693</u>	<u>\$ 1,867,728</u>	<u>\$ 4,636,116</u>	<u>\$ (144,593)</u>	<u>\$ 18,264,434</u>	<u>\$ 67,188,544</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, 2021

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

Net change in fund balances - governmental funds	\$	9,255,864
<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 expense.</p>		
Expenditures for general capital assets, infrastructure, and other related capital asset adjustments.	9,382,473	
Less current year depreciation recorded in the government-wide financial statements.	<u>(4,405,998)</u>	4,976,475
<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>		
		(3,071,520)
<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>		
		(156,219)
<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 unearned revenue from the prior year.</p>		
		2,053,968
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>		
Capital leases		166,698
<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		88,682
Change in claim liabilities		322,048
<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>316,400</u>
Change in net position of governmental activities	\$	<u>13,952,396</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, 2021**

	Business-Type Activities Enterprise Fund	Governmental Activities
	County Service Area (Honey Lake TV)	Internal Service Funds
ASSETS		
Current assets:		
Cash and investments	\$ 21,271	\$ 1,857,299
Total current assets	21,271	1,857,299
Noncurrent assets:		
Capital assets:		
Depreciable, net	74,234	972,109
Total noncurrent assets	74,234	972,109
Total assets	95,505	2,829,408
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows from pensions	-	101,043
Deferred outflows from OPEB	-	10,653
Total deferred outflows of resources	-	111,696
LIABILITIES		
Current liabilities:		
Salaries and benefits payable	-	13,245
Total current liabilities	-	13,245
Noncurrent liabilities:		
Net pension liability	-	762,039
Net OPEB liability	-	27,073
Total noncurrent liabilities	-	789,112
Total liabilities	-	802,357
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows from pensions	-	4,446
Deferred inflows from OPEB	-	110
Total deferred inflows of resources	-	4,556
NET POSITION		
Net investment in capital assets	74,234	972,109
Unrestricted	21,271	1,162,082
Total net position	\$ 95,505	\$ 2,134,191

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, 2021

	Business-Type Activities Enterprise Fund	Governmental Activities
	County Service Area (Honey Lake TV)	Internal Service Funds
Operating revenues:		
Charges for services	\$ 113,524	\$ 1,260,250
Other revenue	<u>32</u>	<u>113,598</u>
Total operating revenues	<u>113,556</u>	<u>1,373,848</u>
Operating expenses:		
Salaries and benefits	-	174,913
Services and supplies	66,947	626,751
Depreciation	<u>17,216</u>	<u>340,366</u>
Total operating expenses	<u>84,163</u>	<u>1,142,030</u>
Operating income (loss)	<u>29,393</u>	<u>231,818</u>
Nonoperating revenues (expenses):		
Investment earnings	294	(6,339)
Gain (loss) on disposal of assets	<u>-</u>	<u>90,920</u>
Total nonoperating revenues (expenses)	<u>294</u>	<u>84,581</u>
Change in net position	29,687	316,399
Net position - beginning	<u>65,818</u>	<u>1,817,792</u>
Net position - ending	<u>\$ 95,505</u>	<u>\$ 2,134,191</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, 2021**

	Business-Type Activities Enterprise Funds	Governmental Activities
	Nonmajor Fund	Internal Service Funds
Cash flows from operating activities:		
Cash received from customers	\$ 113,556	\$ -
Cash received from interfund services provided	-	1,373,848
Cash payments to suppliers for goods and services	(66,947)	(787,106)
Cash paid to employees for services	-	(442,517)
Net cash provided by (used for) operating activities	46,609	144,225
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	-	90,920
Payments related to the acquisition of capital assets	(27,565)	(263,023)
Net cash provided by (used for) capital and related financing activities	(27,565)	(172,103)
Cash flows from investing activities:		
Investment earnings	294	(6,339)
Net cash provided by (used for) investing activities	294	(6,339)
Net increase (decrease) in cash and cash equivalents	19,338	(34,217)
Cash and investments - beginning	1,933	1,891,516
Cash and investments - ending	\$ 21,271	\$ 1,857,299
 Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ 29,393	\$ 231,818
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation	17,216	340,366
Changes in assets and liabilities:		
(Increase) decrease in deferred outflows of resources for pensions	-	31,594
(Increase) decrease in deferred outflows of resources for OPEB	-	(2,623)
Increase (decrease) in accounts payable	-	(151,805)
(Increase) decrease in due from other government	-	(8,550)
Increase (decrease) in accrued salaries	-	(1,809)
Increase (decrease) in net pension liability	-	(295,524)
Increase (decrease) in net OPEB liability	-	13,951
Increase (decrease) in deferred inflows of resources for pensions	-	(11,680)
Increase (decrease) in deferred inflows of resources for OPEB	-	(1,513)
Net cash provided by (used for) operating activities	\$ 46,609	\$ 144,225

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, 2021**

	Private Purpose Trust Fund	Custodial Funds	
		External Investment Pool	Other Custodial
ASSETS			
Cash and investments held in Treasury	\$ 131,174	\$ 61,823,442	\$ 2,462,154
Cash and investments held by the Public Guardians Office	3,087,140	-	-
Accounts Receivable	-	114,450	-
Due From Other Governments	-	1,231,557	-
Other assets	195,982	-	-
Total assets	<u>3,414,296</u>	<u>63,169,449</u>	<u>2,462,154</u>
LIABILITIES			
Accounts Payable	-	174,600	-
Accrued Payroll Liabilities	-	50,461	-
Due to other governments and individuals	-	522,450	228,214
Unearned Revenue	-	626,887	-
Total liabilities	<u>-</u>	<u>1,374,398</u>	<u>228,214</u>
NET POSITION			
Restricted for pool participants	-	61,795,051	-
Restricted for individuals, organizations and other governments	<u>3,414,296</u>	<u>-</u>	<u>2,233,940</u>
Total net position	<u>\$ 3,414,296</u>	<u>\$ 61,795,051</u>	<u>\$ 2,233,940</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, 2021

	Private Purpose Trust Fund	<u>Custodial Funds</u>	
		External Investment Pool	Other Custodial
ADDITIONS			
Contributions:			
Private contributions	\$ 179,835	\$ -	\$ 59,232
Contributions to pooled investments	-	107,625,308	-
Total contributions	<u>179,835</u>	<u>107,625,308</u>	<u>59,232</u>
Investment earnings:			
Interest and dividends	4,050	1,046,021	38,504
Net increase in the fair market value of investments	408,967	246,883	9,639
Total investment earnings	<u>413,017</u>	<u>1,292,904</u>	<u>48,143</u>
Collections on behalf of others:			
Property taxes collected for other governments	-	-	24,205,416
Other taxes, fees, fines, and forfeitures collected for other governments	-	-	1,342,071
Other collections	-	-	20,116
Total collections on behalf of others	<u>-</u>	<u>-</u>	<u>25,567,603</u>
Total additions	<u>592,852</u>	<u>108,918,212</u>	<u>25,674,978</u>
DEDUCTIONS			
Distributions from pooled investment	-	96,915,727	-
Retiree medical and dental payments	-	-	59,232
Payments to other individuals and governments	14,074	-	25,869,541
Total deductions	<u>14,074</u>	<u>96,915,727</u>	<u>25,928,773</u>
Net increase (decrease) in fiduciary net position	578,778	12,002,485	(253,795)
Net position, beginning (restated)	<u>2,835,518</u>	<u>49,792,566</u>	<u>2,487,735</u>
Net position, ending	<u>\$ 3,414,296</u>	<u>\$ 61,795,051</u>	<u>\$ 2,233,940</u>

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, 2021

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, 2021

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, 2021

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.

Community Development Fund, also known as Economic Development, is used to account for monies received from State and Federal governments and loaned by the County to individuals and businesses to encourage economic growth.

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, 2021

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, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Fund Financial Statements (Continued)

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 account 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 \$8,081,973.

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, 2021

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. 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.

I. 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.

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.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Revenue Recognition - Property Taxes (Continued)

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.

J. 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.

K. 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.

L. Net Position/Fund Balances

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

Net Investment in Capital Assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction or improvement of the assets.

Restricted - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of government.

Unrestricted - This amount is unrestricted by external creditors, grantors, contributors, or laws or regulations of governments. Unrestricted net position represents all resources that do not meet the definition of net investment in capital assets or restricted net position as defined above.

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.

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

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.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Net Position/Fund Balances (Continued)

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

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 ending June 30, 2021, the General Reserve is included as part of the assigned 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.

M. 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 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. 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.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. 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, 2020
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

O. Implementation of GASB Pronouncement

In fiscal year 2021, the County implemented GASB Statement No. 84, Fiduciary Activities, effective for reporting periods beginning after December 15, 2019. This Statement establishes new criteria for identifying fiduciary activities which, when met, require that the activities be reported in a fiduciary fund in the basic financial statements. A statement of fiduciary net position and a statement of changes in fiduciary net position are required to be presented for these activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds (formerly agency funds).

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.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - CASH AND INVESTMENTS (Continued)

At June 30, 2021, total County cash and investments (excluding imprest funds of \$23,188) were as follows:

Cash:	
Cash on hand	\$ 8,601
Cash in U.S. Bank	5,461,861
Outside Treasurer's Pool-EBT Account	67,965
Treasurer Amortization Timing Difference	108,890
Held by Public Guardian Office	
outside of the County Treasury	462,273
Misc Adj	(118)
Less outstanding warrants and deposits	<u>(3,722,860)</u>
 Total deposits	 <u>2,386,612</u>
Investments:	
In Treasurer's Pool	118,497,985
Held by Public Guardian Office	
outside of the County Treasury	2,624,867
Accrued interest	<u>1,157</u>
 Total investments	 <u>121,124,009</u>
 Total cash and investments	 <u>\$ 123,510,621</u>

Total cash and investments at June 30, 2021 were presented on the County's financial statements as follows:

Cash and investments in the Treasurer's Pool:	
Primary government	\$ 56,006,711
Private purpose trust funds	131,174
Custodial funds	
External investment pool	61,823,442
Other custodial	2,462,154
Held by Public Guardian Office	
outside of the County Treasury	<u>3,087,140</u>
 Total cash and investments	 <u>\$ 123,510,621</u>

The carrying amounts of the County's cash deposits were \$5,461,861 at June 30, 2021. Bank balances as of June 30, 2021 were \$5,461,861, 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.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - CASH AND INVESTMENTS (Continued)

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 Maturity	Maximum Percentage of Portfolio	Maximum Investment in 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

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, 2021, the County had the following investments:

Investment Type	Interest Rates	Maturities	Cost	Fair Value	Percent of Portfolio
Included in County Treasury					
Certificates of deposit	.500% - 3.400%	8/30/21 - 4/14/25	\$ 19,689,000	\$ 20,470,386	17.27%
Corporate bonds	0.450% - 3.375%	8/8/21 - 6/16/26	41,516,705	41,043,696	34.64%
Federal agency issues - coupon	1.250% - 2.770%	8/25/21 - 12/22/25	12,950,057	12,880,290	10.87%
Municipal bonds	0.700% - 3.490%	9/1/21 - 8/1/25	10,628,610	10,769,198	9.09%
Supernationals	1.25%	9/14/2021	1,926,592	2,004,700	1.69%
LAIF	1.36%	On demand	31,329,715	31,329,715	26.44%
Total county treasury			<u>\$ 118,040,679</u>	<u>\$ 118,497,985</u>	<u>100.00%</u>

Investment Type	Interest Rates	Maturities	Cost	Fair Value	Percent of Portfolio
Held by Public Guardian Office outside of the County Treasury					
Certificates of deposit	up to 1.5%	8/1/2021-1/3/22	122,637	122,637	4.67%
Mutual funds	N/A	N/A	1,663,174	2,299,009	87.59%
Municipal bonds	0.0513	6/1/2030	15,066	18,993	0.72%
Corporate bonds	4.78-4.89%	1/15/2027-11/15/34	30,005	37,044	1.41%
Stocks	N/A	N/A	353	4,948	0.19%
Annulities & life insurance	N/A-3%	8/1/2023 & N/A	116,244	142,236	5.42%
Total held by public guardian office outside of the county treasury			<u>\$ 1,947,479</u>	<u>\$ 2,624,867</u>	<u>100.00%</u>

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - CASH AND INVESTMENTS (Continued)

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.

Investment Type	Fair Value	Years					
		Less than 1	1 to 2	2 to 3	3 to 4	4 to 5	Over 5 years
Included in County Treasury							
Certificates of deposit	\$ 20,470,386	\$ 3,476,942	\$ 5,057,107	\$ 3,095,077	\$ 8,371,236	\$ 470,024	\$ -
Corporate bonds	41,043,696	2,715,056	1,800,003	-	1,375,362	35,153,275	-
Federal agency issues - coupon	12,880,290	3,016,860	-	-	-	9,863,430	-
Municipal bonds	10,769,198	1,510,227	2,083,170	2,372,312	3,647,326	1,156,163	-
Supernationals	2,004,700	2,004,700	-	-	-	-	-
LAIF	31,329,715	31,329,715	-	-	-	-	-
Total county treasury	\$ 118,497,985	\$ 44,053,500	\$ 8,940,280	\$ 5,467,389	\$ 13,393,924	\$ 46,642,892	\$ -
Held by Public Guardian Office outside of the County Treasury							
Certificates of deposit	\$ 122,637	\$ 122,637	\$ -	\$ -	\$ -	\$ -	\$ -
Mutual funds	2,299,009	2,299,009	-	-	-	-	-
Municipal bonds	18,993	-	-	-	-	-	18,993
Corporate bonds	37,044	-	-	-	-	-	37,044
Stocks	4,948	4,948	-	-	-	-	-
Annuities & life insurance	142,236	142,236	-	-	-	-	-
Total held by public guardian office outside of the county treasury	\$ 2,624,867	\$ 2,568,830	\$ -	\$ -	\$ -	\$ -	\$ 56,037

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, 2021, 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, 2021, the County Investment Pool held its net investments in obligations of certificates of deposits (17.27%), federal agency issues (10.87%), corporate bonds (34.64%), municipal obligations (9.09%), supernationals (1.69%), and the Local Agency Investment Fund (26.44%). The only investment that was in violation of state law and the investment policy were corporate bonds which exceeded 30%.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - CASH AND INVESTMENTS (Continued)

D. Concentrations of Credit Risk (Continued)

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, 2021:

<u>Included in County Treasury</u>	<u>Credit Quality Ratings</u>		<u>% of Portfolio</u>
	<u>Moody's</u>	<u>S&P</u>	
Certificates of deposit	N/A - Aaa	N/A - AA+	17.27%
Corporate bonds	N/A - Aaa	N/A - AAA	34.64%
Federal agency issues - coupon	N/A - Aaa	N/A - AA+	10.87%
Municipal bonds	N/A - Aa1	BBB - AAA	9.09%
Supnationals	Aaa	N/A	1.69%
Local agency investment fund	Not Rated	Not Rated	<u>26.44%</u>
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.

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 fair value. At June 30, 2021, the County had \$31,329,715 invested in LAIF. That total amount invested by all public agencies in LAIF on that day was \$2,775,347,001.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 - CASH AND INVESTMENTS (Continued)

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, 2021:

Statement of Net Position:

Net position held for pool participants	\$ 120,423,481
Equity of internal investment pool participants	56,006,711
Equity of external investment pool participants	<u>64,416,770</u>
Total net position	<u>\$ 120,423,481</u>

Statement of Changes in Net Position:

Investment earnings	\$ 2,039,260
Investment expenses	(187,860)
Net change in investments by pool participants	<u>15,945,941</u>

Increase (decrease) in net position 17,797,341

Total net position:

Beginning of year	<u>102,626,140</u>
End of year	<u>\$ 120,423,481</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, 2021

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, 2021:

<u>Investments by Fair Value Level</u>	<u>Fair Value</u>	<u>Level 2 Inputs</u>
Debt Securities:		
Certificates of Deposit	\$ 20,470,386	\$ 20,470,386
Corporate bonds	41,043,696	41,043,696
Federal Agency Issues - Coupon	12,880,290	12,880,290
Municipal bonds	10,769,198	10,769,198
Supernationals	2,004,700	2,004,700
	<u>87,168,270</u>	<u>\$ 87,168,270</u>

Investments Measured at Amortized Costs

LAIF	<u>31,329,715</u>
Total Investments	<u>\$ 118,497,985</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, 2021, the gross amount of these receivables was \$418,153 (includes current portion of \$17,507), and the allowance for uncollectible accounts was \$127,635, which resulted in a net amount of \$290,518.

<u>Loan Type</u>	<u>Balance as of June 30, 2021</u>
HUD - Home 93	\$ 12,424
CDBG - 317 Rev	2,691
HUD - Home 94	87,746
CDBG - 89 RLF	6,545
CDBG	<u>308,747</u>
Total loans receivable	418,153
Less: allowance for doubtful accounts	<u>(127,635)</u>
Total loans receivable	<u>\$ 290,518</u>

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 - CAPITAL ASSETS

A. Governmental Activities

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

	Balance June 30, 2020	Additions	Retirements & Adjustments	Transfers	Balance June 30, 2021
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 2,575,419	\$ -	\$ -	\$ -	\$ 2,575,419
Construction in progress	17,762,301	5,027,846	(16,192)	(17,051,049)	5,722,906
Total capital assets, not being depreciated	<u>20,337,720</u>	<u>5,027,846</u>	<u>(16,192)</u>	<u>(17,051,049)</u>	<u>8,298,325</u>
Capital assets, being depreciated:					
Infrastructure	74,074,850	1,748,464	(10,799)	16,901,941	92,714,456
Structures and improvements (includes leasehold improvements)	27,150,059	799,351	-	25,658	27,975,068
Equipment	20,669,598	2,096,827	(741,400)	123,450	22,148,475
Total capital assets, being depreciated	<u>121,894,507</u>	<u>4,644,642</u>	<u>(752,199)</u>	<u>17,051,049</u>	<u>142,837,999</u>
Less accumulated depreciation for:					
Infrastructure	(48,074,832)	(2,917,965)	-	-	(50,992,797)
Structures and improvements (includes leasehold improvements)	(15,892,366)	(757,457)	-	-	(16,649,823)
Equipment	(16,957,564)	(1,070,943)	741,400	-	(17,287,107)
Total accumulated depreciation	<u>(80,924,762)</u>	<u>(4,746,365)</u>	<u>741,400</u>	<u>-</u>	<u>(84,929,727)</u>
Total capital assets, being depreciated, net	<u>40,969,745</u>	<u>(101,723)</u>	<u>(10,799)</u>	<u>17,051,049</u>	<u>57,908,272</u>
Governmental activities capital assets, net	<u>\$ 61,307,465</u>	<u>\$ 4,926,123</u>	<u>\$ (26,991)</u>	<u>\$ -</u>	<u>\$ 66,206,597</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 383,117
Public protection	623,476
Public ways and facilities	3,204,109
Health and sanitation	44,793
Public assistance	58,868
Recreation and culture	91,636
Internal service funds	<u>340,366</u>
Total	<u>\$ 4,746,365</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, 2021

NOTE 4 - CAPITAL ASSETS (Continued)

B. Business-Type Activities

Capital assets activity of the business-type activities for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Retirements	Transfers	Balance June 30, 2021
Business-Type Activities					
Capital assets, being depreciated					
Equipment	\$ 481,318	\$ 27,565	\$ -	\$ -	\$ 508,883
Total capital assets, being depreciated	481,318	27,565	-	-	508,883
Less accumulated depreciation for:					
Equipment	(417,433)	(17,216)	-	-	(434,649)
Total accumulated depreciation	(417,433)	(17,216)	-	-	(434,649)
Total capital assets, being depreciated, net	63,885	10,349	-	-	74,234
Business-type activities capital assets, net	\$ 63,885	\$ 10,349	\$ -	\$ -	\$ 74,234

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

County Service Area (Honey Lake TV)	\$ 17,216
Total	\$ 17,216

NOTE 5 - LONG-TERM DEBT

The following is a summary of long-term liability transactions for the year ended June 30, 2021:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year	Due in More Than One Year
Governmental Activities:						
Compensated absences	\$ 1,257,894	\$ -	\$ (88,682)	\$ 1,169,212	\$ 876,909	\$ 292,303
Claims liability	4,677,720	108,626	(430,674)	4,355,672	2,177,836	2,177,836
<i>Direct borrowing:</i>						
Capital lease	3,658,166	-	(166,698)	3,491,468	333,504	3,157,964
Total long-term liabilities	\$ 9,593,780	\$ 108,626	\$ (686,054)	\$ 9,016,352	\$ 3,388,249	\$ 5,628,103

Claims liability has typically been liquidated from the General Fund. Compensated absences are generally liquidated by the General Fund. The capital lease is the responsibility of the General Fund.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 - LEASE COMMITMENTS

A. Operating Leases

The County is committed under various noncancelable operating leases for office buildings. The minimum future lease commitments on these leases are as follows:

Year Ending June 30	Principal
2022	\$ 416,689
2023	416,689
2024	389,928
2025	389,928
2026	134,400
2027-2028	<u>268,800</u>
Total	<u>\$ 2,016,434</u>

Rent expenditures were \$785,664 for the year ended June 30, 2021.

B. Capital Leases

On June 4, 2015, the County entered into a twenty-year capital lease agreement under which the related building would become the property of the County at the end of the lease agreement. The lease agreement is secured by the leased property and includes a provision, whereby, in an event of default, the County will surrender its possession of the leased 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 capital lease agreement under which the new Public Safety Software license would become the property of the County at the end of the lease agreement. The lease 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, 2021, future minimum lease payments under capital leases were as follows:

Year Ending June 30	
2022	\$ 460,352
2023	380,283
2024	380,283
2025	300,214
2026	300,214
2027-2031	1,501,068
2032-2035	<u>1,200,854</u>
Total Future Minimum Lease Payments	4,523,268
Less: Interest	<u>(1,031,800)</u>
Present Value of Minimum Lease Payments	<u>\$ 3,491,468</u>

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

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, 2021 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				Total
	Major Funds			Nonmajor Governmental Funds				
	General Fund	Welfare Assistance	Public Safety	TCF/Bailiff	Probation	Prison Trial Program		
Major Fund:								
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,855	\$ 5,855	
County Local Revenue	-	295,944	-	-	9,775	-	305,719	
Courthouse Square Construction	1,647	-	-	-	-	-	1,647	
Nonmajor Governmental Funds:								
DA Contracts	57,452	-	-	-	-	-	57,452	
Prop 56 - Tobacco	109,468	-	-	-	-	-	109,468	
Narcotics Task Force	89,923	-	-	-	-	-	89,923	
TCF/Bailiff	-	-	4,333	-	-	-	4,333	
CCF Equipment Replacement	53,758	-	-	-	-	-	53,758	
Natural Resources	23,019	-	-	-	-	-	23,019	
Prison Trial Program	61,032	-	126,551	2,421	12,342	-	202,346	
Total	\$ 396,299	\$ 295,944	\$ 130,884	\$ 2,421	\$ 22,117	\$ 5,855	\$ 853,520	

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						Total
	General	Welfare Admin.	Welfare Assistance	Health and Human Services	Public Safety	County Local Revenue	Special Revenue	Capital Projects	Debt	
Major Funds:										
General	\$ -	\$ 507,420	\$ 160,000	\$ 88,381	\$ 6,716,750	\$ -	\$ 180,907	\$ -	\$ 302,000	\$ 7,955,458
Community Development	-	-	-	27,504	-	-	-	-	-	27,504
Welfare Assistance	-	-	-	157,906	-	-	-	-	-	157,906
Health and Human Services	1,724	-	-	-	-	-	125,582	-	-	127,306
County Local Revenue	-	1,476,242	2,127,186	1,626,824	1,054,375	-	647,757	-	-	6,932,384
Nonmajor Governmental Funds:										
Special Revenue	15,000	241,387	747,362	3,101,419	2,831,204	497,853	696,258	7,161	-	8,137,644
Capital Projects	300,000	-	-	-	-	-	-	25,000	-	325,000
Total	\$ 316,724	\$ 2,225,049	\$ 3,034,548	\$ 5,002,034	\$ 10,602,329	\$ 497,853	\$ 1,650,504	\$ 32,161	\$ 302,000	\$ 23,663,202

**COUNTY OF LASSEN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2021**

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, 2021.

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 Revenue
Governmental Activities:	
General Fund:	
Taxes receivable	\$ 2,614,539
Community Development:	
Long-term loans receivable	290,518
Public Safety:	
Intergovernmental	60,052
Other	31,430
Courthouse Square Construction:	
Courthouse Renovation Project	139,089
Non-Major Funds:	
Intergovernmental	236,702
Total	\$ 3,372,330

- 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, 2021

NOTE 9 – FUND BALANCES

A detailed schedule of fund balances at June 30, 2021 was as follows:

	General	Roads	Community Develop.	Welfare Admin.	Welfare Assistance	Health and Human Services	Public Safety	County Local Revenue	Courthouse Square Construction	Nonmajor Governmental	Total
Nonspendable:											
Deposits	\$ 8,081,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,081,973
Inventory	-	1,081,813	-	-	-	-	-	-	-	-	1,081,813
Total Nonspendable Fund Balance	8,081,973	1,081,813	-	-	-	-	-	-	-	-	9,163,786
Restricted:											
Purpose of Fund	266,652	3,659,958	1,986,912	5,800,676	7,889,223	7,497,693	-	4,636,116	-	-	31,737,230
Assessor's Grant	19,260	-	-	-	-	-	-	-	-	-	19,260
Self-Insurance	138,920	-	-	-	-	-	-	-	-	-	138,920
Emergency Services	276,262	-	-	-	-	-	-	-	-	-	276,262
Mental Health Services Act	-	-	-	-	-	-	-	-	-	3,462,680	3,462,680
HHS Contracts	-	-	-	-	-	-	-	-	-	119,891	119,891
Aviation	-	-	-	-	-	-	-	-	-	384,687	384,687
TCF/Bailiff	-	-	-	-	-	-	-	-	-	166,938	166,938
Supplemental Law Enforcement	-	-	-	-	-	-	-	-	-	21,556	21,556
Vital Statistics	-	-	-	-	-	-	-	-	-	92,780	92,780
Recorder Micrographics	-	-	-	-	-	-	-	-	-	165,889	165,889
Recorder Modernization	-	-	-	-	-	-	-	-	-	127,968	127,968
Recorder AB130	-	-	-	-	-	-	-	-	-	94,593	94,593
Inmate Welfare - County	-	-	-	-	-	-	-	-	-	180,784	180,784
Narcotics Asset Forfeiture	-	-	-	-	-	-	-	-	-	5,632	5,632
Narcotics Task Force	-	-	-	-	-	-	-	-	-	36,471	36,471
Bieber Lighting District	-	-	-	-	-	-	-	-	-	31,732	31,732
Lassen-Modoc Flood Control	-	-	-	-	-	-	-	-	-	185,030	185,030
Geothermal	-	-	-	-	-	-	-	-	-	300,618	300,618
Mental Health Realignment	-	-	-	-	-	-	-	-	-	677,214	677,214
Social Services Realignment	-	-	-	-	-	-	-	-	-	4,215,481	4,215,481
Public Health Realignment	-	-	-	-	-	-	-	-	-	791,932	791,932
County Children's	-	-	-	-	-	-	-	-	-	18,921	18,921
Prop 56 - Tobacco	-	-	-	-	-	-	-	-	-	13,248	13,248
Sheriff DNA	-	-	-	-	-	-	-	-	-	214,631	214,631
USDA Title III	-	-	-	-	-	-	-	-	-	179,515	179,515
Child Support	-	-	-	-	-	-	-	-	-	125,931	125,931
Criminal Justice Facility Const.	-	-	-	-	-	-	-	-	-	383,493	383,493
Courthouse Construction	-	-	-	-	-	-	-	-	-	554,552	554,552
Coronavirus Relief	-	-	-	-	-	-	-	-	-	3,020,380	3,020,380
Total Restricted Fund Balance	701,094	3,659,958	1,986,912	5,800,676	7,889,223	7,497,693	-	4,636,116	-	15,572,547	47,744,219
Committed											
Purpose of Fund	-	-	-	-	-	-	1,867,728	-	-	-	1,867,728
Total Committed Fund Balance	-	-	-	-	-	-	1,867,728	-	-	-	1,867,728
Assigned											
Subsequent Year Budget Deficit	1,550,054	-	-	-	-	-	-	-	-	-	1,550,054
Purpose of Fund	1,777,240	-	-	-	-	-	-	-	-	-	1,777,240
General Contract - PTA	43,427	-	-	-	-	-	-	-	-	-	43,427
Tobacco Settlement	28,849	-	-	-	-	-	-	-	-	-	28,849
Inmate Welfare - State	24,791	-	-	-	-	-	-	-	-	-	24,791
Fish and Game	-	-	-	-	-	-	-	-	-	31,846	31,846
DA Contract	-	-	-	-	-	-	-	-	-	3,904	3,904
Sheriff Contracts	-	-	-	-	-	-	-	-	-	247,934	247,934
Cemetery	-	-	-	-	-	-	-	-	-	214,972	214,972
Fair	-	-	-	-	-	-	-	-	-	12,361	12,361
Probation	-	-	-	-	-	-	-	-	-	579,963	579,963
Capital Improvements	-	-	-	-	-	-	-	-	-	7,243	7,243
Capital Improvements Lease	-	-	-	-	-	-	-	-	-	717,012	717,012
Accumulated Capital Outlay	-	-	-	-	-	-	-	-	-	652,400	652,400
Fairgrounds Improvements	-	-	-	-	-	-	-	-	-	321	321
CCF Equipment Replacement	-	-	-	-	-	-	-	-	-	2,518	2,518
Jail Facilities Construction	-	-	-	-	-	-	-	-	-	49,646	49,646
Debt Service	-	-	-	-	-	-	-	-	-	5,126	5,126
Prison Trial Program	-	-	-	-	-	-	-	-	-	180,951	180,951
Total Assigned Fund Balance	3,424,361	-	-	-	-	-	-	-	-	2,706,197	6,130,558
Unassigned:											
Purpose of Fund	2,441,156	-	-	-	-	-	-	-	-	-	2,441,156
Courthouse Square Construction	-	-	-	-	-	-	-	-	(144,593)	-	(144,593)
Natural Resources	-	-	-	-	-	-	-	-	-	(14,310)	(14,310)
Total Unassigned Fund Balance	2,441,156	-	-	-	-	-	-	-	(144,593)	(14,310)	2,282,253
Total Fund Balances	\$ 14,648,584	\$ 4,741,771	\$ 1,986,912	\$ 5,800,676	\$ 7,889,223	\$ 7,497,693	\$ 1,867,728	\$ 4,636,116	\$ (144,593)	\$ 18,264,434	\$ 67,188,544

**COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021 are summarized as follows:

	Miscellaneous		
	<u>1st Tier</u>	<u>2nd Tier</u>	<u>PEPRA</u>
Hire date	Prior to January 1, 2011	January 1, 2011 thru December 31, 2012	On or after 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 \$2,432,177 for the fiscal year ended June 30, 2021.

Employees Covered – At the June 30, 2019 valuation date, the following employees were covered by the benefit terms for the Plan:

	<u>Miscellaneous</u>
Inactive employees or beneficiaries currently receiving benefits	609
Inactive employees entitled to but not yet receiving benefits	620
Active employees	<u>339</u>
Total	<u><u>1,568</u></u>

**COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021 were \$3,836,959.

B. Net Pension Liability

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, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.625%
Payroll Growth	2.875%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate Return	7.25% (1)
Mortality	Derived using CalPERS' Membership data for all Funds (2)

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

(2) The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 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, 2021**

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)
Global 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	<u>1.0%</u>	0.00%	-0.92%
Total	<u>100%</u>		

(a) In the CalPERS CAFR, Fixed Income is included in Global Debt Securities;

Liquidity is included in Short-term Investments; Inflation Assets are

(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, 2021**

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 Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2019 (Measurement Date)	\$ 138,558,789	\$ 102,587,258	\$ 35,971,531
Changes in the year:			
Service cost	2,661,458	-	2,661,458
Interest on the total pension liability	9,724,005	-	9,724,005
Differences between expected and actual experience	(395,266)	-	(395,266)
Contributions - employer	-	3,485,097	(3,485,097)
Contributions - employee	-	1,223,347	(1,223,347)
Net investment income	-	5,105,441	(5,105,441)
Benefit payments, including refunds of employee contributions	(6,988,334)	(6,988,334)	-
Administrative expenses	-	(145,565)	145,565
Net changes	<u>5,001,863</u>	<u>2,679,986</u>	<u>2,321,877</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 143,560,652</u>	<u>\$ 105,267,244</u>	<u>\$ 38,293,408</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 6.15%	Current Discount Rate 7.15%	1% Increase 8.15%
\$ 55,816,239	\$ 38,293,408	\$ 22,517,037

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, 2021**

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, 2021, the County recognized pension expense of \$5,462,679. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,836,959	\$ -
Changes in assumptions	-	-
Differences between actual and expected experience	253,847	223,411
Net differences between projected and actual earnings on plan investments	865,514	-
Total	\$ 4,956,320	\$ 223,411

\$3,836,959 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30		
2022	\$	(325,961)
2023		237,923
2024		547,254
2025		436,734
2026		-
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, 2021.

**COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021 are summarized as follows:

	Safety		
	1st Tier	2nd Tier	PEPRA
Hire date	Prior to January 1, 2011	January 1, 2011 thru December 31, 2012	On or after 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	23.674%	20.585%	13.044%

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 \$879,327 for the fiscal year ended June 30, 2021.

**COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021 were \$1,819,281.

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

As of June 30, 2021, the County reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$14,977,677.

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, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures. The County’s 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, 2019 and 2020 was as follows:

Proportion - June 30, 2019	0.2247%
Proportion - June 30, 2020	0.2248%
Change - Increase (Decrease)	-0.0001%

For the year ended June 30, 2021, the County recognized pension expense of \$2,644,264. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$1,474,074	\$ -
Changes of assumptions	-	49,891
Differences between actual and expected experience	1,161,443	-
Net differences between projected and actual earnings on plan investments	325,529	-
Changes in employer's proportion	7,120	85,771
Differences between the employer's actual contributions and the employer's proportionate share of contributions	-	232,523
Total	<u>\$ 2,968,166</u>	<u>\$ 368,185</u>

**COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

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)

\$1,474,074 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, 2022. 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 June 30		
2022	\$	203,928
2023		432,616
2024		326,254
2025		163,109
2026		-
Thereafter		-

C. Actuarial Assumptions

The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

	<u>Safety</u>
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
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 Service
Investment Rate of Return	7.15% ⁽¹⁾
Mortality	Derived using CalPERS' Membership data for all 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 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, 2019 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, 2021**

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 ^(a)	New Strategic Allocation	Real Return Years 1-10 ^(b)	Real Return Years 11+ ^(c)
Global 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	<u>1.0%</u>	0.00%	-0.92%
Total	<u>100%</u>		

^(a) In the CalPERS CAFR, 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, 2021**

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 6.15%	Current Discount Rate 7.15%	1% Increase 8.15%
\$ 22,462,334	\$ 14,977,677	\$ 8,835,808

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, 2021.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

Employees that meet the following requirements are eligible for coverage under the County’s CalPERS Health Program (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.

B. Employees Covered

As of the June 30, 2019 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	126
Inactive plan members entitled to but not yet receiving benefits	-
Active employees	<u>383</u>
Total	<u><u>509</u></u>

**COUNTY OF LASSEN
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2021**

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 2021 is \$143 per month and is currently less than the County's paid contribution. For the fiscal year ended June 30, 2021, the County paid premiums totaling \$382,458, 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, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Assumptions:

Discount Rate	7.00%
Inflation	2.50%
Projected Salary Increase	2.75% per annum, in aggregate
Investment Rate Return	7.00%
Mortality Rate ⁽¹⁾	Derived using CalPERS' Membership data for all Funds
Pre-Retirement Turnover ⁽²⁾	Derived using CalPERS' Membership data for all Funds
Healthcare Cost Trend Rates	6.50%, trending down to 5.00% thereafter

⁽¹⁾ Pre-retirement mortality information was derived from data collected 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. The Experience Study Reports may be accessed on the CalPERS website (www.calpers.ca.gov) under Forms and Publications.

⁽²⁾ Pre-retirement turnover information was derived from data collected 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. The Experience Study Reports may be accessed on the CalPERS website (www.calpers.ca.gov) under Forms and Publications.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
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	<u>8.0%</u>	3.65%
Total	<u>100%</u>	

E. Discount Rate

The discount rate used to measure the total OPEB liability is 7.00%. This is the expected long-term rate of return on County assets using investment Strategy 1 within the California Employers' Retiree Benefit Trust (CERBT). The projection of cash flows used to determine the discount rate assumed that the County contribution will be made at rates equal to the actuarially determined contribution rates. 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
Balance at June 30, 2020			
(Valuation Date June 30, 2019)	\$ 8,160,783	\$ 6,054,576	\$ 2,106,207
Changes in the year:			
Service cost	240,163	-	240,163
Interest on the total OPEB liability	570,911	-	570,911
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(75,847)	-	(75,847)
Changes of assumptions	-	-	-
Contributions - employer (including implicit rate subsidy)	-	643,264	(643,264)
Net investment income	-	191,680	(191,680)
Benefit payments, including refunds of member contributions	(498,572)	(498,572)	-
Administrative expenses	-	(30,857)	30,857
Net changes	<u>236,655</u>	<u>305,515</u>	<u>(68,860)</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 8,397,438</u>	<u>\$ 6,360,091</u>	<u>\$ 2,037,347</u>

**COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2020:

1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
\$ 2,999,170	\$ 2,037,347	\$ 1,229,513

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, 2020:

1% Decrease 5.50% decreasing to 4%	Current Healthcare Cost Trend Rates 6.50% decreasing to 5%	1% Increase 7.50% increasing to 6%
\$ 1,355,759	\$ 2,037,347	\$ 2,973,704

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

For the year ended June 30, 2021, the County recognized an OPEB expense of \$481,742. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 315,708	\$ -
Changes of assumptions	-	191,810
Differences between actual and expected experience	485,921	
Net differences between projected and actual earnings on plan investments	183,499	-
Total	<u>\$ 985,128</u>	<u>\$ 191,810</u>

\$315,708 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, 2022. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Year Ending June 30	
2022	\$ 67,549
2023	104,922
2024	119,296
2025	99,040
2026	51,827
Thereafter	34,976

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

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.

C. COVID-19

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus, COVID-19, a pandemic. Accordingly, some functions of the County's operations were limited to protect the health and safety of its employees. The financial impact that could occur as a result of the pandemic is unknown at this time.

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.

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 - JOINT POWERS AGREEMENT (Continued)

A. Lassen Regional Solid Waste Management Authority (Continued)

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

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

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, 2021 is presented below:

	Amount
Statement of Net Position	
Assets	\$ 3,227,433
Liabilities	<u>(1,712,180)</u>
Net position (deficit)	<u>\$ 1,515,253</u>
 Revenues and Expenses	
Revenues	\$ 1,284,343
Expenses	<u>(1,608,710)</u>
Net gain (loss)	<u>\$ (324,367)</u>

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

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
Statement of Net Position	
Assets	\$ 3,148,186
Liabilities	-
Net position (deficit)	\$ 3,148,186
 Revenues and Expenses	
Revenues	\$ 230,650
Expenses	(254,610)
Net gain (loss)	\$ (23,960)

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, 2021

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>2021</u>	<u>2020</u>
Unpaid claims July 1	\$ 4,677,720	\$ 3,968,767
Incurred claims (including IBNRs) and changes in estimates	108,626	1,272,017
Current year payments	<u>(430,674)</u>	<u>(563,064)</u>
Unpaid claims June 30	<u>\$ 4,355,672</u>	<u>\$ 4,677,720</u>

NOTE 15 - FUND BALANCE/NET POSITION DEFICIT

At June 30, 2021, the County had the following deficits:

	<u>Amount</u>
Major Governmental Funds	
Courthouse Square Construction Capital Projects Fund	\$ 144,593
Nonmajor Governmental Funds:	
Natural Resources Special Revenue Fund	\$ 14,310

NOTE 16 - RESTATEMENT OF BEGINNING FUND BALANCE

Implementation of GASB 84

The County has restated the fund net position/fund balance for governmental activities and the general fund in accordance with GASB 84 Fiduciary Activities. The beginning net position/fund balance of the funds identified below have been restated as presented in the following reconciliation:

	<u>Governmental Activities</u>	<u>Governmental Funds General</u>
Net position/fund balance, June 30, 2020, as previously reported	\$ 66,638,750	\$ 11,413,524
Change in accounting principle:		
Implementation of GASB 84	<u>1,821,803</u>	<u>1,821,803</u>
Total change in accounting principle	<u>1,821,803</u>	<u>1,821,803</u>
Net position/fund balance, July 1, 2020, as restated	<u>\$ 68,460,553</u>	<u>\$ 13,235,327</u>

COUNTY OF LASSEN
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 17 - 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 closure has been delayed as a result of a lawsuit by City of Susanville who challenging the State's decision-making and failure to adhere to state environmental review procedures. On June 30, 2022 Governor Newsom signed AB200 a trailer bill to the state budget to negate the lawsuit, exempt the closure from environmental review, and has ordered that the CCC must close by June 30, 2023. The economic impact of the proposed closure of the California Correctional Center in Lassen County is expected to have a negative impact to the local economy. 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, 2021, through the date the financial statements were available to be issued at September 29, 2022 that would require disclosure or adjustment.

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF LASSEN
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	<u>Variance with</u> Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 10,440,000	\$ 10,440,000	\$ 10,516,374	\$ 76,374
Licenses and permits	338,000	338,000	269,883	(68,117)
Intergovernmental	3,497,377	3,497,377	3,417,357	(80,020)
Charges for services	2,666,292	2,666,292	2,756,524	90,232
Fines and forfeitures	651,500	651,500	526,372	(125,128)
Use of money and property	171,300	271,300	276,618	5,318
Other revenues	890,098	895,098	2,094,212	1,199,114
	<u>18,654,567</u>	<u>18,759,567</u>	<u>19,857,340</u>	<u>1,097,773</u>
EXPENDITURES				
Current:				
General government	7,874,099	7,948,244	6,890,115	1,058,129
Public protection	4,328,569	4,327,267	3,529,691	797,576
Public assistance	140,996	140,996	130,031	10,965
Education	76,261	76,261	79,958	(3,697)
Recreation and culture	25,250	25,250	23,670	1,580
Capital outlay	354,791	351,291	151,884	199,407
	<u>12,799,966</u>	<u>12,869,309</u>	<u>10,805,349</u>	<u>2,063,960</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,854,601</u>	<u>5,890,258</u>	<u>9,051,991</u>	<u>3,161,734</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	760,257	760,257	316,724	(443,533)
Transfers out	<u>(9,276,141)</u>	<u>(8,223,938)</u>	<u>(7,955,458)</u>	<u>268,480</u>
	<u>(8,515,884)</u>	<u>(7,463,681)</u>	<u>(7,638,734)</u>	<u>(175,053)</u>
Net change in fund balance	<u>\$ (2,661,283)</u>	<u>\$ (1,573,423)</u>	1,413,257	<u>\$ 2,986,681</u>
Fund balance - beginning (restated)			<u>13,235,327</u>	
Fund balance - ending			<u>\$ 14,648,584</u>	

COUNTY OF LASSEN
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROAD FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	<u>Variance with</u> Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits	\$ 10,000	\$ 10,000	\$ 11,570	\$ 1,570
Intergovernmental	14,213,510	14,213,510	7,662,856	(6,550,654)
Charges for services	22,000	22,000	6,362	(15,638)
Use of money and property	42,000	42,000	23,533	(18,467)
Other revenues	<u>245,938</u>	<u>245,938</u>	<u>249,324</u>	<u>3,386</u>
Total revenues	<u>14,533,448</u>	<u>14,533,448</u>	<u>7,953,645</u>	<u>(6,579,803)</u>
EXPENDITURES				
Current:				
Public ways and facilities	5,759,375	5,729,375	4,669,423	1,059,952
Capital outlay	<u>10,964,507</u>	<u>10,994,507</u>	<u>3,691,472</u>	<u>7,303,035</u>
Total expenditures	<u>16,723,882</u>	<u>16,723,882</u>	<u>8,360,895</u>	<u>8,362,987</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,190,434)</u>	<u>(2,190,434)</u>	<u>(407,250)</u>	<u>1,783,184</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	<u>30,000</u>	<u>30,000</u>	<u>1,340</u>	<u>(28,660)</u>
Total other financing sources (uses)	<u>30,000</u>	<u>30,000</u>	<u>1,340</u>	<u>(28,660)</u>
Net change in fund balance	<u>\$ (2,160,434)</u>	<u>\$ (2,160,434)</u>	(405,910)	<u>\$ 1,754,524</u>
Fund balance - beginning			<u>5,147,681</u>	
Fund balance - ending			<u>\$ 4,741,771</u>	

**COUNTY OF LASSEN
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
WELFARE ADMINISTRATION FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 5,860,066	\$ 5,860,066	\$ 5,621,877	\$ (238,189)
Charges for services	-	-	1,233	1,233
Other revenues	<u>98,336</u>	<u>98,336</u>	<u>74,094</u>	<u>(24,242)</u>
Total revenues	<u>5,958,402</u>	<u>5,958,402</u>	<u>5,697,204</u>	<u>(261,198)</u>
EXPENDITURES				
Current:				
Public assistance	<u>8,947,276</u>	<u>8,983,276</u>	<u>7,544,519</u>	<u>1,438,757</u>
Total expenditures	<u>8,947,276</u>	<u>8,983,276</u>	<u>7,544,519</u>	<u>1,438,757</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,988,874)</u>	<u>(3,024,874)</u>	<u>(1,847,315)</u>	<u>1,177,559</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>2,851,712</u>	<u>2,965,004</u>	<u>2,225,049</u>	<u>(739,955)</u>
Total other financing sources (uses)	<u>2,851,712</u>	<u>2,965,004</u>	<u>2,225,049</u>	<u>(739,955)</u>
Net change in fund balance	<u>\$ (137,162)</u>	<u>\$ (59,870)</u>	377,734	<u>\$ 437,604</u>
Fund balance - beginning			<u>5,422,942</u>	
Fund balance - ending			<u>\$ 5,800,676</u>	

**COUNTY OF LASSEN
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
WELFARE ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 5,044,074	\$ 5,169,202	\$ 5,210,880	\$ 41,678
Other revenues	<u>70,000</u>	<u>70,000</u>	<u>122,906</u>	<u>52,906</u>
Total revenues	<u>5,114,074</u>	<u>5,239,202</u>	<u>5,333,786</u>	<u>94,584</u>
EXPENDITURES				
Current:				
Public assistance	<u>9,397,656</u>	<u>10,147,656</u>	<u>7,900,634</u>	<u>2,247,022</u>
Total expenditures	<u>9,397,656</u>	<u>10,147,656</u>	<u>7,900,634</u>	<u>2,247,022</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,283,582)</u>	<u>(4,908,454)</u>	<u>(2,566,848)</u>	<u>2,341,606</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,485,800	5,110,672	3,034,548	(2,076,124)
Transfers out	<u>(202,218)</u>	<u>(202,218)</u>	<u>(157,906)</u>	<u>44,312</u>
Total other financing sources (uses)	<u>4,283,582</u>	<u>4,908,454</u>	<u>2,876,642</u>	<u>(2,031,812)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	309,794	<u>\$ 309,794</u>
Fund balance - beginning			<u>7,579,429</u>	
Fund balance - ending			<u>\$ 7,889,223</u>	

COUNTY OF LASSEN
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HEALTH AND HUMAN SERVICES FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	<u>Variance with</u> Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses and permits	\$ 5,000	\$ 5,000	\$ 3,258	\$ (1,742)
Intergovernmental	3,978,625	4,808,396	3,380,638	(1,427,758)
Charges for services	2,309,893	2,290,454	1,900,719	(389,735)
Fines and forfeitures	8,000	8,000	8,072	72
Use of money and property	45,000	45,000	13,242	(31,758)
Other revenues	<u>133,178</u>	<u>133,178</u>	<u>104,608</u>	<u>(28,570)</u>
Total revenues	<u>6,479,696</u>	<u>7,290,028</u>	<u>5,410,537</u>	<u>(1,879,491)</u>
EXPENDITURES				
Current:				
Public protection	186,853	186,853	172,081	14,772
Health and sanitation	10,433,272	11,554,472	8,410,405	3,144,067
Public assistance	1,477,744	1,607,205	1,454,621	152,584
Capital outlay	<u>110,000</u>	<u>280,000</u>	<u>101,006</u>	<u>178,994</u>
Total expenditures	<u>12,207,869</u>	<u>13,628,530</u>	<u>10,138,113</u>	<u>3,490,417</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,728,173)</u>	<u>(6,338,502)</u>	<u>(4,727,576)</u>	<u>1,610,926</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,574,102	5,893,490	5,002,034	(891,456)
Transfers out	<u>(1,016,274)</u>	<u>(818,526)</u>	<u>(127,306)</u>	<u>691,220</u>
Total other financing sources (uses)	<u>4,557,828</u>	<u>5,074,964</u>	<u>4,874,728</u>	<u>(200,236)</u>
Net change in fund balance	<u>\$ (1,170,345)</u>	<u>\$ (1,263,538)</u>	147,152	<u>\$ 1,410,690</u>
Fund balance - beginning			<u>7,350,541</u>	
Fund balance - ending			<u>\$ 7,497,693</u>	

**COUNTY OF LASSEN
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC SAFETY FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 106,000	\$ 106,000	\$ 103,344	\$ (2,656)
Licenses and permits	10,000	10,000	14,307	4,307
Intergovernmental	2,290,008	2,270,645	2,458,761	188,116
Charges for services	610,499	610,499	585,161	(25,338)
Fines and forfeitures	-	-	9,603	9,603
Use of money and property	6,240	6,240	(8,510)	(14,750)
Other revenues	<u>638,197</u>	<u>755,436</u>	<u>493,271</u>	<u>(262,165)</u>
Total revenues	<u>3,660,944</u>	<u>3,758,820</u>	<u>3,655,937</u>	<u>(102,883)</u>
EXPENDITURES				
Current:				
General government	814,194	814,194	714,115	100,079
Public protection	13,753,781	13,715,382	12,318,223	1,397,159
Capital outlay	<u>761,190</u>	<u>777,190</u>	<u>760,052</u>	<u>17,138</u>
Total expenditures	<u>15,329,165</u>	<u>15,306,766</u>	<u>13,792,390</u>	<u>1,514,376</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,668,221)</u>	<u>(11,547,946)</u>	<u>(10,136,453)</u>	<u>1,411,493</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>10,335,132</u>	<u>10,170,552</u>	<u>10,602,329</u>	<u>431,777</u>
Total other financing sources (uses)	<u>10,335,132</u>	<u>10,170,552</u>	<u>10,602,329</u>	<u>431,777</u>
Net change in fund balance	<u>\$ (1,333,089)</u>	<u>\$ (1,377,394)</u>	465,876	<u>\$ 1,843,270</u>
Fund balance - beginning			<u>1,401,852</u>	
Fund balance - ending			<u>\$ 1,867,728</u>	

**COUNTY OF LASSEN
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COUNTY LOCAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 6,397,628	\$ 6,895,481	\$ 7,491,007	\$ 595,526
Total revenues	<u>6,397,628</u>	<u>6,895,481</u>	<u>7,491,007</u>	<u>595,526</u>
EXPENDITURES				
Current:				
Public protection	682,789	682,789	605,495	77,294
Capital outlay	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Total expenditures	<u>782,789</u>	<u>782,789</u>	<u>605,495</u>	<u>177,294</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,614,839</u>	<u>6,112,692</u>	<u>6,885,512</u>	<u>772,820</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	497,853	497,853
Transfers out	<u>(7,030,030)</u>	<u>(7,420,890)</u>	<u>(6,932,384)</u>	<u>488,506</u>
Total other financing sources (uses)	<u>(7,030,030)</u>	<u>(7,420,890)</u>	<u>(6,434,531)</u>	<u>986,359</u>
Net change in fund balance	<u>\$ (1,415,191)</u>	<u>\$ (1,308,198)</u>	450,981	<u>\$ 1,759,179</u>
Fund balance - beginning			<u>4,185,135</u>	
Fund balance - ending			<u>\$ 4,636,116</u>	

COUNTY OF LASSEN
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2021

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.

A budget was not prepared for the Community Development fund for the year ended June 30, 2021. Accordingly, a budgetary comparison schedule is not presented.

NOTE 2 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2021, expenditures exceeded appropriations in the education classification in the General Fund by \$3,697.

**COUNTY OF LASSEN
PROPORTIONATE SHARE OF NET PENSION LIABILITY - COST-SHARING PLAN
FOR THE YEAR ENDED JUNE 30, 2021
LAST 10 YEARS***

	2015	2016	2017	2018	2019	2020	2021
Proportion of the net pension liability	0.24280%	0.24360%	0.23440%	0.22690%	0.22730%	0.22470%	0.22480%
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
Covered payroll	\$ 2,892,309	\$ 2,934,651	\$ 3,009,642	\$ 3,061,933	\$ 3,411,392	\$ 3,361,551	\$ 3,478,009
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%
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%

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, 2021
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>
Actuarially required contribution (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
Contributions in relation to the actuarially 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>
Contribution deficiency (excess)	<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
Contributions as a percentage of covered	34.66%	32.61%	40.24%	43.80%	42.89%	47.88%	52.31%	44.39%

*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, 2021
LAST 10 YEARS*

	2015	2016	2017	2018	2019	2020	2021
Total Pension Liability:							
Service cost	\$ 2,549,991	\$ 2,314,595	\$ 2,312,659	\$ 2,585,135	\$ 2,738,532	\$ 2,718,354	\$ 2,661,458
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
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)
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)
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
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
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
Plan Fiduciary Net Position:							
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
Contributions - employee	1,216,676	1,081,585	1,149,564	1,112,227	1,212,019	1,225,685	1,223,347
Net investment income	13,609,094	2,005,219	448,970	9,606,169	7,908,533	6,445,207	5,105,441
Administrative expenses	(111,112)	(100,309)	(54,313)	(128,583)	(146,783)	(70,619)	(145,565)
Other Miscellaneous Income/(Expense) ¹	-	-	-	-	(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)
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
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
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
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
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%
Covered payroll	\$ 14,663,071	\$ 14,454,495	\$ 14,850,738	\$ 15,779,786	\$ 16,586,516	\$ 16,943,333	\$ 15,844,949
Net pension liability as a percentage of covered payroll	111.47%	140.97%	189.29%	202.55%	198.90%	212.30%	241.68%

Notes to Schedule:

Changes in Benefit Terms - None

Changes in 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 - AGENT MULTIPLE EMPLOYER PLAN
FOR THE YEAR ENDED JUNE 30, 2021
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>
Actuarially required contribution (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
Contributions in relation to the actuarially 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>
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
Contributions as a percentage of covered payroll	11.68%	12.17%	13.63%	14.58%	15.80%	17.94%	22.00%	24.72%

* 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, 2021
LAST 10 YEARS*

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

The following assumptions have been updated since the prior valuation:

Changes in 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 - OTHER POSTEMPLOYMENT BENEFITS
FOR THE YEAR ENDED JUNE 30, 2021
LAST 10 YEARS*

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

* 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, 2021**

	Special Revenue Funds				
	DA Contracts	Sheriff Contracts	HHS Contracts	Fish & Game	Mental Health Services Act
ASSETS					
Cash and investments	\$ -	\$ 192,971	\$ 124,923	\$ 31,846	\$ 3,083,052
Imprest cash	-	-	-	-	-
Due from other governmental entities	67,898	55,926	-	-	390,368
Due from other funds	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	<u>\$ 67,898</u>	<u>\$ 248,897</u>	<u>\$ 124,923</u>	<u>\$ 31,846</u>	<u>\$ 3,473,420</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 10,740
Salaries and benefits payable	6,542	963	5,032	-	-
Due to other funds	57,452	-	-	-	-
Total liabilities	<u>63,994</u>	<u>963</u>	<u>5,032</u>	<u>-</u>	<u>10,740</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)					
Restricted	-	-	119,891	-	3,462,680
Assigned	3,904	247,934	-	31,846	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>3,904</u>	<u>247,934</u>	<u>119,891</u>	<u>31,846</u>	<u>3,462,680</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 67,898</u>	<u>\$ 248,897</u>	<u>\$ 124,923</u>	<u>\$ 31,846</u>	<u>\$ 3,473,420</u>

**COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)**

	Special Revenue Funds				
	Cemetery	Aviation	TCF/Bailiff	Supplemental Law Enforcement	Vital Statistics
ASSETS					
Cash and investments	\$ 216,927	\$ 385,003	\$ 93,149	\$ 17,549	\$ 92,780
Imprest cash	-	-	-	-	-
Due from other governmental entities	-	-	94,754	136,376	-
Due from other funds	-	-	2,421	-	-
Accounts receivable	-	-	-	-	-
Total assets	<u>\$ 216,927</u>	<u>\$ 385,003</u>	<u>\$ 190,324</u>	<u>\$ 153,925</u>	<u>\$ 92,780</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	1,955	316	19,053	-	-
Due to other funds	-	-	4,333	-	-
Total liabilities	<u>1,955</u>	<u>316</u>	<u>23,386</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	132,369	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,369</u>	<u>-</u>
FUND BALANCES (DEFICIT)					
Restricted	-	384,687	166,938	21,556	92,780
Assigned	214,972	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>214,972</u>	<u>384,687</u>	<u>166,938</u>	<u>21,556</u>	<u>92,780</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 216,927</u>	<u>\$ 385,003</u>	<u>\$ 190,324</u>	<u>\$ 153,925</u>	<u>\$ 92,780</u>

COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Special Revenue Funds				
	Recorder Micrographics	Recorder Modernization	Recorder AB130	Inmate Welfare County	Narcotics Asset Forfeiture
ASSETS					
Cash and investments	\$ 165,889	\$ 127,968	\$ 94,593	\$ 181,901	\$ 5,632
Imprest cash	-	-	-	-	-
Due from other governmental entities	-	-	-	-	-
Due from other funds	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	<u>\$ 165,889</u>	<u>\$ 127,968</u>	<u>\$ 94,593</u>	<u>\$ 181,901</u>	<u>\$ 5,632</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	1,117	-
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,117</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)					
Restricted	165,889	127,968	94,593	180,784	5,632
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>165,889</u>	<u>127,968</u>	<u>94,593</u>	<u>180,784</u>	<u>5,632</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 165,889</u>	<u>\$ 127,968</u>	<u>\$ 94,593</u>	<u>\$ 181,901</u>	<u>\$ 5,632</u>

**COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)**

	Special Revenue Funds				
	Narcotics Task Force	Bieber Lighting District	Lassen-Modoc Flood	Natural Resources	Geothermal
ASSETS					
Cash and investments	\$ -	\$ 31,732	\$ 185,030	\$ -	\$ 300,618
Imprest cash	-	-	-	-	-
Due from other governmental entities	147,341	-	-	-	-
Due from other funds	-	-	-	-	-
Accounts receivable	-	-	-	11,649	-
Total assets	<u>\$ 147,341</u>	<u>\$ 31,732</u>	<u>\$ 185,030</u>	<u>\$ 11,649</u>	<u>\$ 300,618</u>
LIABILITIES					
Accounts payable	\$ 17,316	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	3,631	-	-	2,940	-
Due to other funds	89,923	-	-	23,019	-
Total liabilities	<u>110,870</u>	<u>-</u>	<u>-</u>	<u>25,959</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)					
Restricted	36,471	31,732	185,030	-	300,618
Assigned	-	-	-	-	-
Unassigned	-	-	-	(14,310)	-
Total fund balances (deficits)	<u>36,471</u>	<u>31,732</u>	<u>185,030</u>	<u>(14,310)</u>	<u>300,618</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 147,341</u>	<u>\$ 31,732</u>	<u>\$ 185,030</u>	<u>\$ 11,649</u>	<u>\$ 300,618</u>

**COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)**

	Special Revenue Funds				
	Mental Health Realignment	Social Services Realignment	Public Health Realignment	County Children's	Fair
ASSETS					
Cash and investments	\$ 496,171	\$ 4,005,897	\$ 737,392	\$ 18,921	\$ 15,485
Imprest cash	-	-	-	-	11,853
Due from other governmental entities	181,043	209,584	54,540	-	-
Due from other funds	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	<u>\$ 677,214</u>	<u>\$ 4,215,481</u>	<u>\$ 791,932</u>	<u>\$ 18,921</u>	<u>\$ 27,338</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-	8,753
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,753</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	6,224
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,224</u>
FUND BALANCES (DEFICIT)					
Restricted	677,214	4,215,481	791,932	18,921	-
Assigned	-	-	-	-	12,361
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>677,214</u>	<u>4,215,481</u>	<u>791,932</u>	<u>18,921</u>	<u>12,361</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 677,214</u>	<u>\$ 4,215,481</u>	<u>\$ 791,932</u>	<u>\$ 18,921</u>	<u>\$ 27,338</u>

**COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)**

	Special Revenue Funds				
	Prop 56 Tobacco	USDA Title III	Probation Fund	Child Support	Prison Trial Program
ASSETS					
Cash and investments	\$ -	\$ 179,515	\$ 564,163	\$ 173,660	\$ -
Imprest cash	-	-	-	-	-
Due from other governmental entities	133,453	-	158,706	-	383,022
Due from other funds	-	-	22,117	-	5,855
Accounts receivable	-	-	-	-	-
Total assets	<u>\$ 133,453</u>	<u>\$ 179,515</u>	<u>\$ 744,986</u>	<u>\$ 173,660</u>	<u>\$ 388,877</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 19,349	\$ 27,298	\$ 5,580
Salaries and benefits payable	10,737	-	47,565	20,431	-
Due to other funds	109,468	-	-	-	202,346
Total liabilities	<u>120,205</u>	<u>-</u>	<u>66,914</u>	<u>47,729</u>	<u>207,926</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	98,109	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>98,109</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)					
Restricted	13,248	179,515	-	125,931	-
Assigned	-	-	579,963	-	180,951
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>13,248</u>	<u>179,515</u>	<u>579,963</u>	<u>125,931</u>	<u>180,951</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 133,453</u>	<u>\$ 179,515</u>	<u>\$ 744,986</u>	<u>\$ 173,660</u>	<u>\$ 388,877</u>

**COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)**

	Special Revenue Funds		
	Sheriff DNA	Coronavirus Relief	Total Special Revenue Funds
ASSETS			
Cash and investments	\$ 214,631	\$ 3,020,380	\$ 14,757,778
Imprest cash	-	-	11,853
Due from other governmental entities	-	-	2,013,011
Due from other funds	-	-	30,393
Accounts receivable	-	-	11,649
	<u>-</u>	<u>-</u>	<u>11,649</u>
 Total assets	 <u>\$ 214,631</u>	 <u>\$ 3,020,380</u>	 <u>\$ 16,824,684</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 80,283
Salaries and benefits payable	-	-	129,035
Due to other funds	-	-	486,541
	<u>-</u>	<u>-</u>	<u>486,541</u>
 Total liabilities	 <u>-</u>	 <u>-</u>	 <u>695,859</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	236,702
	<u>-</u>	<u>-</u>	<u>236,702</u>
 Total deferred inflows of resources	 <u>-</u>	 <u>-</u>	 <u>236,702</u>
FUND BALANCES (DEFICIT)			
Restricted	214,631	3,020,380	14,634,502
Assigned	-	-	1,271,931
Unassigned	-	-	(14,310)
	<u>-</u>	<u>-</u>	<u>(14,310)</u>
 Total fund balances (deficits)	 <u>214,631</u>	 <u>3,020,380</u>	 <u>15,892,123</u>
 Total liabilities, deferred inflows of resources and fund balances (deficits)	 <u>\$ 214,631</u>	 <u>\$ 3,020,380</u>	 <u>\$ 16,824,684</u>

**COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)**

	Capital Projects Funds				
	Criminal Justice Facility Construction	Capital Improvements	Capital Improvements Lease	Accumulated Capital Outlay	Courthouse Construction
ASSETS					
Cash and investments	\$ 383,493	\$ 7,243	\$ 717,012	\$ 652,400	\$ 554,552
Imprest cash	-	-	-	-	-
Due from other governmental entities	-	-	-	-	-
Due from other funds	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	<u>\$ 383,493</u>	<u>\$ 7,243</u>	<u>\$ 717,012</u>	<u>\$ 652,400</u>	<u>\$ 554,552</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)					
Restricted	383,493	-	-	-	554,552
Assigned	-	7,243	717,012	652,400	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>383,493</u>	<u>7,243</u>	<u>717,012</u>	<u>652,400</u>	<u>554,552</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 383,493</u>	<u>\$ 7,243</u>	<u>\$ 717,012</u>	<u>\$ 652,400</u>	<u>\$ 554,552</u>

**COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)**

	Capital Projects Funds			
	Fair Improvement	CCF Equipment Replacement	Jail Facilities Construction	Total Capital Projects Funds
ASSETS				
Cash and investments	\$ 321	\$ -	\$ 49,646	\$ 2,364,667
Imprest cash	-	-	-	-
Due from other governmental entities	-	56,276	-	56,276
Due from other funds	-	-	-	-
Accounts receivable	-	-	-	-
	-	-	-	-
Total assets	<u>\$ 321</u>	<u>\$ 56,276</u>	<u>\$ 49,646</u>	<u>\$ 2,420,943</u>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-
Due to other funds	-	53,758	-	53,758
	-	-	-	-
Total liabilities	<u>-</u>	<u>53,758</u>	<u>-</u>	<u>53,758</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	-	-	-
	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)				
Restricted	-	-	-	938,045
Assigned	321	2,518	49,646	1,429,140
Unassigned	-	-	-	-
	-	-	-	-
Total fund balances (deficits)	<u>321</u>	<u>2,518</u>	<u>49,646</u>	<u>2,367,185</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 321</u>	<u>\$ 56,276</u>	<u>\$ 49,646</u>	<u>\$ 2,420,943</u>

**COUNTY OF LASSEN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)**

	Debt Service Fund		Total
	Debt Service	Total Debt Service Fund	Nonmajor Governmental Funds
ASSETS			
Cash and investments	\$ 5,126	\$ 5,126	\$ 17,127,571
Imprest cash	-	-	11,853
Due from other governmental entities	-	-	2,069,287
Due from other funds	-	-	30,393
Accounts receivable	-	-	11,649
	-	-	11,649
Total assets	\$ 5,126	\$ 5,126	\$ 19,250,753
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ 80,283
Salaries and benefits payable	-	-	129,035
Due to other funds	-	-	540,299
	-	-	540,299
Total liabilities	-	-	749,617
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	236,702
	-	-	236,702
Total deferred inflows of resources	-	-	236,702
FUND BALANCES (DEFICITS)			
Restricted	-	-	15,572,547
Assigned	5,126	5,126	2,706,197
Unassigned	-	-	(14,310)
	-	-	(14,310)
Total fund balances (deficits)	5,126	5,126	18,264,434
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 5,126	\$ 5,126	\$ 19,250,753

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds				
	DA Contracts	Sheriff Contracts	HHS Contracts	Fish & Game	Mental Health Services Act
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	363,912	104,700	150,000	-	3,671,921
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	25,633	-
Use of money and property	-	(696)	(1,780)	-	34,945
Other revenues	-	-	2,211	-	1,282
Total revenues	<u>363,912</u>	<u>104,004</u>	<u>150,431</u>	<u>25,633</u>	<u>3,708,148</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public protection	358,310	52,915	-	1,750	-
Public ways and facilities	-	-	-	-	-
Health and sanitation	-	-	279,469	-	2,318,820
Public assistance	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	-	41,418	-	-	28,642
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>358,310</u>	<u>94,333</u>	<u>279,469</u>	<u>1,750</u>	<u>2,347,462</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,602</u>	<u>9,671</u>	<u>(129,038)</u>	<u>23,883</u>	<u>1,360,686</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	33,409	-	-
Transfers out	-	-	-	-	(212,060)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>33,409</u>	<u>-</u>	<u>(212,060)</u>
Net changes in fund balances	5,602	9,671	(95,629)	23,883	1,148,626
Fund balances (deficits) - beginning	<u>(1,698)</u>	<u>238,263</u>	<u>215,520</u>	<u>7,963</u>	<u>2,314,054</u>
Fund balances (deficits) - ending	<u>\$ 3,904</u>	<u>\$ 247,934</u>	<u>\$ 119,891</u>	<u>\$ 31,846</u>	<u>\$ 3,462,680</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Special Revenue Funds				
	Cemetery	Aviation	TCF/Bailiff	Supplemental Law Enforcement	Vital Statistics
REVENUES					
Taxes	\$ 130,144	\$ -	\$ -	\$ -	\$ -
Licenses and permits	1,535	-	-	-	-
Intergovernmental	2,223	-	291,528	743,337	-
Charges for services	-	-	341,842	-	6,901
Fines and forfeitures	-	-	-	-	-
Use of money and property	645	(627)	-	3,948	(58)
Other revenues	<u>31,421</u>	<u>729</u>	<u>12,945</u>	<u>-</u>	<u>-</u>
Total revenues	<u>165,968</u>	<u>102</u>	<u>646,315</u>	<u>747,285</u>	<u>6,843</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public protection	65,267	-	582,470	225,211	6,074
Public ways and facilities	-	24,875	-	-	-
Health and sanitation	-	-	-	-	-
Public assistance	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	6,703	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>71,970</u>	<u>24,875</u>	<u>582,470</u>	<u>225,211</u>	<u>6,074</u>
Excess (deficiency) of revenues over (under) expenditures	<u>93,998</u>	<u>(24,773)</u>	<u>63,845</u>	<u>522,074</u>	<u>769</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	11,496	-	-
Transfers out	-	-	-	(715,073)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>11,496</u>	<u>(715,073)</u>	<u>-</u>
Net changes in fund balances	93,998	(24,773)	75,341	(192,999)	769
Fund balances (deficits) - beginning	<u>120,974</u>	<u>409,460</u>	<u>91,597</u>	<u>214,555</u>	<u>92,011</u>
Fund balances (deficits) - ending	<u>\$ 214,972</u>	<u>\$ 384,687</u>	<u>\$ 166,938</u>	<u>\$ 21,556</u>	<u>\$ 92,780</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Special Revenue Funds				
	Recorder Micrographics	Recorder Modernization	Recorder AB130	Inmate Welfare County	Narcotics Asset Forfeiture
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	10,825	38,561	54,959	102,548	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	(158)	(67)	360	405	31
Other revenues	-	75	-	127,689	4,351
Total revenues	<u>10,667</u>	<u>38,569</u>	<u>55,319</u>	<u>230,642</u>	<u>4,382</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public protection	14,947	33,846	5,792	165,433	-
Public ways and facilities	-	-	-	-	-
Health and sanitation	-	-	-	-	-
Public assistance	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>14,947</u>	<u>33,846</u>	<u>5,792</u>	<u>165,433</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,280)</u>	<u>4,723</u>	<u>49,527</u>	<u>65,209</u>	<u>4,382</u>
OTHER FINANCING SOURCES (USES)					
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	(4,280)	4,723	34,527	65,209	4,382
Fund balances (deficits) - beginning	<u>170,169</u>	<u>123,245</u>	<u>60,066</u>	<u>115,575</u>	<u>1,250</u>
Fund balances (deficits) - ending	<u>\$ 165,889</u>	<u>\$ 127,968</u>	<u>\$ 94,593</u>	<u>\$ 180,784</u>	<u>\$ 5,632</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Special Revenue Funds				
	Narcotics Task Force	Bieber Lighting District	Lassen-Modoc Flood	Natural Resources	Geothermal
REVENUES					
Taxes	\$ -	\$ 3,013	\$ 10,473	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	266,957	52	175	11,649	34,298
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	-	(34)	(81)	-	(219)
Other revenues	-	-	-	589	-
Total revenues	<u>266,957</u>	<u>3,031</u>	<u>10,567</u>	<u>12,238</u>	<u>34,079</u>
EXPENDITURES					
Current:					
General government	-	3,028	-	-	-
Public protection	233,028	-	-	-	35,506
Public ways and facilities	-	-	-	-	-
Health and sanitation	-	-	-	-	-
Public assistance	-	-	-	-	-
Recreation and culture	-	-	-	98,013	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>233,028</u>	<u>3,028</u>	<u>-</u>	<u>98,013</u>	<u>35,506</u>
Excess (deficiency) of revenues over (under) expenditures	<u>33,929</u>	<u>3</u>	<u>10,567</u>	<u>(85,775)</u>	<u>(1,427)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	75,052	-
Transfers out	<u>(51,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(51,500)</u>	<u>-</u>	<u>-</u>	<u>75,052</u>	<u>-</u>
Net changes in fund balances	(17,571)	3	10,567	(10,723)	(1,427)
Fund balances (deficits) - beginning	<u>54,042</u>	<u>31,729</u>	<u>174,463</u>	<u>(3,587)</u>	<u>302,045</u>
Fund balances (deficits) - ending	<u>\$ 36,471</u>	<u>\$ 31,732</u>	<u>\$ 185,030</u>	<u>\$ (14,310)</u>	<u>\$ 300,618</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Special Revenue Funds				
	Mental Health Realignment	Social Services Realignment	Public Health Realignment	County Children's	Fair
REVENUES					
Taxes	\$ 1,092,882	\$ 2,292,313	\$ 96,356	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	23,283	109,723	1,403,656	945	90,108
Charges for services	-	-	-	3,668	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	(1,864)	13,719	11,138	(28)	415,265
Other revenues	-	-	-	5	312
Total revenues	<u>1,114,301</u>	<u>2,415,755</u>	<u>1,511,150</u>	<u>4,590</u>	<u>505,685</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	572,290
Public protection	-	-	-	-	-
Public ways and facilities	-	-	-	-	-
Health and sanitation	28,320	-	29,905	-	-
Public assistance	-	-	-	3,531	-
Recreation and culture	-	-	-	-	-
Capital outlay	-	-	-	-	13,202
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>28,320</u>	<u>-</u>	<u>29,905</u>	<u>3,531</u>	<u>585,492</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,085,981</u>	<u>2,415,755</u>	<u>1,481,245</u>	<u>1,059</u>	<u>(79,807)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	76,542	166,814	146,391	-	100,000
Transfers out	<u>(1,694,073)</u>	<u>(1,289,604)</u>	<u>(958,426)</u>	<u>-</u>	<u>(7,161)</u>
Total other financing sources (uses)	<u>(1,617,531)</u>	<u>(1,122,790)</u>	<u>(812,035)</u>	<u>-</u>	<u>92,839</u>
Net changes in fund balances	(531,550)	1,292,965	669,210	1,059	13,032
Fund balances (deficits) - beginning	<u>1,208,764</u>	<u>2,922,516</u>	<u>122,722</u>	<u>17,862</u>	<u>(671)</u>
Fund balances (deficits) - ending	<u>\$ 677,214</u>	<u>\$ 4,215,481</u>	<u>\$ 791,932</u>	<u>\$ 18,921</u>	<u>\$ 12,361</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Special Revenue Funds				
	Prop 56 Tobacco	USDA Title III	Probation	Child Support	Prison Trial Program
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	318,156	93,739	753,762	924,824	912,553
Charges for services	-	-	60,535	-	-
Fines and forfeitures	-	-	453,492	-	-
Use of money and property	-	(240)	1,478	369	-
Other revenues	-	-	70,326	9,267	-
Total revenues	<u>318,156</u>	<u>93,499</u>	<u>1,339,593</u>	<u>934,460</u>	<u>912,553</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public protection	319,726	122,459	2,103,631	966,383	904,833
Public ways and facilities	-	-	-	-	-
Health and sanitation	-	-	-	-	-
Public assistance	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	-	-	20,076	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>319,726</u>	<u>122,459</u>	<u>2,123,707</u>	<u>966,383</u>	<u>904,833</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,570)</u>	<u>(28,960)</u>	<u>(784,114)</u>	<u>(31,923)</u>	<u>7,720</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	1,034,945	-	5,855
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,034,945</u>	<u>-</u>	<u>5,855</u>
Net changes in fund balances	(1,570)	(28,960)	250,831	(31,923)	13,575
Fund balances (deficits) - beginning	<u>14,818</u>	<u>208,475</u>	<u>329,132</u>	<u>157,854</u>	<u>167,376</u>
Fund balances (deficits) - ending	<u>\$ 13,248</u>	<u>\$ 179,515</u>	<u>\$ 579,963</u>	<u>\$ 125,931</u>	<u>\$ 180,951</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Special Revenue Funds		
	Sheriff DNA	Coronavirus Relief	Total Special Revenue Funds
REVENUES			
Taxes	\$ -	\$ -	\$ 3,625,181
Licenses and permits	-	-	1,535
Intergovernmental	-	6,817,339	17,088,840
Charges for services	-	-	619,839
Fines and forfeitures	20,189	-	499,314
Use of money and property	(3,590)	41,162	514,023
Other revenues	-	-	261,202
Total revenues	<u>16,599</u>	<u>6,858,501</u>	<u>22,609,934</u>
EXPENDITURES			
Current:			
General government	-	316,954	892,272
Public protection	4,645	-	6,202,226
Public ways and facilities	-	-	24,875
Health and sanitation	-	-	2,656,514
Public assistance	-	-	3,531
Recreation and culture	-	-	98,013
Capital outlay	-	5,500	115,541
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>4,645</u>	<u>322,454</u>	<u>9,992,972</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,954</u>	<u>6,536,047</u>	<u>12,616,962</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	1,650,504
Transfers out	-	(3,194,747)	(8,137,644)
Total other financing sources (uses)	<u>-</u>	<u>(3,194,747)</u>	<u>(6,487,140)</u>
Net changes in fund balances	11,954	3,341,300	6,129,822
Fund balances (deficits) - beginning	<u>202,677</u>	<u>(320,920)</u>	<u>9,762,301</u>
Fund balances (deficits) - ending	<u>\$ 214,631</u>	<u>\$ 3,020,380</u>	<u>\$ 15,892,123</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Capital Projects Funds				
	Criminal Justice Facility Construction	Capital Improvements	Capital Improvements Lease	Accumulated Capital Outlay	Courthouse Construction
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 271,353	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	4,636	-
Charges for services	-	-	-	447,426	-
Fines and forfeitures	49,357	-	-	-	83,603
Use of money and property	73	(50)	(715)	-	229
Other revenues	41	-	-	-	-
Total revenues	<u>49,471</u>	<u>(50)</u>	<u>(715)</u>	<u>723,415</u>	<u>83,832</u>
EXPENDITURES					
Current:					
General government	-	-	-	53,257	-
Public protection	462	-	-	-	-
Public ways and facilities	-	-	-	-	-
Health and sanitation	-	-	-	-	-
Public assistance	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	-	34,150	-	139,246	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>462</u>	<u>34,150</u>	<u>-</u>	<u>192,503</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>49,009</u>	<u>(34,200)</u>	<u>(715)</u>	<u>530,912</u>	<u>83,832</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	25,000	-	-	-
Transfers out	-	-	-	(325,000)	-
Total other financing sources (uses)	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>(325,000)</u>	<u>-</u>
Net changes in fund balances	49,009	(9,200)	(715)	205,912	83,832
Fund balances (deficits) - beginning	<u>334,484</u>	<u>16,443</u>	<u>717,727</u>	<u>446,488</u>	<u>470,720</u>
Fund balances (deficits) - ending	<u>\$ 383,493</u>	<u>\$ 7,243</u>	<u>\$ 717,012</u>	<u>\$ 652,400</u>	<u>\$ 554,552</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Capital Projects Funds			Total Capital Projects Funds
	Fair Improvement	CCF Equipment Replacement	Jail Facilities Construction	
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 271,353
Licenses and permits	-	-	-	-
Intergovernmental	-	174,917	-	179,553
Charges for services	-	-	-	447,426
Fines and forfeitures	-	-	-	132,960
Use of money and property	-	-	-	(463)
Other revenues	-	-	-	41
	<u>-</u>	<u>174,917</u>	<u>-</u>	<u>1,030,870</u>
Total revenues	-	174,917	-	1,030,870
EXPENDITURES				
Current:				
General government	7,167	-	-	60,424
Public protection	-	32,635	-	33,097
Public ways and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Recreation and culture	-	-	-	-
Capital outlay	-	24,115	-	197,511
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>7,167</u>	<u>56,750</u>	<u>-</u>	<u>291,032</u>
Total expenditures	7,167	56,750	-	291,032
Excess (deficiency) of revenues over (under) expenditures	<u>(7,167)</u>	<u>118,167</u>	<u>-</u>	<u>739,838</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	7,161	-	-	32,161
Transfers out	-	-	-	(325,000)
	<u>7,161</u>	<u>-</u>	<u>-</u>	<u>(292,839)</u>
Total other financing sources (uses)	7,161	-	-	(292,839)
Net changes in fund balances	(6)	118,167	-	446,999
Fund balances (deficits) - beginning	<u>327</u>	<u>(115,649)</u>	<u>49,646</u>	<u>1,920,186</u>
Fund balances (deficits) - ending	<u>\$ 321</u>	<u>\$ 2,518</u>	<u>\$ 49,646</u>	<u>\$ 2,367,185</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021
(Continued)

	Debt Service Fund		Total Nonmajor Governmental Funds
	Debt Service	Debt Service Total	
REVENUES			
Taxes	\$ -	\$ -	\$ 3,896,534
Licenses and permits	-	-	1,535
Intergovernmental	-	-	17,268,393
Charges for services	-	-	1,067,265
Fines and forfeitures	-	-	632,274
Use of money and property	-	-	513,560
Other revenues	-	-	261,243
	<u>-</u>	<u>-</u>	<u>23,640,804</u>
EXPENDITURES			
Current:			
General government	-	-	952,696
Public protection	-	-	6,235,323
Public ways and facilities	-	-	24,875
Health and sanitation	-	-	2,656,514
Public assistance	-	-	3,531
Recreation and culture	-	-	98,013
Capital outlay	-	-	313,052
Debt service:			
Principal	166,698	166,698	166,698
Interest	133,516	133,516	133,516
	<u>300,214</u>	<u>300,214</u>	<u>10,584,218</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(300,214)</u>	<u>(300,214)</u>	<u>13,056,586</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	302,000	302,000	1,984,665
Transfers out	-	-	(8,462,644)
	<u>302,000</u>	<u>302,000</u>	<u>(6,477,979)</u>
Net changes in fund balances	1,786	1,786	6,578,607
Fund balances (deficits) - beginning	<u>3,340</u>	<u>3,340</u>	<u>11,685,827</u>
Fund balances (deficits) - ending	<u>\$ 5,126</u>	<u>\$ 5,126</u>	<u>\$ 18,264,434</u>

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INTERNAL SERVICE FUNDS

**COUNTY OF LASSEN
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021**

	<u>Information Services</u>	<u>Fleet Maintenance</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and investments	\$ 373,066	\$ 1,484,233	\$ 1,857,299
Total current assets	<u>373,066</u>	<u>1,484,233</u>	<u>1,857,299</u>
Noncurrent assets:			
Capital assets:			
Depreciable, net	<u>291,868</u>	<u>680,241</u>	<u>972,109</u>
Total noncurrent assets	<u>291,868</u>	<u>680,241</u>	<u>972,109</u>
Total assets	<u>664,934</u>	<u>2,164,474</u>	<u>2,829,408</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows from pensions	58,651	42,392	101,043
Deferred outflows from OPEB	<u>7,609</u>	<u>3,044</u>	<u>10,653</u>
Total deferred outflows of resources	<u>66,260</u>	<u>45,436</u>	<u>111,696</u>
LIABILITIES			
Current liabilities:			
Salaries and benefits payable	<u>8,630</u>	<u>4,615</u>	<u>13,245</u>
Total current liabilities	<u>8,630</u>	<u>4,615</u>	<u>13,245</u>
Noncurrent liabilities:			
Net pension liability	455,692	306,347	762,039
Net OPEB Liability	<u>19,339</u>	<u>7,734</u>	<u>27,073</u>
Total noncurrent liabilities	<u>475,031</u>	<u>314,081</u>	<u>789,112</u>
Total liabilities	<u>483,661</u>	<u>318,696</u>	<u>802,357</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows from pensions	2,659	1,787	4,446
Deferred inflows from OPEB	<u>79</u>	<u>31</u>	<u>110</u>
Total deferred inflows of resources	<u>2,738</u>	<u>1,818</u>	<u>4,556</u>
NET POSITION			
Net investment in capital assets	291,868	680,241	972,109
Unrestricted	<u>(47,073)</u>	<u>1,209,155</u>	<u>1,162,082</u>
Total net position	<u>\$ 244,795</u>	<u>\$ 1,889,396</u>	<u>\$ 2,134,191</u>

COUNTY OF LASSEN
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Information Services</u>	<u>Fleet Maintenance</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 793,350	\$ 466,900	\$ 1,260,250
Other revenue	<u>1,681</u>	<u>111,917</u>	<u>113,598</u>
Total operating revenues	<u>795,031</u>	<u>578,817</u>	<u>1,373,848</u>
Operating expenses:			
Salaries and benefits	318,345	(143,432)	174,913
Services and supplies	503,730	123,021	626,751
Depreciation	<u>45,250</u>	<u>295,116</u>	<u>340,366</u>
Total operating expenses	<u>867,325</u>	<u>274,705</u>	<u>1,142,030</u>
Operating income (loss)	<u>(72,294)</u>	<u>304,112</u>	<u>231,818</u>
Nonoperating revenues (expenses):			
Investment earnings	(3,221)	(3,118)	(6,339)
Gain (loss) on disposal of assets	<u>-</u>	<u>90,920</u>	<u>90,920</u>
Total nonoperating revenues (expenses)	<u>(3,221)</u>	<u>87,802</u>	<u>84,581</u>
Change in net position	(75,515)	391,914	316,399
Net position - beginning	<u>320,310</u>	<u>1,497,482</u>	<u>1,817,792</u>
Net position - ending	<u>\$ 244,795</u>	<u>\$ 1,889,396</u>	<u>\$ 2,134,191</u>

**COUNTY OF LASSEN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Information Services	Fleet Maintenance	Total
Cash flows from operating activities:			
Cash received from interfund services provided	\$ 795,031	\$ 578,817	\$ 1,373,848
Cash paid to suppliers for goods and services	(664,085)	(123,021)	(787,106)
Cash paid to employees for services	(247,483)	(195,034)	(442,517)
Net cash provided by (used for) operating activities	(116,537)	260,762	144,225
Cash flows from capital and related financing activities:			
Proceeds from sale of capital assets	-	90,920	90,920
Payment related to the acquisition of capital assets	(41,135)	(221,888)	(263,023)
Net cash provided by (used for) capital and related financing activities	(41,135)	(130,968)	(172,103)
Cash flows from investing activities:			
Investment earnings	(3,221)	(3,118)	(6,339)
Net cash provided by (used for) investing activities	(3,221)	(3,118)	(6,339)
Net increase (decrease) in cash and cash equivalents	(160,893)	126,676	(34,217)
Cash and cash equivalents - beginning	533,959	1,357,557	1,891,516
Cash and cash equivalents - ending	\$ 373,066	\$ 1,484,233	\$ 1,857,299
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (72,294)	\$ 304,112	\$ 231,818
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	45,250	295,116	340,366
(Increase) decrease in deferred outflows of resources for pensions	(9,559)	41,153	31,594
(Increase) decrease in deferred outflows of resources for OPEB	(7,609)	4,986	(2,623)
Increase (decrease) in accounts payable	(151,805)	-	(151,805)
Increase (decrease) in due to other governments	(8,550)	-	(8,550)
Increase (decrease) in accrued salaries	(1,959)	150	(1,809)
Increase (decrease) in net pension liability	74,394	(369,918)	(295,524)
Increase (decrease) in net OPEB liability	19,339	(5,388)	13,951
Increase (decrease) in deferred inflows of resources for pensions	(3,823)	(7,857)	(11,680)
Increase (decrease) in deferred inflows of resources for OPEB	79	(1,592)	(1,513)
Net cash provided by (used for) operating activities	\$ (116,537)	\$ 260,762	\$ 144,225