

**COUNTY OF EL DORADO  
ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2022**



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## INDEPENDENT AUDITORS' REPORT

Board of Supervisors  
County of El Dorado  
Placerville, California

### Report on the Audit of the Financial Statements

#### Opinions

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

In our opinion, based on our audit and the reports of other auditors, the accompanying 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 of El Dorado, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Children and Families Commission, El Dorado County Transit Authority and El Dorado County Transportation Commission, which represent the following percentages of assets, net position, and revenues as of and for the fiscal year ended June 30, 2022:

Opinion Unit	Assets	Net Position	Revenues
Discretely Presented Component Units	100.0%	100.0%	100.0%

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Children and Families Commission, El Dorado County Transit Authority, and El Dorado County Transportation Commission are based solely on the reports of the other auditors.

#### Basis for Opinions

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

***Emphasis of Matter***

***Change in Accounting Principle***

As discussed in Note 1 to the financial statements, effective July 1, 2021, the County of El Dorado adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms of greater than twelve months. Our opinion is not modified with respect to this matter.

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

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of County of El Dorado's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about County of El Dorado's ability to continue as a going concern for a reasonable period of time.

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

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

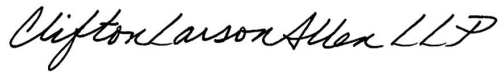
Accounting principles generally accepted in the United States of America require that the management discussion and analysis, budgetary comparison schedules, schedule of changes in net pension liability and related ratios for the miscellaneous and safety plans, schedule of plan contributions for the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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of El Dorado's basic financial statements. The combining fund statements, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining fund 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 March 29, 2023, on our consideration of the County of El Dorado’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 of El Dorado internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of El Dorado’s internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Roseville, California  
March 29, 2023



# County of El Dorado

## OFFICE OF AUDITOR-CONTROLLER

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**JOE HARN**  
Auditor-Controller

**TSUNG-KUEI HSU**  
Assistant Auditor-Controller

March 29, 2023

Members of the Board of Supervisors and  
Citizens of the County of El Dorado:

This **Management's Discussion and Analysis** and letter of transmittal of the County of El Dorado's (County) financial statements presents a narrative overview and analysis of the County's financial activities during the fiscal year ended June 30, 2022. Please read it in conjunction with the County's financial statements following this section.

### FINANCIAL HIGHLIGHTS

- The combined assets and deferred outflows of resources of the County exceeded its combined liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$309.6 million (net position). Of this, \$211.5 million was restricted for specific purposes (restricted net position), and \$370.9 million was net investment in capital assets. Unrestricted net position was a negative \$272.8 million, primarily due to the reporting of long-term net pension liability and total other post-employment benefits (OPEB) liability as prescribed by Governmental Accounting Standards Board (GASB) Statements Nos. 68 and 75.
- The total fund balances for the County's governmental funds amounted to \$376.5 million, an increase of \$44.3 million from the prior year. Approximately \$217.5 million of this total, or 57.8 percent, was either nonspendable or restricted for specific uses; and \$159.0 million, or 42.2 percent, was unrestricted as either committed, assigned, or unassigned and would be available to meet the County's current and future spending needs.
- At the end of the fiscal year the County's primary operating fund, the General Fund, had a fund balance of \$124.7 million. Approximately \$7.0 million was either nonspendable or restricted for specific uses. The remaining \$117.7 million, which approximated to 46.0 percent of the General Fund's total expenditures for the year, was unrestricted.
- The County's net investment in capital assets as of June 30, 2022 was \$370.9 million. This balance consisted of \$368.1 million for governmental activities and \$2.8 million for business-type activities.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's financial statements. The County's financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements and 3) Notes to the financial statements. Required Supplementary Information is included in addition to the financial statements.

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

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



The statement of activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. earned but uncollected revenues and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, recreation and cultural services. The business-type activities of the County include Airports.

Component units are included in our financial statements and consist of legally separate organizations for which the County is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Component units of the County include the El Dorado County Transit Authority, Children and Families Commission, and the El Dorado County Transportation Commission.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

In addition to the *General Fund*, the County maintains several individual governmental funds organized according to their type (special revenue, capital projects, debt service, and permanent funds). Major funds are presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. Major governmental funds include the *General Fund*, the *Road Fund*, and the *American Rescue Plan Act Fund*. All other non-major governmental funds are presented in aggregate as *Other Governmental Funds*.

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

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

**Fiduciary Funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's programs. The County retains and reports Investment Trust, Private-Purpose Trust, and Custodial type fiduciary funds.

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information** consists of the County's *pension plan contributions schedule*, *changes in net pension liability schedule*, as well as *changes in total OPEB liability schedule*. It also includes the County's *General Fund and major special revenue funds budgetary comparison schedules* to demonstrate compliance with the County's adopted budget.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position can serve over time as a useful indicator of whether the County's financial position is improving or deteriorating. Other factors, such as market conditions, should be considered in measuring the County's overall financial position. The County's combined assets and deferred outflows of resources exceeded its combined liabilities and deferred inflows of resources by \$309.6 million at June 30, 2022. A comparative analysis of government-wide data is presented below.

	<b>Net Position</b>					
	<b>June 30,</b>					
	<b>(in thousands)</b>					
	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	
	<b>Activities</b>		<b>Activities</b>			
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Assets:</b>						
Current and other assets	\$ 489,160	\$ 432,498	\$ 517	\$ 387	\$ 489,677	\$ 432,885
Capital assets	433,692	428,282	2,772	3,105	436,464	431,387
<b>Total assets</b>	<b>922,852</b>	<b>860,780</b>	<b>3,289</b>	<b>3,492</b>	<b>926,141</b>	<b>864,272</b>
<b>Deferred outflows of resources:</b>						
Deferred pension outflows	51,461	59,194	--	--	51,461	59,194
Deferred OPEB outflows	19,296	21,009	--	--	19,296	21,009
<b>Total deferred outflows of resources</b>	<b>70,757</b>	<b>80,203</b>	<b>--</b>	<b>--</b>	<b>70,757</b>	<b>80,203</b>
<b>Liabilities:</b>						
Current and other liabilities	84,132	61,943	35	29	84,167	61,972
Long-term liabilities	495,989	598,570	24	23	496,013	598,593
<b>Total liabilities</b>	<b>580,121</b>	<b>660,513</b>	<b>59</b>	<b>52</b>	<b>580,180</b>	<b>660,565</b>
<b>Deferred inflows of resources:</b>						
Deferred lease inflows	223	--	141	--	364	--
Deferred pension inflows	89,195	2,275	--	--	89,195	2,275
Deferred OPEB inflows	17,576	22,746	--	--	17,576	22,746
<b>Total deferred inflows of resources</b>	<b>106,994</b>	<b>25,021</b>	<b>141</b>	<b>--</b>	<b>107,135</b>	<b>25,021</b>
<b>Net Position:</b>						
Net investment in capital assets	368,082	376,982	2,772	3,105	370,854	380,087
Restricted net position	211,517	168,810	--	--	211,517	168,810
Unrestricted net position	(273,105)	(290,343)	317	335	(272,788)	(290,008)
<b>Total net position</b>	<b>\$ 306,494</b>	<b>\$ 255,449</b>	<b>\$ 3,089</b>	<b>\$ 3,440</b>	<b>\$ 309,583</b>	<b>\$ 258,889</b>

### Analysis of Net Position

By far the largest portion of the County's net position is invested in capital assets (e.g., land, infrastructure, intangible assets, leased assets, structures and improvements, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, this portion of net position is not available for future spending.

An additional portion of the County's net position, \$211.5 million or 68.3 percent, represents resources that are subject to external restrictions on how they may be used.

The County's unrestricted net position balance of negative \$272.8 million is the result of reporting the net pension liability and total OPEB liability on the statements to comply with accounting standards (GASB Statements Nos. 68 and 75).

At the end of the most current fiscal year, the County is able to report positive balance in total net position for the government as a whole. The following table indicates the changes in net position for governmental and business-type activities:

	<b>Change in Net Position</b>					
	<b>June 30,</b>					
	<b>(in thousands)</b>					
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$ 63,728	\$ 64,130	\$ 703	\$ 621	\$ 64,431	\$ 64,751
Operating grants and contributions	214,211	211,813	--	--	214,211	211,813
Capital grants and contributions	1,418	5,059	104	20	1,522	5,079
General Revenues:						
Taxes	163,920	154,490	--	--	163,920	154,490
Unrestricted interest and investment earnings	(12,513)	1,710	(1)	1	(12,514)	1,711
California Statewide Community Infrastructure Program (SCIP) revenue	--	4,030	--	--	--	4,030
Other revenues	5,342	5,299	4	4	5,346	5,303
<b>Total revenues</b>	<b>436,106</b>	<b>446,531</b>	<b>810</b>	<b>646</b>	<b>436,916</b>	<b>447,177</b>
<b>Expenses</b>						
General government	43,230	56,907	--	--	43,230	56,907
Public protection	137,830	145,451	--	--	137,830	145,451
Public ways and facilities	52,815	50,738	--	--	52,815	50,738
Health and sanitation	70,508	74,795	--	--	70,508	74,795
Public assistance	72,614	75,774	--	--	72,614	75,774
Education	4,067	3,873	--	--	4,067	3,873
Recreation and culture	2,009	2,231	--	--	2,009	2,231
Interest on long-term debt	1,909	876	--	--	1,909	876
Airports	--	--	1,240	1,092	1,240	1,092
<b>Total expenses</b>	<b>384,982</b>	<b>410,645</b>	<b>1,240</b>	<b>1,092</b>	<b>386,222</b>	<b>411,737</b>
Excess (deficiency) before special items and transfers	51,124	35,886	(430)	(446)	50,694	35,440
Transfers	(79)	(153)	79	153	--	--
<b>Change in net position</b>	<b>51,045</b>	<b>35,733</b>	<b>(351)</b>	<b>(293)</b>	<b>50,694</b>	<b>35,440</b>
Net position at beginning of year	255,449	216,040	3,440	3,733	258,889	219,773
Restate net position, see below	--	3,676	--	--	--	3,676
Net position at beginning of year – restated	255,449	219,716	3,440	3,733	258,889	223,449
<b>Net position at end of year</b>	<b>\$ 306,494</b>	<b>\$ 255,449</b>	<b>\$ 3,089</b>	<b>\$ 3,440</b>	<b>\$ 309,583</b>	<b>\$ 258,889</b>

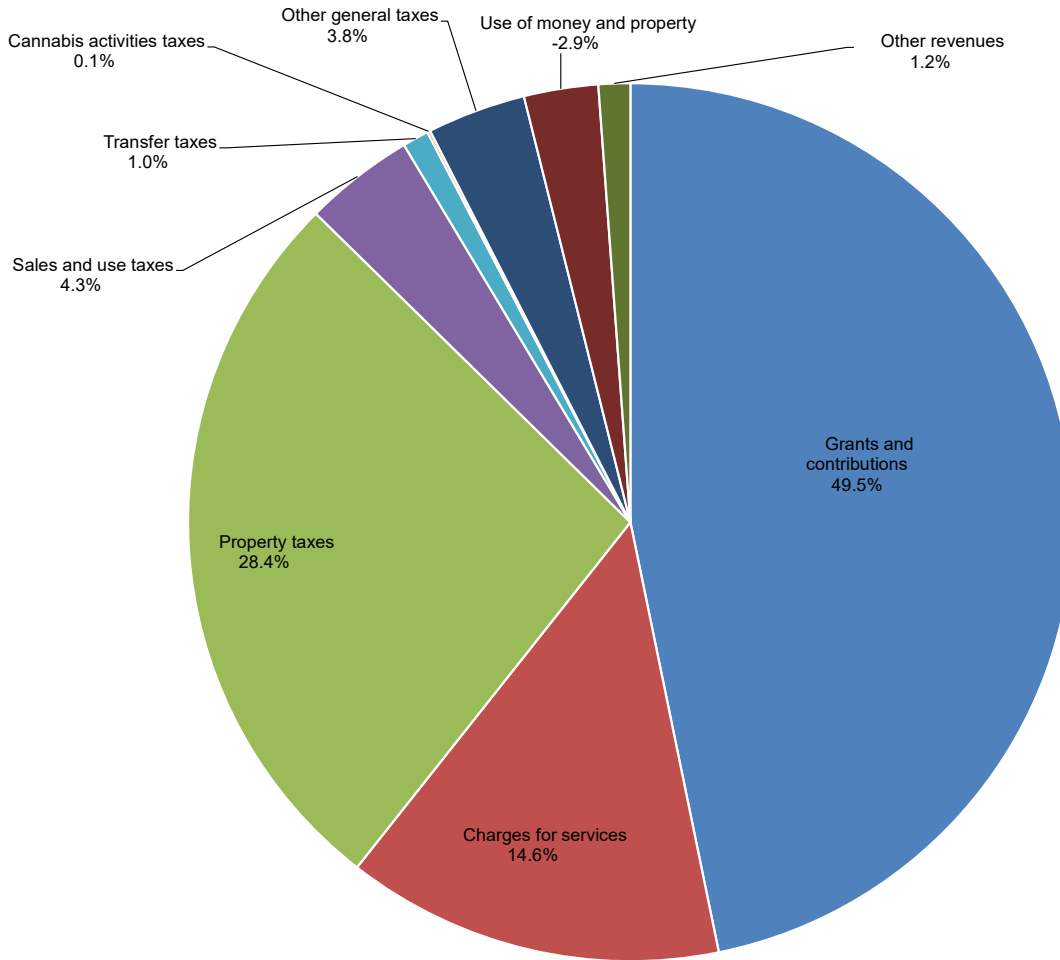
**Governmental activities.** The County experienced an overall increase in net position of \$50.7 million in 2022, compared to a \$35.4 million increase in 2021. This increase in net position was attributable almost entirely to the **governmental activities**. Specifically, the \$50.7 million increase in net position attributable to governmental activities, resulted from a \$10.4 million or 2.3 percent decrease in revenues accompanied by a \$25.7 million or 6.3 percent decrease in expenses. The largest revenue decrease, \$14.2 million, occurred in the unrestricted interest and investment earnings category, followed by a \$4.0 million decrease in California Statewide Community Infrastructure Program (SCIP) revenue, and a \$3.6 million decrease in capital grants and contributions. These revenue decreases were offset by a \$9.4 million increase in taxes, and a \$2.4 million increase in operating grants and contributions. The \$14.2 million decrease in unrestricted interest and investment earnings was a result of the decreased investment income, specifically, the decreased fair value of the investment. The \$9.4 million increase in taxes was mainly the result of \$5.9 million increase in property tax revenue, \$2.6 million increase in other general taxes, and a \$1.5 million increase in sales and use tax.

As mentioned, while total revenues decreased by 2.3 percent, total expenses decreased more significantly by 6.3 percent in 2022 when compared to 2021. Further, expenses decreased in most functional areas but increased in some other functional areas. While the changes in some functional areas were moderate, the changes in most functional areas were significant. For example, general government expenses decreased \$13.7 million or 24.0 percent, primarily due to the decrease of \$12.1 million in the CARES Act spending, offset by a \$2.9 million increase in salary and benefits, and coupled with a \$6.5 million decrease in pension expenses. Public protection expenses decreased by \$7.6 million or 5.2 percent as a result of the \$20.3 million decrease in pension expenses, offset by the \$5.0 million increase in salary and benefits, and the \$5.0 million decrease of reimbursement from the general government function for the personnel expenses related to the CARES Act program. Health and sanitation expenses decreased by \$4.3 million or 5.7 percent as a result of the \$3.2 million decrease in pension expenses. In addition, public assistance expenses decreased by \$3.2 million or 4.2 percent due to the \$4.0 million decrease in pension expenses. Further, public ways and facilities expenses increased by \$2.1 million or 4.1 percent, mainly due to the \$9.7 million increase in non-capitalizable project expenses, offset by the \$6.8 million decrease in road construction, road maintenance and engineer contract expenses. Interest on long-term debt increased by \$1.0 million primarily due to the reporting of lease interest expenses as prescribed by GASB Statement No. 87.

All functional expenses were affected by the recognition of the total OPEB liability, the net pension liability, the deferred OPEB inflows and outflows of resources, and the deferred pension inflows and outflows of resources. The County reported total OPEB liability of \$113.9 million and annual OPEB expense of \$5.5 million in 2022. Further, the County reported net pension liability of \$265.9 million and annual pension expense of \$19.3 million in 2022.

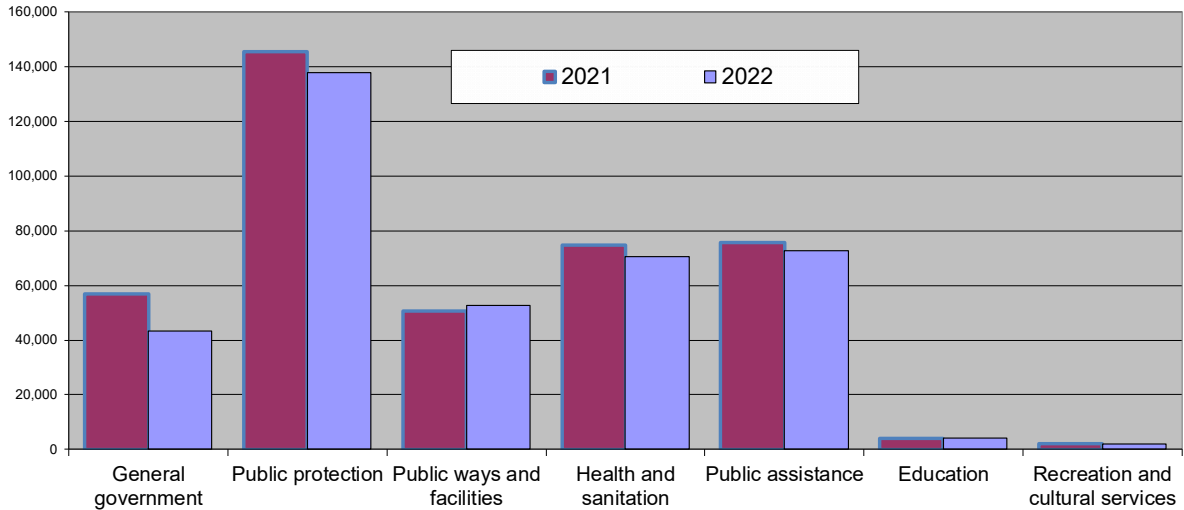
Following is a graphical presentation of the various revenue sources at the entity-wide level. As presented, the County received most of its recognized revenues from grants and contributions (49.5 percent), property taxes (28.4 percent), and charges for services (14.6 percent),

### Revenues by Source-Governmental Activities



Below is a graph that presents a comparison of 2022 and 2021 expenses under each of the governmental activities,

**Comparison of 2021 and 2022 Expenses by Activity  
(in thousands)**



**Business-type activities.** Business-type activities decreased the County's net position by \$351 thousand. This net decrease was the result of \$537 thousand in operating losses, offset by \$3 thousand in non-operating revenues, \$104 thousand in capital grants contribution, and net transfers in of \$79 thousand. Similar to prior years, the County Airports continued to operate at a loss, \$537 thousand in 2022 compared to \$471 thousand last year.

To help finance the operations of business-type activities in 2022, County governmental funds contributed \$79 thousand to the County Airports during the year.

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

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

**Governmental funds.** Governmental activities are accounted for under the general, special revenue, capital project, debt service, and permanent funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the County's short-term financing requirements. In particular, the spendable and unrestricted fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

As of June 30, 2022, the County's governmental funds reported a combined ending fund balance of \$376.5 million, compared to the \$332.2 million fund balance of the previous year. Approximately 42.2 percent of this fund balance, or \$159.0 million, was unrestricted and thus would be available to meet the County's current and future spending needs. The remainder of the fund balance was either not spendable or restricted for specific uses.

The General Fund is the chief operating fund of the County. As of June 30, 2022, the General Fund's spendable and unrestricted fund balance was \$117.7 million; an increase of \$17.7 million from last year's spendable and unrestricted fund balance of \$100.0 million. This increase is primarily due to the net change or increase in the General Fund's fund balance of \$17.9 million during the year.

The June 30, 2022 spendable and unrestricted fund balance, as compared to General Fund expenditures for the year, was approximately 46.0 percent compared to 40.3 percent in 2021. Thus, without any additional revenue inflows, this fund balance could support the General Fund's activities for approximately 168 days compared to 147 days last year.

In addition to the General Fund, the County maintains two major governmental funds, the Road Fund, and the American Rescue Plan Act Fund. The Road Fund accounts for the planning, design, construction, maintenance, and administration of the County's transportation activities (public ways and facilities). The Road Fund recorded revenue of \$21.0 million in 2022, compared to \$32.5 million last year. This \$11.5 million decrease was primarily due to an \$9.8 million decrease in intergovernmental revenue and a \$3.1 million decrease in miscellaneous revenue. The \$9.8 million decrease in intergovernmental revenue was a result of the net decrease of the funding from State and Federal sources, including \$8.1 million decrease in Federal HBRD funding and \$1.2 million decrease in Federal Congestion Mitigation Air Quality funding. The \$3.1 million decrease in miscellaneous revenue was primarily due to the \$3.7 million decrease in the SCIP revenue. Similarly, expenditures decreased from \$48.4 million in 2021 to \$41.6 million in 2022. Thus, the \$11.5 million decrease in revenues, coupled with the \$6.8 million decrease in expenditures resulted in a \$20.7 million deficiency of revenues under expenditures compared to \$15.9 million deficit last year. With the \$22.2 million in net transfers from other funds and the \$431 thousand of sale of capital assets and insurance proceeds, the relative net change in fund balance went from a \$478 thousand decrease in fiscal year 2021 to a \$1.9 million increase in 2022.

The American Rescue Plan Act Fund is a special revenue fund established in 2021 to receive the proceeds from the American Rescue Plan Act of 2021 (ARPA). Funds deposited here are to be used to provide support to non-profit organizations residing in the County. In 2022, the American Rescue Plan Act Fund reported the same amount of revenues and expenditures, \$5.1 million each.

The combined governmental fund balances increased by \$44.3 million during 2022, compared to a \$49.7 million increase last year. This \$5.4 million decrease to the net change in governmental fund balances was the result of 1.6 percent decrease in revenues and 1.6 percent increase in expenditures in 2022 when compared to 2021, resulting in a \$36.2 million excess of revenues over expenditures in 2022, compared to a \$49.5 million excess of revenues over expenditures in 2021, with a \$8.1 million in other financing sources, compared to a \$146 thousand in other financing sources last year.



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

The internal service funds include the Fleet Management and Risk Management Authority funds. In fiscal year 2022, the Fleet Management realized a net operating income of \$351 thousand dollars, compared to a \$94 thousand of net operating loss last year. The Risk Management Authority reported a net operating loss of \$4.6 million dollars, compared to a net operating loss of \$5.7 million dollars last year. The decrease of the net operating loss was attributable to the \$1.5 million increase in service fees.

Business-type activities are accounted for under enterprise funds and include the County Airports; see the business-type activities section for a further discussion regarding the County Airports.

### **GENERAL FUND BUDGETARY ANALYSIS**

Compared to the original budget, the final amended budgeted amounts available for appropriations (and budgeted appropriations) increased by \$5.5 million, or 1.6 percent. The largest of the amounts available for appropriations budget modifications included:

- \$3.6 million increase in budgetary fund balances, and
- \$1.2 million increase in other financing sources.

The largest expenditure budget modifications included:

- \$1.4 million increase to the Other General – SR Fund appropriation, including \$1.3 million increase in other financing uses,
- \$737 thousand increase to the Sheriff appropriation, including \$634 thousand increase in fixed assets, and \$227 thousand increase in other charges,
- \$705 thousand increase to the Other General appropriation, including \$925 thousand increase in other charges, and \$340 thousand decrease in services and supplies,

The overall variances between final resources budgeted and the actual amounts available for appropriations were significant, with a negative or deficit variance of \$21.7 million or 6.0 percent. Specifically, compared to the final amounts available for appropriations budget of \$361.1 million, actual funding equaled \$339.4 million. This variance included the following:

- \$11.4 million over budget in taxes and assessments,
- \$5.3 million under budget in revenue from use of money and property,
- \$18.1 million under budget in State intergovernmental revenues,
- \$1.5 million under budget in Federal intergovernmental revenues,
- \$2.1 million under budget in charges for services, and
- \$6.6 million under budget in other financing sources.

The differences between the budgeted and actual expenditures, not including contingency, were significant. Specifically, expenditures fell \$64.2 million or 18.8 percent below the final budget. Variances occurred under each of the functions, whereby departments' expenditures fell below projections, the most significant of which included:

- General Government – Actual expenditures fell below final budget by \$14.8 million or 17.8 percent. While most of the general government operating units had expenditures that fell below their final budget, some showed considerable differences whereby actual expenditures fell below budget by \$500 thousand or more, including Elections, Building and Grounds, Other General, and Other General – SR Fund. The operating units that exceeded their final budgets were the Courier and Messenger, Information Services and Support, and Central Service Fiscal.
- Public Protection – Actual expenditures fell below final budget by \$36.7 million or 20.9 percent. Most of the departments under public protection fell below their budgets, with many departments falling significantly below budget (budget exceeded actual expenditures by over \$500 thousand) including Superior Court, District Attorney, Sheriff, Jail, Probation, Building Inspector, and Planning and Zoning. The only department that exceeded its final budget was the Emergency Services.
- Health and Sanitation – Actual expenditures fell below budget by \$1.5 million or 27.2 percent, mostly due to the Public Health, which fell below budget by \$849 thousand.
- Public Assistance – Actual expenditures fell below final budget by \$7.7 million or 11.4 percent, mostly due to the Welfare Administration and the Categorical Aids, which fell below budget by \$4.3 million and \$3.7 million, respectively.
- Education – County Library fell under budget by \$538 thousand or 11.6 percent, with salaries and benefits making up the majority, followed by services and supplies, and intrafund transfers.
- Recreational and Cultural Services – Actual expenditures fell below budget by \$3.0 million or 60.9 percent, mostly due to the Recreation, which fell below budget by \$2.9 million.

In general, both General Fund inflows and outflows fell below budget. Specifically, actual revenues, not including budgetary fund balance, fell \$21.7 million or 6.9 percent under budget while expenditures, not including contingency, fell \$64.2 million or 18.8 percent under budget.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** The County's net investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounts to \$370.9 million, specifically, capital assets of \$436.5 million net of related debt of \$65.6 million. The County's capital assets include land and improvements, construction in progress, infrastructure, intangible assets, structures and improvements, equipment, leased real properties, and leased equipment. Additions to capital assets totaled \$24.3 million in 2022.

Major capital asset additions during the current fiscal year included the following:

- \$4.1 million in additions to the intangible assets, including \$1.7 million in right of way acquisition, and \$2.4 million in commercially available computer software acquisition through purchase or licensing agreements,
- \$5.5 million in additions to construction in progress,
- \$826 thousand in new road construction, including \$530 thousand for the Silver Springs Parkway extension, and \$222 thousand for the Diamond Springs Parkway phase 1B,
- \$3.4 million in road reconstruction, including \$738 thousand for the Pulte-Bass Lake road construction, \$969 thousand for the Mosquito Road at South Fork American River Bridge, and \$636 thousand for the Silva Valley and Harvard intersection,
- \$1.3 million for signals, safety devices, and road lighting, including \$1.1 million of road safety improvement at various locations,
- \$1.4 million for pedestrian ways and bike paths, including \$1.1 million for the Merrychase and Country Club-Class II/III Bike Facilities and Sidewalks,

- \$754 thousand for storm drains, including \$685 thousand for the Country Club Heights Area 1 Erosion Control Project,
- \$24 thousand for storm damage construction for the Caldor Cosumnes Bridge repair
- \$6.7 million in additions to the equipment, including \$726 thousand in general government equipment, \$1.2 million in law enforcement equipment, \$1.4 million in road construction and maintenance equipment, and \$3.3 million of new vehicle purchases by Fleet Management,
- \$42 thousand in additions to the leased real properties, and
- \$220 thousand in additions to the leased equipment.

Additional information on the County's capital assets can be found in note 4 in the notes to the financial statements.

**Debt Administration and Long-Term Debt.** As of June 30, 2022 the County's outstanding long-term debt totaled \$72.1 million. The components of this obligation consisted of the software licensing agreements totaling \$1.8 million, lease liabilities totaling \$13.6 million, and notes payable associated with the Housing and Urban Development (HUD) Home program (\$6.0 million), HUD State Community Development Block Grant (CDBG) Program (\$483 thousand), and the U.S. Department of Agriculture (USDA) Rural Development Loans (\$50.2 million).

In 2016, the County entered into six loan agreements with the USDA Rural Development Program in an aggregate amount not to exceed \$57,140,000. The purpose of the loans was to fund the development and construction of a new public safety facility in Diamond Springs. The principal outstanding at June 30, 2022 was \$50,217,944.

Additional information on the County's long-term debt can be found in note 6 in the notes to the financial statements.

## **OTHER LONG-TERM OBLIGATIONS**

In addition to long-term debt, as of June 30, 2022, the County had other long-term liabilities of \$435.3 million associated with compensated absences (\$20.2 million), landfill closure (\$22.2 million), self-insurance (\$13.1 million), other post-employment benefits (\$113.9 million), and pension benefits (\$265.9 million). Additional information on the County's long-term obligations follows.

### **Post Employment Retirement Benefits.**

The County has contractually obligated itself with various labor organizations to provide post employment retirement benefits to its employees and former employees. As a result, the County has assumed significant obligations to its retirees and future retirees. These obligations are described in the notes to the financial statements.

The County has two pension plans: the miscellaneous plan and the safety plan. As prescribed by GASB Statement No. 68, the County reported net pension liability of \$149.2 million for its miscellaneous plan and \$116.7 million for its safety plan as of June 30, 2022.

Further, the Retiree's Health obligation has been presented as a liability on the County's financial statements as prescribed by GASB Statement No. 75. In prior fiscal years this OPEB obligation was partially funded in addition to pay-as-you-go via the Retiree Health internal service rates charges to the various County departments and programs. In fiscal year 2010 this practice was discontinued and the County reverted back to a pay-as-you-go basis. As a pay-as-you-go administered program, none of the additional costs were passed to the County funds, programs, or restricted funding sources via the internal service fund rates. While this pay-as-you-go funding reduced the expenditures incurred at the fund level, these liabilities and expenses are recognized in the government-wide level. Specifically, as of June 30, 2022, the County recognized total other post-employment benefits (OPEB) liability of \$113.9 million. This liability was based on the assumption that the Board of Supervisors has enforced and will continue to enforce a cap on the County's contribution. Because the Retiree's Health benefit plan is a defined benefit plan, generally accepted accounting principles required that the County recognize its retiree's health obligation without the cap limitation until it was enforced by the Board of Supervisors and began to impact the pattern of shared costs. The Board of Supervisors voted to enforce the cap in fiscal year 2012. The effect on benefits of the Retiree Health defined benefit plan was that the County's share of benefit costs has been reduced. The Retiree's Health plan has no assets held in a qualifying trust. However, the County has charged departments and programs to set aside cash to fund this obligation, which as of June 30, 2022 and 2021 totaled \$12,709,810 and \$13,102,477, respectively.

#### REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the El Dorado County Auditor-Controller, 360 Fair Lane, Placerville, California 95667.

Respectfully submitted,

Joe Harn  
El Dorado County Auditor-Controller

**COUNTY OF EL DORADO**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and Investments	\$ 411,964,157	\$ 240,914	\$ 412,205,071	\$ 9,035,043
Restricted Cash and Investments	8,953,577	-	8,953,577	4,433,291
Accounts Receivable	9,149,932	5,062	9,154,994	14,667
Taxes Receivable	9,151,296	-	9,151,296	-
Interest Receivable	922,013	-	922,013	2,401
Notes Receivable	10,245,941	-	10,245,941	-
Leases Receivable	229,132	145,478	374,610	-
Due from Other Governments	32,031,424	-	32,031,424	7,472,544
Inventories and Prepayments	6,512,792	125,182	6,637,974	300,525
Net OPEB Assets	-	-	-	182,823
Capital Assets:				
Nondepreciable Assets	67,550,985	319,947	67,870,932	836,605
Depreciable, Net	366,141,566	2,451,885	368,593,451	11,800,073
<b>Total Assets</b>	<b>922,852,815</b>	<b>3,288,468</b>	<b>926,141,283</b>	<b>34,077,972</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows Related to Pensions	51,460,953	-	51,460,953	1,098,627
Deferred Outflows Related to OPEB	19,295,579	-	19,295,579	189,673
<b>Total Deferred Outflows of Resources</b>	<b>70,756,532</b>	<b>-</b>	<b>70,756,532</b>	<b>1,288,300</b>
<b>LIABILITIES</b>				
Accounts Payable	17,805,186	20,844	17,826,030	390,998
Accrued Expenses	-	-	-	107,775
Accrued Salaries and Benefits	7,092,621	10,408	7,103,029	9,477
Accrued Interest Payable	1,515,622	-	1,515,622	-
Due to Other Governments	59,804	-	59,804	1,267,891
Deposits from Others	2,026,620	-	2,026,620	-
Unearned Revenue	44,241,287	1,513	44,242,800	8,411,842
Retainage Payable	-	-	-	26,731
Long-Term Liabilities:				
Total OPEB Liability:				
Due Within One Year	2,482,000	-	2,482,000	-
Due Beyond One Year	111,398,374	-	111,398,374	-
Liability for Self-Insurance:				
Due Within One Year	2,765,531	-	2,765,531	-
Due Beyond One Year	10,410,469	-	10,410,469	-
Liability for Landfill Closure and Post-Closure:				
Due Beyond One Year	22,184,400	-	22,184,400	-
Net Pension Liability:				
Due Beyond One Year	265,854,035	-	265,854,035	1,620,324
Long-Term Debt:				
Due Within One Year	4,384,809	-	4,384,809	290,661
Due Beyond One Year	67,681,693	-	67,681,693	297,585
Compensated Absences:				
Due Within One Year	1,758,513	2,353	1,760,866	288,779
Due Beyond One Year	18,460,048	23,795	18,483,843	258,484
Net OPEB Liability Due Beyond One Year	-	-	-	10,946
<b>Total Liabilities</b>	<b>580,121,012</b>	<b>58,913</b>	<b>580,179,925</b>	<b>12,981,493</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows Related to Leases	222,830	140,706	363,536	-
Deferred Inflows Related to Pensions	89,195,008	-	89,195,008	1,471,325
Deferred Inflows Related to OPEB	17,576,391	-	17,576,391	316,681
<b>Total Deferred Inflows of Resources</b>	<b>106,994,229</b>	<b>140,706</b>	<b>107,134,935</b>	<b>1,788,006</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	368,081,866	2,771,832	370,853,698	12,048,432
Restricted for:				
Capital Projects	33,673,169	-	33,673,169	-
Public Safety	46,578,255	-	46,578,255	-
Community Resources and Public Facilities	54,028,651	-	54,028,651	4,748,866
Health and Public Assistance	58,242,682	-	58,242,682	-
General Government and Support Programs	16,689,019	-	16,689,019	-
Other Purposes	2,305,727	-	2,305,727	2,083,179
Unrestricted	(273,105,263)	317,017	(272,788,246)	1,716,296
<b>Total Net Position</b>	<b>\$ 306,494,106</b>	<b>\$ 3,088,849</b>	<b>\$ 309,582,955</b>	<b>\$ 20,596,773</b>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Positions			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
<b>PRIMARY GOVERNMENT</b>								
Government Activities:								
General Government	\$ 43,230,276	\$ 11,632,194	\$ 18,297,642	\$ 656,076	\$ (12,644,364)		\$ (12,644,364)	
Public Protection	137,829,907	17,436,171	46,478,165	618,024	(73,297,547)		(73,297,547)	
Public Ways and Facilities	52,814,716	15,131,280	27,001,097	-	(10,682,339)		(10,682,339)	
Health and Sanitation	70,508,107	18,216,875	48,849,802	99,824	(3,341,606)		(3,341,606)	
Public Assistance	72,614,347	519,215	72,330,665	44,437	279,970		279,970	
Education	4,067,314	382,035	510,730	-	(3,174,549)		(3,174,549)	
Recreation and Cultural Services	2,008,738	410,717	743,201	-	(854,820)		(854,820)	
Debt Service:								
Interest and Fiscal Charges on Long-Term Debt	1,909,369	-	-	-	(1,909,369)		(1,909,369)	
Total Governmental Activities	<u>384,982,774</u>	<u>63,728,487</u>	<u>214,211,302</u>	<u>1,418,361</u>	<u>(105,624,624)</u>		<u>(105,624,624)</u>	
Business-Type Activities:								
Airports	1,240,101	702,818	-	104,126	-	\$ (433,157)	(433,157)	
Total Business-Type Activities	<u>1,240,101</u>	<u>702,818</u>	<u>-</u>	<u>104,126</u>	<u>-</u>	<u>(433,157)</u>	<u>(433,157)</u>	
<b>Total Primary Government</b>	<u>\$ 386,222,875</u>	<u>\$ 64,431,305</u>	<u>\$ 214,211,302</u>	<u>\$ 1,522,487</u>	<u>(105,624,624)</u>	<u>(433,157)</u>	<u>(106,057,781)</u>	
<b>COMPONENT UNITS</b>								
El Dorado County Transit Authority	\$ 8,177,390	\$ 669,351	\$ 5,662,049	\$ 469,635			\$ (1,376,355)	
Children and Families Commission	1,992,039	-	1,924,275	-			(67,764)	
El Dorado County Transportation Commission	10,126,931	-	1,958,074	-			(8,168,857)	
<b>Total Component Units</b>	<u>\$ 20,296,360</u>	<u>\$ 669,351</u>	<u>\$ 9,544,398</u>	<u>\$ 469,635</u>			<u>(9,612,976)</u>	
General Revenues:								
Taxes:								
Property					123,681,696	-	123,681,696	-
Sales and Use					18,645,147	-	18,645,147	8,837,167
Transfer Taxes					4,441,249	-	4,441,249	-
Cannabis Activities Taxes					509,564	-	509,564	-
Other General Taxes					16,642,190	-	16,642,190	-
Unrestricted Interest and Investment Earnings					(12,513,032)	(613)	(12,513,645)	10,006
Other Revenues (Expenses)					5,341,530	3,756	5,345,286	109,625
Transfers					(79,065)	79,065	-	-
<b>Total General Revenues and Transfers</b>					<u>156,669,279</u>	<u>82,208</u>	<u>156,751,487</u>	<u>8,956,798</u>
<b>CHANGE IN NET POSITION</b>					51,044,655	(350,949)	50,693,706	(656,178)
<b>Net Position - Beginning of Year</b>					255,449,451	3,439,798	258,889,249	21,252,951
<b>NET POSITION - END OF YEAR</b>					<u>\$ 306,494,106</u>	<u>\$ 3,088,849</u>	<u>\$ 309,582,955</u>	<u>\$ 20,596,773</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	<u>General Fund</u>	<u>Road Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Investments	\$ 102,785,720	\$ 7,357,554	\$ 33,968,319	\$ 236,332,847	\$ 380,444,440
Restricted Cash and Investments	3,896,030	83,776	-	4,973,771	8,953,577
Accounts Receivable	3,973,034	1,396,211	-	3,480,456	8,849,701
Taxes Receivable	9,151,296	-	-	-	9,151,296
Notes Receivable	-	-	-	10,245,941	10,245,941
Leases Receivable	60,997	168,135	-	-	229,132
Interest Receivable	-	-	-	922,013	922,013
Due from Other Funds	2,600,457	-	-	276,784	2,877,241
Due from Other Governments	14,666,028	1,601,397	-	15,763,999	32,031,424
Advances to Other Funds	430,000	-	-	-	430,000
Inventories	-	508,680	-	115,067	623,747
Prepaid Expenses	2,607,661	48,126	-	564,865	3,220,652
<b>Total Assets</b>	<u>\$ 140,171,223</u>	<u>\$ 11,163,879</u>	<u>\$ 33,968,319</u>	<u>\$ 272,675,743</u>	<u>\$ 457,979,164</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 7,563,857	\$ 1,795,469	\$ 1,637,227	\$ 6,208,081	\$ 17,204,634
Salaries and Benefits Payable	5,809,337	460,121	-	783,710	7,053,168
Due to Other Funds	-	-	-	2,877,241	2,877,241
Due to Other Governments	-	-	-	59,804	59,804
Advances from Other Funds	-	-	-	430,000	430,000
Deposits from Others	-	-	-	2,026,620	2,026,620
Unearned Revenue	321,485	344,298	32,330,092	11,245,412	44,241,287
<b>Total Liabilities</b>	<u>13,694,679</u>	<u>2,599,888</u>	<u>33,967,319</u>	<u>23,630,868</u>	<u>73,892,754</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue	1,757,399	559,347	-	5,084,634	7,401,380
Deferred Inflows Related to Leases	60,760	162,070	-	-	222,830
<b>Total Deferred Inflows of Resources</b>	<u>1,818,159</u>	<u>721,417</u>	<u>-</u>	<u>5,084,634</u>	<u>7,624,210</u>
<b>FUND BALANCES</b>					
Nonspendable	3,037,661	556,806	-	4,439,144	8,033,611
Restricted	3,896,030	7,285,768	1,000	198,286,980	209,469,778
Committed	48,626,436	-	-	14,319,522	62,945,958
Assigned	2,414,013	-	-	27,057,093	29,471,106
Unassigned	66,684,245	-	-	(142,498)	66,541,747
<b>Total Fund Balances</b>	<u>124,658,385</u>	<u>7,842,574</u>	<u>1,000</u>	<u>243,960,241</u>	<u>376,462,200</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 140,171,223</u>	<u>\$ 11,163,879</u>	<u>\$ 33,968,319</u>	<u>\$ 272,675,743</u>	<u>\$ 457,979,164</u>

See accompanying Notes to Financial Statements.

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

Fund Balances - Total Governmental Funds	\$ 376,462,200
Amounts reported for governmental activities in the statement of net positions are different because:	
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the governmental funds	423,586,093
Unavailable revenues are not available to pay for current period expenditures, and, therefore, are deferred inflows of resources in the governmental funds	7,401,380
Deferred outflows of resources related to OPEB and pensions reported in the statement of net position	70,756,532
Internal service funds are used by the County to charge the cost of self-insurance, risk management, and management of fleet maintenance to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in the governmental activities in the statement of net position. The net position of internal service funds is:	30,631,795
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not accrued as a liability in the governmental funds	(1,515,622)
Deferred inflows of resources related to OPEB and pensions reported in the statement of net position	(106,771,399)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Notes Payable	(56,673,761)
Lease Liability	(13,571,694)
Software Licensing Agreement Liability	(1,821,047)
Compensated Absences	(20,071,562)
Liability for Landfill Closure and Post-Closure	(22,184,400)
Net Pension Liability	(265,854,035)
Total OPEB Liability	(113,880,374)
Net Position of Governmental Activities	\$ 306,494,106

See accompanying Notes to Financial Statements.



**COUNTY OF EL DORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	<u>General Fund</u>	<u>Road Fund</u>	<u>American Rescue Plan Act Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Taxes	\$ 142,171,497	\$ 41,110	\$ -	\$ 21,707,239	\$ 163,919,846
Licenses, Permits, and Franchises	13,823,289	1,439,161	-	1,182,684	16,445,134
Intergovernmental Revenues	76,515,795	16,468,419	5,126,400	115,743,671	213,854,285
Use of Money and Property	(4,995,721)	(368,570)	-	(6,300,914)	(11,665,205)
Charges for Services	12,030,075	2,728,676	-	32,583,381	47,342,132
Fines, Forfeits, and Penalties	1,110,438	-	-	1,169,242	2,279,680
Miscellaneous Revenues	1,498,288	664,635	-	1,856,533	4,019,456
<b>Total Revenues</b>	<u>242,153,661</u>	<u>20,973,431</u>	<u>5,126,400</u>	<u>167,941,836</u>	<u>436,195,328</u>
<b>EXPENDITURES</b>					
Current:					
General Government	43,847,257	-	1,663,729	889,668	46,400,654
Public Protection	133,251,561	-	27,802	5,950,713	139,230,076
Public Ways and Facilities	-	36,155,534	-	938,927	37,094,461
Health and Sanitation	3,844,715	-	3,434,869	63,701,020	70,980,604
Public Assistance	59,166,377	-	-	14,738,820	73,905,197
Education	3,904,579	-	-	-	3,904,579
Recreation and Cultural Services	1,690,904	-	-	-	1,690,904
Debt Service:					
Principal	2,672,115	65,612	-	6,740,477	9,478,204
Interest	1,716,677	13,465	-	84,267	1,814,409
Capital Outlay	5,818,498	5,388,826	-	4,245,561	15,452,885
<b>Total Expenditures</b>	<u>255,912,683</u>	<u>41,623,437</u>	<u>5,126,400</u>	<u>97,289,453</u>	<u>399,951,973</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(13,759,022)</u>	<u>(20,650,006)</u>	<u>-</u>	<u>70,652,383</u>	<u>36,243,355</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of Notes Payable	-	-	-	6,080,056	6,080,056
Lease Agreements	254,798	-	-	7,247	262,045
Software Licensing Agreements	2,415,677	-	-	-	2,415,677
Sale of Capital Assets	790	194,512	-	928	196,230
Insurance Proceeds	-	236,822	-	-	236,822
Transfers In	41,107,167	25,501,151	-	11,828,654	78,436,972
Transfers Out	(12,074,955)	(3,344,712)	-	(64,141,874)	(79,561,541)
<b>Total Other Financing Sources (Uses)</b>	<u>31,703,477</u>	<u>22,587,773</u>	<u>-</u>	<u>(46,224,989)</u>	<u>8,066,261</u>
<b>NET CHANGE IN FUND BALANCES</b>	17,944,455	1,937,767	-	24,427,394	44,309,616
<b>Fund Balances - Beginning of Year</b>	<u>106,713,930</u>	<u>5,904,807</u>	<u>1,000</u>	<u>219,532,847</u>	<u>332,152,584</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 124,658,385</u>	<u>\$ 7,842,574</u>	<u>\$ 1,000</u>	<u>\$ 243,960,241</u>	<u>\$ 376,462,200</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
YEAR ENDED JUNE 30, 2022**

Net Change in Fund Balances - Total Governmental Funds		\$ 44,309,616
Amounts reported for governmental activities in the statement of activities are different because:		
Government 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:		
Capital Outlays	\$ 21,035,671	
Depreciation	<u>(32,896,075)</u>	(11,860,404)
Disposal of capital assets: proceeds from the sale of capital assets are a financial resource in government funds, but only the net gain or loss is presented in the statement of activities.		
		(883,669)
Because long-term receivables will not be collected within the year, they are reported as deferred inflows of resources in the governmental funds. Unavailable revenues increase by this amount this year:		
		(457,091)
Resources from debt issuance are recognized as inflows in governmental funds, but are reported as increases to liabilities in the statement of net position.		
		(8,757,778)
Repayment of debt principal is an expenditure in the governmental funds, but is reported as a decrease to the long-term liabilities in the statement of net position.		
		10,312,445
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Change in Compensated Absences		(1,525,671)
Change in Accrued Interest Payable		(94,960)
Change in Notes Payable		1,348
Change in Liability for Closure and Post-Closure		(567,045)
Change in Net Pension Liability and Deferred Inflows/Outflows Related to Pensions		25,900,239
Change in Total OPEB Liability and Deferred Inflows/Outflows Related to OPEB		(2,129,711)
Internal service funds are used by the County to charge the costs of certain activities, such as insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities		
		<u>(3,202,664)</u>
Change in Net Position of Governmental Activities		<u>\$ 51,044,655</u>

See accompanying Notes to Financial Statements.

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

	<u>Business-Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 240,914	\$ 240,914	\$ 31,519,717
Accounts Receivable	5,062	5,062	300,231
Deposits	56,723	56,723	83,100
Inventories	68,063	68,063	39,924
Prepaid Expenses	396	396	2,545,369
<b>Total Current Assets</b>	<u>371,158</u>	<u>371,158</u>	<u>34,488,341</u>
Noncurrent Assets:			
Leases Receivable	145,478	145,478	-
Capital Assets:			
Land	319,665	319,665	40,000
Construction in Progress	282	282	-
Structures and Improvements	10,389,520	10,389,520	213,088
Equipment	58,906	58,906	16,444,765
Accumulated Depreciation	(7,996,541)	(7,996,541)	(6,591,395)
<b>Total Capital Assets, Net of     Accumulated Depreciation</b>	<u>2,771,832</u>	<u>2,771,832</u>	<u>10,106,458</u>
<b>Total Noncurrent Assets</b>	<u>2,917,310</u>	<u>2,917,310</u>	<u>10,106,458</u>
<b>Total Assets</b>	<u>3,288,468</u>	<u>3,288,468</u>	<u>44,594,799</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	20,844	20,844	600,552
Salaries and Benefits Payable	10,408	10,408	39,453
Unearned Revenues	1,513	1,513	-
Liability for Self-Insurance	-	-	2,765,531
Compensated Absences - Due in One Year	2,353	2,353	13,230
<b>Total Current Liabilities</b>	<u>35,118</u>	<u>35,118</u>	<u>3,418,766</u>
Noncurrent Liabilities:			
Liability for Self-Insurance	-	-	10,410,469
Compensated Absences - Due Beyond One Year	23,795	23,795	133,769
<b>Total Noncurrent Liabilities</b>	<u>23,795</u>	<u>23,795</u>	<u>10,544,238</u>
<b>Total Liabilities</b>	<u>58,913</u>	<u>58,913</u>	<u>13,963,004</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Leases	140,706	140,706	-
<b>Total Deferred Inflows of     Resources</b>	<u>140,706</u>	<u>140,706</u>	<u>-</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,771,832	2,771,832	10,106,458
Restricted	-	-	2,800,621
Unrestricted	317,017	317,017	17,724,716
<b>Total Net Position</b>	<u>\$ 3,088,849</u>	<u>\$ 3,088,849</u>	<u>\$ 30,631,795</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	<u>Business-Type Activities</u>		<u>Governmental</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>			
Service Fees	\$ 702,818	\$ 702,818	\$ 37,427,754
<b>Total Operating Revenues</b>	<u>702,818</u>	<u>702,818</u>	<u>37,427,754</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	280,815	280,815	1,209,200
Services and Supplies	625,555	625,555	39,545,761
Depreciation	333,731	333,731	877,593
<b>Total Operating Expenses</b>	<u>1,240,101</u>	<u>1,240,101</u>	<u>41,632,554</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(537,283)</u>	<u>(537,283)</u>	<u>(4,204,800)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	(613)	(613)	(953,817)
Gain (Loss) on Sale of Capital Assets	-	-	(6,604)
Miscellaneous Nonoperating Revenue	3,756	3,756	917,053
<b>Total Nonoperating Revenues (Expenses)</b>	<u>3,143</u>	<u>3,143</u>	<u>(43,368)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	<u>(534,140)</u>	<u>(534,140)</u>	<u>(4,248,168)</u>
<b>TRANSFERS IN (OUT) AND CAPITAL CONTRIBUTIONS</b>			
Transfers In	79,065	79,065	1,045,504
Capital Contributions	104,126	104,126	-
<b>Total Transfers and Capital Contributions</b>	<u>183,191</u>	<u>183,191</u>	<u>1,045,504</u>
<b>CHANGE IN NET POSITION</b>	<u>(350,949)</u>	<u>(350,949)</u>	<u>(3,202,664)</u>
<b>Net Position - Beginning of Year</b>	<u>3,439,798</u>	<u>3,439,798</u>	<u>33,834,459</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 3,088,849</u>	<u>\$ 3,088,849</u>	<u>\$ 30,631,795</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2022**

	<u>Business-Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts from Customers	\$ 710,897	\$ 710,897	\$ -
Cash Receipts from Interfund Services Provided	-	-	37,381,808
Cash Paid to Suppliers for Goods and Services	(652,333)	(652,333)	(40,992,109)
Cash Paid to Employees for Salaries and Benefits	(277,383)	(277,383)	(1,157,080)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(218,819)</u>	<u>(218,819)</u>	<u>(4,767,381)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Received from (Paid to) Other Funds	79,065	79,065	1,045,504
Nonoperating Receipts	3,756	3,756	917,053
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>82,821</u>	<u>82,821</u>	<u>1,962,557</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from Sale of Capital Assets	-	-	103,844
Payments Related to the Acquisition of Capital Assets	(693)	(693)	(3,276,781)
Capital Contributions	114,709	114,709	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>114,016</u>	<u>114,016</u>	<u>(3,172,937)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received (Paid)	(613)	(613)	(953,817)
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>(613)</u>	<u>(613)</u>	<u>(953,817)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(22,595)	(22,595)	(6,931,578)
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>263,509</u>	<u>263,509</u>	<u>38,451,295</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 240,914</u>	<u>\$ 240,914</u>	<u>\$ 31,519,717</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2022**

	<u>Business-Type Activities</u>		<u>Governmental Activities</u>
	<u>County Airports</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (537,283)	\$ (537,283)	\$ (4,204,800)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	333,731	333,731	877,593
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	11,338	11,338	(45,946)
Leases Receivable	(145,478)	(145,478)	-
Inventory	(42,014)	(42,014)	(2,604)
Deposits and Prepaid Expenses	13,447	13,447	74,960
Increase (Decrease) in:			
Accounts Payable	1,789	1,789	136,296
Salaries Payable	3,541	3,541	11,920
Unearned Revenues (Service Fees)	1,513	1,513	-
Liability for Compensated Absences	(109)	(109)	40,200
Liability for Self-Insurance	-	-	(1,655,000)
Deferred Inflows Related to Leases	140,706	140,706	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (218,819)</u>	<u>\$ (218,819)</u>	<u>\$ (4,767,381)</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2022**

	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds	
			External Investment Pool Funds	Other Custodial Funds
<b>ASSETS</b>				
Cash and Investments	\$ 210,586,820	\$ 3,150,032	\$ 116,730,479	\$ 8,212,101
Receivables:				
Interest	971,801	13,738	538,588	36,999
Taxes	-	-	-	14,695,935
<b>Total Assets</b>	<u>211,558,621</u>	<u>3,163,770</u>	<u>117,269,067</u>	<u>22,945,035</u>
<b>LIABILITIES</b>				
Accounts Payable and Other Liabilities	-	20,507	2,643,880	1,517,211
Due to Other Governments	-	-	-	17,395,935
<b>Total Liabilities</b>	<u>-</u>	<u>20,507</u>	<u>2,643,880</u>	<u>18,913,146</u>
<b>NET POSITION</b>				
Restricted for:				
Pool Participants	211,558,621	-	114,625,187	-
Individuals, Organizations, and Other Governments	-	3,143,263	-	4,031,889
<b>Total Net Position</b>	<u>\$ 211,558,621</u>	<u>\$ 3,143,263</u>	<u>\$ 114,625,187</u>	<u>\$ 4,031,889</u>

See accompanying Notes to Financial Statements.

**COUNTY OF EL DORADO**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**YEAR ENDED JUNE 30, 2022**

	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds	
			External Investment Pool Funds	Other Custodial Funds
<b>ADDITIONS</b>				
Contributions to Investment Pool	\$ 1,938,961,872	\$ -	\$ 205,048,967	\$ 34,650,324
Contributions - Gifts and Bequests	-	4,457,732	-	-
Property Taxes Collected for Other Governments	-	-	-	512,298,628
Net Investment Earnings	6,428,421	89,175	3,717,399	81,598
<b>Total Additions</b>	<u>1,945,390,293</u>	<u>4,546,907</u>	<u>208,766,366</u>	<u>547,030,550</u>
<b>DEDUCTIONS</b>				
Distributions from Investment Pool	1,867,687,574	-	206,595,740	34,441,712
Beneficiary Payments to Individuals	-	4,147,176	-	-
Property Taxes Distributed to Other Governments	-	-	-	512,216,695
<b>Total Deductions</b>	<u>1,867,687,574</u>	<u>4,147,176</u>	<u>206,595,740</u>	<u>546,658,407</u>
<b>CHANGES IN NET POSITION</b>	77,702,719	399,731	2,170,626	372,143
<b>Net Position - Beginning of Year</b>	<u>133,855,902</u>	<u>2,743,532</u>	<u>112,454,561</u>	<u>3,659,746</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 211,558,621</u>	<u>\$ 3,143,263</u>	<u>\$ 114,625,187</u>	<u>\$ 4,031,889</u>

See accompanying Notes to Financial Statements.



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

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

**A. Description of the Reporting Entity**

The County of El Dorado (the "County") is a political subdivision of the State of California (the "State"). As such, it can exercise the powers specified by the Constitution and statutes of the State. The County's powers are exercised through a Board of Supervisors (the "Board"), which acts as the governing body of the County. The Board is responsible for the legislative and executive control of the County. The County provides various services on a countywide basis including law and justice, education, detention, social, health, road construction, road maintenance, transportation, park and recreation facilities, elections and records, communications, planning, zoning, and tax collection.

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The following circumstances set forth the County's financial accountability for a legally separate organization.

- The County is financially accountable if it appoints a voting majority of the organization's governing body *and* (1) it is able to impose its will on that organization *or* (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.
- The County is financially accountable if an organization is fiscally dependent on *and* there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

The financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities, are in substance, part of the County's operations and so data from these units are combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County. For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon activities taken by the County's Board. Financial information on these component units may be obtained from the County Auditor-Controller's Office.

**Blended Component Units:** The following component units are blended into the County's financial statements because the governing board members are substantively the same as the County Board of Supervisors and the County's management has operational responsibility for these component units.

- The County Service Areas are separate legal entities created to provide services such as water, sewer, lighting, and road maintenance throughout the County.
- The Air Quality Management District was established as a separate legal entity to maintain and improve the County's air quality.
- The In-Home Supportive Services Public Authority was created for the purpose of collective bargaining for in-home supportive services (IHSS) providers.
- The El Dorado County Housing Authority was formed to issue certificates and vouchers for Section 8 housing.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

A. **Description of the Reporting Entity** (continued)

**Blended Component Units:** (continued)

- The El Dorado County Bond Authority was established pursuant to a joint exercise of powers agreement between the County and the El Dorado Redevelopment Agency to obtain financing for public capital improvements.
- The El Dorado Hills Business Park Light and Landscape District was formed to provide lighting and landscaping to the business park in El Dorado Hills.

The following component unit is blended into the County's financial statements because its total debt outstanding, if any, is expected to be repaid entirely or almost entirely with the County's resources.

- The County Water Agency is a separate legal entity formed to provide water service within the County.

**Discretely Presented Component Units:** The following component units are discretely presented because their governing boards are not substantively the same as that of the County and they do not meet other criteria as blending component units.

- The Children and Families Commission of El Dorado County (the Commission) was established in December 1998, under the authority of the California Children and Families First Act of 1998 and sections 130100, et seq. of the Health and Safety Code. The County Board appointed all members of the Commission. The Board can remove appointed members at will. The Commission accounts for receipts and disbursements of California Children and First Families Trust Fund (Proposition 10) allocations and appropriations for the Commission.
- The El Dorado County Transit Authority (EDCTA) was established pursuant to a joint exercise of powers agreement by and between the County and the City of Placerville to provide transit services. The County Board appoints three of the five EDCTA board members.
- The El Dorado County Transportation Commission (EDCTC) was created pursuant to Section 29532(b) of the California Government Code as a local transportation commission for the western slope of the County in 1975 to administer transportation planning and allocate the funds in accordance with the Transportation Development Act. Provided by the law change through California Assembly Bill No. 1204, the County Board appoints four of the seven EDCTC voting board members.

The reporting entity excludes certain separate legal entities which may have "El Dorado" in their title, or which are required to keep their funds in the County Treasury or receive their tax apportionment from the County. Examples are school districts and a variety of special purpose districts for fire protection, recreation, and parks, etc. These entities are autonomous organizations with their own governmental powers and constituencies over which the County Board has no oversight responsibility. Accordingly, they are not included in the accompanying combined financial statements, except as to their assets held by the County (principally cash and investments held by the County Treasury) as discussed under "Fiduciary Funds."

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**A. Description of the Reporting Entity** (continued)

Also, excluded from the reporting entity are the following Joint Power Authorities (JPA):

- American River Authority. The County participates with Placer County, Placer County Water Agency, El Dorado County Water Agency, and San Joaquin County in this Joint Powers Authority that was created to facilitate construction of a dam, reservoir and hydroelectric power facilities at the Auburn Dam Site. The participants share the costs of operating the JPA equally. The governing board consists of one member from each of the participants and a public resident who alternates among El Dorado, Placer and San Joaquin County.
- El Dorado County-Folsom Joint Powers Agreement. The County participates with the City of Folsom in this JPA, the purpose of which is to manage growth toward the goal of achieving an improved quality of life for the citizens of both political jurisdictions. The governing board consists of two members from each of the participating entities.
- Sacramento-Placerville Transportation Corridor Joint Powers Agreement. The County participates with Sacramento County, the City of Folsom and Regional Transit in this JPA. The agency was formed to acquire the Placerville Branch of the Southern Pacific Railroad Right of Way. The participants share the costs of operating the Joint Powers Authority equally. The board is made up of one member from each participant and one public member at large.

**B. Basis of Presentation**

*Government-Wide Financial Statements*

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

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

When both restricted and unrestricted components of net position are available, restricted resources are used just before the unrestricted resources are used.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**B. Basis of Presentation** (continued)

*Fund Financial Statements*

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

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

The County reports the following major governmental funds:

- The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as general government, public protection, health and sanitation, public assistance, education, and recreation and cultural services.
- The Road Fund is a special revenue fund used to account for funds allocated for the planning, design, construction, maintenance and administration of County transportation activities (public ways and facilities). The Road Fund's revenues primarily come from intergovernmental sources. The State provides the allocation to the Road Fund from sources such as gas taxes, transportation planning funds and Proposition 1B. The federal government also provides funding through various federal construction funds. In addition, Road Fund receives operating transfers of local revenues generated from road improvement fees and traffic impact mitigation fees charged on new development.
- The American Rescue Plan Act fund is a special revenue fund established to receive all proceeds from the American Rescue Plan Act of 2021 (ARPA). Funds deposited here are primarily going to be used to provide support to non-profit organizations residing in the County. Upon approval of applications, grants will be distributed to non-profit organizations to offset their net income losses in 2020 as a result of COVID-19.

The County reports the following nonmajor enterprise fund:

- The County Airports Fund accounts for the activities of the County airports.

In addition, the County reports the following additional fund types:

- Internal Service Funds – Fleet Management and Risk Management Authority are internal service funds used to account for the County's fleet maintenance provided to other departments, and for employee and retiree health benefits and the self-insurance program for personal injury and property damage on a cost-reimbursement basis.
- Investment Trust Funds – Investment Trust Funds are used to report fiduciary activities from the external portion of an investment pool and individual investment accounts that are held in a trust. Participants include school and community college districts, other special districts governed by local boards, regional boards and authorities that are required to keep cash in the County Treasury.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**B. Basis of Presentation** (continued)

*Fund Financial Statements* (continued)

- Private-Purpose Trust Funds – Private-Purpose Trust Funds are used to report all fiduciary activities that (a) are not required to be reported in pension (and other employee benefits) trust funds or investment trust funds and (b) are held in a trust. These include Public Guardian, Public Administrator, Substitute Payee and Representative Payee trust funds.
- Custodial Funds – Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Other Custodial Funds include unapportioned property taxes and other custodial funds. External Investment Pool Funds are used to report fiduciary activities from external portion of investment pool for participants that are not required to keep cash in the County Treasury.

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

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide, proprietary and fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County does not give (or receive) equal value in exchange, includes property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year for which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when earned, measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within 150 days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and leases are reported as other financing sources.

**D. Cash and Investments**

The County maintains an investment pool that is managed by the County Treasurer. The County Treasury invests on behalf of most funds of the County and external participants in accordance with the California State Government Code and the County's investment policy. The State of California (State) statutes authorize the County to invest its cash surplus in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds, medium term notes, bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**D. Cash and Investments** (continued)

Participants' equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Amortized premiums and accredited discounts, accrued interest, and realized gains and losses, net of expenses, are apportioned to pool participants every month. Unrealized gains or losses are not usually apportioned to pool participants.

Income from pooled investments is allocated to the individual funds or external participants based on the fund or participants' average daily cash balance at month end in relation to the total pool investments.

**E. Cash and Cash Equivalents**

For purposes of the accompanying statement of cash flows, the enterprise and internal service funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasury investment pool, to be cash equivalents.

**F. Mortgages Receivables**

Governmental fund long-term mortgage receivables arise from mortgage subsidiary programs. These long-term receivables are recorded in the governmental fund balance sheet as well as in the governmental activities of the government-wide statement of net position.

**G. Inventories and Prepaid Expenses**

Inventories of expendable supplies are valued at the lower of cost (first-in, first-out) or market. The cost is recorded as an expenditure at the time individual inventory items are consumed. Reported inventories are equally offset by the nonspendable fund balance to indicate that portion of fund balance is not in spendable form.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. Similarly, reported prepaid expenses are equally offset by the nonspendable fund balance.

**H. Capital Assets and Depreciation**

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, water/sewer, lighting system, drainage systems, and flood control. The County defines infrastructure and building and improvements as purchases or improvements with an aggregate cost of more than \$25,000 and with useful life of more than one year. The County defines intangible assets with the acquirement or development with an aggregate cost of more than \$100,000 and with useful life in excess of one year. The County defines equipment with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Effectively July 1, 2021, the County records leased assets that meet the criteria in Governmental Accounting Standards Board (GASB) Statement No. 87.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**H. Capital Assets and Depreciation** (continued)

The estimated useful lives are as follows:

Infrastructure (except for the maintained pavement subsystem)	15 to 25 years
Depreciable intangible assets	3 to 20 years
Structures and improvements	8 to 50 years
Equipment	3 to 20 years
Leased real properties	1 to 50 years
Leased equipment	1 to 20 years

Governmental Funds – Capital assets that the County acquires through the use of resources from a governmental fund are recorded as an outflow/expenditure for the period. Further, since the governmental fund balance sheet presents only those assets that represent financial resources available for current appropriation and expenditure, capital assets are not reported in a specific governmental fund but, rather, are reported in the government-wide statement of net position. Leasehold improvements and leased assets of governmental funds are amortized in the government-wide statements using the straight-line method over the lesser of the lease period or their estimated useful lives. Other capital assets of governmental funds are depreciated in the government-wide statements using the straight-line method over their estimated useful lives.

Proprietary Funds – Capital assets are capitalized and depreciated using the straight-line method over their estimated useful lives; however, the Fleet Management Fund uses the “per mile” depreciation method, which approximates the straight-line method.

**I. Property Tax Levy, Collection and Maximum Rates**

The State Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed one percent (1%) of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market value, as defined by Article XIII A, and may be adjusted by no more than two percent (2%) per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a one percent (1%) tax levy among the County, cities, school districts, and other districts. The total 2021-2022 net assessed valuation of the County was \$37,989,276,858.

Secured property taxes are recorded as revenues when levied under the alternate plan described in Division I, Part 8, Chapter 3 of the Revenue and Taxation Code of the State so that fund balances include property taxes apportioned but not collected. Unsecured taxes are recorded as revenues when collected. The County’s property tax calendar is as follows:

	<u>Secured</u>	<u>Unsecured</u>
Lien date	January 1	January 1
Levy date	July 1	July 1
Due dates:		
First installment	November 1	January 1
Second installment	February 1	
Delinquent dates:		
First installment	December 10	August 31
Second installment	April 10	

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**J. Compensated Absences (Accrued Vacation, Sick Leave and Compensatory Items)**

The County's policy allows employees to accumulate earned but unused vacation, sick leave, and compensatory time-off. Vacation pay may be accumulated to a maximum of six to eight weeks depending on the employee's years of service and is payable upon termination. Employees with at least five years of service receive a percentage of their unused sick leave upon termination ranging from 20% at five years to 100% at twenty years up to a maximum cap between 500 to 504 hours. Compensated time off may be accumulated up to a maximum of 160 to 200 hours depending on the employee's bargaining unit and, similar to vacation pay, is payable upon termination.

Governmental Funds – Because vacation, sick leave and compensatory time-off balances do not require the use of expendable financial resources, no liability is recorded within the governmental funds. However, this liability is reflected in the government-wide statement of net position.

Proprietary Funds – Vacation, sick leave and compensatory time-off are recorded as an expense and the related salaries and benefits liability in the year earned. Accrued but unpaid liabilities at year-end are recorded in the respective funds.

**K. Interfund Transactions**

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the *governmental activities* and the *business-type activities* are reported in the government-wide financial statements as "internal balances". Advances to other funds reported in the General Fund financial statement are offset by the nonspendable fund balance to indicate that they are not in spendable form.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between *governmental activities* or *business-type activities* are netted as part of the reconciliation to the government-wide presentation.

**L. Self-Insurance**

The County self-insures for property damage, liability, and unemployment claims. Self-insurance programs are accounted for in an internal service fund and interfund charges are treated as quasi-external transactions.

**M. Pensions**

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



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**N. Other Postemployment Benefits (OPEB)**

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

**O. Deferred Outflows and Inflows of Resources**

Pursuant to GASB Statement No. 63, *“Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of resources, and Net Position”* and GASB Statement No. 65, *“Items Previously Reported as Assets and Liabilities”*, the County recognized deferred outflows and inflows of resources.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets by the County that is applicable to a future reporting period and will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two types of deferred outflows of resources. The first type is from pension activities. The second type is from other post-employment benefit (OPEB) activities. Both types are reported in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets by the County that is applicable to a future reporting period and will not be recognized as an inflow of resources (revenue) until that time. The County has four types of deferred inflows of resources. The first type, unavailable revenue, arises under the modified accrual basis of accounting and therefore, is reported only in the governmental fund balance sheet. The second type is from pension activities and is reported in the government-wide statement of net position. The third type is from other post-employment benefit (OPEB) activities and is reported in the government-wide statement of net position. The fourth type is from financing lease activities and is reported in the governmental fund balance sheet, proprietary funds statement of net position, as well as the government-wide statement of net position.

**P. Net Position and Fund Balances**

**Net Position**

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

- *Net Investment in Capital Assets:* This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position:* This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Included in governmental activities restricted net position at June 30, 2022, is net position restricted by enabling legislation of \$204.7 million.
- *Unrestricted Net Position:* This category represents net position of the County, not restricted for any project or other purpose.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**P. Net Position and Fund Balances** (continued)

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balances in classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources reported in those funds. As of June 30, 2022, fund balances for governmental funds comprise the following based on the relative strength of the constraints that control how specific amounts can be spent:

- *Nonspendable Fund Balance:* This category includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories, and prepaid amounts.
- *Restricted Fund Balance:* This category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance:* This category includes amounts that can be used only for the specific purposes determined by a formal action of the County’s highest level of decision-making authority (resolution by the County’s Board). Commitments may be changed or lifted only by the County’s Board taking the same formal action that imposed the constraint originally.
- *Assigned Fund Balance:* This category comprises amounts intended to be used by the County for specific purposes that are neither restricted nor committed. *Intent* is expressed by (a) the County’s Board or (b) a body (a budget or finance committee, for example) or official to which the County’s Board has delegated the authority to assign amounts to be used for specific purposes.
- *Unassigned Fund Balance:* This category is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification was used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

In circumstances when an expenditure is incurred for purposes for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

General Fund General Reserves and Contingency

The County’s Board has established policies with adoption of the annual budget to establish and maintain General Fund General Reserves and Contingency.

- *General Reserves:* should be maintained at a target of five percent (5%) of adjusted General Fund budget. General Reserves are to be maintained at this level at all times, except in the case of a Board recognized fiscal emergency.
- *Appropriation for Contingencies:* should be established annually at a minimum of three percent (3%) of adjusted General Fund appropriations. Funds are to be used during the fiscal year to address unanticipated expenditure increases or revenue decreases. The use of contingency funds requires the County’s Board and the Chief Administrative Office approval.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (CONTINUED)

**P. Net Position and Fund Balances** (continued)

General Fund General Reserves and Contingency (continued)

For 2021-2022, the appropriation for contingencies in General Fund budget was \$19.5 million. As of June 30, 2022, the balance of General Fund General Reserves was \$10.3 million. General Fund General Reserves and Contingency are reported within unassigned fund balances because they do not meet the criteria to be reported within the restricted or committed classifications.

**Q. Use of Estimates**

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

**R. Fair Value Measurements**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

**S. Implementation of GASB Statements**

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The County adopted the requirements of the guidance effective July 1, 2021, and has applied the provisions of this standard to the beginning of the period of adoption.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 2: CASH AND INVESTMENTS**

The County Treasurer manages an investment pool as prescribed in the County's investment policy. 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 schools, certain special districts and other governmental entities to maintain their cash surplus with the County Treasury pool.

The County investment pool is not registered with the Securities and Exchange Commission (SEC) as an investment company. Investments made by the County Treasury 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, public trust, and yield.

The County Board of Supervisors reviews and approves the investment policy annually. The County Treasury prepares and submits a comprehensive investment report to the investment pool participants every quarter. The report covers the type of investments in the pool, maturity dates, par value, actual costs and fair value.

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

	Pooled Treasury	External to Pool	Total
Cash:			
Imprest cash	\$ --	\$ 247,800	\$ 247,800
Cash on hand	500	--	500
Deposits	(30,952,335)	7,108,051	(23,844,284)
Total Cash	(30,951,835)	7,355,851	(23,595,984)
Investments	795,619,923	1,282,475	796,902,398
Total Cash and Investments	<u>\$ 764,668,088</u>	<u>\$ 8,638,326</u>	<u>\$ 773,306,414</u>

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

	Primary Government	Fiduciary Funds	Component Units	Total
County Investment Pool:				
Unrestricted	\$ 411,957,671	\$ 338,285,176	\$ 1,515,497	\$ 751,758,344
Restricted	8,869,801	--	4,039,943	12,909,744
Total in County Investment Pool	420,827,472	338,285,176	5,555,440	764,668,088
External to Pool:				
Other restricted cash and investments	83,776	--	393,348	477,124
Other unrestricted cash and investments	--	394,256	7,519,146	7,913,402
Imprest cash	247,400	--	400	247,800
Total External to Pool	331,176	394,256	7,912,894	8,638,326
Total Cash and Investments	<u>\$ 421,158,648</u>	<u>\$ 338,679,432</u>	<u>\$ 13,468,334</u>	<u>\$ 773,306,414</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Cash and investments were restricted as of June 30, 2022, for the following purposes:

	Primary Government	Component Units	Total
Closure and post-closure costs	\$ 2,947,151	\$ --	\$ 2,947,151
Tax loss reserve	3,896,030	--	3,896,030
Deposits from others	2,026,620	--	2,026,620
Retainage held in escrow	83,776	--	83,776
Transit and transportation grant expenditures	--	4,433,291	4,433,291
	<u>\$ 8,953,577</u>	<u>\$ 4,433,291</u>	<u>\$ 13,386,868</u>

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, whichever is more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer *
U.S. Treasury Obligations (Notes, Bonds, Bills)	5 years	100%	100%
Cash Management Bills	5 years	100%	100%
U.S. Agency Obligations	5 years	100%	25%
Money Market Mutual Funds	N/A	20%	10%
Public Investment Money Market Accounts (MMA)	N/A	30%	20%
Non-negotiable Certificates of Deposit	5 years	30%	5%
Negotiable Certificates of Deposits	5 years	30%	5%
Bankers Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	10%
Repurchase Agreements (REPO)	1 year	20%	5%
Medium-Term Notes	5 years	30%	10%
State and Local Government Bonds	5 years	20%	5%
Local Agency Investment Fund (LAIF)	N/A	100%	**
CalTrust	N/A	30%	100%
California Asset Management Program (CAMP)	N/A	30%	100%
Certificate of Deposit Account Registry Service (CDARS)	5 years	30%	***
Registered California State Warrants, Notes or Bonds	5 years	100%	100%

\* Limitations apply only at the time an investment is purchased.

\*\* Subject to a \$75 million cap set by LAIF.

\*\*\* Individual deposit no more than can be federally insured.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

Investments (continued)

As of June 30, 2022, the County had the following investments:

	Interest Rates	Maturities	Par Value	Book Value	Fair Value	WAM (Years)
<b>Investments in Investment Pool</b>						
Treasury Securities - Coupon	0.125%	07/31/22	\$ 6,000,000	\$ 5,999,875	\$ 5,995,020	0.08
Commercial Paper - Discount	0.290%-1.870%	07/08/22-12/22/22	41,000,000	40,832,571	40,859,031	0.14
Negotiable CDs - Bank	0.520%-3.460%	07/07/22-06/09/23	70,000,000	70,000,000	69,684,500	0.65
Federal Agencies - Coupon	0.160%-4.400%	09/09/22-04/29/27	429,445,000	429,363,775	412,195,234	2.69
California Asset Management Program	0.950%	On Demand	49,320,000	49,320,000	49,320,000	0.00
State and Local Government Bonds	0.374%-4.000%	07/01/22-07/15/25	18,685,000	18,739,709	17,879,937	1.66
Medium Term Notes	0.320%-5.000%	08/19/22-06/30/27	189,783,000	189,658,856	181,646,201	1.88
Money Market Account	0.010%-1.000%	On Demand	18,040,000	18,040,000	18,040,000	0.00
<b>Total Investments in Investment Pool</b>			<b>\$ 822,273,000</b>	<b>\$ 821,954,786</b>	<b>\$ 795,619,923</b>	<b>1.92</b>
<b>Investments Outside Investment Pool</b>						
<b>Component Units:</b>						
<i>El Dorado County Transit Authority</i>						
California Local Agency Investment Fund	0.365%-0.684%	On Demand	\$ 1,282,475	\$ 1,282,475	\$ 1,282,475	--
<b>Total Investments Outside Investment Pool</b>			<b>\$ 1,282,475</b>	<b>\$ 1,282,475</b>	<b>\$ 1,282,475</b>	<b>--</b>

As of June 30, 2022 the difference between the carrying value and fair value of cash and investments in the County investment pool was material (fair value was 96.796% of carrying value). Adjustments have been recorded on the financial statements to report the fair value.

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. As of June 30, 2022, the investment pool had a weighted average maturity (WAM) of 1.92 years.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligation. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 2: **CASH AND INVESTMENTS** (CONTINUED)

Credit Risk (continued)

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County investment pool's fair value as of June 30, 2022.

	Moody's Rating	% of Portfolio
Treasury Securities - Coupon	Aaa	0.74%
Commercial Paper - Discount	A/P-1	5.14%
Negotiable CDs - Bank	A/P-1	8.76%
Federal Agencies - Coupon	Aaa	51.81%
California Asset Management Program	AAA*	6.20%
State and Local Government Bonds	Baa	2.25%
Medium Term Notes	A	22.83%
Money Market Account	Unrated	2.27%
Total		<u>100.00%</u>

\* Standard & Poor's fund rating.

Custodial Credit Risk

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. As of June 30, 2022, the County's investment pool had no deposit accounts or securities exposed to custodial credit risk.

To mitigate custodial credit risk the County requires that all of its managed investments be held in safekeeping by a third party under contract with the County.

The County's investment policy requires that deposits in financial institutions must meet the requirements of the California Government Code. Therefore, deposits of more than \$250,000 must be collateralized to guarantee the safety of public funds. The first \$250,000 of the County's deposits with each financial institution are insured by the Federal Deposit Insurance Corporation (FDIC), which serves to mitigate the County's risk.

Fair Value Hierarchy

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Treasury Securities – Coupon, valued at 6.0 million in total, are classified in Level 1 of the fair value hierarchy, valued using quoted prices in active markets. Commercial Paper – Discount, Negotiable CDs, Federal Agency Issues – Coupon, State and Local Government Bonds and Medium Term Notes, valued at 722.3 million in total, are classified in Level 2 of the fair value hierarchy, valued using significant other observable inputs. Deposits and withdrawals in governmental investment pools, such as the State of California Local Agency Investment Fund (LAIF) and California Asset Management Program (CAMP), are made on the basis of one dollar and not fair value. Accordingly, the fair value of the County's proportionate share in this type of investment is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input. Money Market Accounts are nonparticipating interest-bearing savings accounts. They are measured using a cost-based measure, not fair value and therefore, not subject to fair value hierarchy.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

California Asset Management Program

The County Treasury pool maintains an investment in the California Asset Management Program (CAMP). CAMP is a California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with investment services. CAMP is not registered with the Securities and Exchange Commission as an investment company, but is a permitted investment for all local agencies under California Government Code Section 53601(p). CAMP is directed by a seven-member Board of Trustees made up of experienced local government finance directors and treasurers. The investment options offered to public agencies through CAMP are the Pool and individual portfolios. The Pool is a short-term cash reserve portfolio and cash management vehicle that provides same day liquidity, competitive yield, interest paid monthly and zero out of pocket expenses. The Pool is managed to maintain a dollar-weighted average portfolio maturity of 60 days or less and seeks to maintain a constant net asset value per share of \$1.00.

As of June 30, 2022, the County's investment position in CAMP was \$49.3 million. The County's investment position in CAMP of \$49.3 million approximates fair value and is the same as value of the pool shares.

County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the County Treasury investment pool as of June 30, 2022:

**Statement of Net Position**

Net position held for pool participants	\$ 764,668,088
Equity of internal pool participants	\$ 437,350,789
Equity of external pool participants	327,317,299
Total net position	<u>\$ 764,668,088</u>

**Statement of Changes in Net Position**

Net position, July 1, 2021	\$ 638,477,278
Investment income	3,838,158
Investment expenses	(758,407)
Net contributions (withdrawals) by pool participants	123,111,059
Net position, June 30, 2022	<u>\$ 764,668,088</u>

**NOTE 3: LONG-TERM RECEIVABLES**

The accounts receivable balances reported in the governmental funds include an allowance for uncollectible amounts of \$12,637,716. Among the accounts receivables, \$3,088,142 (net of uncollectible amount) are long-term accounts receivables. In addition, the due from other government balances reported in the governmental funds include long-term receivables of \$3,391,225. The governmental funds also report long-term interest receivables of \$922,013. These long-term receivables are not expected to be fully collected in the next fiscal year and are therefore equally offset by the deferred inflows of resources (unavailable revenue). Further, the governmental funds and the governmental activities report long-term notes receivables of \$10,245,941.



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4: CAPITAL ASSETS**

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

	(restated) Balance July 1, 2021	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2022
<b>Governmental Activities</b>					
Capital assets, not being depreciated					
Land and improvements	\$ 28,815,302	\$ --	\$ --	\$ --	\$ 28,815,302
Intangible assets (Right of Way)	32,955,725	1,723,977	--	--	34,679,702
Construction in progress	3,786,733	5,502,095	--	(5,232,847)	4,055,981
<b>Total capital assets not being depreciated</b>	<b>65,557,760</b>	<b>7,226,072</b>	<b>--</b>	<b>(5,232,847)</b>	<b>67,550,985</b>
Capital assets, being depreciated and amortized					
Infrastructure	472,708,826	7,738,477	--	--	480,447,303
Intangible assets (Software)	9,377,793	2,415,677	(1,644,012)	1,068,967	11,218,425
Structures and improvements	219,472,758	--	(2,087,438)	4,163,880	221,549,200
Equipment	59,949,588	6,670,181	(2,813,017)	--	63,806,752
Leased real properties	15,241,633	42,304	--	--	15,283,937
Leased equipment	624,164	219,741	(54,842)	--	789,063
<b>Total capital assets being depreciated and amortized</b>	<b>777,374,762</b>	<b>17,086,380</b>	<b>(6,599,309)</b>	<b>5,232,847</b>	<b>793,094,680</b>
Less accumulated depreciation and amortization for					
Infrastructure	(295,373,196)	(20,924,117)	--	--	(316,297,313)
Intangible assets (Software)	(2,821,437)	(1,590,892)	1,644,012	--	(2,768,317)
Structures and improvements	(64,680,820)	(4,485,418)	1,345,076	--	(67,821,162)
Equipment	(35,909,185)	(3,838,645)	2,561,262	--	(37,186,568)
Leased real properties	--	(2,653,610)	--	--	(2,653,610)
Leased equipment	--	(280,986)	54,842	--	(226,144)
<b>Total accumulated depreciation and amortization</b>	<b>(398,784,638)</b>	<b>(33,773,668)</b>	<b>5,605,192</b>	<b>--</b>	<b>(426,953,114)</b>
<b>Total capital assets being depreciated and amortized, net</b>	<b>378,590,124</b>	<b>(16,687,288)</b>	<b>(994,117)</b>	<b>5,232,847</b>	<b>366,141,566</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 444,147,884</b>	<b>\$ (9,461,216)</b>	<b>\$ (994,117)</b>	<b>\$ --</b>	<b>\$ 433,692,551</b>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4: CAPITAL ASSETS (CONTINUED)**

	Balance July 1, 2021	Additions	Retirements	Transfers & Adjustments	Balance June 30, 2022
<b>Business Type Activities</b>					
Capital assets, not being depreciated					
Land	\$ 319,665	\$ --	\$ --	\$ --	\$ 319,665
Construction in progress	539,640	693		(540,051)	282
Total capital assets not being depreciated	859,305	693	--	(540,051)	319,947
Capital assets, being depreciated					
Structures and improvements	9,849,469	--	--	540,051	10,389,520
Equipment	58,906	--	--	--	58,906
Total capital assets being depreciated	9,908,375	--	--	540,051	10,448,426
Less accumulated depreciation for					
Structures and improvements	(7,617,720)	(330,690)	--	--	(7,948,410)
Equipment	(45,090)	(3,041)	--	--	(48,131)
Total accumulated depreciation	(7,662,810)	(333,731)	--	--	(7,996,541)
Total capital assets being depreciated, net	2,245,565	(333,731)	--	540,051	2,451,885
Business type activities capital assets, net	\$ 3,104,870	\$ (333,038)	\$ --	\$ --	\$ 2,771,832

**Depreciation and Amortization**

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

General government	\$ 2,216,279
Public protection	5,677,578
Public ways and facilities	22,233,114
Health and sanitation	1,109,317
Public assistance	1,084,341
Education	394,938
Recreation and cultural services	180,508
Internal Service Funds - depreciation on capital assets held by the County's internal service funds are charged to the various functions based on their usage of service	<u>877,593</u>
Total depreciation and amortization expense governmental activities	<u>\$ 33,773,668</u>

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

Airports	\$ 333,731
Total depreciation expense business-type activities	<u>\$ 333,731</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 5: UNEARNED REVENUE AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

**Unearned Revenues**

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when earned. Therefore, the government-wide statement of net position as well as governmental and proprietary funds delay revenue recognition in connection with resources that have been received as of year-end, but not yet earned. Assets recognized in connection with a transaction before the earning process is complete are offset by a corresponding liability for unearned revenue.

As of June 30, 2022, governmental funds, enterprise funds, governmental activities, and business-type activities report unearned revenue in connection with resources that have been received, but not yet earned. The various components of unearned revenue were reported as follows:

	<u>Governmental Funds</u> Unearned Revenue	<u>Governmental Activities</u> Unearned Revenue	<u>Enterprise Funds / Business-Type Activities</u> Unearned Revenue
Governmental Funds/Governmental Activities:			
General Fund:			
Various grants and charges	\$ 321,485	\$ 321,485	\$ --
Road Fund:			
Various grants and charges	344,298	344,298	--
American Rescue Plan Act Fund:			
Various grants and charges	32,330,092	32,330,092	--
Other Governmental Funds:			
Various grants, charges, and special assessments	11,245,412	11,245,412	--
Enterprise Funds/Business-Type Activities:			
County Airports:			
Service fees	--	--	1,513
Total	<u>\$ 44,241,287</u>	<u>\$ 44,241,287</u>	<u>\$ 1,513</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 5: UNEARNED REVENUE AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)**

**Deferred Outflows and Inflows of Resources**

As described in Note 10, pursuant to GASB Statement No. 63 and Statement No. 65, the County recognizes deferred outflows and inflows of resources in the financial statements. Under the modified accrual basis of accounting, in addition to “having been earned”, revenue must also be available to finance expenditures of the current period for it to be recognized in the current period. When an asset is recorded in governmental fund financial statements but the revenue is not available, governmental funds report a deferred inflow of resources until such time as the revenue becomes available. These deferred inflows of resources are in connection with receivables for revenues considered unavailable for the current period. Further, the County reports deferred inflows of resources related to leases in its governmental funds, enterprise funds, governmental activities, and business-type activities. The County also reports deferred outflows and inflows of resources related to pensions and other post-employment benefits (OPEB) in its governmental activities.

The summary of the deferred outflows and inflows of resources reported for the year ended June 30, 2022, is as follows:

	<u>Governmental Funds</u>	<u>Governmental Activities</u>		<u>Enterprise Funds / Business-Type Activities</u>
	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Governmental Funds/Governmental Activities:				
Unavailable Revenue:				
General Fund:				
Various grants and charges	\$ 1,757,399	\$ --	\$ --	\$ --
Road Fund:				
Various grants and charges	559,347	--	--	--
Other Governmental Funds:				
Various grants, charges, and special assessments	5,084,634	--	--	--
Deferred pension outflows	--	51,460,953	--	--
Deferred OPEB outflows	--	19,295,579	--	--
Deferred lease inflows:				
General Fund	60,760	--	60,760	--
Road Fund	162,070	--	162,070	--
Deferred pension inflows	--	--	89,195,008	--
Deferred OPEB inflows	--	--	17,576,391	--
Enterprise Funds/Business-Type Activities:				
Deferred lease inflows:				
County Airports:	--	--	--	140,706
Total	<u>\$ 7,624,210</u>	<u>\$ 70,756,532</u>	<u>\$ 106,994,229</u>	<u>\$ 140,706</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6: LONG-TERM LIABILITIES**

Long-term debt at June 30, 2022 consisted of the following:

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2022</u>
<b>Governmental Activities</b>						
Notes Payable:						
HUD HOME Program <sup>1)</sup>	2003	2058	0.00%	2)	3,000,000	\$ 2,972,817
HUD HOME Program <sup>1)</sup>	2013	2067	3.00%	2)	3,000,000	3,000,000
HUD State CDBG Program <sup>1)</sup>	2013	2068	3.00%	2)	483,000	483,000
USDA Rural Development Loans	2018	2058	2.375%	\$892,000 - \$1,865,000	57,140,000 <sup>3)</sup>	50,217,944
Lease Liabilities:						
Real Properties	2012-2022	2022-2030	4.00%-4.25%	\$2,700 - \$429,658	15,283,937	13,001,268
Equipment	2016-2022	2021-2027	3.00%-3.25%	\$144 - \$9,060	843,905	570,426
Software Licensing Agreements:						
Nexus	2019	2022	0.00%	\$10,200 - \$63,200	125,600	18,433
ePCR	2021	2027	0.00%	\$59,459 - \$66,922	315,677	285,947
Microsoft Enterprise	2021	2024	0.00%	\$700,000	2,100,000	<u>1,516,667</u>
Total Governmental Activities						<u>\$ 72,066,502</u>

<sup>1)</sup> Note payable is offset by a long-term note receivable secured by a deed of trust.

<sup>2)</sup> Outstanding principal is due in total at the end of note maturity.

<sup>3)</sup> See below.

**USDA Rural Development Loans**

In 2016, the County entered into six loan agreements with the U.S. Department of Agriculture (USDA) Rural Development Program in an aggregate amount not to exceed \$57,140,000. The purpose of the loans was to fund the development and construction of a new public safety facility in Diamond Springs. The principal outstanding at June 30, 2022 is \$50,217,944.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

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

	(Restated) Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022	Amounts Due Within One Year
<b>Governmental Activities</b>					
Notes payable:					
* HUD HOME Program	\$ 5,974,165	\$ --	\$ 1,348	\$ 5,972,817	\$ --
* HUD State CDBG Program	483,000	--	--	483,000	--
* USDA Rural Development Loans	51,059,944	6,080,056	6,922,056	50,217,944	965,000
Compensated absences	18,652,690	3,303,886	1,738,015	20,218,561	1,758,513
Lease liabilities:					
Real Properties	15,241,633	42,304	2,282,669	13,001,268	2,425,069
Equipment	624,164	219,741	273,479	570,426	215,956
* Software licensing agreements	239,611	2,415,677	834,241	1,821,047	778,784
Landfill closure / post-closure liability	21,617,355	773,176	206,131	22,184,400	--
Liability for self-insurance claims	14,831,000	29,240,717	30,895,717	13,176,000	2,765,531
Other postemployment benefits	108,294,946	8,697,275	3,111,847	113,880,374	2,482,000
Net pension liability	386,406,817	109,922,543	230,475,325	265,854,035	--
	<u>\$ 623,425,325</u>	<u>\$ 160,695,375</u>	<u>\$ 276,740,828</u>	<u>\$ 507,379,872</u>	<u>\$ 11,390,853</u>
<b>Business-Type Activities</b>					
Compensated absences	\$ 26,257	\$ --	\$ 109	\$ 26,148	\$ 2,353
	<u>\$ 26,257</u>	<u>\$ --</u>	<u>\$ 109</u>	<u>\$ 26,148</u>	<u>\$ 2,353</u>

\* *Direct borrowings and direct placements*

The County acquired commercially available computer software through licensing agreements. Under the term of the agreements, the County is required to make annual installment payments to the software vendors for the right to use the software over the lives of the agreements. Software licensing agreement liability is generally liquidated by the General Fund.

The liability for self-insurance claims is liquidated by the cumulative charge for services recorded in the internal service fund. Compensated absences, lease liabilities, other postemployment benefits, and net pension liability are generally liquidated by the General Fund and related special revenue funds. Landfill closure / post-closure liability is liquidated from special revenue funds.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 6: LONG-TERM LIABILITIES (CONTINUED)**

In addition to the annual debt service requirements of the lease liabilities described in Note 8, as of June 30, 2022, annual debt service requirements of governmental activities having fixed maturities are shown below. The HUD State CDBG Program note payable and both of the HUD Home Program notes payable are not included in the schedule.

Year Ending June 30:	Governmental Activities		
	Notes Payables*		Software Licensing Agreements*
	Principal	Interest	Principal
2023	\$ 965,000	\$ 1,181,613	\$ 778,784
2024	988,000	1,158,025	762,161
2025	1,012,000	1,134,275	180,694
2026	1,035,000	1,109,967	65,947
2027	1,060,000	1,085,089	33,461
2028-2032	5,689,000	5,031,063	--
2033-2037	6,398,000	4,314,133	--
2038-2042	6,588,944	3,528,974	--
2043-2047	6,726,000	2,758,824	--
2048-2052	7,563,000	1,911,412	--
2053-2057	8,505,000	958,348	--
2058-2059	3,688,000	67,129	--
	\$ 50,217,944	\$ 24,238,852	\$ 1,821,047

\* Direct borrowings and direct placements

As of June 30, 2022, there are no annual debt service requirements of business-type activities to maturity.

**NOTE 7: LIMITED OBLIGATION DEBT**

Pursuant to various development agreements, the County has formed a number of community facility districts (CFDs) and has issued limited obligation bonds to finance infrastructure. The bonds are limited obligation debt repayable solely from the special taxes collected with each CFD. The only foreseeable circumstances that would make the County partially responsible for debt service payments or damages to bond investors would be if an error or omission is made by the County in the formation of the CFD, in the preparation of the offering statement, in the ongoing SEC required disclosures, or in the administration of the CFD. No adjustments were made to the County's financial statements for these limited obligation debt. As of June 30, 2022, the balances of these districts' outstanding debt were as follows:

Community Facilities District No. 1992-1 (EDH Serrano)	\$ 23,165,000
Community Facilities District No. 2001-1 (Promontory)	\$ 19,760,000
Community Facilities District No. 2005-1 (Blackstone)	\$ 23,085,000
Community Facilities District No. 2005-2 (Laurel Oaks)	\$ 2,680,000
Community Facilities District No. 2014-1 (Carson Creek)	\$ 31,535,000
Community Facilities District No. 2018-1 (Bass Lake)	\$ 17,755,000

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 8: **LEASES**

**Lessee Disclosures**

The County leases equipment as well as real properties for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2030 and provide for renewal options ranging from two to five years.

Total future lease payments under lease agreements are as follows:

Year Ending	Governmental Activities		Total
	Principal	Interest	
<u>June 30:</u>			
2023	\$ 2,641,025	\$ 508,064	\$ 3,149,089
2024	2,656,483	397,766	3,054,249
2025	2,188,251	297,002	2,485,253
2026	1,963,146	211,041	2,174,187
2027	1,699,809	133,874	1,833,683
2028-2030	2,422,980	104,449	2,527,429
Total minimum lease payments	<u>\$ 13,571,694</u>	<u>\$ 1,652,196</u>	<u>\$ 15,223,890</u>

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	Governmental Activities
Real properties	\$ 15,283,937
Equipment	789,063
Less: accumulated amortization	(2,879,754)
	<u>\$ 13,193,246</u>



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 8: **LEASES** (CONTINUED)

**Lessor Disclosures**

The County, acting as lessor, leases land under long-term, non-cancelable lease agreements. The leases expire at various dates through 2036 and provide for renewal options ranging from two to five years. Pursuant to these contracts, during the year ended June 30, 2022, the County recognized \$47,866 of lease revenue and \$10,358 of interest revenue in its governmental activities, and \$9,817 of lease revenue and \$6,267 of interest revenue in its business-type activities, respectively.

Total future lease payments to be received under lease agreements are as follows:

Year Ending June 30:	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2023	\$ 42,228	\$ 8,651	\$ 5,798	\$ 6,029	\$ 62,706
2024	47,143	6,816	6,049	5,778	65,786
2025	34,313	5,047	6,311	5,515	51,186
2026	30,341	3,770	6,584	5,242	45,937
2027	31,655	2,455	8,072	4,938	47,120
2028-2032	43,452	1,156	50,645	18,716	113,969
2033-2036	-	-	62,019	5,756	67,775
Total lease payments	\$ 229,132	\$ 27,895	\$ 145,478	\$ 51,974	\$ 454,479

**Regulated Leases**

The County, acting as lessor, leases airport facilities under long-term, non-cancelable lease agreements. These leases are regulated leases and are governed by U.S. Department of Transportation and Federal Aviation Administration rules and regulations. These leases expire at various dates through 2051 and provide for renewal options ranging from five to ten years. During the year ended June 30, 2022, the County recognized \$86,807 of regulated lease revenue in its business-type activities pursuant to these contracts.

Total future minimum payments to be received under lease agreements are as follows:

Year Ending June 30:	Business-Type Activities
2023	\$ 79,915
2024	79,915
2025	79,915
2026	74,329
2027	68,741
2028-2032	336,818
2033-2037	332,127
2038-2042	326,368
2043-2047	253,526
2048-2051	144,007
Total future minimum payments	\$ 1,775,661

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 9: LIABILITY FOR CLOSURE AND POST-CLOSURE COSTS**

State and federal laws and regulations require the County to place a final cover on its Union Mine landfill site and perform certain maintenance and monitoring functions at the site for thirty years after final closure. In addition to operating expenditures related to current activities of the landfill, an estimated liability is being recognized based on the future closure and post-closure maintenance costs that will be incurred near or after the date the landfill no longer accepts waste.

The County ceased accepting waste from the public in 1997 and 8.2 acres or 19.4 percent of the landfill's 42.3 acres remain open to waste generated onsite. The estimated landfill closure care liability of \$2,736,038 reported as of June 30, 2022, is the current cost estimate of closing the remaining 8.2 acres. Because the landfill is no longer accepting waste from the public, the additional liability of \$19,448,362 representing post-closure costs for the entire 42.3 acres has been recognized and is a cumulative amount reported to date based on County staff estimates and adjustments for CPI (Consumer Price Index) rate changes.

State and federal laws require the County to make contributions to a special fund in order to finance closure care. At June 30, 2022, cash and investments held of \$2,947,151 in this special fund are part of the pooled funds held by the County Treasury and are reported as restricted assets on the Statement of Net Position. Currently, the amount held as restricted cash is sufficient to cover the entire closure liability.

The County has filed a Pledge of Revenue with the California Integrated Waste Management Board that waives the requirement to make contributions to a special fund to finance post-closure costs. The estimated post-closure costs of \$19,448,362, to be paid over a 30-year period upon final closure, may need to be funded by charges to future landfill users and/or from future tax revenue.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10: INTERFUND TRANSACTIONS**

The composition of interfund balances as of June 30, 2022, is as follows:

**Due From/To Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 20,000	Advance to Special Aviation to cover cash shortfall
	Other Governmental Funds	1,097,000	Advance to Community Services Funds to cover cash shortfall
	Other Governmental Funds	782,000	Advance to Mental Health Fund to cover cash shortfall
	Other Governmental Funds	53,000	Advance to Social Services Fund to cover cash shortfall
	Other Governmental Funds	323,376	Reimbursement for EMS Expenditures
	Other Governmental Funds	237,399	Reimbursement for Insurance Fraud Program Expenditures
	Other Governmental Funds	87,124	Reimbursement for SB678 Expenditures
	Other Governmental Funds	558	Reimbursement for Welfare Assistance
		<u>2,600,457</u>	
Other Governmental Funds	Other Governmental Funds	276,784	County Local Revenue Funds for Mental Health programs
		<u>276,784</u>	
	Total	<u>\$ 2,877,241</u>	

**Advance To/From Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Other Governmental Funds	\$ 330,000	Advance to IHSS Public Authority
	Other Governmental Funds	100,000	Advance to Public Housing Authority
		<u>430,000</u>	
	Total	<u>\$ 430,000</u>	

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 10: **INTERFUND TRANSACTIONS** (CONTINUED)

**Transfers**

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Transfer to	Transfer from	Amount	Purpose
General Fund	Other Governmental Funds	\$ 47,145	Mental Health Special Revenue Fund to Social Services For PEI Expenses
	Other Governmental Funds	444,620	EMS Fund Reimbursements to General Fund
	Other Governmental Funds	164,890	County Service Area #3 to EMS/Ambulance General Fund Operating
	Other Governmental Funds	634,265	County Service Area #7 to EMS/Ambulance General Fund Operating
	Other Governmental Funds	1,205,259	County Service Area #10 Special Tax Revenues to Library General Fund Operating
	Other Governmental Funds	2,195	Air Quality to General Fund for Reimbursement
	Other Governmental Funds	397,613	Time Share, Overpayment, and Redemption Fees to BOS / Auditor / TTC / Assessor
	Other Governmental Funds	1,439	Overages to Treasurer Tax Collector Operating
	Other Governmental Funds	203,269	State Off-Highway Vehicle & El Dorado-SMUD Agreement Funds to Parks
	Other Governmental Funds	109,220	State Off-Highway Vehicle & ED-SMUD to Sheriff Operation
	Other Governmental Funds	135,396	Park / River Fees to Parks and Rivers General Fund Operating
	Other Governmental Funds	751,754	Grant Revenues, Prop 64, Environmental & Real Estate Funds to District Attorney General Fund Operating
	Other Governmental Funds	2,688,031	Grant Revenues & Program Revenues to Sheriff's Operating
	Other Governmental Funds	374,715	Probation CCPIF SB678 Reimbursement to General Fund
	Other Governmental Funds	189,301	Micro, Computer System, Vital Health Statistics, Electronic Recording to Recorder Operating
	Other Governmental Funds	452,293	Developer Deposits to DOT County Engineer
	Other Governmental Funds	116,603	Planning Projects Revenues to Planning
	Other Governmental Funds	48,189	Commercial Grading to Building Operating
	Other Governmental Funds	41,000	TRPA Building Allocations to Building Services
	Other Governmental Funds	2,195	CAS Fund Reimbursement to General Fund
	Other Governmental Funds	50,000	Water Agency Reimbursement to Long Range Planning
	Other Governmental Funds	1,805	Hawk View Zone of Benefit Fund Transfer to General Fund
	Other Governmental Funds	1,246	Oak Woodlands Reimbursement to General Fund
	Other Governmental Funds	15,980	License Plate Fees to Veteran Services Operating
	Other Governmental Funds	87,167	Library Trust Funds to Library Operating
	Other Governmental Funds	156,756	Realignment Funds to Probation
	Other Governmental Funds	360,252	Realignment Funds to Environmental Management
	Other Governmental Funds	14,069,116	Realignment Funds to Social Services
	Other Governmental Funds	425,752	Realignment Funds to Animal Services
	Other Governmental Funds	38,810	County Local Revenue Funds to DA
	Other Governmental Funds	6,000	County Local Revenue Funds to Public Defender
	Other Governmental Funds	4,616,159	County Local Revenue Funds to Sheriff
	Other Governmental Funds	2,943,513	County Local Revenue Funds to Probation
	Other Governmental Funds	8,868,950	County Local Revenue Funds to Social Services
	Other Governmental Funds	1,005,953	Supplemental Law Enforcement Services Fund (SLESF) to DA/Sheriff/Probation Operating
	Other Governmental Funds	449,198	ACO Fund Reimbursements to General Fund
	Other Governmental Funds	1,119	Rare Plant Endowment Fund Reimbursement to Long Range Planning
		<u>41,107,167</u>	

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 10: **INTERFUND TRANSACTIONS** (CONTINUED)

**Transfers** (continued)

<b>Transfer to</b>	<b>Transfer from</b>	<b>Amount</b>	<b>Purpose</b>
Road Fund	General Fund	\$ 2,807,759	General Fund Billing
	Other Governmental Funds	7,960,439	Road District Tax to Road Fund Operating
	Other Governmental Funds	5,778	El Dorado-SMUD Cooperation Agreement Fund Billing
	Other Governmental Funds	14,707,530	Road Projects Billing and Traffic Impact Fees to Road Fund Operating
	Other Governmental Funds	18,465	AQMD AB2766 Funding El Dorado Trail
	Other Governmental Funds	1,180	Rare Plant Endowment Fund Billing
		<u>25,501,151</u>	
Internal Services Fund - Fleet	General Fund	1,004,809	General Fund Contribution
	Road Fund	40,695	Road Fund Contributed Capital
		<u>1,045,504</u>	
Enterprise Fund - Airports	General Fund	59,058	General Fund Contribution
	Other Governmental Funds	20,007	Special Aviation Funding
		<u>79,065</u>	
Other Governmental Funds	General Fund	1,972,580	General Fund Contribution to Community Services
	General Fund	112,120	General Fund Contribution to HCED
	General Fund	4,018,938	General Fund Contribution to Public Health
	General Fund	36,422	General Fund Reimbursement to Environmental Management
	General Fund	16,534	General Fund Contribution to IHSS Public Authority Fund
	General Fund	56,022	General Fund Contribution to Housing Authority
	General Fund	15,000	General Fund Contribution For Veterans Hall
	General Fund	1,802	General Fund Transfer to Change Difference Shortage
	General Fund	175,000	General Fund Contribution to Veterans
	General Fund	720,702	General Fund Contribution to Health and Welfare
	General Fund	1,078,209	General Fund Reimbursements to ACO Fund
	Road Fund	3,304,017	Road Fund SB1 Fund Transfer to DOT
	Other Governmental Funds	44,437	Community Services Fund to ACO Fund for Project Billing
	Other Governmental Funds	85,848	Health Fund to ACO Fund for Project Billing
	Other Governmental Funds	40,036	Air Quality to ACO Fund for Project Billing
	Other Governmental Funds	150,320	Central Services Designated Fund to ACO Fund for Billing and USDA Loan Proceeds
	Other Governmental Funds	667	Rare Plant Preserve Permanent Fund to Environmental Management Fund
		<u>11,828,654</u>	
Total		<u>\$ 79,561,541</u>	

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 11: PENSIONS**

**A. General Information about the Pension Plans**

**Plan Description**

The County has two pension plans (the Plans): the miscellaneous plan and the safety plan. Both Plans are agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers within the State of California. Benefit provisions under the Plans are established by State statutes and County's resolutions. CalPERS issues publicly available reports that include a full description of the Plans regarding benefit provisions, assumptions, and membership information. These reports and CalPERS' audited financial statements can be viewed at CalPERS' website.

**Benefits Provided**

CalPERS provides service retirement, 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, each equal to a year of full time employment. Members with five years of total service are eligible to retire at age 50 (52 for miscellaneous PEPRA members hired on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, the Optional Settlement 2 Death Benefit, or the Special Death Benefit (for safety members only). The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law (PERL).

Below is a summary of the Plans' provisions and benefits in effect at June 30, 2022:

	<b>Miscellaneous</b>		
	<b>Classic</b>		<b>PEPRA</b>
	Prior to October 5, 2012	On or after October 5, 2012	On or after January 1, 2013
Hire Date			
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement eligibility age	50	50	52
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.092% to 2.418%	1% to 2.5%
Required employee contribution rates	7% *	7% *	7.75% *
Required employer contribution - normal cost %	9.47% *	9.47% *	9.47% *
Required employer contribution - payment of unfunded accrued liability:	\$17,921,456 *		
	<b>Safety</b>		
	<b>Classic</b>		<b>PEPRA</b>
	Prior to October 5, 2012	On or after October 5, 2012	On or after January 1, 2013
Hire Date			
Benefit formula	3% @ 50	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement eligibility age	50	50	50
Monthly benefits, as a % of eligible compensation	3%	2% to 2.7%	2% to 2.7%
Required employee contribution rates	9% *	9% *	12.00% *
Required employer contribution - normal cost %	18.61% *	18.61% *	18.61% *
Required employer contribution - payment of unfunded accrued liability:	\$11,828,997 *		

\* The required contribution for fiscal year 2021-2022 was determined as part of the June 30, 2019 actuarial.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 11: **PENSIONS** (CONTINUED)

**A. General Information about the Pension Plans** (continued)

**Employees Covered**

Listed below is the summary of number of employees covered by the benefit terms as of June 30, 2021, the most recent actuarial valuation date:

	Miscellaneous	Safety
Active employees	1,336	351
Inactive employees entitled to but not yet receiving benefits (Transferred + Terminated)	1,541	311
Inactive employees or beneficiaries currently receiving benefits	2,122	481
Total	4,999	1,143

**Contribution**

Section 20814(c) of the PERL requires that the employer contribution 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 employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2021 (the measurement date), the active employee contribution rate is 7 percent of annual pay for miscellaneous employees (7.75 percent for miscellaneous PEPRA employees hired on or after January 1, 2013), and 9 percent for safety employees (12 percent for safety PEPRA employees hired on or after January 1, 2013). The County's required contribution for miscellaneous employees include the employer normal cost rate (9.804 percent of annual payroll) and employer amortization of unfunded accrued liability of \$16,124,120. The County's required contribution for safety employees include the employer normal cost rate (19.152 percent of annual payroll) and employer amortization of unfunded accrued liability of \$10,047,355. Employer contribution rates may change if plan contracts are amended. Further, the employees pay a portion or all of their required CalPERS contribution to CalPERS depending on their labor agreements with the County. When employees are required to pay only a portion of their required contribution, the County pays the remaining portion on their behalf and for their account. Payments made by the County to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 11: **PENSIONS** (CONTINUED)

**B. Net Pension Liability**

The County's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each Plan is measured as of June 30, 2021, using standard update procedures.

**Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

The June 30, 2020 valuation was rolled forward to determine the June 30, 2021 (the measurement date) total pension liability for each Plan, based on the following actuarial methods and assumptions:

	<u>Miscellaneous and Safety</u>
Actuarial cost method	Entry age normal in accordance with the requirements of GASB 68
Actuarial assumptions	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Mortality rate table <sup>4)</sup>	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	The lesser of contract COLA or 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter

<sup>4)</sup> The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

**Change of Assumptions**

There was no change of assumptions in 2021.

**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.



**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 11: **PENSIONS** (CONTINUED)

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

**Long-term Expected Rate of Return**

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of 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 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 followed:

<b>Asset Class<sup>5)</sup></b>	<b>Assumed Asset Allocation</b>	<b>Real Return Years 1 – 10<sup>6)</sup></b>	<b>Real Return Years 11+<sup>7)</sup></b>
Public Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	--	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	--	(0.92%)

- <sup>5)</sup> In the System's 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.
- <sup>6)</sup> An expected inflation of 2.00% used for this period
- <sup>7)</sup> An expected inflation of 2.92% used for this period

**Subsequent Events**

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-2021. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 11: **PENSIONS** (CONTINUED)

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

The change in the net pension liability for each Plan follows:

	<b>Miscellaneous Plan</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balances at 6/30/20</b>	\$ 759,856,691	\$ 527,451,885	\$ 232,404,806
<b>Changes for the year:</b>			
Service cost	15,184,618	--	15,184,618
Interest	53,278,314	--	53,278,314
Changes of benefit terms	--	--	--
Changes of assumptions	--	--	--
Differences between expected and actual experience	(2,194,854)	--	(2,194,854)
Net plan to plan resource movement	--	--	--
Contributions - employer	--	25,181,590	(25,181,590)
Contributions - employees	--	6,866,795	(6,866,795)
Net investment income	--	117,979,863	(117,979,863)
Benefit payments, including refunds of employee contributions	(40,205,816)	(40,205,816)	--
Administrative expense	--	(526,893)	526,893
Other miscellaneous income/(expense)	--	--	--
<b>Net changes</b>	<b>26,062,262</b>	<b>109,295,539</b>	<b>(83,233,277)</b>
<b>Balances at 6/30/21</b>	<b>\$ 785,918,953</b>	<b>\$ 636,747,424</b>	<b>\$ 149,171,529</b>

	<b>Safety Plan</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a) - (b)</b>
<b>Balances at 6/30/20</b>	\$ 414,195,856	\$ 260,193,845	\$ 154,002,011
<b>Changes for the year:</b>			
Service cost	8,850,316	--	8,850,316
Interest	29,358,901	--	29,358,901
Changes of benefit terms	--	--	--
Changes of assumptions	--	--	--
Differences between expected and actual experience	2,463,583	--	2,463,583
Net plan to plan resource movement	--	--	--
Contributions - employer	--	16,376,939	(16,376,939)
Contributions - employees	--	3,357,367	(3,357,367)
Net investment income	--	58,517,917	(58,517,917)
Benefit payments, including refunds of employee contributions	(20,941,191)	(20,941,191)	--
Administrative expense	--	(259,918)	259,918
Other miscellaneous income/(expense)	--	--	--
<b>Net changes</b>	<b>19,731,609</b>	<b>57,051,114</b>	<b>(37,319,505)</b>
<b>Balances at 6/30/21</b>	<b>\$ 433,927,465</b>	<b>\$ 317,244,959</b>	<b>\$ 116,682,506</b>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 11: **PENSIONS** (CONTINUED)

**C. Changes in the Net Pension Liability** (continued)

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

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

		<u>Miscellaneous</u>	<u>Safety</u>
		Net Pension Liability	Net Pension Liability
1% Decrease	6.15%	\$ 243,304,635	\$ 176,171,035
Current Discount Rate	7.15%	\$ 149,171,529	\$ 116,682,506
1% Increase	8.15%	\$ 70,334,896	\$ 67,852,037

**Pension Plan Fiduciary Net Position**

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

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

For the year ended June 30, 2022, the County recognized total pension expense of \$19,277,469 (\$7,022,058 for its miscellaneous plan and \$12,255,411 for its safety plan). At June 30, 2022, 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>
Changes of assumptions		
Miscellaneous	\$ --	\$ --
Safety	--	132,709
Differences between expected and actual experience		
Miscellaneous	--	2,128,423
Safety	6,211,621	--
Net difference between projected and actual earnings on plan investments		
Miscellaneous	--	58,120,401
Safety	--	28,813,475
County contributions subsequent to the measurement date		
Miscellaneous	27,060,953	--
Safety	18,188,379	--
Total	<u>\$ 51,460,953</u>	<u>\$ 89,195,008</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 11: **PENSIONS** (CONTINUED)

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

\$45,249,332 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources related to pensions and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amounts
2023	\$ (20,412,592)
2024	(18,427,463)
2025	(20,139,800)
2026	(24,003,532)
2027	--
Thereafter	--
Total	<u>\$ (82,983,387)</u>

NOTE 12: **OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

**A. General Information about the OPEB Plan**

**Plan Description.** The County of El Dorado (County) Retiree Healthcare Plan (OPEB Plan) is a single-employer defined benefit healthcare plan administered by the County. The benefit terms, and the contribution requirements of the plan members and the County are established and may be amended by the County. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**Benefits Provided.** The County's OPEB Plan provides healthcare insurance benefits to employees who retire from active service due to disability or after the age of 50 and are eligible to commence pension benefits.

- **County Contribution Subsidy** – The County pays a monthly amount up to a percentage of the premium for the County sponsored Blue Shield PPO Standard plan plus dental single coverage for the retirees prior to age 65. For the age 65 or older retirees, the County pays a monthly amount up to a percentage of the premium for the highest cost Medicare eligible plan plus dental single coverage. The applicable percentage is based on the retiree's years of service with the County, and multiplied by a calculated percentage each year for payroll cap adjustment.
- **Implicit Subsidy** – For coverage prior to age 65, the retiree pays premiums that are developed by blending active and retiree costs. Since retirees are older and generally cost more than actives, the premium paid by the retiree is less than the "true cost" of coverage for retirees.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)**

**A. General Information about the OPEB Plan** (continued)

New hires were no longer eligible for the County Contribution Subsidy. The new hire cut off dates ranged from January 2009 to January 2010, depending on the bargaining unit. While not eligible for the County Contribution Subsidy, new hires are allowed to participate in the plan with payment of premiums and, as a result, benefit from the Implicit Subsidy. The County's OPEB Plan agreement places a cap on the County's contribution so that the amount paid to each individual retiree will be limited such that total County contributions do not exceed 1.2% of total payroll. This 1.2% payroll cap applies to the County's Contribution Subsidy only, and because this cap is a limitation on the employer's contribution, and not a limitation of retiree benefits, it cannot be considered to reduce the County's liability until the cap is enforced and thereby begins to alter the established pattern of shared costs. Effective July 1, 2011, the County contribution cap (1.2%) has been enforced and the rate has been adjusted to meet the cap.

**Employees Covered by Benefit Terms.** At June 30, 2021, the measurement date, the following numbers of employees were covered by the benefit terms:

Inactive employees currently receiving benefits	499
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>1,725</u>
Total	<u><u>2,224</u></u>

**B. Total OPEB Liability**

The County's total OPEB liability of \$113,880,374 was measured as of June 30, 2021, and was determined based on an actuarial valuation as of June 30, 2020. Specifically, update procedures were used to roll forward the total OPEB liability from June 30, 2020 (the valuation date) to June 30, 2021 (the measurement date).

**Actuarial Assumptions and Other Inputs**

The total OPEB liability in the June 30, 2020 actuarial valuation was rolled forward to determine the June 30, 2021 (the measurement date) total OPEB liability using the following actuarial assumptions and other inputs:

Contribution policy	No pre-funding
Discount rate	2.16% at June 30, 2021 (Bond Buyer 20-Bond Index) 2.21% at June 30, 2020 (Bond Buyer 20-Bond Index)
General inflation	2.75% annually
Mortality, retirement, disability, termination	CalPERS 1997-2015 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2020
Salary increases	Aggregate: 3% annually Merit: CalPERS 1997-2015 Experience Study
Medical trend	Non-Medicare: 7% for 2022, decreasing to an ultimate rate of 4.0% in 2076 Medicare (Non-Kaiser): 6.1% for 2022, decreasing to an ultimate rate of 4.0% in 2076 Medicare (Kaiser): 5.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Healthcare participation at retirement	Eligible for cash subsidy: 80% Not eligible for cash subsidy: 50%



**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 12: **OTHER POST-EMPLOYMENT BENEFITS (OPEB)** (CONTINUED)

**C. Changes in the Total OPEB Liability** (continued)

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

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	Healthcare Trend Rate		
	1% Decrease	Current Rate	1% Increase
	(Non-Medicare: 6% decreasing to 3%; Non-Kaiser Medicare: 5.1% decreasing to 3% Kaiser Medicare: 4% decreasing to 3%)	(Non-Medicare: 7% decreasing to 4%; Non-Kaiser Medicare: 6.1% decreasing to 4% Kaiser Medicare: 5% decreasing to 4%)	(Non-Medicare: 8% decreasing to 5%; Non-Kaiser Medicare: 7.1% decreasing to 5% Kaiser Medicare: 6% decreasing to 5%)
Total OPEB Liability	\$ 110,590,530	\$ 113,880,374	\$ 117,790,203

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

For the year ended June 30, 2022, the County recognized OPEB expense of \$5,518,345. At June 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ --	\$ 8,216,098
Changes of assumptions or other inputs	15,906,945	9,360,293
County contributions subsequent to the measurement date	3,388,634	--
Total	<u>\$ 19,295,579</u>	<u>\$ 17,576,391</u>

\$3,388,634 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB, if any, and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amounts
2023	(2,297,601)
2024	(2,297,601)
2025	(1,633,021)
2026	895,083
2027	2,300,665
Thereafter	1,363,029
Total	<u>(1,669,446)</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 13: RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has established the Risk Management Fund (an internal service fund) to account for and finance its uninsured risks of loss. During fiscal year 2021-2022, under this program, the Risk Management Fund provided coverage for up to a maximum of \$1,000,000 for each general liability claim, and \$25,000 for each property damage claim. The County purchases commercial insurance for claims in excess of coverage provided by the Risk Management Fund and for all other risks of loss, including the workers' compensation insurance coverage effective September 1, 2018. The amount of settlements did not exceed coverage provided by the Risk Management Fund in each of the last three years.

All funds of the County participate in the program and make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$13,176,000 reported in the Risk Management Fund at June 30, 2022 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the County's claims liability for the fiscal years ended June 30, 2022 and 2021 were as follows:

	2022	2021
Unpaid claims, beginning of year	\$ 14,831,000	\$ 16,721,000
Plus estimated claims incurred	29,240,717	29,260,394
Less claims payments	(30,895,717)	(31,150,394)
Unpaid claims, end of year	\$ 13,176,000	\$ 14,831,000

The Risk Management Fund also accounts for the health insurance program. Effective July 1, 2011, the County entered into an agreement with CSAC Excess Insurance Authority (Authority) and participated in the Authority's health program. All funds of the County participate in the program and make payments to the Risk Management Fund based on the premiums established by the Authority's health program committee.



**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 14: **COMMITMENTS AND CONTINGENCIES**

**Grants**

The County recognizes as revenue, grant monies received as reimbursement for costs incurred in certain Federal and State programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

**Pending Litigation**

The County is also a defendant in several lawsuits arising in the normal course of business. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable loss to the County, such loss has been accrued in the accompanying financial statements. Litigation where loss to the County is reasonably possible has not been accrued. The outcome of the remaining claims cannot be determined at this time.

**Encumbrances**

The County uses an encumbrances system to control expenditures for the year and to enhance cash management. Under this system, purchase orders and contracts are recorded in order to reserve that portion of applicable appropriations. Encumbrances still open at the end of the year are not accounted for as expenditures and liabilities but rather as part of the fund balances. As of June 30, 2022, General Fund had a total of \$2,414,013 in encumbrances, which were reported as part of the assigned fund balances on the governmental fund balance sheet. Road Fund had a total of \$2,075,689 in encumbrances, which were reported as part of the restricted fund balances. Other (nonmajor) governmental funds had a total of \$488,533 in encumbrances, which were reported as part of the restricted, committed or assigned fund balances.

**Construction Commitments and Other Significant Commitments**

At June 30, 2022, the County has ongoing construction commitments that totaled approximately \$10.4 million and no other significant commitments.

**Road Improvement Reimbursement Agreements**

The County has entered into reimbursement agreements with various developers and homebuilders (developers) in the El Dorado Hills Traffic Impact Mitigation Fee (TIM Fee) zone. The developers build road improvements in the El Dorado Hills area and the County is required to reimburse the developers in accordance with the terms of the reimbursement agreements. In accordance with the agreements, the County is only required to make reimbursements to the developers if TIM Fee revenues are available. Accordingly, the County is only contingently liable for these reimbursements and these obligations are not included on the County's statement of net position.

Further, in the reimbursement agreements, the County has offered the developers credits against their TIM Fee payments in lieu of cash. The amount of credits utilized by the developers offsets the County's TIM fee revenue and also reduces the County's outstanding reimbursement obligations. Similar to the reimbursement obligations, these eligible but unutilized credits are not included on the County's statement of net position.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 14: **COMMITMENTS AND CONTINGENCIES** (CONTINUED)

**Road Improvement Reimbursement Agreements** (continued)

The County's outstanding reimbursement obligations and the developers' eligible but unutilized credits as of June 30, 2022 are as follows:

	County's Outstanding Reimbursement Obligations	Developers' Eligible but Unutilized Credits
Saratoga Road Extension	\$ 5,420,518	\$ 877,383
Country Club Drive, Bass Lake Road to Tierra De Dios	8,225,542	760,533
Silva Valley Interchange	1,093,419	--
Silver Springs Pkwy & GV/SS Intersect	2,126,995	1,107,054
Silver Springs Pkwy - Offsite	4,274,262	1,650,870
Silver Springs Pkwy - Deer Valley	61,230	--
Total	\$ 21,201,966	\$ 4,395,840

**Facility Improvement Credit/Reimbursement Agreement**

The County has entered into a credit/reimbursement agreement with Lennar Winncrest, LLC (developer) for Bass Lake Hills Specific Plan (BLHSP) Public Facility Finance Plan (PFFP) improvements. The developer is obligated to construct improvements according to the agreement such as transportation, sewer and water improvements in the BLHSP area and the County is required to reimburse the developer in accordance with the terms of the agreement. In accordance with the agreement, the County is only required to make reimbursements to the developer if PFFP Fee revenues are available. Accordingly, the County is only contingently liable for these reimbursements and these obligations are not included on the County's statement of net position.

Further, in the agreement, the County has offered the developer credits against their PFFP Fee payments in lieu of cash. The amount of credits utilized by the developer offsets the County's PFFP fee revenue and also reduces the County's outstanding reimbursement obligations. Similar to the reimbursement obligations, these eligible but unutilized credits are not included on the County's statement of net position.

As of June 30, 2022, the County had outstanding reimbursement obligation balance of \$6,009,824 with the developer's eligible but unutilized credit balance of \$3,333,946.

**Tax Abatement Agreement**

The California Land Conservation Act of 1965 was commonly referred to as the "Williamson Act" (Act). Pursuant to the Act, the County enters into contracts with property owners for the purpose of limiting the use of specific properties to agricultural and compatible uses. To be established as an agricultural preserve, the property needs to meet all criteria, including minimum acreage, minimum capital outlay, and minimum income, set forth by the Act and the County's Board. The initial term of a contract is ten years. On each anniversary date of a contract, a year shall be automatically added to the initial term unless written notice of non-renewal is given. If the property owner or the County in any year serves written notice of non-renewal, the contract shall remain in effect for the balance of the unexpired term. During the term of the contract, the property owner pays substantially reduced property tax through a reduction of the assessed value on the property and in return agrees to limit the use of the property to agricultural and compatible uses. The assessed value of the property under the Act contract is determined by the capitalization of the property income stream. In fiscal year 2021-2022, the County' tax revenues were reduced by \$237,257 as a result of the Williamson Act contracts.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 14: **COMMITMENTS AND CONTINGENCIES** (CONTINUED)

**Mitigation Fee Act Litigation – The Austins**

In December of 2015 Thomas and Helen Austin of El Dorado Hills filed a lawsuit against the County seeking a writ of Mandate that would force the County to refund fees collected under the Mitigation Fee Act on behalf of the El Dorado Hills Community Services District, the El Dorado Hills County Water District, the Ecological Preserve Program, and the County's Traffic Impact Mitigation Fee program. The County and the Austins sought to resolve the matter through mediation without success. The total of fees collected in the various accounts at the time findings were required to be made is approximately \$35 million, approximately \$15 million of which have been collected on behalf of the two aforementioned special districts. It is the County's position, among other asserted arguments, that this lawsuit was not filed on a timely basis. The County filed a demurrer asserting that the lawsuit should be barred by the statute of limitations. That demurrer was overruled by the trial court. The County petitioned the Court of Appeals for an Extraordinary Writ of Mandate seeking to reverse the trial court's decision. The Court of Appeals issued its decision on the Extraordinary Writ on October 30, 2019, and found for the County on some issues and found for the Austins on some issues. A court hearing on this matter was held on February 10, 2023. The ultimate resolution of this matter is not determinable at this time; regardless, the County's cost of defense will likely be material.

**Davis Litigation**

In 2005, Ricky Davis was convicted of murder. On the basis of new DNA evidence, the El Dorado County District Attorney moved to dismiss the murder conviction and request a finding of factual innocence. The court granted the motion on February 13, 2020. Mr. Davis has recently filed a claim for damages alleging malicious, negligent investigation by the county. The ultimate resolution of this claim is not determinable at this time, but could have a material effect on the financial statements.

**Thomas Eide**

Mr. Eide has sued the County in Federal Court alleging that the County's Child Support Services Department had misrepresented to various credit reporting agencies that Mr. Eide owed a balance of child support payments and it negatively affected his credit. The ultimate resolution of this matter is not determinable at this time.

**Kelsey Henle**

Ms. Henle sued the County and certain members of the Sheriff's Department in Federal Court alleging excessive force, negligence, and intentional infliction of emotional distress. The ultimate resolution of this matter is not determinable at this time but could have a material effect on the financial statements.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 14: **COMMITMENTS AND CONTINGENCIES** (CONTINUED)

**Anne McNelis**

Ms. McNelis and her 11 year old daughter have sued the County and several of its Child Protective Services social workers in Federal Court alleging violations of their civil rights and the unlawful removal of the daughter from the mother's custody. The ultimate resolution of this matter is not determinable at this time but could have a material effect on the financial statements.

**Tony and Linda Poipao**

The Poipaos have submitted a claim to the County alleging a v-ditch coming from the Placerville Airport, a County maintained property, overflowed causing significant damage to their property. The ultimate resolution of this claim is not determinable at this time but could have a material effect on the financial statements.

**Green Gables Growers**

The Green Gables Growers have submitted a claim asserting costs and lost profits due to delays in the County's issuance of a Cannabis Conditional Use Permit. The ultimate resolution of this claim is not determinable at this time but could have a material effect on the financial statements.

**Medicaid Administrative Activities (MAA) / Targeted Case Management (TCM) Program Audit**

The total overpayment of \$82,966 for the 2017-2018 MAA/TCM cost report, based on the final reconciliation received from the State Department of Health Care Services (DHCS) in 2021-2022, has been paid to and finalized with the State. The 2017-2018 fiscal year is the final year in which the TCM program operated. This concludes all of the State cost report audits for the TCM program. An audit reserve has been established since 2016-2017 to mitigate the impact of this type of future audits to the General Fund.

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 15: FUND BALANCES / NET POSITION**

**A. Fund Balances**

Fund balances for all the major and nonmajor governmental funds as of June 30, 2022, were presented as follows:

	General	Road Fund	American Rescue Plan Act Fund	Other Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>					
Advances	\$ 430,000	\$ --	\$ --	\$ --	\$ 430,000
Inventory	--	508,680	--	115,067	623,747
Prepaid expenses	2,607,661	48,126	--	564,865	3,220,652
Permanent fund principal	--	--	--	3,759,212	3,759,212
Subtotal	<u>3,037,661</u>	<u>556,806</u>	<u>--</u>	<u>4,439,144</u>	<u>8,033,611</u>
<b>Restricted for:</b>					
Capital projects	--	--	--	33,673,169	33,673,169
Tax loss reserve	3,896,030	--	--	--	3,896,030
Public protection	--	--	--	46,484,607	46,484,607
Public ways and facilities	--	7,285,768	--	45,619,061	52,904,829
Health and sanitation	--	--	--	44,539,543	44,539,543
Public assistance	--	--	--	19,354,362	19,354,362
General government	--	--	1,000	6,326,511	6,327,511
Education	--	--	--	2,082,404	2,082,404
Recreation & cultural services	--	--	--	207,323	207,323
Subtotal	<u>3,896,030</u>	<u>7,285,768</u>	<u>1,000</u>	<u>198,286,980</u>	<u>209,469,778</u>
<b>Committed to:</b>					
Capital projects	28,879,062	--	--	6,280,237	35,159,299
Debt service	10,745,454	--	--	--	10,745,454
Public protection	--	--	--	324,626	324,626
Public ways and facilities	--	--	--	7,671,847	7,671,847
Public assistance	--	--	--	42,812	42,812
General government	9,001,920	--	--	--	9,001,920
Subtotal	<u>48,626,436</u>	<u>--</u>	<u>--</u>	<u>14,319,522</u>	<u>62,945,958</u>
<b>Assigned to:</b>					
Debt service	--	--	--	1,872,327	1,872,327
Public protection	--	--	--	2,692,973	2,692,973
Public ways and facilities	--	--	--	747	747
Health and sanitation	--	--	--	17,851,938	17,851,938
Public assistance	--	--	--	3,796,531	3,796,531
General government	2,414,013	--	--	223,115	2,637,128
Education	--	--	--	58,990	58,990
Recreation & cultural services	--	--	--	560,472	560,472
Subtotal	<u>2,414,013</u>	<u>--</u>	<u>--</u>	<u>27,057,093</u>	<u>29,471,106</u>
<b>Unassigned</b>	66,684,245	--	--	(142,498)	66,541,747
<b>Total</b>	<u>\$ 124,658,385</u>	<u>\$ 7,842,574</u>	<u>\$ 1,000</u>	<u>\$ 243,960,241</u>	<u>\$ 376,462,200</u>

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

NOTE 15: **FUND BALANCES / NET POSITION** (CONTINUED)

**B. Deficit Fund Balances / Net Position**

The following funds had deficit fund balances as of June 30, 2022:

Nonmajor Governmental Funds:		
City/County Payment Program	\$	40,104
IHSS Public Authority		3,271

The deficits in the nonmajor governmental funds are expected to be eliminated in future years through future revenues and/or transfers from other funds.

**COUNTY OF EL DORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 16: CONDENSED SEGMENT INFORMATION ON COMPONENT UNITS**

The County has three Discretely Presented Component Units. Condensed Segment information as of and for the year ended June 30, 2022, is as follows:

**Component Units Statement of Net Position  
June 30, 2022**

	Children and Families Commission	El Dorado County Transit Authority	El Dorado County Transportation Commission	Total
<b><u>ASSETS</u></b>				
Current and other assets	\$ 2,219,762	\$ 12,328,265	\$ 2,467,689	\$ 17,015,716
Capital assets	1	12,371,769	264,908	12,636,678
Restricted cash	--	--	4,242,755	4,242,755
Other long-term assets	--	182,823	--	182,823
<b>Total Assets</b>	<u>2,219,763</u>	<u>24,882,857</u>	<u>6,975,352</u>	<u>34,077,972</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>				
Deferred pension outflows	--	962,118	136,509	1,098,627
Deferred OPEB outflows	--	171,938	17,735	189,673
<b>Total Deferred Outflows of Resources</b>	<u>--</u>	<u>1,134,056</u>	<u>154,244</u>	<u>1,288,300</u>
<b><u>LIABILITIES</u></b>				
Current liabilities	148,783	8,908,767	1,736,604	10,794,154
Long-term liabilities	--	1,729,239	458,100	2,187,339
<b>Total Liabilities</b>	<u>148,783</u>	<u>10,638,006</u>	<u>2,194,704</u>	<u>12,981,493</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>				
Deferred pension inflows	--	1,328,392	142,933	1,471,325
Deferred OPEB inflows	--	312,846	3,835	316,681
<b>Total Deferred Inflows of Resources</b>	<u>--</u>	<u>1,641,238</u>	<u>146,768</u>	<u>1,788,006</u>
<b><u>NET POSITION</u></b>				
Net investment in capital assets	1	12,052,751	(4,320)	12,048,432
Restricted	2,070,979	12,200	4,748,866	6,832,045
Unrestricted	--	1,672,718	43,578	1,716,296
<b>Total Net Position</b>	<u>\$ 2,070,980</u>	<u>\$ 13,737,669</u>	<u>\$ 4,788,124</u>	<u>\$ 20,596,773</u>

**COUNTY OF EL DORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

NOTE 16: **CONDENSED SEGMENT INFORMATION ON COMPONENT UNITS** (CONTINUED)

**Component Units Statement of Activities**  
**For the Year Ended June 30, 2022**

	Children and Families Commission	El Dorado County Transit Authority	El Dorado County Transportation Commission	Total
<b>Revenues:</b>				
<b>Program Revenues:</b>				
Charges for current services	\$ --	\$ 669,351	\$ --	\$ 669,351
Operating grants and contributions	1,924,275	5,662,049	1,958,074	9,544,398
Capital grants and contributions	--	469,635	--	469,635
<b>General Revenues:</b>				
Taxes	--	--	8,837,167	8,837,167
Interest and investment earnings (expenses)	6,799	(12,455)	15,662	10,006
Other revenues (expenses)	--	27,529	82,096	109,625
<b>Total Revenues</b>	<b>1,931,074</b>	<b>6,816,109</b>	<b>10,892,999</b>	<b>19,640,182</b>
<b>Expenses:</b>				
Health and sanitation	1,992,039	--	--	1,992,039
Public ways and facilities	--	8,177,390	10,126,931	18,304,321
<b>Total Expenses</b>	<b>1,992,039</b>	<b>8,177,390</b>	<b>10,126,931</b>	<b>20,296,360</b>
<b>Change in net position</b>	<b>(60,965)</b>	<b>(1,361,281)</b>	<b>766,068</b>	<b>(656,178)</b>
<b>Net Position - Beginning of Year (restated)</b>	<b>2,131,945</b>	<b>15,098,950</b>	<b>4,022,056</b>	<b>21,252,951</b>
<b>Net Position - End of Year</b>	<b>\$ 2,070,980</b>	<b>\$ 13,737,669</b>	<b>\$ 4,788,124</b>	<b>\$ 20,596,773</b>

NOTE 17: **SUBSEQUENT EVENTS**

**Building Purchases**

In September 2022 the County's Board (Board) approved a purchase of two parcels containing four commercial buildings on Emerald Bay Road in South Lake Tahoe for \$7,500,000. The site will replace the El Dorado Center building and will allow the County to consolidate its operations in South Lake Tahoe. The purchase was completed in November 2022.

In January 2023 the Board approved a purchase of one parcel containing two commercial buildings on Ponderosa Road in Shingle Springs for \$5,392,500. The County has been leasing this property since October 2012. The purchase was completed in March 2023.



**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - MISCELLANEOUS PLAN**

Last 10 Fiscal Years

Measurement Period	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
<b>Total Pension Liability:</b>								
Service Cost	\$ 15,184,618	\$ 14,680,366	\$ 14,698,937	\$ 14,891,508	\$ 14,801,381	\$ 12,811,520	\$ 12,078,733	\$ 11,725,418
Interest	53,278,314	51,505,279	49,738,994	47,291,119	45,739,429	44,067,819	41,382,955	39,506,575
Changes in Assumptions	-	-	-	(4,046,853)	35,910,002	-	(9,496,499)	-
Differences Between Expected and Actual Experience	(2,194,854)	(2,612,674)	6,865,623	(2,556,049)	(110,058)	9,494,835	(1,425,729)	-
Benefit Payments, Including Refunds of Employee Contributions	(40,205,816)	(38,684,669)	(35,540,665)	(33,891,226)	(30,670,813)	(29,352,908)	(27,100,337)	(25,473,913)
<b>Net Change in Total Pension Liability</b>	<b>26,062,262</b>	<b>24,888,302</b>	<b>35,762,889</b>	<b>21,688,499</b>	<b>65,669,941</b>	<b>37,021,266</b>	<b>15,439,123</b>	<b>25,758,080</b>
<b>Total Pension Liability - Beginning</b>	<b>759,856,691</b>	<b>734,968,389</b>	<b>699,205,500</b>	<b>677,517,001</b>	<b>611,847,060</b>	<b>574,825,794</b>	<b>559,386,671</b>	<b>533,628,591</b>
<b>Total Pension Liability - Ending (a)</b>	<b>785,918,953</b>	<b>759,856,691</b>	<b>734,968,389</b>	<b>699,205,500</b>	<b>677,517,001</b>	<b>611,847,060</b>	<b>574,825,794</b>	<b>559,386,671</b>
<b>Plan Fiduciary Net Position:</b>								
Contributions - Employer	25,181,590	22,808,097	20,095,711	17,626,714	16,577,036	15,708,862	13,708,979	11,938,552
Contributions - Employee	6,866,795	6,609,305	6,627,077	6,262,153	6,205,211	6,021,392	6,127,135	5,440,632
Net Investment Income	117,979,863	25,292,265	31,899,887	38,887,824	47,314,474	2,206,776	9,597,580	64,244,763
Benefit Payments, Including Refunds of Employee Contributions	(40,205,816)	(38,684,669)	(35,540,665)	(33,891,226)	(30,670,813)	(29,352,908)	(27,100,337)	(25,473,913)
Net Plan to Plan Resource Movement	-	(135,720)	297,504	(345,983)	(640,517)	-	-	-
Administrative Expense	(526,893)	(722,195)	(349,141)	(721,176)	(626,961)	(262,260)	(484,087)	-
Other Miscellaneous Income *	-	-	1,136	(1,369,528)	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>109,295,539</b>	<b>15,167,083</b>	<b>23,031,509</b>	<b>26,448,778</b>	<b>38,158,430</b>	<b>(5,678,138)</b>	<b>1,849,270</b>	<b>56,150,034</b>
<b>Plan Fiduciary Net Position - Beginning **</b>	<b>527,451,885</b>	<b>512,284,802</b>	<b>489,253,293</b>	<b>462,804,515</b>	<b>424,646,085</b>	<b>430,324,223</b>	<b>428,474,953</b>	<b>372,324,919</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>636,747,424</b>	<b>527,451,885</b>	<b>512,284,802</b>	<b>489,253,293</b>	<b>462,804,515</b>	<b>424,646,085</b>	<b>430,324,223</b>	<b>428,474,953</b>
<b>Plan Net Pension Liability (Assets) - Ending (a) - (b)</b>	<b>\$ 149,171,529</b>	<b>\$ 232,404,806</b>	<b>\$ 222,683,587</b>	<b>\$ 209,952,207</b>	<b>\$ 214,712,486</b>	<b>\$ 187,200,975</b>	<b>\$ 144,501,571</b>	<b>\$ 130,911,718</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	81.02%	69.41%	69.70%	69.97%	68.31%	69.40%	74.86%	76.60%
<b>Covered Payroll</b>	\$ 93,132,974	\$ 91,924,740	\$ 90,920,794	\$ 89,965,916	\$ 88,269,627	\$ 86,583,597	\$ 82,336,210	\$ 76,231,096
<b>Plan Net Pension Liability as a Percentage of Covered Payroll</b>	160.17%	252.82%	244.92%	233.37%	243.25%	216.21%	175.50%	171.73%

\* During Fiscal Year 2017-2018, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-2018, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No 68., Accounting and Financial Reporting for Pensions (GASB 68).

\*\* Includes any beginning of year adjustments.

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2022**

Benefit Changes: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

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

GASB Statement No. 68 was first implemented during the year ended June 30, 2015.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF PLAN CONTRIBUTIONS - MISCELLANEOUS PLAN**

Last 10 Fiscal Years

Fiscal Year	(restated)		2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
	2021-2022	2020-2021							
Actuarially Determined Contribution	\$ 27,060,953	\$ 25,181,590	\$ 22,808,097	\$ 20,095,711	\$ 17,626,714	\$ 16,577,036	\$ 15,708,862	\$ 13,708,979	\$ 11,938,552
Contribution in Relation to the Actuarially Determined Contribution	(27,060,953)	(25,181,590)	(22,808,097)	(20,095,711)	(17,626,714)	(16,577,036)	(15,708,862)	(13,708,979)	(11,938,552)
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	<b>\$ 96,573,620</b>	<b>\$ 93,132,974</b>	<b>\$ 91,924,740</b>	<b>\$ 90,920,794</b>	<b>\$ 89,965,916</b>	<b>\$ 88,269,627</b>	<b>\$ 86,583,597</b>	<b>\$ 82,336,210</b>	<b>\$ 76,231,096</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>28.021%</b>	<b>27.038%</b>	<b>24.812%</b>	<b>22.102%</b>	<b>19.593%</b>	<b>18.780%</b>	<b>18.143%</b>	<b>16.650%</b>	<b>15.661%</b>

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2022**

Actuarially determined contribution rates are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported.

Valuation Date: June 30, 2019

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Actual
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00%, Net of Investment and Administrative Expenses
Mortality	Post-retirement mortality rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

GASB Statement No. 68 was first implemented during the year ended June 30, 2015.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS - SAFETY PLAN**

Last 10 Fiscal Years

Measurement Period	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
<b>Total Pension Liability:</b>								
Service Cost	\$ 8,850,316	\$ 8,663,299	\$ 8,778,029	\$ 8,809,579	\$ 8,491,956	\$ 7,236,448	\$ 7,200,973	\$ 7,156,945
Interest	29,358,901	28,003,496	26,430,233	24,988,667	23,650,313	22,782,825	21,518,049	20,468,275
Changes in Assumptions	-	-	-	(1,194,377)	20,302,919	-	(5,396,169)	-
Differences Between Expected and Actual Experience	2,463,583	5,584,565	3,544,191	3,624,469	(2,828,359)	2,171,978	(373,791)	-
Benefit Payments, Including Refunds of Employee Contributions	(20,941,191)	(19,593,164)	(17,870,378)	(16,459,423)	(15,566,486)	(14,758,855)	(13,992,567)	(13,019,302)
<b>Net Change in Total Pension Liability</b>	<b>19,731,609</b>	<b>22,658,196</b>	<b>20,882,075</b>	<b>19,768,915</b>	<b>34,050,343</b>	<b>17,432,396</b>	<b>8,956,495</b>	<b>14,605,918</b>
<b>Total Pension Liability - Beginning</b>	<b>414,195,856</b>	<b>391,537,660</b>	<b>370,655,585</b>	<b>350,886,670</b>	<b>316,836,327</b>	<b>299,403,931</b>	<b>290,447,436</b>	<b>275,841,518</b>
<b>Total Pension Liability - Ending (a)</b>	<b>433,927,465</b>	<b>414,195,856</b>	<b>391,537,660</b>	<b>370,655,585</b>	<b>350,886,670</b>	<b>316,836,327</b>	<b>299,403,931</b>	<b>290,447,436</b>
<b>PLAN FIDUCIARY NET POSITION</b>								
Contributions - Employer	16,376,939	14,805,804	13,055,406	11,747,848	11,063,176	9,978,939	9,161,922	8,185,724
Contributions - Employee	3,357,367	3,261,748	3,141,935	2,976,981	3,157,738	2,976,868	2,655,620	2,581,344
Net Investment Income	58,517,917	12,391,539	15,456,819	18,533,469	22,262,639	986,537	4,431,631	29,611,782
Benefit Payments, Including Refunds of Employee Contributions	(20,941,191)	(19,593,164)	(17,870,378)	(16,459,423)	(15,566,486)	(14,758,855)	(13,992,567)	(13,019,302)
Net Plan to Plan Resource Movement	-	144,382	(316,494)	(547)	-	(23,001)	23,897	-
Administrative Expense	(259,918)	(351,784)	(168,583)	(343,496)	(295,008)	(122,361)	(225,994)	-
Other Miscellaneous Income *	-	-	547	(652,305)	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>57,051,114</b>	<b>10,658,525</b>	<b>13,299,252</b>	<b>15,802,527</b>	<b>20,622,059</b>	<b>(961,873)</b>	<b>2,054,509</b>	<b>27,359,548</b>
<b>Plan Fiduciary Net Position - Beginning **</b>	<b>260,193,845</b>	<b>249,535,320</b>	<b>236,236,068</b>	<b>220,433,541</b>	<b>199,811,482</b>	<b>200,773,355</b>	<b>198,718,846</b>	<b>171,359,298</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>317,244,959</b>	<b>260,193,845</b>	<b>249,535,320</b>	<b>236,236,068</b>	<b>220,433,541</b>	<b>199,811,482</b>	<b>200,773,355</b>	<b>198,718,846</b>
<b>Plan Net Pension Liability (Asset) - Ending (a) - (b)</b>	<b>\$ 116,682,506</b>	<b>\$ 154,002,011</b>	<b>\$ 142,002,340</b>	<b>\$ 134,419,517</b>	<b>\$ 130,453,129</b>	<b>\$ 117,024,845</b>	<b>\$ 98,630,576</b>	<b>\$ 91,728,590</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	73.11%	62.82%	63.73%	63.73%	62.82%	63.06%	67.06%	68.42%
<b>Covered Payroll</b>	\$ 33,050,567	\$ 31,840,476	\$ 31,621,802	\$ 31,072,925	\$ 30,429,287	\$ 29,868,120	\$ 28,517,826	\$ 27,344,994
<b>Plan Net Pension Liability as a Percentage of Covered Payroll</b>	353.04%	483.67%	449.06%	432.59%	428.71%	391.81%	345.86%	335.45%

\* During Fiscal Year 2017-2018, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-2018, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No 68., Accounting and Financial Reporting for Pensions (GASB 68).

\*\* Includes any beginning of year adjustments.

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2022**

Benefit Changes: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

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

GASB Statement No. 68 was first implemented during the year ended June 30, 2015.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF PLAN CONTRIBUTIONS - SAFETY PLAN**

Last 10 Fiscal Years

Fiscal Year	(restated)		2019-2020	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
	2021-2022	2020-2021							
Actuarially Determined Contribution	\$ 18,188,379	\$ 16,376,939	\$ 14,805,804	\$ 13,055,406	\$ 11,747,848	\$ 11,063,176	\$ 9,978,939	\$ 9,161,922	\$ 8,185,724
Contribution in Relation to the Actuarially Determined Contribution	(18,188,379)	(16,376,939)	(14,805,804)	(13,055,406)	(11,747,848)	(11,063,176)	(9,978,939)	(9,161,922)	(8,185,724)
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	<b>\$ 34,171,224</b>	<b>\$ 33,050,567</b>	<b>\$ 31,840,476</b>	<b>\$ 31,621,802</b>	<b>\$ 31,072,925</b>	<b>\$ 30,429,287</b>	<b>\$ 29,868,120</b>	<b>\$ 28,517,826</b>	<b>\$ 27,344,994</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>53.227%</b>	<b>49.551%</b>	<b>46.500%</b>	<b>41.286%</b>	<b>37.807%</b>	<b>36.357%</b>	<b>33.410%</b>	<b>32.127%</b>	<b>29.935%</b>

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2022**

Actuarially determined contribution rates are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported.

Valuation Date: June 30, 2019

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Actual
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00%, net of investment and administrative expenses
Mortality	Post-retirement mortality rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

GASB Statement No. 68 was first implemented during the year ended June 30, 2015.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2022**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**

Last 10 Fiscal Years

Measurement Period	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Total OPEB Liability:					
Service Cost	\$ 5,339,022	\$ 4,274,597	\$ 3,982,946	\$ 5,424,074	\$ 6,569,576
Interest	2,476,924	3,277,859	3,262,809	3,679,635	3,131,916
Differences Between Expected and Actual Experience	-	(3,428,537)	-	(12,167,339)	-
Changes in Assumptions or Other Inputs	881,329	16,380,847	4,900,186	(10,801,060)	(12,627,092)
Benefit Payments	<u>(3,111,847)</u>	<u>(3,176,679)</u>	<u>(3,012,908)</u>	<u>(3,320,971)</u>	<u>(2,754,246)</u>
<b>Net Change in Total OPEB Liability</b>	<b>5,585,428</b>	<b>17,328,087</b>	<b>9,133,033</b>	<b>(17,185,661)</b>	<b>(5,679,846)</b>
<b>Total OPEB Liability - Beginning</b>	<b>108,294,946</b>	<b>90,966,859</b>	<b>81,833,826</b>	<b>99,019,487</b>	<b>104,699,333</b>
<b>Total OPEB Liability - Ending</b>	<b><u>\$ 113,880,374</u></b>	<b><u>\$ 108,294,946</u></b>	<b><u>\$ 90,966,859</u></b>	<b><u>\$ 81,833,826</u></b>	<b><u>\$ 99,019,487</u></b>
<b>Covered-Employee Payroll</b>	<b>\$ 53,013,787</b>	<b>\$ 54,535,115</b>	<b>\$ 59,988,545</b>	<b>\$ 66,221,379</b>	<b>\$ 69,517,840</b>
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	<b>214.813%</b>	<b>198.578%</b>	<b>151.640%</b>	<b>123.576%</b>	<b>142.438%</b>

**NOTES TO SCHEDULE FOR THE YEAR ENDED JUNE 30, 2022**

There were no changes of benefit terms.

Changes of Assumptions and other inputs: Changes of assumptions include the reflection of the effects of changes in the discount rate each period. The following are the discount rates used in each measurement period:

2020-2021	2.16%
2019-2020	2.21%
2018-2019	3.50%
2017-2018	3.87%
2016-2017	3.58%
2015-2016	2.85%

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

GASB Statement No. 75 was first implemented during the year ended June 30, 2018.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>BUDGETARY FUND BALANCES, JULY 1</b>	\$ 40,435,537	\$ 44,076,354	\$ 44,076,354	\$ -
<b>RESOURCES (INFLOWS)</b>				
Taxes and Assessments	130,752,150	130,752,150	142,171,497	11,419,347
Licenses, Permits, and Franchises	13,001,170	13,001,170	13,823,289	822,119
Fines, Forfeitures, and Penalties	1,033,670	1,033,670	1,110,438	76,768
Revenue from Use of Money and Property	335,200	335,200	(4,995,721)	(5,330,921)
Intergovernmental Revenues - State	54,688,487	54,891,863	36,767,218	(18,124,645)
Intergovernmental Revenues - Federal	32,081,871	32,210,984	30,686,999	(1,523,985)
Revenue Other Governmental Agencies	9,367,274	9,367,274	9,061,578	(305,696)
Charges for Services	23,221,555	23,552,555	21,435,881	(2,116,674)
Miscellaneous Revenues	1,519,066	1,519,066	1,498,288	(20,778)
Other Financing Sources	49,200,510	50,394,950	43,778,432	(6,616,518)
Total	<u>315,200,953</u>	<u>317,058,882</u>	<u>295,337,899</u>	<u>(21,720,983)</u>
Amounts Available for Appropriations	<u>355,636,490</u>	<u>361,135,236</u>	<u>339,414,253</u>	<u>(21,720,983)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
<u>General Government:</u>				
Board of Supervisors:				
Salaries and employee benefits	1,644,008	1,634,008	1,551,795	82,213
Services and supplies	158,530	159,862	148,942	10,920
Other charges	-	8,668	8,668	-
Intrafund transfers	50,388	50,388	4,661	45,727
Total	<u>1,852,926</u>	<u>1,852,926</u>	<u>1,714,066</u>	<u>138,860</u>
County Administrative Office:				
Salaries and employee benefits	2,044,310	2,184,310	1,850,933	333,377
Services and supplies	414,520	410,072	281,914	128,158
Other charges	-	4,448	4,448	-
Intrafund transfers	75,852	100,852	9,002	91,850
Intrafund abatement	(66,781)	(66,781)	-	(66,781)
Total	<u>2,467,901</u>	<u>2,632,901</u>	<u>2,146,297</u>	<u>486,604</u>
Annual Audit:				
Services and supplies	80,000	80,000	71,100	8,900
Total	<u>80,000</u>	<u>80,000</u>	<u>71,100</u>	<u>8,900</u>
Auditor-Controller:				
Salaries and employee benefits	4,449,379	4,435,379	4,275,342	160,037
Services and supplies	82,872	107,645	101,449	6,196
Other charges	-	2,658	2,658	-
Intrafund transfers	11,367	20,867	20,854	13
Intrafund abatement	(88,150)	(88,150)	(100,039)	11,889
Total	<u>4,455,468</u>	<u>4,478,399</u>	<u>4,300,264</u>	<u>178,135</u>
Treasurer/Tax Collector:				
Salaries and employee benefits	2,583,848	2,583,848	2,495,026	88,822
Services and supplies	631,374	625,044	462,077	162,967
Other charges	-	6,330	6,330	-
Fixed assets	38,618	40,864	8,848	32,016
Other financing uses	5,000	5,000	1,802	3,198
Intrafund transfers	26,532	26,532	21,421	5,111
Intrafund abatement	(393,400)	(393,400)	(388,936)	(4,464)
Total	<u>2,891,972</u>	<u>2,894,218</u>	<u>2,606,568</u>	<u>287,650</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>General Government (Continued):</u>				
Assessor:				
Salaries and employee benefits	\$ 4,606,613	\$ 4,606,613	\$ 4,331,168	\$ 275,445
Services and supplies	172,612	168,446	158,767	9,679
Other charges	500	4,666	4,166	500
Intrafund transfers	10,124	10,124	9,992	132
Total	<u>4,789,849</u>	<u>4,789,849</u>	<u>4,504,093</u>	<u>285,756</u>
Purchasing:				
Salaries and employee benefits	1,312,742	1,312,742	1,166,084	146,658
Services and supplies	55,985	54,441	49,506	4,935
Other charges	-	1,544	1,544	-
Intrafund transfers	90,865	90,865	1,128	89,737
Total	<u>1,459,592</u>	<u>1,459,592</u>	<u>1,218,262</u>	<u>241,330</u>
Revenue Recovery:				
Salaries and employee benefits	56,487	56,487	49,815	6,672
Services and supplies	8,700	8,700	5,720	2,980
Intrafund transfers	-	-	25	(25)
Intrafund abatement	(7,650)	(7,650)	(4,225)	(3,425)
Total	<u>57,537</u>	<u>57,537</u>	<u>51,335</u>	<u>6,202</u>
County Counsel:				
Salaries and employee benefits	3,472,688	3,518,688	3,444,544	74,144
Services and supplies	398,715	395,468	202,693	192,775
Other charges	-	3,247	3,247	-
Fixed assets	-	5,941	5,941	-
Intrafund transfers	6,333	6,333	6,139	194
Intrafund abatement	(25,500)	(25,500)	(50,326)	24,826
Total	<u>3,852,236</u>	<u>3,904,177</u>	<u>3,612,238</u>	<u>291,939</u>
Personnel:				
Salaries and employee benefits	2,112,229	2,012,229	1,722,676	289,553
Services and supplies	383,620	478,971	369,417	109,554
Other charges	-	4,649	4,649	-
Intrafund transfers	74,045	74,045	4,765	69,280
Total	<u>2,569,894</u>	<u>2,569,894</u>	<u>2,101,507</u>	<u>468,387</u>
Elections:				
Salaries and employee benefits	1,165,482	1,165,482	1,121,840	43,642
Services and supplies	2,053,759	2,118,677	1,018,690	1,099,987
Other charges	-	2,898	2,898	-
Intrafund transfers	9,537	9,537	7,311	2,226
Total	<u>3,228,778</u>	<u>3,296,594</u>	<u>2,150,739</u>	<u>1,145,855</u>
Courier and Messenger:				
Salaries and employee benefits	176,770	176,770	198,644	(21,874)
Services and supplies	305,412	296,350	216,562	79,788
Services and supplies abatements	(278,100)	(278,100)	(191,249)	(86,851)
Other charges	-	9,062	9,062	-
Fixed assets	-	41,882	41,882	-
Intrafund transfers	5,200	5,200	25	5,175
Intrafund abatement	(173,926)	(173,926)	(173,926)	-
Total	<u>35,356</u>	<u>77,238</u>	<u>101,000</u>	<u>(23,762)</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>General Government (Continued):</u>				
Building Grounds:				
Salaries and employee benefits	\$ 3,768,981	\$ 3,768,981	\$ 3,519,568	\$ 249,413
Services and supplies	4,314,465	4,244,372	3,699,993	544,379
Other charges	14,000	33,491	34,946	(1,455)
Fixed assets	27,000	97,806	79,819	17,987
Other financing uses	82,000	82,000	39,457	42,543
Intrafund transfers	523,697	523,697	8,523	515,174
Intrafund abatement	(385,130)	(385,130)	(599,742)	214,612
Total	<u>8,345,013</u>	<u>8,365,217</u>	<u>6,782,564</u>	<u>1,582,653</u>
County Promotion:				
Salaries and employee benefits	559,639	559,639	475,846	83,793
Services and supplies	1,207,463	1,207,463	778,881	428,582
Other charges	10,000	10,000	-	10,000
Intrafund transfers	209,990	209,990	137,231	72,759
Intrafund abatement	(1,987,092)	(1,987,092)	(1,391,995)	(595,097)
Total	<u>-</u>	<u>-</u>	<u>(37)</u>	<u>37</u>
Information Services and Support:				
Salaries and employee benefits	6,043,692	5,812,692	5,669,370	143,322
Services and supplies	4,528,764	4,831,075	3,913,309	917,766
Other charges	-	2,689	2,689	-
Fixed assets	597,090	678,090	2,775,391	(2,097,301)
Intrafund transfers	185,507	30,507	5,635	24,872
Total	<u>11,355,053</u>	<u>11,355,053</u>	<u>12,366,394</u>	<u>(1,011,341)</u>
Surveyor:				
Salaries and employee benefits	1,730,004	1,605,004	1,521,525	83,479
Services and supplies	125,632	213,927	125,177	88,750
Other charges	1,500	3,205	2,349	856
Intrafund transfers	27,366	62,366	10,439	51,927
Intrafund abatement	(16,000)	(16,000)	(10,100)	(5,900)
Total	<u>1,868,502</u>	<u>1,868,502</u>	<u>1,649,390</u>	<u>219,112</u>
Central Service Fiscal:				
Salaries and employee benefits	2,228,128	2,228,128	2,090,677	137,451
Services and supplies	22,220	20,676	35,536	(14,860)
Other charges	-	1,544	1,544	-
Intrafund transfers	4,410	4,410	3,385	1,025
Intrafund abatement	(1,799,051)	(1,799,051)	(52,054)	(1,746,997)
Total	<u>455,707</u>	<u>455,707</u>	<u>2,079,088</u>	<u>(1,623,381)</u>
Engineer:				
Salaries and employee benefits	470,263	520,263	490,721	29,542
Services and supplies	189,500	152,500	22,459	130,041
Other charges	429,303	629,303	577,300	52,003
Intrafund transfers	75,500	112,500	102,968	9,532
Total	<u>1,164,566</u>	<u>1,414,566</u>	<u>1,193,448</u>	<u>221,118</u>
Contributions to Other Funds:				
Other financing uses	720,702	720,702	720,702	-
Total	<u>720,702</u>	<u>720,702</u>	<u>720,702</u>	<u>-</u>

See accompanying Notes to Budgetary Comparison Schedule.



**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS) (CONTINUED)</b>				
<u>General Government (Continued):</u>				
Contributions to Other Agencies:				
Other charges	\$ 3,417,110	\$ 3,459,110	\$ 3,396,998	\$ 62,112
Total	<u>3,417,110</u>	<u>3,459,110</u>	<u>3,396,998</u>	<u>62,112</u>
Other General:				
Salaries and employee benefits	9,479,792	9,519,792	9,063,464	456,328
Services and supplies	4,925,847	4,585,560	1,325,983	3,259,577
Services and supplies abatements	(1,673,976)	(1,683,976)	(555,536)	(1,128,440)
Other charges	3,908,408	4,833,004	4,106,961	726,043
Fixed assets	-	36,998	36,998	-
Other financing uses	1,990,000	2,049,000	1,628,205	420,795
Intrafund transfers	4,769,016	4,779,016	3,717,102	1,061,914
Intrafund abatement	(13,050,578)	(13,065,578)	(11,773,125)	(1,292,453)
Total	<u>10,348,509</u>	<u>11,053,816</u>	<u>7,550,052</u>	<u>3,503,764</u>
Other General - SR Fund:				
Services and supplies	71,100	183,473	161,503	21,970
Other financing uses	15,192,723	16,464,005	8,127,474	8,336,531
Total	<u>15,263,823</u>	<u>16,647,478</u>	<u>8,288,977</u>	<u>8,358,501</u>
Total General Government	<u>80,680,494</u>	<u>83,433,476</u>	<u>68,605,045</u>	<u>14,828,431</u>
<u>Public Protection:</u>				
Superior Court				
Salaries and employee benefits	745,941	710,941	583,973	126,968
Services and supplies	1,980,571	1,974,379	1,118,011	856,368
Other charges	-	1,192	1,192	-
Fixed assets	-	7,287	7,287	-
Other financing uses	264,000	264,000	256,082	7,918
Intrafund transfers	56,912	96,912	4,302	92,610
Total	<u>3,047,424</u>	<u>3,054,711</u>	<u>1,970,847</u>	<u>1,083,864</u>
Grand Jury:				
Services and supplies	56,938	55,970	53,979	1,991
Other charges	-	968	968	-
Intrafund transfers	3,062	3,062	2,662	400
Total	<u>60,000</u>	<u>60,000</u>	<u>57,609</u>	<u>2,391</u>
District Attorney:				
Salaries and employee benefits	12,702,329	12,081,833	11,171,623	910,210
Services and supplies	1,935,806	2,222,289	1,667,217	555,072
Other charges	11,700	414,210	408,577	5,633
Fixed assets	-	135,451	134,841	610
Other financing uses	34,000	40,000	-	40,000
Intrafund transfers	312,897	312,897	15,207	297,690
Intrafund abatement	(376,536)	(376,536)	(227,180)	(149,356)
Total	<u>14,620,196</u>	<u>14,830,144</u>	<u>13,170,285</u>	<u>1,659,859</u>
Child Support Services:				
Salaries and employee benefits	3,575,709	3,644,486	3,580,202	64,284
Services and supplies	519,576	195,141	156,129	39,012
Other charges	-	362,135	362,135	-
Intrafund transfers	395,281	395,281	389,760	5,521
Total	<u>4,490,566</u>	<u>4,597,043</u>	<u>4,488,226</u>	<u>108,817</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>Public Protection (Continued):</u>				
Public Defender:				
Salaries and employee benefits	\$ 4,011,071	\$ 4,001,071	\$ 3,831,528	\$ 169,543
Services and supplies	696,330	577,352	439,861	137,491
Other charges	-	118,978	118,978	-
Fixed assets	-	7,137	7,137	-
Intrafund transfers	58,614	68,614	11,879	56,735
Total	4,766,015	4,773,152	4,409,383	363,769
Sheriff - Bailiff:				
Salaries and employee benefits	3,382,829	3,382,829	3,134,892	247,937
Services and supplies	24,678	24,678	22,235	2,443
Intrafund transfers	-	-	496	(496)
Total	3,407,507	3,407,507	3,157,623	249,884
Sheriff:				
Salaries and employee benefits	41,695,846	41,695,846	38,724,112	2,971,734
Services and supplies	8,913,860	8,739,644	7,030,164	1,709,480
Other charges	35,800	263,154	131,481	131,673
Fixed assets	2,368,832	3,002,335	1,999,040	1,003,295
Other financing uses	1,436,000	1,436,000	847,815	588,185
Intrafund transfers	137,209	187,209	171,115	16,094
Intrafund abatement	(327,628)	(327,628)	(279,108)	(48,520)
Total	54,259,919	54,996,560	48,624,619	6,371,941
Central Dispatch:				
Salaries and employee benefits	399,942	399,942	396,875	3,067
Services and supplies	101,450	94,910	111,061	(16,151)
Other charges	-	6,540	6,540	-
Fixed assets	510,000	510,000	-	510,000
Intrafund transfers	-	-	25	(25)
Intrafund abatement	(2,500)	(2,500)	(1,853)	(647)
Total	1,008,892	1,008,892	512,648	496,244
Jail:				
Salaries and employee benefits	15,983,371	15,983,371	15,888,246	95,125
Services and supplies	2,231,300	2,222,151	2,226,093	(3,942)
Other charges	5,000	14,149	13,021	1,128
Fixed assets	55,000	71,101	16,101	55,000
Other financing uses	18,675,000	18,675,000	133,344	18,541,656
Intrafund transfers	105,000	105,000	119,743	(14,743)
Total	37,054,671	37,070,772	18,396,548	18,674,224
Juvenile Hall:				
Salaries and employee benefits	4,242,286	4,242,286	4,075,751	166,535
Services and supplies	772,200	768,840	700,839	68,001
Other charges	-	3,360	3,360	-
Fixed assets	55,600	55,600	-	55,600
Other financing uses	15,000	77,000	75,858	1,142
Intrafund transfers	12,558	47,558	23,942	23,616
Total	5,097,644	5,194,644	4,879,750	314,894

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>Public Protection (Continued):</u>				
Probation:				
Salaries and employee benefits	\$ 11,329,906	\$ 11,329,906	\$ 10,910,854	\$ 419,052
Services and supplies	2,492,537	2,156,103	1,898,875	257,228
Other charges	392,400	693,834	389,344	304,490
Fixed assets	132,000	76,785	6,784	70,001
Intrafund transfers	20,973	20,973	33,164	(12,191)
Total	<u>14,367,816</u>	<u>14,277,601</u>	<u>13,239,021</u>	<u>1,038,580</u>
Agricultural Commissioner:				
Salaries and employee benefits	1,351,902	1,354,385	1,345,648	8,737
Services and supplies	281,619	285,731	217,257	68,474
Other charges	278,535	281,694	279,379	2,315
Intrafund transfers	3,836	4,038	3,945	93
Total	<u>1,915,892</u>	<u>1,925,848</u>	<u>1,846,229</u>	<u>79,619</u>
Building Inspector:				
Salaries and employee benefits	6,567,010	6,936,110	6,205,218	730,892
Services and supplies	1,204,766	1,246,825	723,555	523,270
Other charges	-	37,541	39,277	(1,736)
Fixed assets	12,000	12,000	10,412	1,588
Other financing uses	124,000	124,000	1,082	122,918
Intrafund transfers	2,926,994	3,056,994	2,234,770	822,224
Intrafund abatement	(364,107)	(364,107)	(249,644)	(114,463)
Total	<u>10,470,663</u>	<u>11,049,363</u>	<u>8,964,670</u>	<u>2,084,693</u>
Coroner:				
Salaries and employee benefits	1,293,244	1,293,244	1,332,427	(39,183)
Services and supplies	800,350	800,350	736,310	64,040
Intrafund transfers	600	600	175	425
Total	<u>2,094,194</u>	<u>2,094,194</u>	<u>2,068,912</u>	<u>25,282</u>
Emergency Services:				
Salaries and employee benefits	960,134	960,134	953,668	6,466
Services and supplies	93,000	93,000	106,151	(13,151)
Other charges	1,200	1,200	16,139	(14,939)
Fixed assets	112,000	112,000	402,892	(290,892)
Other financing uses	29,725	29,725	-	29,725
Intrafund transfers	900	900	1,692	(792)
Total	<u>1,196,959</u>	<u>1,196,959</u>	<u>1,480,542</u>	<u>(283,583)</u>
Recorder - Clerk:				
Salaries and employee benefits	1,257,575	1,228,074	951,567	276,507
Services and supplies	253,430	248,793	187,107	61,686
Other charges	-	80,066	4,637	75,429
Fixed assets	-	29,501	29,501	-
Intrafund transfers	51,385	51,385	29,218	22,167
Total	<u>1,562,390</u>	<u>1,637,819</u>	<u>1,202,030</u>	<u>435,789</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>Public Protection (Continued):</u>				
Planning and Zoning:				
Salaries and employee benefits	\$ 3,784,392	\$ 3,992,292	\$ 3,262,844	\$ 729,448
Services and supplies	3,557,744	3,896,367	1,356,296	2,540,071
Other charges	167,000	182,877	158,128	24,749
Fixed assets	175,000	175,000	-	175,000
Intrafund transfers	4,724	4,724	15,519	(10,795)
Intrafund abatement	(505,500)	(505,500)	(396,991)	(108,509)
Total	<u>7,183,360</u>	<u>7,745,760</u>	<u>4,395,796</u>	<u>3,349,964</u>
Animal Control:				
Salaries and employee benefits	1,979,324	1,929,324	1,819,781	109,543
Services and supplies	662,360	768,219	734,608	33,611
Other charges	6,080	11,221	6,297	4,924
Fixed assets	70,000	86,732	16,732	70,000
Other financing uses	163,391	163,391	115,673	47,718
Intrafund transfers	1,095,505	1,145,505	1,055,129	90,376
Intrafund abatement	-	-	(5,186)	5,186
Total	<u>3,976,660</u>	<u>4,104,392</u>	<u>3,743,034</u>	<u>361,358</u>
Public Guardian:				
Salaries and employee benefits	1,265,353	1,265,353	1,228,152	37,201
Services and supplies	419,724	459,909	348,434	111,475
Other charges	50,000	87,781	59,736	28,045
Fixed assets	-	1,213	1,213	-
Intrafund transfers	393,795	398,795	393,042	5,753
Total	<u>2,128,872</u>	<u>2,213,051</u>	<u>2,030,577</u>	<u>182,474</u>
Cemeteries:				
Salaries and employee benefits	197,273	197,273	174,748	22,525
Services and supplies	113,670	113,670	64,706	48,964
Intrafund transfers	78,612	78,612	61,485	17,127
Total	<u>389,555</u>	<u>389,555</u>	<u>300,939</u>	<u>88,616</u>
Total Public Protection	<u>173,099,195</u>	<u>175,627,967</u>	<u>138,939,288</u>	<u>36,688,679</u>
<u>Health and Sanitation:</u>				
Public Health:				
Salaries and employee benefits	1,388,593	1,388,593	1,095,660	292,933
Services and supplies	728,935	713,391	485,213	228,178
Other charges	-	1,544	1,544	-
Other financing uses	-	14,000	13,976	24
Intrafund transfers	662,186	662,186	274,663	387,523
Intrafund abatement	(208,016)	(208,016)	(148,371)	(59,645)
Total	<u>2,571,698</u>	<u>2,571,698</u>	<u>1,722,685</u>	<u>849,013</u>
Environmental Management:				
Salaries and employee benefits	2,477,973	2,579,973	2,183,135	396,838
Services and supplies	198,622	176,737	122,154	54,583
Other charges	300	22,185	22,061	124
Fixed assets	34,000	46,362	12,362	34,000
Intrafund transfers	188,986	188,986	3,252	185,734
Total	<u>2,899,881</u>	<u>3,014,243</u>	<u>2,342,964</u>	<u>671,279</u>
Total Health and Sanitation	<u>5,471,579</u>	<u>5,585,941</u>	<u>4,065,649</u>	<u>1,520,292</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS</b>				
<b>(OUTFLOWS) (CONTINUED)</b>				
<u>Public Assistance:</u>				
Welfare Administration:				
Salaries and employee benefits	\$ 25,244,917	\$ 25,310,917	\$ 24,434,716	\$ 876,201
Services and supplies	3,028,466	2,962,729	1,684,463	1,278,266
Other charges	4,373,742	4,439,479	2,674,773	1,764,706
Fixed assets	-	11,876	11,876	-
Other financing uses	100,000	100,000	-	100,000
Intrafund transfers	7,064,557	7,064,557	6,827,741	236,816
Total	<u>39,811,682</u>	<u>39,889,558</u>	<u>35,633,569</u>	<u>4,255,989</u>
Social Services Programs:				
Salaries and employee benefits	87,224	87,224	156,247	(69,023)
Services and supplies	16,383	16,383	34,234	(17,851)
Other charges	3,490,157	3,490,157	3,799,634	(309,477)
Intrafund transfers	91,394	91,394	58,031	33,363
Total	<u>3,685,158</u>	<u>3,685,158</u>	<u>4,048,146</u>	<u>(362,988)</u>
Categorical Aids:				
Other charges	22,963,162	22,963,162	19,275,376	3,687,786
Total	<u>22,963,162</u>	<u>22,963,162</u>	<u>19,275,376</u>	<u>3,687,786</u>
Aid to Indigents:				
Services and supplies	5,600	5,600	6,000	(400)
Other charges	235,000	235,000	247,888	(12,888)
Intrafund transfers	-	-	3,120	(3,120)
Total	<u>240,600</u>	<u>240,600</u>	<u>257,008</u>	<u>(16,408)</u>
Veterans' Services:				
Salaries and employee benefits	614,853	614,853	494,612	120,241
Services and supplies	90,923	87,704	84,639	3,065
Other charges	-	3,219	3,219	-
Intrafund transfers	100,286	100,286	90,519	9,767
Intrafund abatement	(90,700)	(90,700)	(90,700)	-
Total	<u>715,362</u>	<u>715,362</u>	<u>582,289</u>	<u>133,073</u>
Total Public Assistance	<u>67,415,964</u>	<u>67,493,840</u>	<u>59,796,388</u>	<u>7,697,452</u>
<u>Education:</u>				
County Library:				
Salaries and employee benefits	3,398,880	3,427,880	3,057,997	369,883
Services and supplies	1,019,082	955,469	828,094	127,375
Other charges	-	63,613	63,613	-
Fixed assets	-	5,547	5,547	-
Other financing uses	115,000	115,000	113,485	1,515
Intrafund transfers	57,542	57,542	18,488	39,054
Total	<u>4,590,504</u>	<u>4,625,051</u>	<u>4,087,224</u>	<u>537,827</u>
Total Education	<u>4,590,504</u>	<u>4,625,051</u>	<u>4,087,224</u>	<u>537,827</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS) (CONTINUED)</b>				
<u>Recreation and Cultural Services:</u>				
Recreation:				
Salaries and employee benefits	\$ 667,343	\$ 667,343	\$ 509,441	\$ 157,902
Services and supplies	1,360,252	1,349,830	894,298	455,532
Other charges	100,200	110,622	106,753	3,869
Fixed assets	2,541,269	2,666,269	207,894	2,458,375
Intrafund transfers	139,708	139,708	29,493	110,215
Intrafund abatement	(250,000)	(250,000)	-	(250,000)
Total	<u>4,558,772</u>	<u>4,683,772</u>	<u>1,747,879</u>	<u>2,935,893</u>
Historical Museum:				
Salaries and employee benefits	124,942	124,942	128,534	(3,592)
Services and supplies	45,625	44,995	22,490	22,505
Other charges	-	630	630	-
Intrafund transfers	-	-	317	(317)
Total	<u>170,567</u>	<u>170,567</u>	<u>151,971</u>	<u>18,596</u>
Total Recreation and Cultural Services	<u>4,729,339</u>	<u>4,854,339</u>	<u>1,899,850</u>	<u>2,954,489</u>
<u>Contingency:</u>				
Appropriation for contingencies	<u>19,649,415</u>	<u>19,514,622</u>	<u>-</u>	<u>19,514,622</u>
Total	<u>19,649,415</u>	<u>19,514,622</u>	<u>-</u>	<u>19,514,622</u>
Total Contingency	<u>19,649,415</u>	<u>19,514,622</u>	<u>-</u>	<u>19,514,622</u>
Total Charges to Appropriations	<u>355,636,490</u>	<u>361,135,236</u>	<u>277,393,444</u>	<u>83,741,792</u>
<b>BUDGETARY FUND BALANCES, JUNE 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,020,809</u>	<u>\$ 62,020,809</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2022**

An explanation of the differences between budgetary inflows and outflows, and GAAP revenues and expenditures:

Sources/Inflows of Resources:

Actual amount (budgetary basis) "available for appropriations" from the budgetary comparison schedule	\$ 339,414,253
Difference budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(44,076,354)
Transfers in from other funds are inflows of budgetary resources, but are not revenues for financial reporting purposes	(41,107,167)
Interfund revenues from other governmental funds are inflows of budgetary resources, but are eliminated for financial reporting purposes	(9,405,806)
Proceeds from the lease agreements are not revenues for financial reporting purposes	(254,798)
Proceeds from the software licensing agreements are not revenues for financial reporting purposes	(2,415,677)
Proceeds from the sale of capital assets are not revenues for financial reporting purposes	<u>(790)</u>
 Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	 <u><u>\$ 242,153,661</u></u>

Uses/Outflows of Resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 277,393,444
Difference budget to GAAP:	
Transfers out to other funds are outflows of budgetary resources, but are not expenditures for financial reporting purposes	(12,074,955)
Interfund expenditures to other governmental funds are outflows of budgetary resources, but are eliminated for financial reporting purposes	<u>(9,405,806)</u>
 Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	 <u><u>\$ 255,912,683</u></u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
ROAD FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>BUDGETARY FUND BALANCES, JULY 1</b>	\$ 5,825,079	\$ 5,825,079	\$ 5,825,079	\$ -
<b>RESOURCES (INFLOWS)</b>				
Taxes and Assessments	148,000	185,000	41,110	(143,890)
Licenses, Permits, and Franchises	680,000	680,000	1,439,161	759,161
Revenue from Use of Money and Property	(25,599)	(25,599)	(368,570)	(342,971)
Intergovernmental Revenues - State	11,456,134	11,456,134	9,023,855	(2,432,279)
Intergovernmental Revenues - Federal	21,785,336	22,599,950	7,444,564	(15,155,386)
Revenue from Other Governmental Agencies	-	107,855	-	(107,855)
Charges for Services	3,942,179	4,142,179	3,778,559	(363,620)
Miscellaneous Revenues	806,551	1,019,201	664,635	(354,566)
Other Financing Sources	31,820,565	36,437,399	25,932,485	(10,504,914)
Total	<u>70,613,166</u>	<u>76,602,119</u>	<u>47,955,799</u>	<u>(28,646,320)</u>
Amounts Available for Appropriations	<u>76,438,245</u>	<u>82,427,198</u>	<u>53,780,878</u>	<u>(28,646,320)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
<u>Public Ways and Facilities:</u>				
Salaries and employee benefits	17,769,928	18,001,900	15,743,528	2,258,372
Services and supplies	40,123,827	42,046,219	17,529,623	24,516,596
Other charges	5,498,012	5,762,089	4,400,311	1,361,778
Fixed assets	7,054,972	9,205,972	5,388,826	3,817,146
Other financing uses	45,000	3,349,019	3,344,712	4,307
Intrafund abatement	(300,832)	(401,154)	(388,968)	(12,186)
Appropriation for contingencies	6,247,338	4,463,153	-	4,463,153
Total Public Ways and Facilities	<u>76,438,245</u>	<u>82,427,198</u>	<u>46,018,032</u>	<u>36,409,166</u>
Total Charges to Appropriations	<u>76,438,245</u>	<u>82,427,198</u>	<u>46,018,032</u>	<u>36,409,166</u>
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,762,846</u>	<u>\$ 7,762,846</u>

See accompanying Notes to Budgetary Comparison Schedule.



**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
ROAD FUND  
YEAR ENDED JUNE 30, 2022**

An explanation of the differences between budgetary inflows and outflows, and GAAP revenues and expenditures:

Sources/Inflows of Resources:

Actual amount (budgetary basis) "available for appropriations" from the budgetary comparison schedule	\$ 53,780,878
Difference budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(5,825,079)
Transfers in from other funds are inflows of budgetary resources, but are not revenues for financial reporting purposes	(25,501,151)
Interfund revenues from other governmental funds are inflows of budgetary resources, but are eliminated for financial reporting purposes	(1,049,883)
Proceeds from the sale of capital assets are not revenues for financial reporting purposes	(194,512)
Proceeds from insurance are not revenues for financial reporting purposes	<u>(236,822)</u>

Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	<u><u>\$ 20,973,431</u></u>
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Uses/Outflows of Resources:

Actual amount (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	\$ 46,018,032
Difference budget to GAAP:	
Transfers out to other funds are outflows of budgetary resources, but are not expenditures for financial reporting purposes	(3,344,712)
Interfund expenditures to other governmental funds are outflows of budgetary resources, but are eliminated for financial reporting purposes	<u>(1,049,883)</u>

Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds	<u><u>\$ 41,623,437</u></u>
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See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
AMERICAN RESCUE PLAN ACT FUND  
YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>BUDGETARY FUND BALANCES, JULY 1</b>	\$ -	\$ -	\$ -	\$ -
<b>RESOURCES (INFLOWS)</b>				
Intergovernmental Revenues - Federal	-	18,728,746	5,126,400	(13,602,346)
Total	-	18,728,746	5,126,400	(13,602,346)
Amounts Available for Appropriations	-	18,728,746	5,126,400	(13,602,346)
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
<u>General Government:</u>				
Services and supplies	-	14,283,666	1,415,931	12,867,735
Other charges	-	982,409	247,798	734,611
Total General Government	-	15,266,075	1,663,729	13,602,346
<u>Public Protection:</u>				
Salaries and employee benefits	-	27,802	27,802	-
Total Public Protection	-	27,802	27,802	-
<u>Health and Sanitation:</u>				
Services and supplies	-	3,419,388	3,419,388	-
Other charges	-	15,481	15,481	-
Total Health and Sanitation	-	3,434,869	3,434,869	-
 Total Charges to Appropriations	-	18,728,746	5,126,400	13,602,346
<b>BUDGETARY FUND BALANCE, JUNE 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Budgetary Comparison Schedule.

**COUNTY OF EL DORADO  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
YEAR ENDED JUNE 30, 2022**

**BUDGETARY BASIS OF ACCOUNTING**

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

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the object level within budget units for the County. The object level within a budget unit is the level at which expenditures may legally not exceed appropriations. The County Administrator approves any budget amendments transferring appropriation within object categories such as salaries and benefits or services and supplies. In addition, the County Administrator also approves budget amendments transferring appropriations between object categories. The Board of Supervisors approves budget amendments transferring appropriations between budget units, departments, or funds. The Board of Supervisors also approves appropriations from unappropriated reserves and unanticipated revenues received during the year. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year.

The County uses an encumbrances system as an extension of normal budgetary accounting for the general, special revenue, and debt service funds and to assist in controlling expenditures of the 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 year-end are reported as part of the restricted, committed, or assigned fund balances since they do not constitute expenditures or liabilities. Encumbrances are combined with expenditures for budgetary comparison purposes. Unencumbered appropriation lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

The budgets for 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 (an example would be the General Fund).

The amounts reported in the budgetary basis differ from the basis used to present the basic financial statements in accordance with generally accepted accounting principles (GAAP). Annual budgets are prepared on the modified accrual basis of accounting except that current year encumbrances are budgeted as expenditures.

**COUNTY OF EL DORADO  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICES FUNDS  
YEAR ENDED JUNE 30, 2022**

	<b>Fleet Management</b>	<b>Risk Management Authority</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 2,333,068	\$ 29,186,649	\$ 31,519,717
Accounts Receivable	-	300,231	300,231
Deposits	-	83,100	83,100
Inventories	39,924	-	39,924
Prepaid Expenses	972	2,544,397	2,545,369
<b>Total Current Assets</b>	<u>2,373,964</u>	<u>32,114,377</u>	<u>34,488,341</u>
Capital Assets:			
Land	40,000	-	40,000
Structures and Improvements	213,088	-	213,088
Equipment	16,442,845	1,920	16,444,765
Accumulated Depreciation	<u>(6,589,475)</u>	<u>(1,920)</u>	<u>(6,591,395)</u>
<b>Total Capital Assets, Net of     Accumulated Depreciation</b>	<u>10,106,458</u>	<u>-</u>	<u>10,106,458</u>
<b>Total Assets</b>	<u>12,480,422</u>	<u>32,114,377</u>	<u>44,594,799</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	166,360	434,192	600,552
Salaries and Benefits Payable	10,283	29,170	39,453
Liability for Self-Insurance	-	2,765,531	2,765,531
Compensated Absences - Due in One Year	<u>3,620</u>	<u>9,610</u>	<u>13,230</u>
<b>Total Current Liabilities</b>	<u>180,263</u>	<u>3,238,503</u>	<u>3,418,766</u>
Long-Term Liabilities:			
Liability for Self-Insurance	-	10,410,469	10,410,469
Compensated Absences - Due Beyond One Year	<u>36,605</u>	<u>97,164</u>	<u>133,769</u>
<b>Total Long-Term Liabilities</b>	<u>36,605</u>	<u>10,507,633</u>	<u>10,544,238</u>
<b>Total Liabilities</b>	<u>216,868</u>	<u>13,746,136</u>	<u>13,963,004</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	10,106,458	-	10,106,458
Restricted for General Government and Support Programs	2,800,621	-	2,800,621
Unrestricted	<u>(643,525)</u>	<u>18,368,241</u>	<u>17,724,716</u>
<b>Total Net Position</b>	<u>\$ 12,263,554</u>	<u>\$ 18,368,241</u>	<u>\$ 30,631,795</u>

**COUNTY OF EL DORADO  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
INTERNAL SERVICES FUNDS  
YEAR ENDED JUNE 30, 2022**

	<b>Fleet Management</b>	<b>Risk Management Authority</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Service Fees	\$ 2,312,000	\$ 35,115,754	\$ 37,427,754
<b>Total Operating Revenues</b>	<u>2,312,000</u>	<u>35,115,754</u>	<u>37,427,754</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	336,092	873,108	1,209,200
Services and Supplies	747,127	38,798,634	39,545,761
Depreciation	877,338	255	877,593
<b>Total Operating Expenses</b>	<u>1,960,557</u>	<u>39,671,997</u>	<u>41,632,554</u>
<b>OPERATING INCOME (LOSS)</b>	<u>351,443</u>	<u>(4,556,243)</u>	<u>(4,204,800)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	(74,943)	(878,874)	(953,817)
Gain (Loss) on Sale of Capital Assets	(6,604)	-	(6,604)
Miscellaneous Nonoperating Revenue	92,943	824,110	917,053
<b>Total Nonoperating Revenues (Expenses)</b>	<u>11,396</u>	<u>(54,764)</u>	<u>(43,368)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>362,839</u>	<u>(4,611,007)</u>	<u>(4,248,168)</u>
<b>TRANSFERS</b>			
Transfers In	1,045,504	-	1,045,504
<b>Total Transfers</b>	<u>1,045,504</u>	<u>-</u>	<u>1,045,504</u>
<b>CHANGE IN NET POSITION</b>	1,408,343	(4,611,007)	(3,202,664)
<b>Net Position - Beginning of Year</b>	<u>10,855,211</u>	<u>22,979,248</u>	<u>33,834,459</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 12,263,554</u>	<u>\$ 18,368,241</u>	<u>\$ 30,631,795</u>

**COUNTY OF EL DORADO  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICES FUNDS  
YEAR ENDED JUNE 30, 2022**

	<b>Fleet Management</b>	<b>Risk Management Authority</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts from Internal Fund Services Provided	\$ 2,312,000	\$ 35,069,808	\$ 37,381,808
Cash Paid to Suppliers for Goods and Services	(613,781)	(40,378,328)	(40,992,109)
Cash Paid to Employees for Services	(325,883)	(831,197)	(1,157,080)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>1,372,336</u>	<u>(6,139,717)</u>	<u>(4,767,381)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Received from (Paid to) Other Funds	1,045,504	-	1,045,504
Nonoperating Receipts	92,943	824,110	917,053
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>1,138,447</u>	<u>824,110</u>	<u>1,962,557</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from Sale of Capital Assets	103,844	-	103,844
Payments Related to the Acquisition of Capital Assets	(3,276,781)	-	(3,276,781)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(3,172,937)</u>	<u>-</u>	<u>(3,172,937)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	(74,943)	(878,874)	(953,817)
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>(74,943)</u>	<u>(878,874)</u>	<u>(953,817)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(737,097)	(6,194,481)	(6,931,578)
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>3,070,165</u>	<u>35,381,130</u>	<u>38,451,295</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,333,068</u>	<u>\$ 29,186,649</u>	<u>\$ 31,519,717</u>

**COUNTY OF EL DORADO  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICES FUNDS  
YEAR ENDED JUNE 30, 2022**

	<b>Fleet Management</b>	<b>Risk Management Authority</b>	<b>Total</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 351,443	\$ (4,556,243)	\$ (4,204,800)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	877,338	255	877,593
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	-	(45,946)	(45,946)
Inventory	(2,604)	-	(2,604)
Deposits and Prepaid Expenses	(972)	75,932	74,960
Increase (Decrease) in:			
Accounts Payable	136,922	(626)	136,296
Salaries Payable	1,862	10,058	11,920
Liability for Compensated Absences	8,347	31,853	40,200
Liability for Self-Insurance	-	(1,655,000)	(1,655,000)
 <b>Net Cash Provided (Used) by Operating Activities</b>	 <b>\$ 1,372,336</b>	 <b>\$ (6,139,717)</b>	 <b>\$ (4,767,381)</b>



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