

# COUNTY *of* SHASTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2018

BRIAN MUIR,  
AUDITOR-CONTROLLER











**County of Shasta, California**  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 2018**

**Prepared under the direction of Brian Muir, Auditor-Controller**







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## **INTRODUCTORY SECTION**

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# SHASTA COUNTY

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## OFFICE OF THE AUDITOR-CONTROLLER

1450 Court Street, Suite 238  
Redding, California 96001  
Phone (530) 225-5771

**BRIAN MUIR**  
AUDITOR-CONTROLLER

**NOLDA SHORT**  
ASST. AUDITOR-CONTROLLER

December 10, 2018

To the Honorable Members of the Board of Supervisors,  
Citizens of Shasta County:

In accordance with Sections 25250 and 25253 of the Government Code of California, we are pleased to present the Comprehensive Annual Financial Report (CAFR) of the County of Shasta (the County) for the fiscal year ended June 30, 2018. These statutes require that the County publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The County's employees remain committed to reach and maintain the highest possible standards in financial reporting now and in the future.

This report was prepared by the County Auditor-Controller's staff in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB) and GAAP.

Management assumes full responsibility for the completeness, accuracy, and reliability of the information contained in this report, based upon a comprehensive framework of internal control established for this purpose. As the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Management asserts that, to the best of our knowledge, the information presented in this report is accurate in all material respects and presents fairly the financial position of the various funds of the County, including all disclosures necessary to understand the County's activities.

The County's financial statements have been audited by CliftonLarsonAllen LLP, a registered public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2018 are fairly presented in conformity with GAAP, and are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates. The independent auditor rendered an unqualified opinion on



the County's financial statements for the fiscal year ended June 30, 2018. The independent auditor's report is presented in the first component of the financial section of this report.

The CAFR represents the culmination of all budgeting and accounting activities engaged in by management during the fiscal year. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A), which is presented after the independent auditor's report. This letter of transmittal is designed to complement the MD&A, and therefore should be read in conjunction with it.

### **Profile of Shasta County**

The County of Shasta was established in 1850 as a general law county and was one of the State's original 27 counties. The County is located at the northern end of the Sacramento Valley and covers approximately 3,850 square miles and contains more than 2.46 million acres. The County is the 31<sup>st</sup> most populous county in the State with a population of approximately 178,271 as of January 1, 2018. The City of Redding is the County seat. The County occupies the northern reaches of the Sacramento Valley, with portions extending into the southern reaches of the Cascade Range. The County was named after Mount Shasta as it was originally within the County, but it is now part of Siskiyou County, to the north. Its 14,179-foot (4,322 m) peak is visible throughout most of Shasta County.

As required by State and federal mandate, the County is responsible at the local level for activities involving public welfare, health and justice (including jails) and for the maintenance of public records. The County also provides services such as law enforcement and public works to cities within the County on a cost-recovery contract basis. The County also operates recreational and cultural facilities serving both the incorporated and unincorporated areas of the County.

A five-member County Board of Supervisors is the legislative authority and governance for the County. Each supervisor is elected to a four-year term in nonpartisan districts. The terms are staggered with two supervisors being elected then three supervisors being elected in alternating election years. The Board is responsible among other things, for establishing ordinances, adopting the budget, appointing committees, and hiring the County Executive Officer and non-elected department heads. The County Executive Officer is responsible for carrying out the policies and ordinances of the Board and for overseeing the day-to-day operations of the County. The County has six elected department heads responsible for the offices of the Auditor-Controller, Treasurer-Tax Collector-Public Administrator, Assessor-Recorder, County Clerk-Registrar of Voters, District Attorney and Sheriff-Coroner.

The annual budget serves as the foundation for the County's financial planning and control. The County Budget Act, as presented in California Government Code sections 29000 and 30200, provides the general provisions and requirements for preparing and approving the County budget. All County departments are required to submit budget requests to the County Executive Officer, and then they are compiled into a proposed budget by the Auditor-Controller. The budgets are then submitted for approval by the Board, with a recommendation by the County Executive Officer. Public Hearings are set in June with the Board adopting the adopted budget before the start of the next fiscal year. During the year, department heads

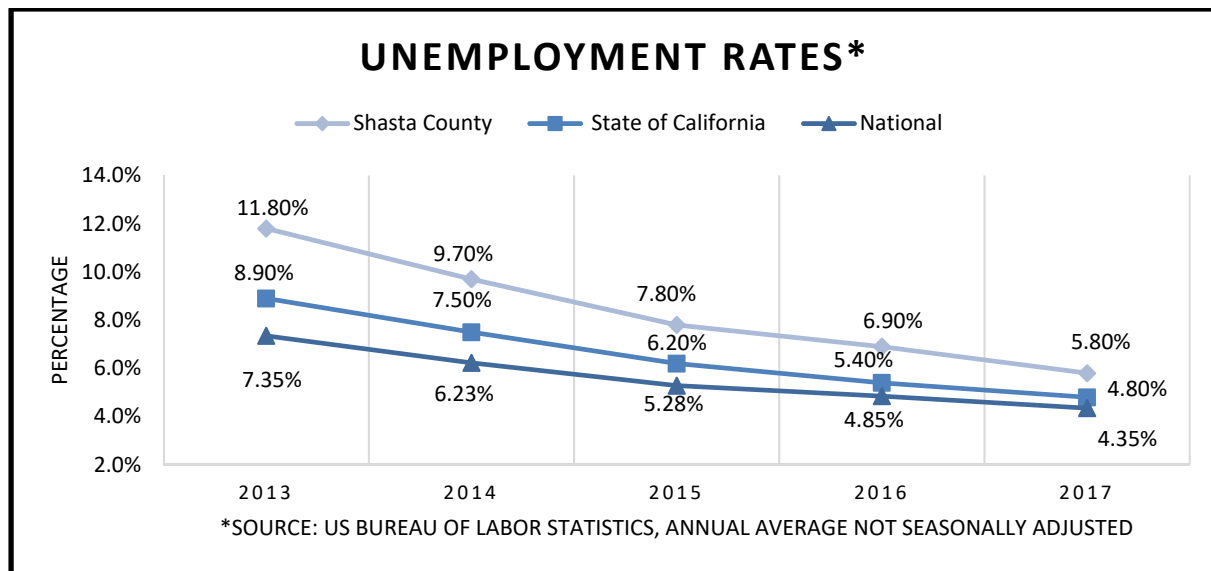
may make transfers of appropriations within a division with the approval of the County Executive Officer and Auditor-Controller. Transfers of appropriations between departments or increases in the budget from new revenue sources, reserves and/or contingencies require Board of Supervisors approval.

### Economic Overview

While the County continues to lag behind the State in economic growth, recovery from the 2007 recession is improving based on positive employment rate figures and continued growth in property tax valuations. The impact from the July/August wildfires is unknown at this time, but will be an issue for the County for many years due to decreased property values in the affected areas.

#### *Employment:*

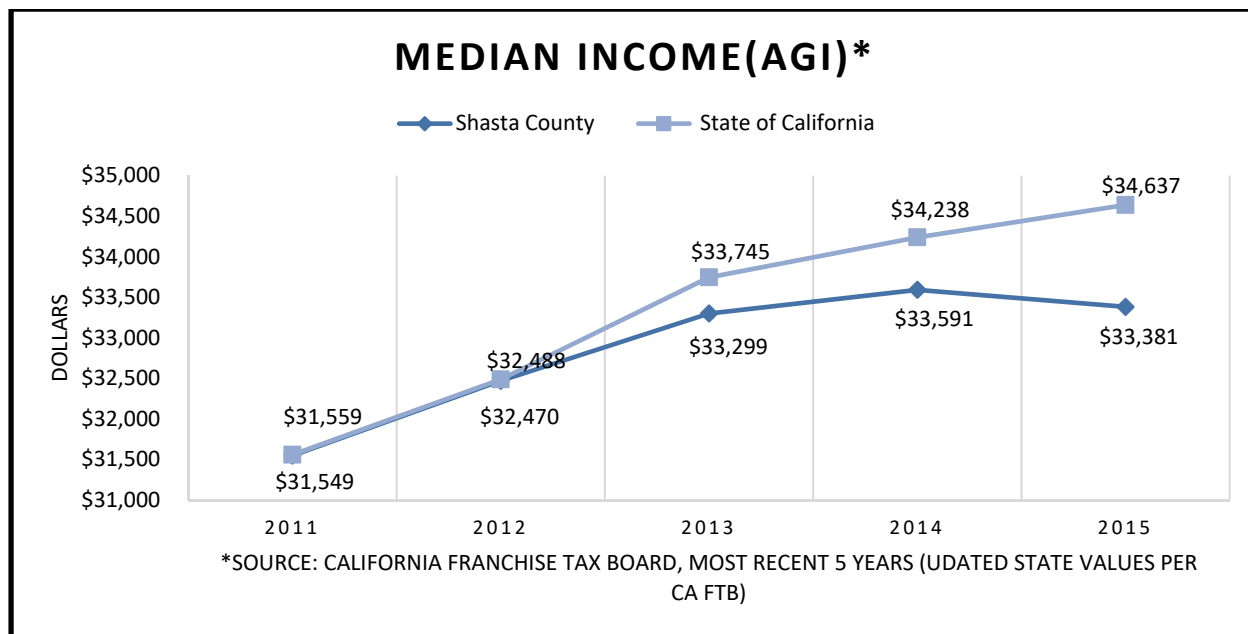
Shasta County's employment rate has recovered to pre-recession levels, but the number of people in the workforce has not recovered, indicating that the County has not fully recovered from the recession. Average unemployment in the County for 2017 was 5.8%, which is higher than the state rate of 4.8%. While Shasta County's unemployment rate is higher than the state average, it is lower than the average for the six adjacent counties (Siskiyou, Trinity, Tehama, Plumas, Lassen, and Modoc) which was 6.8%.



Total wage and salary employment is expected to increase on average of 0.6% per year through 2021.

#### *Growth:*

Overall economic job growth is predicted to increase 3.0% from 2016-2021, led by retail sales growth of 5.9%. The fastest growing job sector over the same period is expected to be Professional Services. As a result of the expected growth, the personal income is expected to rise by 6.8%.



*Income:*

Median income of \$33,381, as reported to the Franchise Tax Board, decreased 0.6% from 2014 to 2015 (the most recent data from FTB) for the residents of Shasta County. Shasta County 2015 median income was approximately 3.76% lower than the State median. Shasta County ranked 36<sup>th</sup> out of 58 counties when comparing annual income in 2015; in 2014 we were ranked 31<sup>st</sup>, representing a decline.

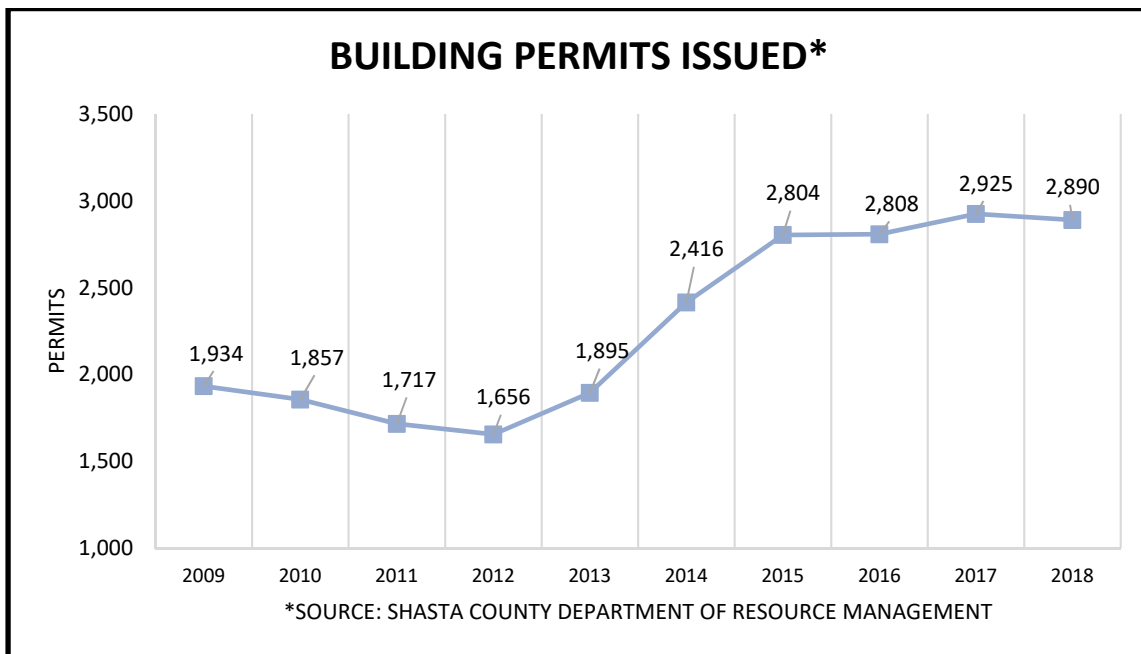
Inflation-adjusted salaries are expected to rise slowly, increasing by an average of 0.7% per year through 2021.

*Real Estate:*

- The national, state, and local economic downturn that resulted in a decline in property values has stabilized. The County has seen an increase in the assessed roll for property tax since 2013 with a 3.82% increase for 2018. Sales tax increased by approximately \$0.9M from 2017 to 2018 signifying more consumer confidence and increased spending. Shasta County discretionary revenue finally began to stabilize in FY 2014-15 after several years of decline. Discretionary property tax revenue receipts were \$28.5M in 2017, compared to \$29.3 in 2018, an increase of 2.80% over the prior year.
- The median home prices increased from \$236,700 to \$251,200 from 2017 to 2018, an increase of 7.0%. County-wide home sales have been assisted by historically low mortgage rates and low inventory.



- Building permits issued decreased 1.20% from 2017 to 2018 with 2,925 and 2,890 issued, respectively.



*Tourism:*

Among the tourist attractions in Shasta County are Shasta Lake, Lassen Peak, Burney Falls, Castle Crags, Whiskeytown Lake and the Sundial Bridge.

2017's record precipitation that led to full reservoirs has continued to fuel the tourism industry. Lake Shasta, the largest reservoir in the State, is one of the largest tourist attractions within the County and consistently continues to draw visitors to the area every year. With Redding as a regional hub, many visitors use it as a base to explore outlying areas. In addition, travelers take advantage of the shopping prior to heading to more remote Northern California locations. The strong tourism industry has continued to provide increases in transient occupancy taxes and sales tax receipts.

*Long Term Financial Planning:*

Even with modest increases in year-to-year property tax receipts (discretionary revenues), the County continues to adhere to conservative spending due to economic uncertainty at the State and Federal level. The most significant uncertainty in future budgets will be the impact of decisions made by the CalPERS board of directors. Absent any favorable decisions by CalPERS board, larger retirement contributions from the County will be required. Taking a conservative approach to spending in the past several fiscal years has helped keep the County solvent; but, without sustained annual revenue growth reductions in service may be necessary in the future. Balancing service delivery with available resources will continue to be a challenge to the County for many years.

*Budget Overview:*

The FY 2018-19 Recommended Budget totals \$448,906,363, including,

GOVERNMENTAL FUNDS

\$ 88,344,071 General Fund  
\$299,396,197 Special Revenue Funds  
\$ 2,087,500 Capital Project Funds  
\$ 2,964,340 Debt Service Funds  
\$392,792,108 Total Governmental Funds

OTHER FUNDS

\$ 27,456,841 Internal Service Funds  
\$ 15,441,583 Enterprise Funds  
\$ 13,251,831 Special Districts and Other Agencies  
\$ 56,114,255 Total Other Funds

This represents an increase of less than one percent, when compared to the FY 2017-18 Adopted Budget.

About 80 percent of the overall budget is for non-general fund operating departments. Most have various state and federal funds earmarked for specific purposes.

*Relevant Financial Policies:*

**Balanced Budget:** The County Executive Officer shall present a balanced budget for all County operating funds on an annual basis.

**Budget Status:** County Departments have been able to navigate status quo revenues through conservative budgeting without having to create furlough days or implement staff layoffs of filled permanent full-time positions.

## Awards and Acknowledgments

### *Awards:*

- In recognition of the professionalism demonstrated by the County in preparing accurate and timely financial reports, the State of California Office of the Controller bestowed Shasta County with their Award for Counties Financial Transactions Reporting for meeting the rigorous criteria of their award program for the year ended June 30, 2017. The County has received this award for 19 consecutive years, since the State implemented the award program in 1997.
  
- The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Shasta for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2017. This was the fourth year the County has received this prestigious award. In order to be awarded a Certificate of Achievement the County published an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

### *Acknowledgements:*

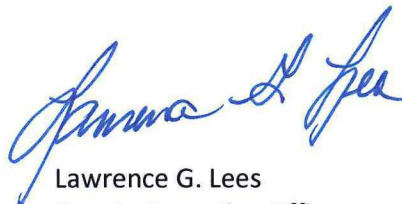
The preparation of the Comprehensive Annual Financial Report would not have been possible without the efficient and dedicated services of the staff of the Auditor-Controller's Office. We would also like to thank the various County departments who assisted in the preparation of this report. Additionally, we would like to acknowledge the efforts of our independent auditor, CliftonLarsonAllen LLP.

Additionally, we would like to thank the Board of Supervisors, the County Administrator's Office, and the County departments and agencies for their continued efforts in planning and conducting the County's financial operations in a responsible and conservative manner.

Respectfully submitted,



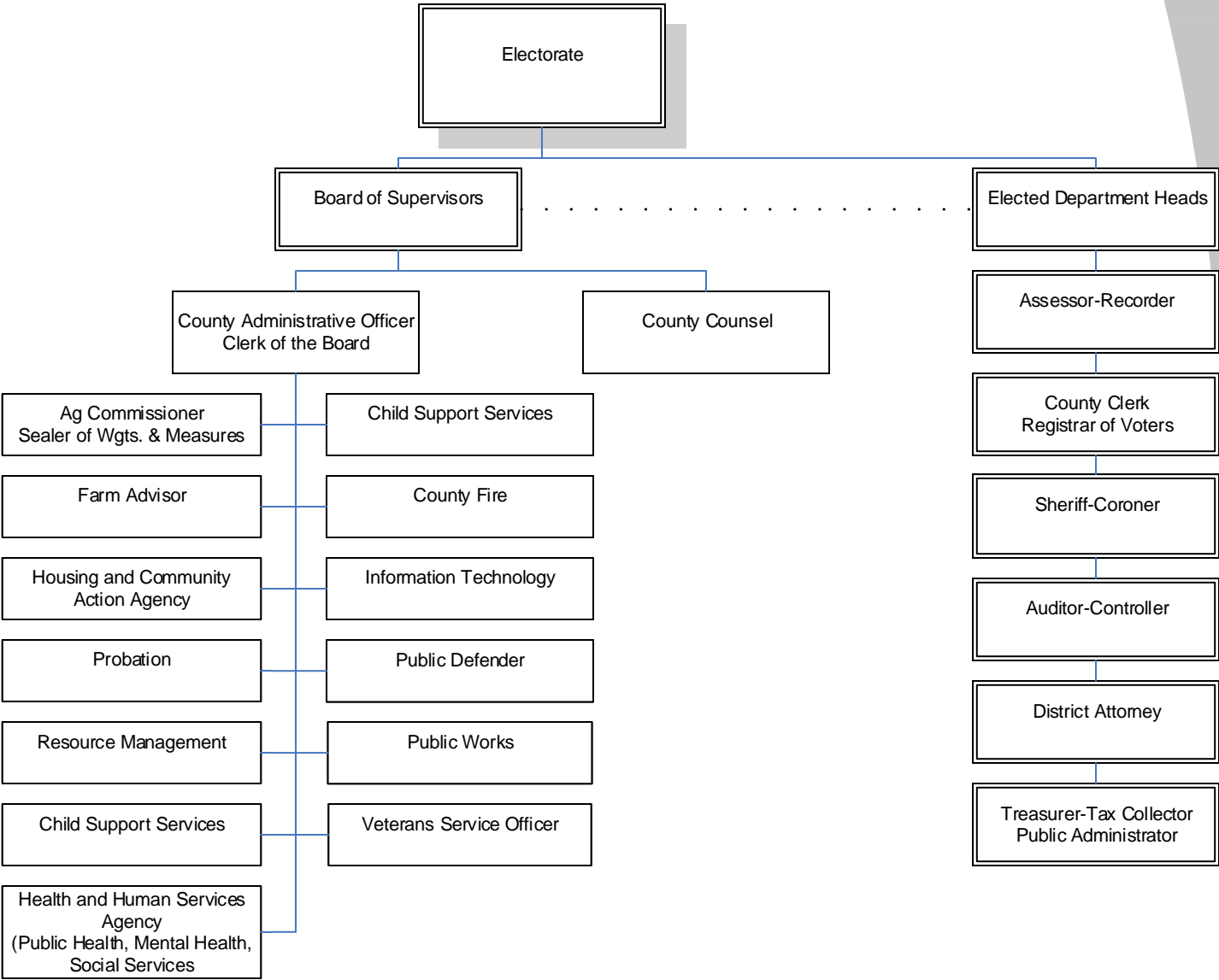
Brian Muir  
Auditor-Controller



Lawrence G. Lees  
County Executive Officer

# County of Shasta Organizational Chart

## June 30, 2018



### County Officials

David A. Kehoe  
 Leonard Moty  
 Mary Rickert  
 Steve Morgan  
 Les Baugh,  
 Leslie Morgan  
 Brian Muir  
 Cathy Darling Allen  
 Stephanie A. Bridgett  
 Tom Bosenko  
 Lori J. Scott

Supervisor, First District  
 Supervisor, Second District  
 Supervisor, Third District  
 Supervisor, Fourth District  
 Supervisor, Fifth District  
 Assessor-Recorder  
 Auditor-Controller  
 County Clerk/Registrar of Voters  
 District Attorney  
 Sheriff-Coroner  
 Treasurer-Tax Collector, Public Administrator

**Legend:**  
 Double lines denote elected officials. Dotted Lines denote administrative, personnel and budget coordination. Solid Lines denote direct lines of accountability.





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**County of Shasta  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO



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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

Board of Supervisors  
County of Shasta  
Redding, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Shasta, California (the County), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Children and Families First Commission (Commission), which represents 100% of the assets, net position, and revenue of the County's discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Commission, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



## **Opinions**

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Shasta, as of June 30, 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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

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

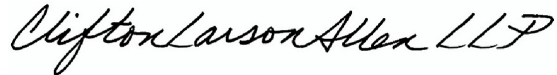
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

### *Implementation of New Accounting Standards*

As disclosed in Note 1 of the financial statements, the County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, during fiscal year 2018. Our opinion is not modified with respect to this matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2018 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Shasta's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Roseville, California  
December 10, 2018



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**MANAGEMENT'S DISCUSSION & ANALYSIS (MD & A)**

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Within this section of Shasta County's annual financial report, the County's management provides narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2018. Readers are encouraged to consider the information presented here in conjunction with the accompanying financial statements and disclosures following this section. The discussion focuses on the County's primary government and, unless otherwise noted, does not include separately reported component units.

## FINANCIAL HIGHLIGHTS

- At the close of the most recent fiscal year *net position* of the County is \$76,770,654. Of the net position, \$142,478,834 is restricted for specific purpose (*restricted net position*), and \$168,288,353 is the net investment in capital assets. This leaves an unrestricted net position of \$(233,996,538), compared to an unrestricted net position in the previous year of \$(152,018,216). The government's total net position decreased by \$56,325,431 in comparison with the prior year. This decrease was primarily due to the implementation of Governmental Accounting Standards Board (GASB) Statement 75 concerning the recognition of Other Post Employment Benefit (OPEB) liabilities.
- The County's net position net investment in capital assets, increased by \$1,993,750.
- The County's governmental funds reported combined fund balances of \$215,205,707 an increase of \$20,617,188 in comparison with the prior year.
- The County's unrestricted fund balance for the governmental funds was \$79,664,203, or 37% of total governmental funds expenditures.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components 1) **Government-wide** financial statements; 2) **Fund** financial statements and 3) **Notes** to the basic financial statements. This report also contains other **Supplementary Information** in addition to the basic financial statements.

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

- The *statement of net position* presents information on all County assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether 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., uncollected taxes and earned but unused vacation leave).

Both 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 all or in part a portion of 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 interest expense. The business-type activities of the County include the Fall River Mills Airport, Solid Waste Disposal, West Central Landfill and County Service Areas

that provide water and sewer services. Fiduciary activities are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and organizations for which the County is accountable (component units). Most of these legally separated organizations operate like County departments, serve as financing vehicles for County services (revenue bond issuers), or are governed by a board that is substantively identical to the County's board. These organizations are blended into the primary government for financial reporting purposes and include: lighting districts, permanent road divisions, county service areas, the Shasta County Water Agency, the Shasta County Air Quality Management District, the Shasta County Fire Protection District, the Shasta Joint Financing Authority, the In-Home Supportive Services Public Authority, and the Sheriff's Inmate Welfare Fund. Other organizations operate more independently or provide services directly to the citizens, though the County remains accountable for their activities. The Shasta Children and Families First Commission is included in the County's overall reporting entity but is reported separately from the primary government. More complete information about the County's component units can be found in Note 1.

**Fund Financial Statements** A fund is a grouping of related accounts that is 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. 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, governmental funds financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a county's near-term financing requirements.

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*.

The County maintains individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund; the Mental Health Fund, the Roads Administration Fund; the Public Safety Fund; and the other governmental funds combined into a single, aggregated column. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the supplementary information.

*Proprietary funds* are maintained two ways. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the airport, solid waste disposal, landfill, water and sewer operations. *Internal services funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses five internal service funds to account for its fleet maintenance, risk management, information systems, facilities management, and County utilities functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.



Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Solid Waste Disposal, County Service Area #6 (Jones Valley), West Central Landfill, and the Fall River Mills Airport operations are major funds of the County; and are separately presented with combined other enterprise funds and combined internal service funds in the proprietary funds financial statements. Individual fund data for the other enterprise and internal service funds is provided in the form of *combining statements* in the supplementary information.

*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 those funds are not available to support the County’s own programs.

**Notes to the 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** provides the schedule of funding progress for the County Employees Retirement Plan and Other Post-Employment Benefits. Also presented are the County’s General Fund and Major Special Revenue Funds budgetary schedules. The County adopts an annual appropriated budget for each fiscal year. A budgetary comparison schedule has been provided for the General Fund, Social Services Fund, Road Administration Fund, Mental Health Fund, and the Public Safety Fund to demonstrate compliance with this budget.

**Other Supplementary Information** presented is the combining statements referred to earlier about the non-major governmental, enterprise, and internal service funds.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government’s financial position.

The County's Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	FY 2018	FY 2017	FY 2018	FY 2017	FY 2018	FY 2017
Current and Other Assets	\$ 287,269	\$ 262,583	\$ 29,820	\$ 28,883	\$ 317,089	\$ 291,466
Capital Assets	159,835	157,841	42,806	44,053	202,641	201,894
Total Assets	447,104	420,424	72,626	72,936	519,730	493,360
Deferred Outflows of Resources	71,588	50,010	-	-	71,588	50,010
Current and Other Liabilities	31,622	32,182	690	1,576	32,312	33,759
Long-Term Liabilities	455,689	351,808	17,528	17,092	473,217	368,900
Total Liabilities	487,311	383,990	18,218	18,668	505,529	402,659
Deferred Inflows of Resources	9,018	7,616	-	-	9,018	7,616
Invested in Capital Assets, net of related debt	130,202	126,177	38,086	39,018	168,288	165,194
Restricted	142,479	119,919	-	-	142,479	119,919
Unrestricted	(250,319)	(167,268)	16,323	15,250	(233,996)	(152,018)
Total Net Position	\$ 22,362	\$ 78,828	\$ 54,408	\$ 54,268	\$ 76,771	\$ 133,096

A significant portion of the County's net position, \$168.3M, reflects the amount invested in capital assets (e.g. land and easements, structures and improvements, infrastructure, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the County's net position, \$142.5M, represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, the County reported positive balances in all three categories of net position, both for the County as well as for its separate governmental activities and business-type activities.

The County's net position decreased by \$56.3M during the current fiscal year. The decrease in net position represents a variety of activity during the year (increases and decreases), comprised mainly of:

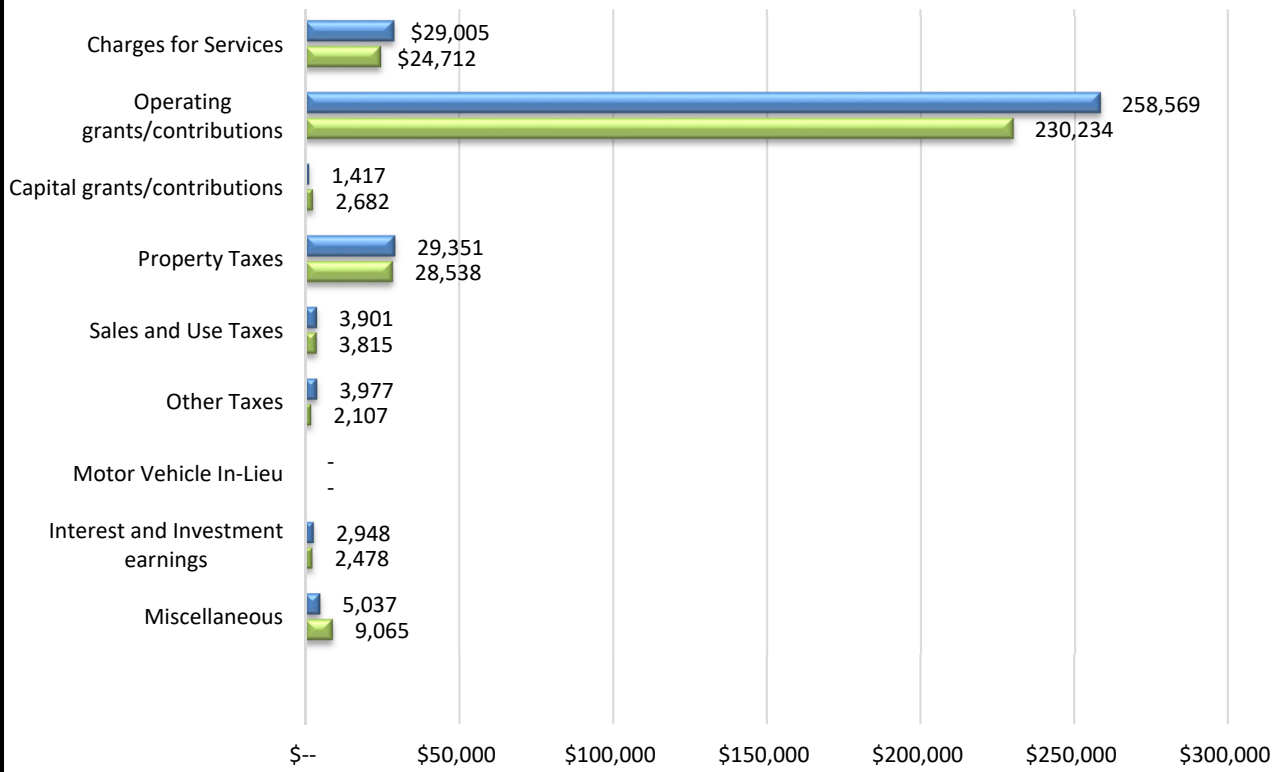
- An increase in long-term liabilities-primarily OPEB liabilities due to GASB 75
- An increase in long-term liabilities related to pensions
- Unanticipated increases in intergovernmental revenues in certain funds
- Decreases in expenditures in certain funds
- Increased revenues in business-type activities that exceeded corresponding expenses

The County's Changes in Net Position (in thousands)

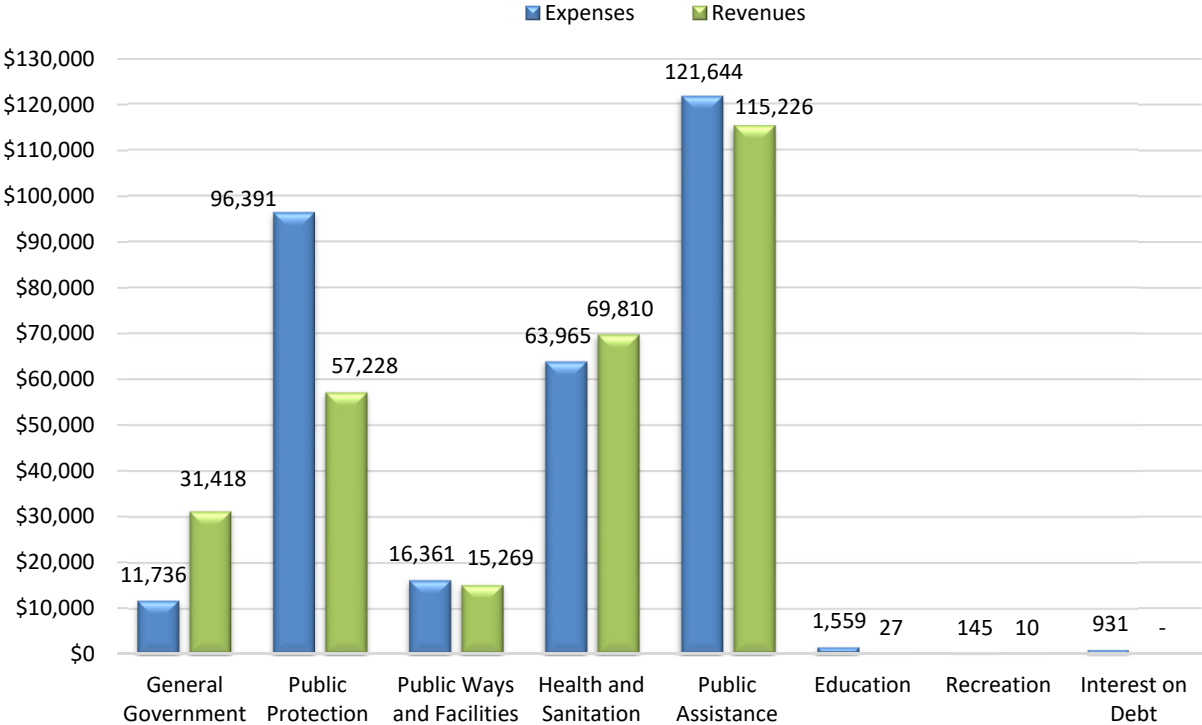
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Activities</u>	
	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 29,005	\$ 24,712	\$ 5,111	\$ 4,939	\$ 34,116	\$ 29,651
Operating grants/contributions	258,569	230,234	724	508	259,293	230,742
Capital grants/contributions	1,417	2,682	176	132	1,593	2,814
Property Taxes	29,351	28,538	30	29	29,381	28,567
Sales and Use Taxes	3,901	3,815	-	-	3,901	3,815
Other Taxes	3,977	2,107	-	-	3,977	2,107
Interest and Investment earnings	2,948	2,478	267	185	3,215	2,663
Miscellaneous	5,037	9,065	1	100	5,039	9,166
<b>Total Revenues</b>	<u>334,205</u>	<u>303,631</u>	<u>6,309</u>	<u>5,893</u>	<u>340,515</u>	<u>309,525</u>
<b>Expenses</b>						
General Government	11,736	14,932	-	-	11,736	14,932
Public Protection	96,391	95,716	-	-	96,391	95,716
Public Ways and Facilities	16,361	17,998	-	-	16,361	17,998
Health and Sanitation	63,965	55,638	-	-	63,965	55,638
Public Assistance	121,644	116,769	-	-	121,644	116,769
Education	1,559	1,598	-	-	1,559	1,598
Recreation	145	213	-	-	145	213
Interest on Debt	931	990	-	-	931	990
Fall River Mills Airport	-	-	361	324	361	324
Solid Waste Disposal	-	-	1,847	1,744	1,847	1,744
West Central Landfill	-	-	738	653	738	653
Shasta County Transit	-	-	553	621	553	621
County Service Areas (Water/Sewer)	-	-	2,627	2,462	2,627	2,462
<b>Total Expenses</b>	<u>312,732</u>	<u>303,854</u>	<u>6,126</u>	<u>5,804</u>	<u>318,858</u>	<u>309,658</u>
Excess/(deficiency) before transfers	<u>21,473</u>	<u>(223)</u>	<u>183</u>	<u>89</u>	<u>21,656</u>	<u>(133)</u>
Transfers	<u>45</u>	<u>228</u>	<u>(45)</u>	<u>(228)</u>	<u>-</u>	<u>-</u>
Change in Position	21,516	5	139	(139)	21,656	(133)
Net Position - Beginning	<u>78,827</u>	<u>78,822</u>	<u>54,269</u>	<u>54,408</u>	<u>133,096</u>	<u>133,231</u>
Net Position - Restated	<u>846</u>	<u>-</u>	<u>54,269</u>	<u>-</u>	<u>55,114</u>	<u>133,231</u>
Net Position - Ending	<u>\$ 22,362</u>	<u>\$ 78,827</u>	<u>\$ 54,408</u>	<u>\$ 54,269</u>	<u>\$ 76,771</u>	<u>\$ 133,096</u>

## Revenue by Source - Governmental Activities (\$ in thousands)

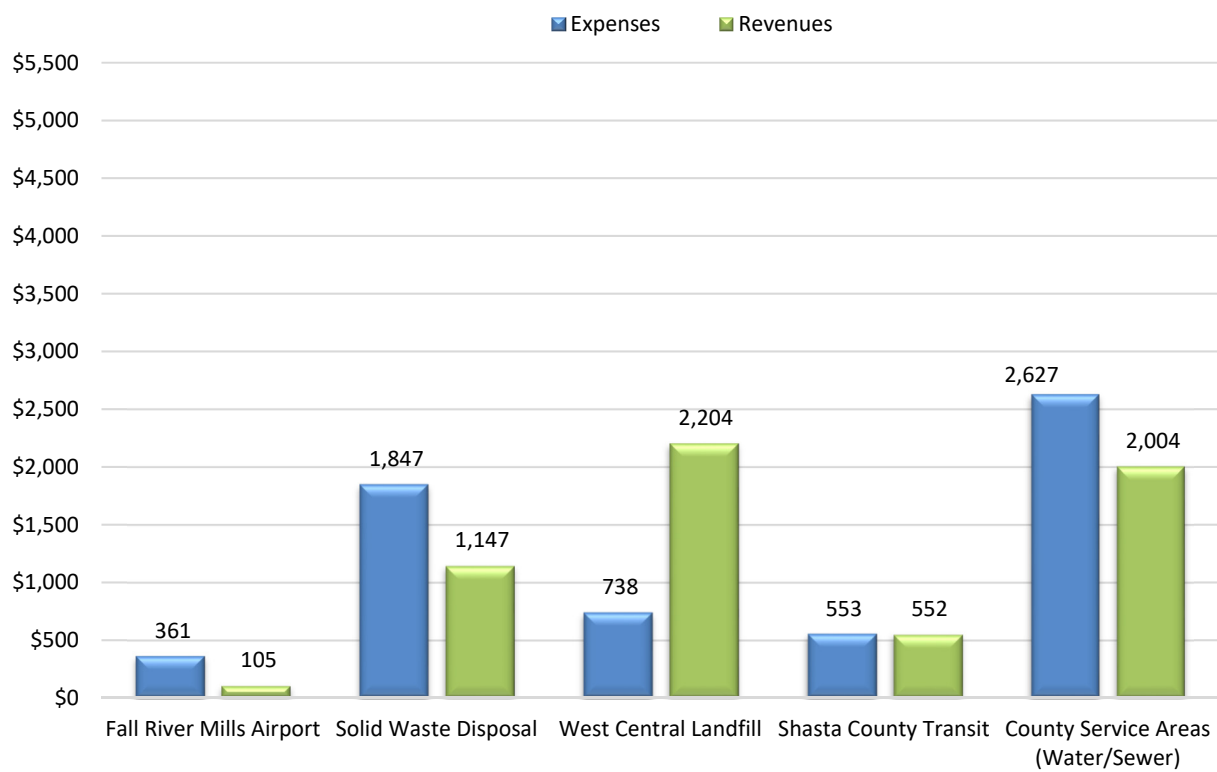
■ 2018   ■ 2017



## Program Revenue and Expense - Governmental Activities (\$ in thousands)



## Program Revenue and Expense - Business-Type Activities (\$ in thousands)



## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

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

	Net Change in Fund Balance Governmental Funds		Net Change	
	FY 2018	FY 2017	Amount	Percent
Fund Balance - Beginning	\$194,588,517	\$188,550,099	\$ 6,038,418	3.20%
Revenues	332,832,964	302,555,560	30,277,404	10.01%
Expenditures	(312,399,221)	(296,939,302)	(15,459,919)	5.21%
Other Financing Sources (Uses)	183,439	422,160	(238,721)	-56.55%
Fund Balance - Ending	<u>\$215,205,707</u>	<u>\$194,588,517</u>	<u>\$ 20,617,188</u>	10.60%

At June, 30, 2018, the County's governmental funds reported combined fund balances of \$215,205,707. Of these combined fund balances, \$79,664,203 constitutes *unrestricted fund balance of the General, Special Revenue, Capital Projects, and Debt Service Funds*, which is available to meet the County's current and future needs. The restricted fund balance, \$132,549,035, consists of amounts with constraints put on their use by externally imposed creditors, grantors, laws, regulations, or enabling legislation. The remainder of the fund balance, \$2,992,470 is nonspendable fund balance. These are amounts that are not spendable in form, or are legally or contractually required to be maintained intact such as inventories and prepaid amounts.

The General Fund is the chief operating fund of the County. At June 30, 2018, unrestricted General Fund balance was \$72,807,363, while total fund balance was \$90,808,099. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted and total General Fund balance to total General Fund expenditures. Unrestricted General Fund balance represents 166% of total General Fund expenditures, while the total fund balance represents 208% of total General Fund expenditures. These percentages differ greatly from prior years due to the Social Services Fund being moved to Special Revenue Funds and classified as a major fund. Previously, Social Services was a part of the General Fund and by nature has significant expenditures.

The County's management also assigns (earmarks) unrestricted General Fund balance to a function, project, or activity. Fund balance may also be assigned for purposes beyond the current year. However, assigned fund balance is available for appropriation at any time. Of the \$72,807,363 General Fund unrestricted fund balance, 40% is assigned.

Total governmental funds Fund Balance increased by \$20,617,188, or 11%, in comparison with the prior year. The major governmental funds had changes in fund balance as follows: General Fund increased \$11,239,677, most was due to an increase in tax revenues and expenditure reductions in General Government. The Social Services Fund increased \$2,410,718 due to an unanticipated increase in intergovernmental revenues. The Mental Health

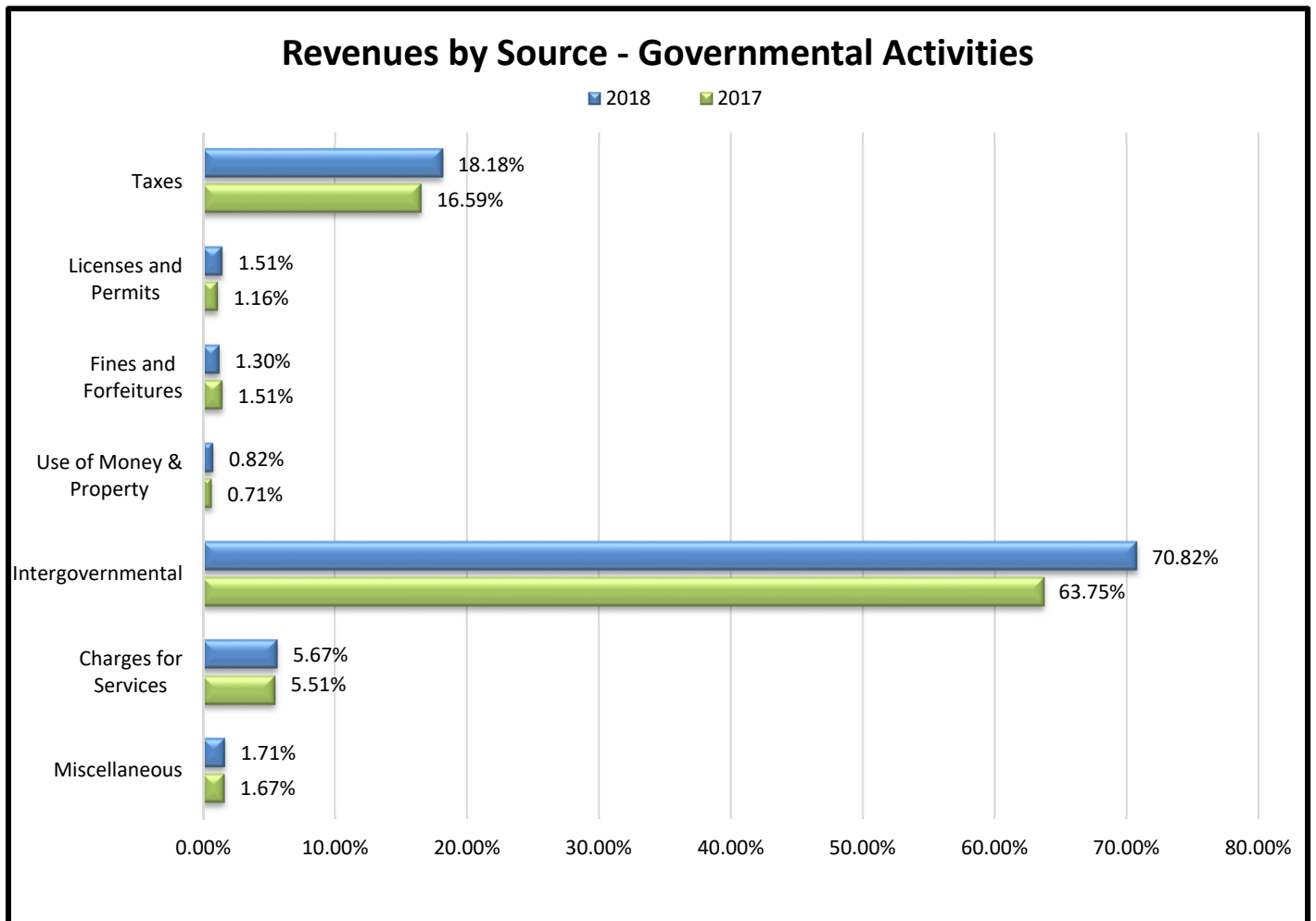


Fund increased \$2,192,161 due to increases in intergovernmental revenues and reductions in expenditures. Conversely, the Roads Administration Fund decreased \$1,397,547 related to increased expenditures (mainly road maintenance projects) and reduced intergovernmental revenues. The Public Safety Fund increased \$1,312,415 reflective of an increase in intergovernmental revenues and modest increases in expenditures. The non-major governmental funds increased by \$4,859,762, due to increases in intergovernmental revenues over slight increase in expenditures.

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year:

	FY 2018		FY 2017		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
	Taxes	\$ 60,492,629	18.18%	\$ 55,205,021	16.59%	\$ 5,287,608
Licenses and Permits	5,042,127	1.51%	3,872,144	1.16%	1,169,983	30.22%
Fines and Forfeitures	4,325,948	1.30%	5,015,597	1.51%	(689,649)	-13.75%
Use of Money & Property	2,716,268	0.82%	2,373,972	0.71%	342,296	14.42%
Intergovernmental	236,877,672	71.17%	212,183,508	63.75%	24,694,164	11.64%
Charges for Services	18,860,250	5.67%	18,338,103	5.51%	522,147	2.85%
Miscellaneous	4,518,069	1.36%	5,567,215	1.67%	(1,049,146)	-18.85%
Total Revenue by Source	\$332,832,964	100.00%	\$302,555,560	100.00%	\$ 30,277,403	

The following graph shows an illustrative picture of where the County funds come from:

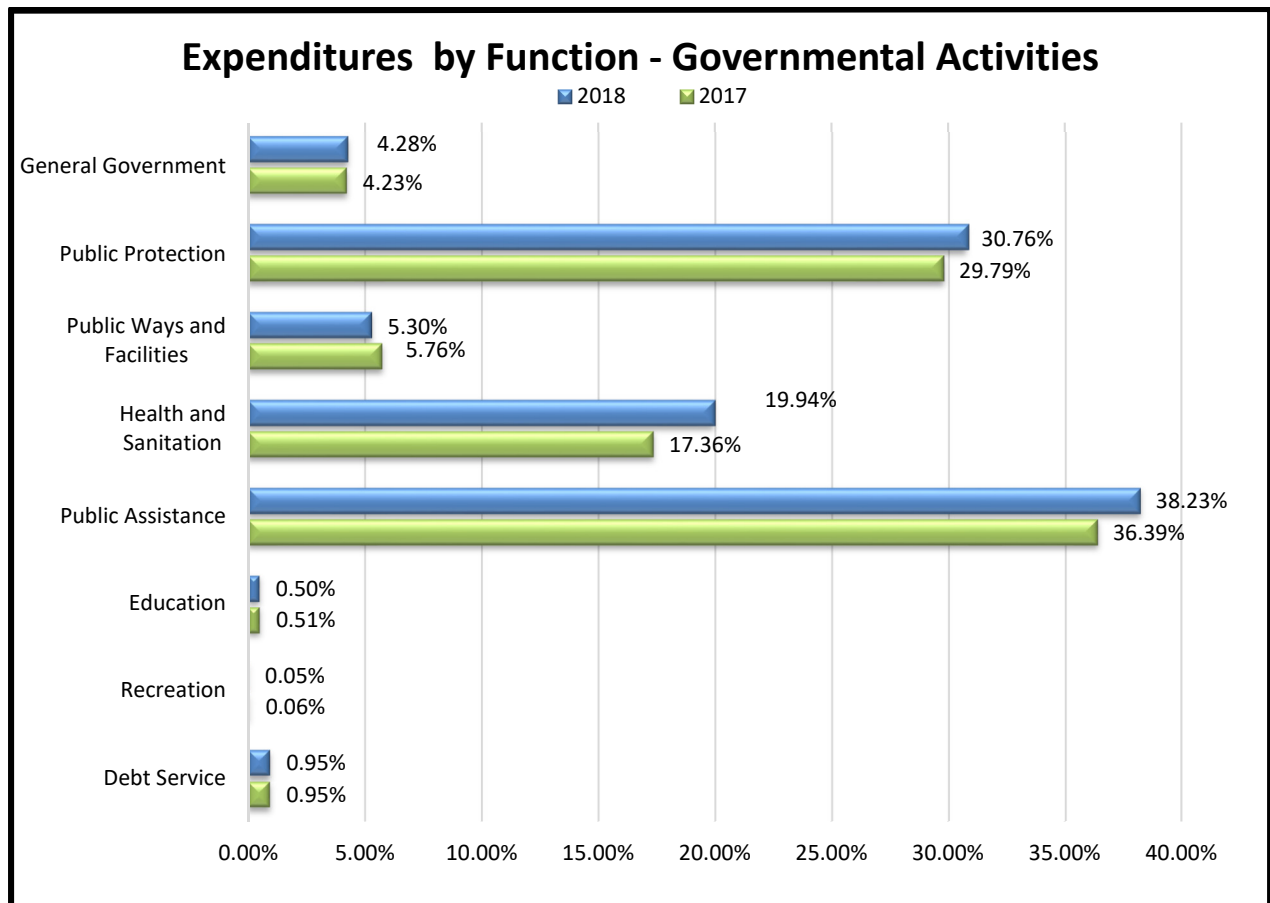


The following table presents expenditures by function compared to prior year amounts:

Expenditures Classified by Function  
Governmental Funds

	FY 2018		FY 2017		Increase (Decrease)	
	Amount	Percent of	Amount	Percent of	Amount	Percent of
		Total		Total		Change
General Government	\$ 13,366,857	4.28%	\$ 13,215,999	4.23%	\$ 150,858	1.14%
Public Protection	96,079,779	30.76%	93,073,279	29.79%	3,006,500	3.23%
Public Ways and Facilities	16,557,061	5.30%	17,987,032	5.76%	(1,429,971)	-7.95%
Health and Sanitation	62,306,062	19.94%	54,242,706	17.36%	8,063,356	14.87%
Public Assistance	119,421,602	38.23%	113,684,361	36.39%	5,737,241	5.05%
Education	1,559,155	0.50%	1,583,488	0.51%	(24,333)	-1.54%
Recreation	145,309	0.05%	191,465	0.06%	(46,156)	-24.11%
Debt Service	2,963,397	0.95%	2,960,972	0.95%	2,425	0.08%
<b>Total by Function</b>	<b>\$312,399,221</b>	<b>100.00%</b>	<b>\$296,939,302</b>	<b>95.05%</b>	<b>\$ 15,459,919</b>	

The following graph shows an illustrative picture of how County funds were spent:



Other financing sources and uses are presented below to illustrate changes from the prior year:

Other Financing Sources (Uses)  
Governmental Funds

	FY 2018	FY 2017	Increase (Decrease)	
			Amount	Percent
Proceeds from Sale of Capital Assets	\$ 153,518	\$ 127,472	\$ 26,046	20.43%
Transfers In	42,970,233	39,672,796	3,297,437	8.31%
Transfers Out	(42,940,313)	(39,378,108)	(3,562,205)	9.05%
Net financing sources(uses)	<u>\$ 183,439</u>	<u>\$ 422,160</u>	<u>\$ (238,722)</u>	

Proceeds from sale of capital assets are the result of sale transactions involving property that was not needed for public use by the County.

**Proprietary funds** reporting focuses on determining operating income, changes in net position (or cost recovery), financial position, and cash flows using the full accrual basis of accounting.

*Enterprise funds* report the business-type activities of the County. Enterprise funds are used to account for its solid waste, landfill, airport, and water/sewer operations.

Net Change in Fund Net Position  
Enterprise Funds

	FY 2018	FY 2017	Net Change	
			Amount	Percent
Total Net Position - Beginning	\$ 54,268,626	\$ 54,408,447	\$ (139,821)	-0.26%
Operating Revenues	5,144,983	4,938,930	206,053	4.17%
Operating Expenses	(6,035,272)	(5,569,834)	(465,438)	8.36%
Non-Operating Revenues (Expenses)	959,618	587,528	372,090	63.33%
Transfers In (Out) and capital contributions	70,434	(96,445)	166,879	-
Total Net Position - Ending	<u>\$ 54,408,394</u>	<u>\$ 54,268,626</u>	<u>\$ 139,764</u>	

Net position restricted for net investment in capital assets at fiscal year-end was \$38,085,671. Unrestricted net position of the enterprise funds at fiscal year-end was \$16,322,723.

The net position of the enterprise funds increased \$139,764 from prior fiscal year.

*Internal service funds* are an accounting device to accumulate and allocate costs internally among the County's various functions. Internal service funds are used to account for its information technology services, vehicle maintenance, risk management, facilities maintenance, and utilities functions.

Net Change in Fund Net Position  
Internal Service Funds

	FY 2018	FY 2017	Net Change	
			Amount	Percent
Total Net Position - Beginning	\$ 14,701,514	\$ 10,932,944	\$ 3,768,570	34.47%
Operating Revenues	24,554,699	24,080,144	474,555	1.97%
Operating Expenses	(20,897,248)	(20,159,668)	(737,580)	3.66%
Non-Operating Revenues (Expenses)	989,031	(85,182)	1,074,213	-1261.08%
Transfers In (Out) and capital contributions	15,080	(66,724)	81,804	-122.60%
Total Net Position - Ending	<u>\$ 19,363,079</u>	<u>\$ 14,701,514</u>	<u>\$ 4,661,563</u>	

Total net position of the internal service funds at fiscal year-end were \$19,363,079 and include \$2,641,468 invested in capital assets.

The net position of the internal service funds increased \$4,661,563 over the prior fiscal year. Most this increase was caused by increases in operating revenues and decreases in claims in the Risk Management Fund.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Over the course of the year the Board of Supervisors revised the County's budget many times. Each time a grant or specific revenue enhancement is made available to a County program, new appropriations and budget amendments are required.

The mid-year review is a formal process by which each department is analyzed for expense and revenue trends. Adjustments are recommended where indicated and monitored for the remainder of the year. Unless there is some unforeseen and unusual circumstance that causes a budget overrun, a draw on the Contingency Reserve is not recommended.

Differences between the original budget and the final amended budget are summarized in the table below:

	Budgetary Comparison		General Fund	
	Original Budget	Final Budget	Net Change Amount	Net Change Percent
Total Revenues	\$ 71,403,226	\$ 72,219,241	\$ 816,015	1.14%
Total Expenditures	(49,960,180)	(56,142,838)	(6,182,658)	12.38%
Other Financing Sources (Uses)	(36,164,071)	(30,664,825)	5,499,246	-15.21%
Net Change in Fund Balances	<u>\$ (14,721,025)</u>	<u>\$ (14,588,422)</u>	<u>\$ 132,603</u>	

Differences between the final amended budget and actual amounts is summarized in the table below:

Budgetary Comparison General Fund				
	Final	Actual	<u>Net Change</u>	
	<u>Budget</u>	<u>Amounts</u>	<u>Amount</u>	<u>Percent</u>
Total Revenues	\$ 72,219,241	\$ 86,408,812	\$ 14,189,571	19.65%
Total Expenditures	(56,142,838)	(43,751,778)	12,391,060	-22.07%
Other Financing Sources (Uses)	(30,664,825)	(31,417,356)	(752,531)	2.45%
Net Change in Fund Balances	<u>\$ (14,588,422)</u>	<u>\$ 11,239,677</u>	<u>\$ 25,828,100</u>	

### CAPITAL ASSETS

The County's investment in capital assets for its governmental and business type activities as of June 30, 2018, amounted to \$202,641,230 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, leasehold improvements, equipment (including) software, and infrastructure (roads and bridges). The total increase in the County's investment in capital assets for the current fiscal year was \$746,935.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2018	2017	2018	2017	2,018	2017
Land and improvements	\$ 4,533,260	\$ 3,819,156	\$ 2,026,076	\$ 2,026,076	6,559,336	\$ 5,845,232
Structures & Improvements	136,218,499	132,122,007	81,317,553	81,137,902	217,536,052	213,259,909
Leasehold Improvements	693,468	693,469	-	-	693,468	693,469
Equipment	48,609,308	48,365,554	458,291	318,301	49,067,599	48,683,855
Infrastructure	124,055,134	124,055,134	-	-	124,055,134	124,055,134
Construction In Progress	5,633,785	3,328,455	312,634	382,937	5,946,419	3,711,392
Total	319,743,454	312,383,775	84,114,554	83,865,216	403,858,008	396,248,991
Accumulated Depreciation	<u>(159,908,683)</u>	<u>(154,542,750)</u>	<u>(41,308,095)</u>	<u>(39,811,946)</u>	<u>(201,216,778)</u>	<u>(194,354,696)</u>
Net Capital Assets	<u>\$ 159,834,771</u>	<u>\$ 157,841,025</u>	<u>\$ 42,806,459</u>	<u>\$ 44,053,270</u>	<u>202,641,230</u>	<u>\$ 201,894,295</u>

Components of the change in net capital assets are as follows:

	<u>Additions</u>	Retirements (Net of Accum. <u>Depreciation</u> )	<u>Depreciation</u>	<u>Net Change</u>
General Government	\$ 4,848,453	\$ (33,148)	\$ (2,636,219)	2,179,087
Public Protection	655,539	(19,658)	(1,012,894)	(377,014)
Public Ways & Facilities	2,428,055	(7,664)	(2,144,917)	275,474
Health & Sanitation	304,921	-	(221,194)	83,727
Public Assistance	344,328	-	(189,774)	154,553
Education	-	-	(717)	(717)
Internal Service Funds	609,657	(84,378)	(846,643)	(321,363)
Enterprise Funds	266,963	-	(1,513,775)	(1,246,812)
Totals	<u>\$ 9,457,916</u>	<u>\$ (144,848)</u>	<u>\$ (8,566,134)</u>	<u>746,935</u>



Construction of capital assets during the current fiscal year included the following:

Projects completed in current fiscal year:

	Current Year Costs	Total Costs
Major bridge, road and construction projects:		
Governmental Funds:		
PH 2650 Breslauer Remodel	\$ -	\$ 210,560
MH/SS 2640 Breslauer Roof Replacement	1,240,652	1,689,702
SS 4216 Shasta Dam Blvd Remodel	155,745	155,745
SS 2640 Breslauer Basement Remodel	933,978	949,221
4363 Breslauer Roof-HVAC	181,903	181,903
Wash Rack	105,792	105,792
Jail Boiler System 2018	647,100	647,100
RM 1855 Placer Remodel	61,766	150,129
Total Governmental Funds	3,326,936	4,090,151
Enterprise Funds:		
Sugarloaf CSA #2 Well Improvement	179,649	101,649
Total Enterprise Funds	179,649	101,649
Total projects completed in current fiscal year	\$ 3,506,585	\$ 4,191,801

Construction in progress at June 30, 2018:

	Current Year Costs	Cost to Date
Major bridge and road projects:		
Governmental Funds:		
Cassel-Fall River Road @ Pit River Bridge	\$ 341,451	\$ 341,451
Ash Creek Rd @ Sac. River	160,164	255,201
Gas Point Rd @ No Name Ditch	85,873	180,656
Spring Creek Rd @ Fall River Br	308,466	672,227
Lower Gas Point Rd @ NF Cttwd Creek	114,462	388,641
Old 44 Dr. @ Oak Run Creek	804,734	1,218,365
Soda Creek Rd @ Soda Creek	146,788	431,357
Fern Road E @ Glendenning	43,467	219,197
Parkville Rd @ Ash Creek	45,496	175,617
Bear Mountain Rd @ Deep Hole Creek Br	61,094	167,684
Total Governmental Funds	2,111,995	4,050,396
Building , equipment, and software upgrades:		
Governmental Funds:		
1600 Court Street/1815 Yuba Street Roof/HVAC	358,096	561,006
Sheriff ACP Modular Building	251,115	251,115
Jail Rec Yard Improvements	94,184	94,184
Eagle Recorder Software	231,605	231,605
Trakit Software	21,754	445,479
Total Governmental Funds	956,754	1,583,389
Major construction:		
Enterprise Funds:		
CSA #17 Sewer System Upgrade	5,699	308,414
CSA #2 Sugarloaf Water system upgrade	4,220	4,220
Total Enterprise Funds	9,919	312,634
Total construction in progress at June 30, 2018	3,078,668	\$ 5,946,419
Summary of construction in progress at June 30, 2018		
Total Governmental Funds	3,068,749	5,633,785
Total Enterprise Funds	9,919	312,634
Total construction in progress	\$ 3,078,668	\$ 5,946,419

Additional information regarding capital assets may be found in the Notes to the Financial Statements, Note 4.

**DEBT ADMINISTRATION**

At the end of the current fiscal year, the County had total debt obligation outstanding of \$34,353,076. Of this amount, \$28,910,000 comprises bonds that are secured by the County’s lease rental payments and other dedicated sources of revenue, and \$725,700 of special assessment debt secured by property subject to the assessment. The remainder of the County’s debt represents loans secured solely by specified revenue sources.

The following table shows the composition of the County’s bonds and notes outstanding for governmental and proprietary funds.

	Long-Term Debt Obligations					
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Lease Revenue Bonds	\$ 28,910,000	\$ 30,870,000	\$ --	\$ --	\$ 28,910,000	\$ 30,870,000
Special Assessment Bonds	-	-	725,700	770,400	725,700	770,400
Water/Sewer Bonds	-	-	20,000	20,000	20,000	20,000
Financing Leases	-	-	760,870	900,797	760,870	900,797
Notes Payable	303,721	345,451	3,214,418	3,343,650	3,518,139	3,689,101
Debt Obligation	29,213,721	31,215,451	4,720,988	5,034,847	33,934,709	36,250,298
Unamortized Bond Premium	418,367	448,793	-	-	418,367	540,027
Total Debt	29,632,088	31,664,244	4,720,988	5,034,847	34,353,076	36,790,325
Less Current Portion	(2,062,991)	(2,032,156)	(339,991)	(333,859)	(2,402,982)	(2,366,015)
Net Long-Term Debt	\$ 27,569,097	\$ 29,632,088	\$ 4,380,998	\$ 4,700,988	\$ 31,950,095	\$ 34,424,310

Reductions of the County’s total outstanding debt included principal payments and amortization of bond premium with interest expense for governmental activities and business-type activities.

Other obligations include compensated absences (accrued vacation and sick leave), workers’ compensation and general liability insurance claims liability, and the landfill closure/post closure care costs liability. More detailed information about the County’s long-term liabilities is presented in Notes to the Financial Statements, Note 6.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET RATES**

The County’s fiscal 2018-19 budget takes into consideration the overall financial health of the County related impacts of the California State Budget. The County Executive Officer monitors the State’s spending plan and keeps the Board of Supervisors apprised of any negative impact on the County’s budget and the public we serve. Department heads and their fiscal managers are to be commended for their willingness to manage spending within available resources while continuing to meet the needs of our community.

**CALIFORNIA STATE BUDGET**

The Governor’s “May Revise” Budget was released on May 11, 2018. His focus continues to be on preserving fiscal stability. The Governor pointed out that revenue is slipping and economic indicators point to a slowdown or even a recession.

The May Revise focuses on these areas state-wide:

Infrastructure – deferred maintenance projects (State office buildings and flood control projects).

Mental Health – reduce State mandate backlog related to children’s mental health, provide mental health services to homeless, support graduate’s medical education for psychiatric programs.

Homelessness – one-time emergency homeless aid block grants to local governments, housing support and homelessness assistance programs through CalWORKs program.

Criminal Justice – funding to pay for increased correctional officer and parole agent compensation, increase training for State correctional staff.

The CEO will monitor the eventual adoption of a State spending plan for FY 2018-19, and keep the Board apprised of any negative impact on the County budget and the public we serve.

#### LONG-RANGE PLANNING

There has been no significant improvement to revenues, and the County continues to adhere to conservative spending due to economic uncertainty. Taking a proactive approach to spending reductions in the past several fiscal years has helped keep the County solvent; but, absent sustained annual revenue growth more reductions may be necessary each fiscal year.

Balancing service delivery with available resources will continue to be a challenge to the County for many years.

#### SHASTA COUNTY BUDGET PRINCIPLES

On February 27, 2018, the Board of Supervisors received the FY 2017-18 Mid-Year Report, and approved the following principles for the FY 2018-19 Budget:

- Maintain the Controlled Hiring Process.
- Approve no new programs or new positions that are not clearly revenue supported.
- Review all grant funded positions. The Board has consistently maintained that the County will not preserve positions that have lost grant funding.
- The County administers many costly State programs. We have limited ability to raise revenues to offset any loss in State and Federal funding. We will avoid back-filling reductions in such funding when legally permissible, and continue to seek relief from unfunded State mandates.
- The CEO will review all requests for capital assets and computer equipment.
- As a baseline, direct departments to prepare a status quo budget in County Contribution or General Fund Net-County-Cost. As the full impact of the State Budget is realized further cost containment measures may be necessary.
- Realize salary and benefit savings through collaborative bargaining with our labor partners.
- Recommend deleting positions vacant over 18 months.
- Encourage expenditure reductions in the current fiscal year to create carry-over funds for FY 2018-19.
- In accordance with Administrative Policy 2-101, direct department heads to limit expenditures in to ensure that their spending remains within each Object Level in the Adopted Budget.

- In accordance with Administrative Policy 2-101, hold department heads responsible for Revenues in the Adopted Budget; direct them to notify the County Executive Officer of any revenue shortfall; and further, direct them to reduce spending as necessary to remain within the Adopted Budget net-county-cost.

## FINANCING

Total funding requirements for the General Fund, which includes the subsidy to non-general fund departments, is \$80 million. This will be offset by revenue, \$73 million, leaving a structural imbalance of \$7 million. This will be offset by use of fund balance carryover and General Fund General Purpose fund balance. Carryover fund balance committed for use in FY 2018-19 is \$35 million for cash flow and \$8 million Accumulated Capital Outlay.

The carryover estimate is developed through a joint effort of staff in the Auditor-Controller's Office and the CAO. The actual fund balance figure is not firm until the County's books are closed at the end of September, after the adoption of the County budget.

Department Heads have worked diligently to control spending in the current fiscal year to create fund balance carryover for FY 2018-19. General Fund departments are projected to achieve an eight percent expenditure reduction in the fiscal year ending June 30, 2018, which will result in a fund balance carryover of \$10.4 million.

Department Heads and their fiscal managers are to be commended for their willingness to manage spending within available resources while continuing to meet the needs of our community.

## DISCRETIONARY REVENUE

The County's discretionary revenue is derived primarily from various taxes. In the fiscal year ending June 30, 2018, tax revenue increased by 7.3 percent. We remain cautious in projecting the County's discretionary revenue due to economic unknowns.

FY 2018-19 recommended discretionary General Revenue is \$56.5 million, a 5.0 percent increase compared to the FY 2017-18 estimated year-end.

Total discretionary revenue recognized by the General-Purpose Revenue budget unit hovers at \$55 million per fiscal year. The exceptions were one-time revenues from the dissolution of Redevelopment Agencies, fees from the Teeter Property Tax Program, and catch-up reimbursement for State Mandate SB-90.

## NON-DISCRETIONARY REVENUE

In addition to our discretionary sales tax revenues, sales taxes dedicated to public health, mental health, social services, and public safety are still recovering.

**1991 Realignment (Health and Human Services)** is funded through State sales tax and vehicle license fees (VLF) dedicated to public health, mental health, and social services and provide the majority of matching funds for numerous state and federal funding sources. Under 1991 realignment, Social Services programs receive payment for the increasing cost of operating entitlement programs by allocation of excess revenues to pay these costs before general growth payments are made. These realignment revenues, as well as other county resources and state allocations, are used to draw down federal matching revenues that sustain programs.

## **1991-92 State-Local Realignment Health Subaccount Redirection (AB85)**

Under the Affordable Care Act, county costs and responsibilities for indigent health care are decreasing as more individuals gain access to federal health care coverage. The State-based Medi-Cal expansion has resulted in indigent care costs previously paid by counties shifting to the State, helping to fund significant increases in State costs.

With the commencement of the **Patient Protection and Affordable Care Act (ACA)**, the Medi-Cal expansion population's treatment services, and the states expanded treatment benefits cost reimbursements, are funded 100 percent by the federal and state governments through 2017 with no County cost. During the years following, federal matching will fall to 95 percent and then decline each year ultimately to 90 percent, eventually requiring a County share of cost. Although estimated to be a relatively small County share of cost, over time this may also present a risk to providing entitlement services as well as sustaining non-entitlement programs, and could potentially impact the County's ability to meet the Substance Abuse Prevention and Treatment (SAPT) block grant Maintenance of Effort (MOE) level of spending.

With potential federal changes to the ACA, it is quite likely that those clients who were considered "medically indigent" and qualified for Medi-Cal coverage paid for 100 percent by the federal government will transition back to the County Medical Services Program (CMSP) coverage at some point in the future, but not in FY 2017-18. A pressing issue for Public Health has been the state's approach to funding services under the expansion of Medi-Cal as a part of health care reform with changes to 1991 realignment revenue with approval of AB 85. Although, during the first three years of the ACA expansion, the federal government pays 100 percent of the cost of services to the expanded population, the state has diverted funds (\$5.36 million) previously paid by Shasta County to County Medical Services Program (CMSP) to pay for other state health care obligations. As a CMSP county, it is anticipated that Shasta would continue to utilize the state network to cover a residual population of individuals' medical needs. It is unclear what impact repealing the ACA will have on the other state health care obligations previously covered by the diverted CMSP funds and/or the CMSP itself.

**2011 Realignment (Health and Human Services)** is funded through a State special fund sales tax and VLF. These revenue sources are increasing per estimates in the FY 2017-18 California Governor's May Revise Budget. The priority for growth funds is federal entitlement programs: Medi-Cal Specialty Mental Health, including those required by Early Periodic Screening, Diagnosis, and Treatment (EPSDT), and Drug Medi-Cal. Our Health and Human Services Agency is advocating for appropriate base levels of funding to support growing costs and will be monitoring how 2011 Realignment will be structured into the future to protect county health and human services operations.

**2011 Realignment (Public Safety)** included a major realignment of public safety programs from the State to local governments and an annual funding allocation. The intent of the Community Corrections Partnership Program is to use these realignment funds to reduce recidivism and end the revolving door of lower-level offenders and parole violators through the State's prisons.

Due to declining sales tax revenue, the Governor's May Revise includes decreases (totaling about \$479,826 for Shasta County) in FY 2017-18 base funds and FY 2016-17/2017-18 growth funds compared to the Governor's January Budget.

Shasta County's Community Corrections Partnership Executive Committee, chaired by the Chief Probation Officer, is charged with determining how the State allocation is distributed to applicable County departments and approved its FY 2017-18 budget in February as well as making additional program-related distributions on May 3 and May 8. The District Attorney and Public Defender also receive a separate State allocation (split 50/50) for revocation hearings.

**Public Safety Augmentation Proposition 172** sales tax receipts have leveled out at \$14 million annually. Receipts in the current year are approximately five percent (5%) lower than this time last year. The County's pro-rata share of this sales tax was lowered during FY 2016-17 from \$.004782 to \$.004576. This is the lowest pro-rata share since the inception of the half-cent tax sales in FY 1993-94.

## APPROPRIATIONS

The Recommended FY 2018-19 General Fund Budget is \$80 million, which is \$7 million more than the FY 2017-18 Adjusted Budget. The increase is attributed to moving Resource Management funds into the General Fund.

The Auditor-Controller calculates the County's Maintenance of Effort (MOE) for public safety. The most recent calculation is for FY 2017-18. The FY 2017-18 Adopted Budget for all the public safety departments exceeded the adjusted MOE Base by \$29.7 million. The County subsidy to the combined health and human services programs has been held static over the last several years.

Appropriations include a **Contingency Reserve** of \$5 million that can be used for unanticipated requirements that may occur during the fiscal year. When no need arises, these funds return to fund balance and become the basis of the carry-over for the succeeding year. Financing is derived from anticipated revenue, inter-fund transfers, and carry-over fund balances.

The **General Reserve** is approximately \$10.7 million. This is less than 3 percent of total Governmental Funds appropriations (\$392.7 million). The Board established a policy for budgetary reserves in December 2007. The goal is to attain a reserve of five percent of unrestricted General Fund resources, but no less than \$10 million.

## YEAR-TO-YEAR COMPARISON

For the fiscal year ending June 30, 2018, the General Fund is projected to realize an 11.24 percent reduction in expenditures (\$9 million), and a reduction to the net-county-cost (down from \$14.1 million to \$1 million).

In the aggregate, the FY 2018-19 Recommended Budget for *select* budget units, excluding special districts, totals \$433 million, which when compared to the FY 2017-18 Adjusted Budget, is a decrease of \$7 million or a decrease of 1.6 percent.

## COUNTY WORKFORCE

The Recommended Budget provides for a workforce of 2,018 full-time-equivalents (FTE's). This includes a net decrease of three FTE's.

As of April 30, 2018, total vacancies were 236, or 11 percent. The CEO confers with Support Services to review all requests to fill positions. This is in part to reduce expenditures, but also to preserve positions for employees facing a layoff situation.

The CEO will continue to review all requests for new positions to ensure they are offset by long-term reliable revenue.

## EMPLOYEE BENEFITS

The cost of workers' compensation insurance, CalPERS retirement, health insurance rate increases, and retiree health care continue to impact the County. In March 2014, the Board of Supervisors adopted a confidence level with a range between 80 to 90 percent for the County's self-insured workers' compensation and liability insurance programs. The County is committed to maintaining a prudent reserve.

The County's share of CalPERS (PERS) retirement in FY 2018-19 is 20.0 percent for Miscellaneous, and 48.8 percent for Safety. By FY 2021-22, PERS estimates these rates will be 21.5 percent for Miscellaneous, and 53.0 percent for Safety.

The volatility in the PERS rates is two-fold - investment losses PERS experienced during the downturn in the market, and assumption changes. In December 2016, PERS Board of Administration voted to change the discount rate from 7.5 percent to 7.0 percent over the next 3 years (FY 2017-18 7.735%, FY 2018-19 7.25%, FY 2019-20 7.00%). Additionally, PERS changed other important benchmarks such as the average mortality of retirees and their survivors. In April 2013, PERS announced a change in their amortization and smoothing policies. That is, they will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. In March 2014, PERS again changed its actuarial assumptions which will result in employer contribution rates increasing starting in FY 2016-17, with the cost spread over 20 years and increases phased in over the first five years and ramped down over the last five years of the 20-year amortization period. The County will continue to monitor these changes and analyze the effects on the overall County budget.

The County successfully negotiated with 6 represented bargaining units and 2 unrepresented bargaining units for wage and/or benefit concessions. Active employees now pay the employee share of PERS retirement, and new hires will be working longer (to age 62 for miscellaneous and 57 for public safety) and their retirement will be based on the average of high three years (instead of highest year).

The County of Shasta provides post-retirement medical and dental benefits (OPEB) to eligible employees who retire directly from the County. Eligible retirees pay a portion of the medical premium based on the PEHMCA (CalPERS medical program) "unequal method." The remaining premium is shared by the County and active employees in accordance with bargaining agreements. Like many governmental agencies, the County pays for these post-retirement benefits on a "pay-as-you-go" basis. The County also contributes to OPEB trusts as indicated below. This means that some OPEB costs are recognized after retirement while some are recognized during active service (contribution to OPEB trust).

GASB 75 requires governmental agencies to conduct an actuarial valuation of the liability for OPEB and report them on their financial statements. The Net OPEB Liability is the accrued liability over Net Plan Assets. This represents the amount of the Net OPEB Liability at the valuation date that still must be funded. The County's estimated Net OPEB Liability as of June 30, 2018, is approximately \$176 million.

Although GASB does not require governmental agencies to pre-fund their OPEB liability, Shasta County is taking positive steps towards addressing OPEB. The County established two irrevocable OPEB Trusts with initial funding of \$6 million each; and implemented a charge, as a percent of payroll, effective July 1, 2008. This percentage increased to 3 percent effective July 1, 2015. Additionally, one-time additions to the OPEB-Trusts are made when funding is available. The two OPEB Trusts were consolidated in March 2018 into a single OPEB Trust with assets of \$56.8 million as of June 30, 2018.

The County is working with its labor partners to eliminate County-funded health benefits after retirement for new employees. Instead, the County is proposing to match an employee 457 plan contribution of up to 3 percent of gross salary in a 401(a) plan. When fully implemented (and in conjunction with OPEB trust contributions), it is estimated that the proposal will eliminate the OPEB unfunded liability by the year 2040.

We continue to advocate for legislative changes to PEMHCA to give counties greater flexibility in establishing a tiered benefit system; and to work towards OPEB cost avoidance through labor negotiations. Within available resources the County may incrementally increase the payroll charges for OPEB to pass a portion of this expense to state and federal programs when appropriate.

#### BONDED INDEBTEDNESS

As of June 30, 2018, the County's total outstanding debt obligation was \$34.3 million. Of this amount, \$28.9 million comprises bonds that are secured by the County's lease rental payments and other dedicated sources of revenue and \$725,700 of special assessment debt secured by property subject to the assessment. The remainder of the County's debt represents loans secured solely by specified revenue sources.

Moody's Investors Service assigned an A1 rating to the Shasta County Lease Revenue Refunding Bonds 2013 Series A. The rating action reflects the County's solid fiscal position including satisfactory cash levels, well-sized though recently pressured tax base, the legal covenants of the bonds and the County's modest debt profile. The County has consistently reduced its expenditures which enabled it to avoid material deficits while maintaining solid cash and General Fund reserves. Pressures on the County's fiscal outlook are caused by state and local economic factors outside the County's control.

In 2014, Standard & Poor's (S&P) raised the County's credit rating from "A" to "A+" while affirming the stable outlook. The stable outlook reflects their opinion of the County's strong budgetary flexibility and liquidity supported by strong performance. Further, the County is supported by strong institutional framework. As with Moody's rating, S&P's rating is lowered somewhat by our weak local economy.

Both rating agencies praised the County's ability to grow and sustain a healthy fund balance, currently \$38 million. With economic signs pointing to another recession, a strong fund balance will enable the County to weather the downturn.

#### REQUEST FOR INFORMATION

This financial report is designed to demonstrate accountability of the Shasta County government by providing both long-term and near-term views of the County's finances. Questions or comments regarding any of the information presented in this report or requests for additional financial information should be addressed to the Auditor-Controller, 1450 Court Street, Suite 238, Redding, CA 96001.





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**BASIC FINANCIAL STATEMENTS –  
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**COUNTY OF SHASTA  
STATEMENT OF NET POSITION  
JUNE 30, 2018**

	Primary Government			First 5 Shasta Component Unit
	Governmental Activities	Business-Type Activities	Totals	
<b>ASSETS</b>				
Cash and Investments	\$ 220,746,580	\$ 24,426,335	\$ 245,172,915	\$ 2,105,361
Receivables, Net	11,862,201	826,852	12,689,053	-
Due from Other Governments	38,838,992	1,075,257	39,914,249	943,273
Inventories	468,383	19,930	488,313	-
Other Assets	2,771,510	64,616	2,836,126	-
Internal Balances	458,335	(458,335)	-	-
Due from External Parties	370,432	-	370,432	-
Special Assessments Receivable	334,135	3,730,445	4,064,580	-
Taxes Receivable	1,397,223	-	1,397,223	-
Notes Receivable	9,851,594	-	9,851,594	-
Deferred Insurance Costs	168,589	-	168,589	-
Cash and Investments - Restricted	1,315	135,487	136,803	-
Capital Assets:				
Nondepreciable	10,167,045	2,338,710	12,505,755	99,162
Depreciable, Net	<u>149,667,726</u>	<u>40,467,749</u>	<u>190,135,475</u>	<u>469,396</u>
Total Assets	<u>447,104,060</u>	<u>72,627,047</u>	<u>519,731,107</u>	<u>3,617,192</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred OPEB	11,146,352	-	11,146,352	-
Deferred Pension	<u>60,441,259</u>	-	<u>60,441,259</u>	-
Total Deferred Outflows of Resources	<u>71,587,611</u>	<u>-</u>	<u>71,587,611</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts Payable	6,532,643	127,974	6,660,617	77,787
Retention Payable	31,006	-	31,006	-
Salaries and Benefits Payable	9,628,410	30,000	9,658,410	19,771
Accrued Interest Payable	212,665	20,179	232,844	-
Due to Other Governments	1,391,206	117,079	1,508,285	376,717
Deposits from Others	22,833	1,100	23,933	-
Unearned Revenue	4,232,698	31,493	4,264,190	-
Long-Term Liabilities:				
Due Within One Year:				
Claims Payable	2,596,157	-	2,596,157	-
Compensated Absences	4,911,311	22,534	4,933,845	18,595
Current Portion Long Term Debt	2,062,991	339,991	2,402,981	-
Due Beyond One Year:				
Claims Payable	16,400,843	-	16,400,843	-
Landfill Closure/Postclosure	-	13,129,152	13,129,152	-
Compensated Absences	3,956,234	18,152	3,974,387	-
Long-Term Debt	27,569,097	4,380,998	31,950,095	-
Net OPEB Obligation	175,888,831	-	175,888,831	-
Net Pension Liability	<u>231,874,426</u>	<u>-</u>	<u>231,874,426</u>	<u>-</u>
Total Liabilities	<u>487,311,351</u>	<u>18,218,653</u>	<u>505,530,004</u>	<u>492,870</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred OPEB	1,225,490	-	1,225,490	-
Deferred Pension	<u>7,792,575</u>	-	<u>7,792,575</u>	-
Total Deferred Inflows of Resources	<u>9,018,065</u>	<u>-</u>	<u>9,018,065</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in Capital Assets	130,202,683	38,085,671	168,288,353	568,558
Restricted For:				
Nonmajor Public Safety, Public Works,				
Health and Sanitation, and Social Services	51,506,561	-	51,506,561	-
Public Safety	26,556,134	-	26,556,134	-
Roads Administration	6,205,421	-	6,205,421	-
Mental Health	14,729,471	-	14,729,471	-
Social Services	18,530,739	-	18,530,739	-
Capital Projects	6,856,840	-	6,856,840	-
Debt Service	12,443	-	12,443	-
General Government	18,081,225	-	18,081,225	2,555,764
Unrestricted	<u>(250,319,261)</u>	<u>16,322,723</u>	<u>(233,996,538)</u>	<u>-</u>
Total Net Position	<u>\$ 22,362,260</u>	<u>\$ 54,408,394</u>	<u>\$ 76,770,654</u>	<u>\$ 3,124,322</u>

**COUNTY OF SHASTA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2018**

Functions/Programs Primary Government	Expenses	Indirect Expense Allocation	Program Revenues		
			Fees, Fines and Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
<b>GOVERNMENTAL ACTIVITIES</b>					
General Government	\$ 11,134,842	\$ 601,559	\$ 6,453,283	\$ 24,965,059	\$ -
Public Protection	93,262,230	3,128,654	15,247,465	41,926,440	55,094
Public Ways and Facilities	15,918,502	441,627	1,328,731	12,578,989	1,361,473
Health and Sanitation	62,864,346	1,101,462	3,213,325	66,597,262	-
Public Assistance	118,654,725	2,989,032	2,728,329	112,498,245	-
Education	1,537,792	20,617	26,531	-	-
Recreation	137,298	8,150	7,000	3,000	-
Debt Service:					
Fiscal Agents Fees	16,062	-	-	-	-
Interest on Debt	915,146	-	-	-	-
Total Governmental Activities	<u>304,440,944</u>	<u>8,291,102</u>	<u>29,004,663</u>	<u>258,568,995</u>	<u>1,416,567</u>
<b>BUSINESS-TYPE ACTIVITIES</b>					
Fall River Mills Airport	358,589	2,437	69,431	10,000	25,565
West Central Landfill	737,947	-	2,204,200	-	-
Solid Waste Disposal	1,819,382	27,932	1,146,933	-	-
Shasta County Transit	550,107	2,639	24,570	527,062	-
County Service Areas	2,557,803	68,769	1,666,131	187,408	150,503
Total Business-Type Activities	<u>6,023,828</u>	<u>101,777</u>	<u>5,111,265</u>	<u>724,469</u>	<u>176,068</u>
 Total Primary Government	<u>\$ 310,464,771</u>	<u>\$ 8,392,880</u>	<u>\$ 34,115,928</u>	<u>\$ 259,293,464</u>	<u>\$ 1,592,635</u>
<b>COMPONENT UNITS</b>					
First 5 Shasta	<u>2,543,236</u>			<u>2,457,765</u>	
Total Component Units	<u>\$ 2,543,236</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,457,765</u>	<u>\$</u>

General Revenues:  
Taxes:  
    Property Taxes  
    Sales and Use Taxes  
    RDA Pass Through Tax  
    Other Taxes  
Interest and Investment Earnings  
Miscellaneous  
Transfers  
    Total General Revenues

Change in Net Position

Net Position - Beginning (As previously stated)

Restatement of Net Position - Beginning

Net Position - Ending

**COUNTY OF SHASTA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2018**

Changes in Net Position			
Governmental Activities	Business-Type Activities	Total Primary Government	First 5 Shasta Component Unit
\$ 19,681,940	\$ -	\$ 19,681,940	\$ -
(39,161,886)	-	(39,161,886)	-
(1,090,936)	-	(1,090,936)	-
5,844,779	-	5,844,779	-
(6,417,184)	-	(6,417,184)	-
(1,531,878)	-	(1,531,878)	-
(135,449)	-	(135,449)	-
(16,062)	-	(16,062)	-
(915,146)	-	(915,146)	-
<u>(23,741,822)</u>	<u>-</u>	<u>(23,741,823)</u>	<u>-</u>
-	(256,031)	(256,031)	-
-	1,466,253	1,466,253	-
-	(700,380)	(700,380)	-
-	(1,114)	(1,114)	-
-	(622,531)	(622,531)	-
-	(113,802)	(113,802)	-
(23,741,822)	(113,802)	(23,855,625)	-
			(85,471)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (85,471)</u>
\$ 29,350,595	\$ 30,391	\$ 29,380,986	\$ -
3,901,009	-	3,901,009	-
755	-	755	-
3,976,650	-	3,976,650	-
2,947,550	266,898	3,214,448	13,045
5,036,817	1,277	5,038,094	-
45,000	(45,000)	-	-
<u>45,258,376</u>	<u>253,566</u>	<u>45,511,942</u>	<u>13,045</u>
21,516,554	139,764	21,656,317	(72,426)
<u>78,827,459</u>	<u>54,268,626</u>	<u>133,096,085</u>	<u>3,196,748</u>
845,706	54,268,626	55,114,332	
<u>\$ 22,362,260</u>	<u>\$ 54,408,394</u>	<u>\$ 76,770,654</u>	<u>\$ 3,124,322</u>



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**BASIC FINANCIAL STATEMENTS –  
FUND FINANCIAL STATEMENTS**

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**COUNTY OF SHASTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	General Fund	Social Services Fund	Mental Health Fund
<b>ASSETS</b>			
Cash and Investments	\$ 90,421,368	\$ 8,239,723	\$ 10,872,305
Accounts Receivable	7,437,382	6,253	135,043
Due from Other Governments	4,109,562	13,202,475	7,585,918
Inventories	-	-	-
Other Assets	1,319,237	1,142,683	10,835
Due from Other Funds	1,247,096	1,612,026	330,073
Special Assessments Receivable	-	-	-
Taxes Receivable	1,397,223	-	-
Notes Receivable	248,000	-	-
Advances to Other Funds	-	-	-
Cash and Investments - Restricted	-	-	-
Total Assets	<u>\$ 106,179,867</u>	<u>\$ 24,203,159</u>	<u>\$ 18,934,175</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 1,082,415	\$ 515,078	\$ 1,975,914
Retention Payable	8,021	-	-
Salaries and Benefits Payable	1,807,095	2,550,242	511,755
Due to Other Funds	634,518	309,554	1,571,864
Due to Other Governments	11,005	854,651	59,658
Deposits from Others	1,500	111	-
Advances from Other Funds	-	-	-
Unearned Revenue	2,600,860	1,442,785	-
Total Liabilities	<u>6,145,415</u>	<u>5,672,421</u>	<u>4,119,191</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	9,226,354	-	85,512
<b>FUND BALANCES</b>			
Nonspendable	1,319,237	1,142,683	10,835
Restricted	16,681,499	17,388,056	14,718,636
Committed	261,373	-	-
Assigned	28,856,129	-	-
Unassigned	43,689,861	-	-
Total Fund Balances	<u>90,808,099</u>	<u>18,530,739</u>	<u>14,729,471</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 106,179,867</u>	<u>\$ 24,203,159</u>	<u>\$ 18,934,175</u>

**COUNTY OF SHASTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Roads Administration Fund	Public Safety Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and Investments	\$ 4,464,848	\$ 23,247,195	\$ 46,714,022	\$ 183,959,461
Accounts Receivable	90,116	3,933,709	252,109	11,854,613
Due from Other Governments	2,466,236	6,074,046	5,393,338	38,831,574
Inventories	350,587	-	-	350,587
Other Assets	-	114,610	54,518	2,641,882
Due from Other Funds	110,030	537,809	1,133,111	4,970,145
Special Assessments Receivable	-	-	334,135	334,135
Taxes Receivable	-	-	-	1,397,223
Notes Receivable	-	-	9,603,594	9,851,594
Advances to Other Funds	8,899	-	361,491	370,389
Cash and Investments - Restricted	-	-	1,315	1,315
Total Assets	<u>\$ 7,490,716</u>	<u>\$ 33,907,369</u>	<u>\$ 63,847,632</u>	<u>\$ 254,562,918</u>
<b>LIABILITIES</b>				
Accounts Payable	607,699	558,304	1,167,711	5,907,121
Retention Payable	4,507	-	18,478	31,006
Salaries and Benefits Payable	535,029	2,241,585	1,497,050	9,142,756
Due to Other Funds	5,184	391,196	1,607,500	4,519,816
Due to Other Governments	62,386	269,849	133,658	1,391,206
Deposits from Others	-	-	20,922	22,533
Advances from Other Funds	-	-	313,723	313,723
Unearned Revenue	70,490	105,051	13,512	4,232,698
Total Liabilities	<u>1,285,295</u>	<u>3,565,984</u>	<u>4,772,553</u>	<u>25,560,859</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	3,785,251	699,235	13,796,352
<b>FUND BALANCES</b>				
Nonspendable	350,587	114,610	54,518	2,992,470
Restricted	5,854,834	26,441,524	51,464,486	132,549,035
Committed	-	-	-	261,373
Assigned	-	-	6,856,840	35,712,968
Unassigned	-	-	-	43,689,861
Total Fund Balances	<u>6,205,421</u>	<u>26,556,134</u>	<u>58,375,843</u>	<u>215,205,707</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,490,716</u>	<u>\$ 33,907,369</u>	<u>\$ 63,847,632</u>	<u>\$ 254,562,918</u>

**COUNTY OF SHASTA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
JUNE 30, 2018**

<b>Total Fund Balances - Governmental Funds</b>	\$	215,205,707
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		157,193,305
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		
Unavailable revenues		13,796,354
Long-Term Debt that has not been included in the governmental fund activity		(29,632,088)
Interest on outstanding debt not due and payable in the current period is not accrued in the governmental funds.		(212,665)
Governmental funds report the effect of issuance costs, when debt is first issued, whereas these amounts are deferred in the Statement of Net Position. This amount is the unamortized portion of bond prepaid insurance costs.		168,589
Compensated absences are not accrued in the Governmental Funds.		(8,326,311)
Internal Service Funds asset and liabilities are included in governmental activities in the Statement of Net Position.		19,363,079
Net OPEB Liability		(175,888,831)
Net Pension Liability		(231,874,426)
Deferred Outflows of Resources related to the OPEB Liability		11,146,352
Deferred Inflows of Resources related to the OPEB Liability		(1,225,490)
Deferred Outflows of Resources related to the Net Pension Liability		60,441,259
Deferred Inflows of Resources related to the Net Pension Liability		(7,792,575)
<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>22,362,260</u></b>

**COUNTY OF SHASTA  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2018**

	General Fund	Social Services Fund	Mental Health Fund
<b>REVENUES</b>			
Taxes	\$ 55,535,674	\$ -	\$ -
Licenses and Permits	4,567,118	-	-
Fines and Forfeitures	1,625,419	-	24,042
Use of Money and Property	1,548,646	89,648	99,676
Intergovernmental	8,815,816	103,599,746	35,086,876
Charges for Services	11,501,519	93,557	271,089
Miscellaneous Revenue	2,814,618	707,704	35,725
Total Revenues	<u>86,408,812</u>	<u>104,490,655</u>	<u>35,517,407</u>
<b>EXPENDITURES</b>			
Current:			
General Government	13,361,148	-	-
Public Protection	18,638,009	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	2,173,534	-	31,334,623
Public Assistance	7,874,625	105,801,936	-
Education	1,559,155	-	-
Recreation	145,309	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Fiscal Agent Fees	-	-	-
Total Expenditures	<u>43,751,778</u>	<u>105,801,936</u>	<u>31,334,623</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	42,657,033	(1,311,281)	4,182,783
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	4,574,345	3,955,297	499,203
Transfers Out	(36,003,767)	(245,658)	(2,490,010)
Sale of Capital Assets	12,065	12,360	185
Total Other Financing Sources (Uses)	<u>(31,417,356)</u>	<u>3,721,999</u>	<u>(1,990,622)</u>
<b>NET CHANGE IN FUND BALANCES</b>	11,239,677	2,410,718	2,192,161
Fund Balances - Beginning	<u>79,568,423</u>	<u>16,120,021</u>	<u>12,537,310</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 90,808,099</u>	<u>\$ 18,530,739</u>	<u>\$ 14,729,471</u>

**COUNTY OF SHASTA  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2018**

	Roads Administration Fund	Public Safety Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 2,506,104	\$ 80,604	\$ 2,370,247	\$ 60,492,629
Licenses and Permits	50,473	158,050	266,485	5,042,127
Fines and Forfeitures	-	2,662,142	14,346	4,325,948
Use of Money and Property	54,012	282,589	641,697	2,716,268
Intergovernmental	11,428,026	31,404,406	46,542,802	236,877,672
Charges for Services	716,659	3,706,705	2,570,721	18,860,250
Miscellaneous Revenue	43,496	495,177	421,349	4,518,069
Total Revenues	<u>14,798,771</u>	<u>38,789,672</u>	<u>52,827,648</u>	<u>332,832,964</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	5,709	13,366,857
Public Protection	-	63,236,993	14,204,777	96,079,779
Public Ways and Facilities	15,836,714	-	720,347	16,557,061
Health and Sanitation	-	-	28,797,904	62,306,062
Public Assistance	-	-	5,745,041	119,421,602
Education	-	-	-	1,559,155
Recreation	-	-	-	145,309
Debt Service:				
Principal	-	-	2,001,730	2,001,730
Interest	-	-	957,866	957,866
Fiscal Agent Fees	-	-	3,801	3,801
Total Expenditures	<u>15,836,714</u>	<u>63,236,993</u>	<u>52,437,176</u>	<u>312,399,221</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,037,944)	(24,447,320)	390,472	20,433,743
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	100,000	26,805,875	7,035,513	42,970,233
Transfers Out	(510,621)	(1,083,329)	(2,606,928)	(42,940,313)
Long Term Debt Process	-	-	-	-
Sale of Capital Assets	51,018	37,189	40,702	153,518
Total Other Financing Sources (Uses)	<u>(359,603)</u>	<u>25,759,735</u>	<u>4,469,287</u>	<u>183,439</u>
<b>NET CHANGE IN FUND BALANCES</b>	(1,397,547)	1,312,415	4,859,762	20,617,188
Fund Balances - Beginning	<u>7,602,968</u>	<u>25,243,717</u>	<u>53,516,079</u>	<u>194,588,517</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 6,205,421</u>	<u>\$ 26,556,134</u>	<u>\$ 58,375,843</u>	<u>\$ 215,205,707</u>



**COUNTY OF SHASTA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 20,617,188</b>
Amounts reported for governmental activities in the Statement of Net Activities are different because:	
Governmental Funds report capital outlays as expenditures	8,555,444
In the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.	(6,205,712)
Governmental Funds report the disposal of assets only to the extent that proceeds are received from the sale. In the Statement of Activities, a gain or loss is reported for each disposal. This is the Book Value of the assets which were disposed.	(22,903)
Repayment of note and bond principal is an expenditure in the Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	2,001,730
Interest on outstanding debt is reported as an expenditure when due in the Governmental Funds, but is accrued in the Statement of Activities.	42,720
Governmental Funds report the effect of issuance costs when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the current year amortization of bond insurance costs.	(12,261)
Compensated absences in the Statement of Activities is reported as an expense, but is not reported in the Governmental Funds.	(67,192)
Other Postemployment Benefits are reported as an expense when contributions are made in the Governmental Funds, but are accrued in the Statement of Activities.	4,492,790
Internal Service Funds are used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with Governmental Activities.	4,661,563
Revenues that do not provide current financial resources are not reported as revenues in the funds.	577,301
Pension expense is reported as an expense but is not reported in the Governmental Funds	(13,124,113)
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 21,516,554</u></b>





**COUNTY OF SHASTA  
STATEMENT NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2018**

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 4,028,158	\$ 19,308,772	\$ 534
Receivables, Net	466,227	-	177
Due from Other Governments	47,084	752,315	-
Inventories	-	-	19,930
Other Assets	-	-	-
Due from Other Funds	116,518	-	-
Total Current Assets	<u>4,657,987</u>	<u>20,061,087</u>	<u>20,641</u>
Noncurrent Assets:			
Special Assessments Receivable	-	-	-
Advances to Other Funds	-	-	-
Cash and Investments - Restricted	-	-	-
Capital Assets:			
Nondepreciable	1,100,708	-	110,000
Depreciable, Net	12,974,027	-	11,448,293
Total Noncurrent Assets	<u>14,074,735</u>	<u>-</u>	<u>11,558,293</u>
Total Assets	<u>18,732,722</u>	<u>20,061,087</u>	<u>11,578,934</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	84,084	-	571
Salaries and Benefits Payable	30,000	-	-
Accrued Interest Payable	8,909	-	-
Due to Other Funds	949	115,148	-
Due to Other Governments	-	-	-
Deposits from Others	-	-	100
Unearned Revenue	4,102	-	243
Claims Payable	-	-	-
Compensated Absences	22,534	-	-
Bonds, Notes Payable	143,859	-	-
Total Current Liabilities	<u>294,438</u>	<u>115,148</u>	<u>914</u>
Noncurrent Liabilities:			
Claims Payable	-	-	-
Advances from Other Funds	-	-	-
Compensated Absences Payable	18,152	-	-
Notes Payable	617,011	-	-
Bonds Payable	-	-	-
Landfill Closure/Postclosure	-	13,129,152	-
Total Noncurrent Liabilities	<u>635,164</u>	<u>13,129,152</u>	<u>-</u>
Total Liabilities	<u>929,602</u>	<u>13,244,300</u>	<u>914</u>
<b>NET POSITION</b>			
Net Investment In Capital Assets	13,313,865	-	11,558,293
Unrestricted	4,489,256	6,816,787	19,727
Total Net Position	<u>\$ 17,803,121</u>	<u>\$ 6,816,787</u>	<u>\$ 11,578,020</u>

**COUNTY OF SHASTA  
STATEMENT NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2018**

	Business-Type Activities			
	CSA #6	Nonmajor	Total	Internal
	Jones Valley Water	Enterprise Funds	Enterprise Funds	Service Funds
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 97,058	\$ 991,813	\$ 24,426,335	\$ 36,787,119
Receivables, Net	56,790	303,658	826,852	10,126
Due from Other Governments	48,371	227,487	1,075,257	7,417
Inventories	-	-	19,930	117,796
Other Assets	57,752	6,864	64,616	129,628
Due from Other Funds	25,072	100,216	241,806	38,861
Total Current Assets	<u>285,043</u>	<u>1,630,038</u>	<u>26,654,796</u>	<u>37,090,947</u>
Noncurrent Assets:				
Special Assements Receivable	3,390,296	340,149	3,730,445	-
Advances to Other Funds	-	-	-	289,468
Cash and Investments - Restrictc	112,638	22,849	135,487	-
Capital Assets:				
Nondepreciable	54,400	1,073,602	2,338,710	55,375
Depreciable, Net	9,049,056	6,996,373	40,467,749	2,586,093
Total Noncurrent Assets	<u>12,606,390</u>	<u>8,432,973</u>	<u>46,672,392</u>	<u>2,930,936</u>
Total Assets	<u>12,891,433</u>	<u>10,063,011</u>	<u>73,327,187</u>	<u>40,021,883</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	16,165	172,041	272,861	625,522
Salaries and Benefits Payable	-	-	30,000	485,654
Accrued Interest Payable	9,019	2,251	20,179	-
Due to Other Funds	-	93,023	209,119	9,095
Due to Other Governments	-	117,079	117,079	-
Deposits from Others	500	500	1,100	300
Unearned Revenue	7,185	19,963	31,493	-
Claims Payable	-	-	-	2,596,157
Compensated Absences	-	-	22,534	299,763
Bonds, Notes Payble	159,504	36,627	339,991	-
Total Current Liabilities	<u>192,374</u>	<u>441,483</u>	<u>1,044,357</u>	<u>4,016,490</u>
Noncurrent Liabilities:				
Claims Payable	-	-	-	16,400,843
Advances from Other Funds	20,000	326,134	346,134	-
Compensated Absences Payable	-	-	18,152	241,470
Notes Payable	2,909,277	205,910	3,732,198	-
Bonds Payable	488,000	160,800	648,800	-
Landfill Closure/Postclosure	-	-	13,129,152	-
Total Noncurrent Liabilities	<u>3,417,277</u>	<u>692,844</u>	<u>17,874,437</u>	<u>16,642,313</u>
Total Liabilities	<u>3,609,651</u>	<u>1,134,327</u>	<u>18,918,793</u>	<u>20,658,804</u>
<b>NET POSITION</b>				
Net Investment In Capital Assets	5,546,675	7,666,838	38,085,671	2,641,468
Unrestricted	<u>3,735,108</u>	<u>1,261,846</u>	<u>16,322,723</u>	<u>16,721,612</u>
Total Net Position	<u>\$ 9,281,783</u>	<u>\$ 8,928,684</u>	<u>\$ 54,408,394</u>	<u>\$ 19,363,079</u>

**COUNTY OF SHASTA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,145,583	\$ 2,204,200	\$ 69,431
Total Operating Revenues	<u>1,145,583</u>	<u>2,204,200</u>	<u>69,431</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	476,403	-	-
Services and Supplies	858,588	-	104,728
Central Service Costs	27,932	-	2,437
Insurance Premiums	-	-	-
Claims Expense	-	-	-
Depreciation	462,681	-	253,739
Closure Expense	-	737,947	-
Total Operating Expenses	<u>1,825,605</u>	<u>737,947</u>	<u>360,904</u>
<b>OPERATING INCOME (LOSS)</b>	(680,022)	1,466,253	(291,473)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest	46,073	207,028	102
Property Tax Revenues	-	-	-
Operating Grants	-	-	35,565
Nonoperating Grants	-	-	-
Capital Improvement Fees	-	-	-
Other Revenue	77	-	918
Other Expense	-	-	(123)
Loss on Sale of Capital Asset	-	-	-
Gain on Sale of Capital Asset	1,351	-	-
Interest Expense	(21,709)	-	-
Total Nonoperating Revenues (Expenses)	<u>25,792</u>	<u>207,028</u>	<u>36,463</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	(654,230)	1,673,281	(255,010)
Capital Contributions/Grants	-	-	-
Transfers In	504,979	-	-
Transfers Out	(100,000)	(504,979)	-
<b>CHANGE IN NET POSITION</b>	(249,252)	1,168,303	(255,010)
Net Position - Beginning	<u>18,052,374</u>	<u>5,648,483</u>	<u>11,833,031</u>
<b>NET POSITION - ENDING</b>	<u>\$ 17,803,121</u>	<u>\$ 6,816,787</u>	<u>\$ 11,578,020</u>

**COUNTY OF SHASTA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Business-Type Activities			Internal Service Funds
	CSA #6 Jones Valley Water	Nonmajor Enterprise Funds	Total Enterprise Funds	
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 309,684	\$ 1,416,085	\$ 5,144,983	\$ 24,554,699
Total Operating Revenues	<u>309,684</u>	<u>1,416,085</u>	<u>5,144,983</u>	<u>24,554,699</u>
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	-	-	476,403	8,797,306
Services and Supplies	334,882	1,907,171	3,205,370	6,196,824
Central Service Costs	10,683	60,724	101,777	814,415
Insurance Premiums	-	-	-	1,931,343
Claims Expense	-	-	-	2,310,717
Depreciation	277,857	519,498	1,513,775	846,643
Closure Expense	-	-	737,947	-
Total Operating Expenses	<u>623,423</u>	<u>2,487,393</u>	<u>6,035,272</u>	<u>20,897,248</u>
<b>OPERATING INCOME (LOSS)</b>	(313,738)	(1,071,308)	(890,289)	3,657,452
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest	1,607	12,087	266,898	376,249
Property Tax Revenues	-	30,391	30,391	-
Operating Grants	-	-	35,565	-
Nonoperating Grants	-	707,552	707,552	-
Other Revenue	6,528	671	8,194	619,915
Other Expense	(20,134)	(1,104)	(21,360)	(11,655)
Loss on Sale of Capital Asset	-	-	-	(35,364)
Gain on Sale of Capital Asset	-	-	1,351	39,886
Interest Expense	<u>(27,975)</u>	<u>(19,289)</u>	<u>(68,973)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>(39,973)</u>	<u>730,308</u>	<u>959,618</u>	<u>989,031</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS</b>	(353,712)	(341,000)	69,330	4,646,483
Capital Contributions/Grants	100,347	15,087	115,434	-
Transfers In	-	55,000	559,979	66,863
Transfers Out	-	-	(604,979)	(51,784)
<b>CHANGE IN NET POSITION</b>	<u>(253,365)</u>	<u>(270,913)</u>	<u>139,764</u>	<u>4,661,563</u>
Net Position - Beginning	<u>9,535,147</u>	<u>9,199,591</u>	<u>54,268,626</u>	<u>14,701,514</u>
<b>NET POSITION - ENDING</b>	<u>\$ 9,281,783</u>	<u>\$ 8,928,684</u>	<u>\$ 54,408,394</u>	<u>\$ 19,363,079</u>

**COUNTY OF SHASTA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2018**

	Business Type Activities		
	Solid Waste	West Central Landfill	Fall River Mills Airport
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 1,132,524	\$ 2,226,656	\$ 74,172
Receipts from Internal Customers	-	-	-
Payments to Suppliers	(859,338)	8,225	(111,253)
Payments to Employees	(474,536)	-	-
Operating Subsidies and Transfers	-	-	-
Claims Paid	-	-	-
Other Receipts	77	-	918
Other Payments	-	-	(123)
Net Cash Provided (Used) by Operating Activities	<u>(201,273)</u>	<u>2,234,881</u>	<u>(36,286)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Property Taxes	-	-	-
Nonoperating Subsidies and Transfers In	-	(504,979)	-
Nonoperating Subsidies and Transfers Out	404,979	-	35,565
Net Cash Provided (Used) by Noncapital Financing Activities	<u>404,979</u>	<u>(504,979)</u>	<u>35,565</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and Construction of Capital Assets	(157,615)	-	-
Insurance Proceeds (Claims)	-	-	-
Proceeds from Sale of Capital Assets	1,351	-	-
Capital Improvement Fees	-	-	-
Principal Payments on Capital Debt	(139,927)	-	-
Proceeds from Capital-type Special Assessments	-	-	-
Capital Grants Received	-	-	-
Interest payments on Capital Debt	(23,347)	-	-
Net Cash (Used) By Capital and Related Financing Activities	<u>(319,538)</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	46,073	207,028	102
Net Cash Provided (Used) by Investing Activities	<u>46,073</u>	<u>207,028</u>	<u>102</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(69,759)	1,936,930	(619)
Cash and Cash Equivalents - Beginning of Year*	<u>4,097,919</u>	<u>17,371,840</u>	<u>1,154</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR*</b>	<u>\$ 4,028,158</u>	<u>\$ 19,308,772</u>	<u>\$ 534</u>

\*Includes Restricted Cash and Imprest Cash



**COUNTY OF SHASTA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2018**

	Business Type Activities			Internal Service Funds
	CSA# 6	Other	Total	
	Jones Valley Water	Enterprise Funds	Enterprise Funds	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers	\$ 290,704	\$ 1,320,271	\$ 5,044,327	\$ 23,681,463
Receipts from Internal Customers	-	-	-	894,762
Payments to Suppliers	(347,624)	(2,224,830)	(3,534,820)	(9,064,964)
Payments to Employees	-	-	(474,536)	(8,807,772)
Operating Subsidies and Transfers	-	717,656	717,656	-
Claims Paid	-	-	-	(3,007,113)
Other Receipts	6,528	35,759	43,282	643,489
Other Payments	(20,134)	(1,105)	(21,362)	(11,655)
Net Cash Provided (Used) by Operating Activities	<u>(70,526)</u>	<u>(152,249)</u>	<u>1,774,547</u>	<u>4,328,210</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Property Taxes	-	30,391	30,391	-
Nonoperating Subsidies and Transfers In	-	-	(504,979)	-
Nonoperating Subsidies and Transfers Out	-	259,416	699,960	15,080
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>289,807</u>	<u>225,372</u>	<u>15,080</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and Construction of Capital Assets	-	(109,347)	(266,962)	(560,644)
Insurance Proceeds (Claims)	-	-	-	(15,604)
Proceeds from Sale of Capital Assets	-	-	1,351	39,885
Capital Improvement Fees	2,355	500	2,855	-
Principal Payments on Capital Debt	(137,505)	(16,627)	(294,059)	-
Proceeds from Capital-type Special Assessments	157,504	-	157,504	-
Capital Grants Received	51,669	807	52,476	-
Interest payments on Capital Debt	(28,546)	(19,326)	(71,219)	-
Net Cash (Used) By Capital and Related Financing Activities	<u>45,477</u>	<u>(130,245)</u>	<u>(404,306)</u>	<u>(536,363)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on Investments	1,607	11,988	266,798	376,249
Net Cash Provided (Used) by Investing Activities	<u>1,607</u>	<u>11,988</u>	<u>266,798</u>	<u>376,249</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(23,442)	19,301	1,862,411	4,183,176
Cash and Cash Equivalents - Beginning of Year*	<u>233,137</u>	<u>995,357</u>	<u>22,699,407</u>	<u>32,603,941</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR*</b>	<u>\$ 209,696</u>	<u>\$ 1,014,662</u>	<u>\$ 24,561,818</u>	<u>\$ 36,787,119</u>

\*Includes Restricted Cash and Imprest Cash

**COUNTY OF SHASTA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2018**

	Business Type Activities		
	Solid Waste	West Central Landfill	Fall River Mills Airport
<b>RECONCILIATION OF OPERATING INCOME</b>			
<b>(LOSS) TO NET CASH PROVIDED (USED) BY</b>			
<b>OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (680,021)	\$ 1,466,253	\$ (291,473)
Adjustments to Reconcile Net Operating Income to			
Net Cash Provided (Used) by Operating Activities:			
Other Non-operating Receipts	77	-	918
Other Non-operating Payments	-	-	(123)
Depreciation Expense	462,681	-	253,739
Transfer in - Operating	-	-	-
Landfill Closure/Postclosure Care Costs	-	737,947	-
Change in Assets and Liabilities:			
Receivables, Net	229	-	508
Due from Other Funds	(9,564)	-	-
Due from Other Governments	(7,826)	22,456	3,990
Inventories	-	-	947
Other Assets	-	-	-
Accounts Payable	52,674	-	(4,845)
Salaries and Benefits Payable	1,867	-	-
Due to Other Funds	(25,492)	8,225	-
Claims Liability	-	-	-
Unearned Revenue	4,102	-	243
Deposits from Others	-	-	-
Due to Other Governments	-	-	(190)
Compensated Absences Payable	-	-	-
Net Cash Provided (Used) by Operating			
Activities	<u>\$ (201,273)</u>	<u>\$ 2,234,881</u>	<u>\$ (36,286)</u>

\*Includes Restricted Cash and Imprest Cash

**COUNTY OF SHASTA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2018**

	Business Type Activities			Internal Service Funds
	CSA# 6	Other	Total	
	Jones Valley Water	Enterprise Funds	Enterprise Funds	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (313,738)	\$ (1,071,308)	\$ (890,287)	\$ 3,673,055
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:				
Other Non-operating Receipts	6,528	35,759	43,282	643,489
Other Non-operating Payments	(20,134)	(1,105)	(21,362)	(11,655)
Depreciation Expense	277,857	519,497	1,513,774	846,643
Transfer in - Operating	-	527,062	527,062	-
Landfill Closure/Postclosure Care Costs	-	-	737,947	-
Change in Assets and Liabilities:				
Receivables, Net	(16,911)	(45,482)	(61,656)	845
Due from Other Funds	(4,969)	(75,608)	(90,141)	6,935
Due from Other Governments	-	192,681	211,301	14,103
Inventories	-	-	947	(16,558)
Other Assets	-	-	-	(29,255)
Accounts Payable	11,840	(72,392)	(12,723)	(13,226)
Salaries and Benefits Payable	-	-	1,867	(6,120)
Due to Other Funds	(13,899)	11,290	(19,876)	(35,460)
Claims Liability	-	-	-	(712,000)
Unearned Revenue	2,900	1,599	8,844	-
Deposits from Others	-	(500)	(500)	-
Due to Other Governments	-	(173,741)	(173,931)	(28,487)
Compensated Absences Payable	-	-	-	(4,099)
Net Cash Provided (Used) by Operating Activities	\$ (70,526)	\$ (152,249)	\$ 1,774,547	\$ 4,328,210

**\*Includes Restricted Cash and Imprest Cash**



**COUNTY OF SHASTA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2018**

	Investment Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and Investments	\$ 233,705,598	\$ 23,339,442
Other Assets	-	51,346
Accounts Receivable, Net	7,119	474
Taxes Receivable, Net	-	11,402,629
Due from Other Governments	23,802	102,326
Due from Other Funds	199,804	688,887
Total Assets	233,936,323	35,585,104
<b>LIABILITIES</b>		
Due to Other Funds	409	1,401,183
Due to Other Governments	67,699	4,035,332
Taxes Due Other Funds	-	12,768,324
Agency Funds Liabilities	-	17,380,265
Total Liabilities	68,108	\$ 35,585,104
<b>NET POSITION</b>		
Net Position Held in Trust for Investment Pool Participants	\$ 233,868,215	

**COUNTY OF SHASTA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
INVESTMENT TRUST FUNDS  
YEAR ENDED JUNE 30, 2018**

	Total
<b>ADDITIONS</b>	
Contributions to Investment Pool	\$ 558,794,932
<b>DEDUCTIONS</b>	
Distributions from Investment Pool	528,946,860
<b>CHANGE IN NET POSITION</b>	29,848,072
Net Position - Beginning	204,020,144
<b>NET POSITION - ENDING</b>	\$ 233,868,215



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## **NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1: Summary of Significant Accounting Policies**

**The Reporting Entity**

The County of Shasta (the County) is a legal subdivision of the State of California and was established as a general law county in 1850. The County's powers are exercised through a five-member Board of Supervisors (the Board) that, as the governing body of the County, is responsible for the legislative and executive control of the County. The County provides various services on a countywide basis including public protection, public assistance, health and sanitation, recreation, and general government services.

The accounting methods and procedures adopted by the County conform to accounting principles generally accepted in the United States of America as applied to governmental entities. The accompanying financial statements present the activities of the County and its component units, entities for which the County is considered to be financially accountable under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by Statement No. 39.

**A. Component Units**

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. Financial accountability exists if a primary government appoints a voting majority of an organization's governing board *and* is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the primary government.

The basic 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 for purposes of reporting in the accompanying basic financial statements. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize its legal separation from the County.

The following legally separate entities are considered ***blended component units*** for financial reporting purposes of the County:

*Lighting Districts* provide for the operation and maintenance of streetlights in certain areas of the County and are financed by property taxes and benefit assessments.

- CSA #15 Street Lighting
- Lakehead Street Lighting
- Rother Riverside Sub Light
- Sierra Vista Lighting

*Permanent Road Divisions (PRDs)* are established for the benefit of private road systems. Management of the County has operational responsibility for the component units. Annual parcel charges are levied to pay for the level of maintenance work desired by the property owners.

- Aegean Way PRD
- Aiden Park PRD
- Alpine Way PRD
- Amber Lane PRD
- Amber Ridge PRD
- Amesbury Village PRD
- Beagle Street PRD
- Blackstone Estates PRD
- Buckshot Lane EFER PRD
- Butterfield Lane EFER PRD
- Canto Del Lupine PRD
- China Gulch PRD
- Clover Road PRD
- Coloma Drive PRD
- Cottonwood Creek PRD
- County Fields Estates PRD
- Craig Lane PRD
- # 1 Crowley Creek Ranchettes PRD
- # 2 Crowley Creek Ranchettes PRD
- Diamond Ridge PRD
- Dusty Oaks Trail PRD
- East Stillwater PRD
- Equestrian Estates PRD
- Fore Way Lane PRD
- Foxwood Estates PRD
- Fullerton Way PRD
- Garth Drive EFER PRD
- Holiday Acres PRD
- Honeybee Acres PRD
- Intermountain Road PRD
- Irish Creek Road PRD
- Jennifer Drive EFER PRD
- Jordan Manor PRD
- L & R Estates PRD
- Lake Drive PRD
- Laurel Glen Estates PRD
- Laverne Lane PRD
- Lark Court PRD
- Logan Road PRD
- #1 Los Palos EFER PRD
- #2 Los Palos EFER PRD
- Manor Crest PRD
- Manton Heights PRD
- Manzanillo Orchard PRD
- Marianas Way PRD
- Millville Way PRD
- Mount Lassen Woods PRD
- Mountain Gate Meadows PRD
- Mule Mountain Parkway PRD
- North Chapparal Drive PRD
- Nunes Ranch PRD
- Oak Tree Lane PRD
- Old Stagecoach Road PRD
- Palo Cedro Oaks PRD
- Ponder Way PRD
- Ritts Mill Road PRD
- River Hills Estates PRD
- Robledo Road PRD
- Rocky Ledge Estates PRD

- Rolland Country Estates PRD
- Santa Barbara Estates PRD
- Santa Barbara 1868 Unit 2 PRD
- Santa Barbara 3\_4 PRD
- Scenic Oak PRD
- Shasta Lake Ranchos PRD (CSA #10)
- Shasta Meadows PRD
- Shelly Lane PRD
- Ski Way PRD
- Skylark Lane EFER PRD
- Silver Saddle Estates PRD
- Sleeping Bull Estates PRD
- Sol Semente EFER PRD
- Sonora Trail PRD
- #1 Squaw Carpet Fire Access PRD
- #2 Squaw Carpet Fire Access PRD
- Sterling Ranch PRD
- #1 Stillwater Ranch PRD
- #2 Stillwater Ranch PRD
- Terri Lee Terrace PRD
- Timber Ridge PRD
- Tract 1323 PRD
- Tudor Oaks Acres PRD
- Valparaiso Way PRD
- Vedder Road PRD
- Victoria Highlands Estates PRD
- Village Green PRD
- Waterleaf Estates PRD
- Westview Road EFER PRD
- Wisteria Estates PRD
- Woggon Lane PRD
- White Oak Manor PRD

*Water and Sewer Maintenance Districts* provide water and sanitary sewer services to commercial development and residential communities. The component unit's governing body is substantively the same as the governing body of the County and management of the County has operational responsibility for the component units. The costs of operating these units are charged to the users in the form of water charges and sewer fees.

- CSA #2 Sugarloaf Water
- CSA #3 Castella Water
- CSA #6 Jones Valley
- CSA #7 Burney Storm
- CSA #8 Palo Cedro
- CSA #11 French Gulch
- CSA #13 Alpine Meadows
- CSA #14 Belmont Storm
- CSA #17 Cottonwood
- CSA #23 Cragview
- CSA #25 Keswick

The *Shasta County Water Agency* accounts for the wholesale purchase and sale of water from the Bureau of Reclamation to various water purveyors in Shasta County. The component unit's governing body is substantively the same as the governing body of the County and management of the County has operational responsibility for the component units.

The *Shasta County Air Quality Management District* endeavors to achieve state and federal ambient air quality standards. The component unit's governing body is substantively the same as the governing body of the County and there is a financial burden relationship between the County and the component unit.

The *Shasta County Fire Protection District CSA# 1* provides fire suppression and protection services to unincorporated areas which are not served by either an independent fire district or by the California Department of Forestry. The component unit's governing body is substantively the same as the governing body of the County and management of the County has operational responsibility for the component units.



The *Shasta Joint Powers Financing Authority* was created on May 29, 1990, as a result of a Joint Exercise of Powers Agreement between the County and the Successor Agency to the Shasta County Redevelopment Agency, formerly Shasta County Redevelopment Agency. The component unit's governing body is substantively the same as the governing body of the County and there is a financial burden relationship between the County and the component unit. The Authority's purpose is to finance public capital improvements.

The *In-Home Supportive Services (IHSS) Public Authority* assists consumers in finding in-home supportive services personnel, provides training and support for providers and recipients and their families, and performs other functions related to the delivery of in-home supportive services. The component unit's governing body is substantively the same as the governing body of the County and management of the County has operational responsibility for the component unit.

The *Inmate Welfare Fund* was established in 1972 under California Penal Code §4025, which authorizes the sheriff of each county to establish, maintain and operate a store (commissary) in connection with the county jail to sell certain supplies to inmates of the jail. Profit from these sales and compensation attributable to the use of pay telephones primarily used by inmates are deposited into this fund and expended by the sheriff for the benefit, education, and welfare of the inmates. The component unit's governing body is substantively the same as the governing body of the County and management of the County has operational responsibility for the component unit.

The following legally separate ***discretely presented component unit*** is reported in a separate column in the County's government-wide Statement of Net Assets and Statement of Activities:

The *Shasta Children and Families First Commission* was established under the authority of Proposition 10, the California Children and Families First Act of 1998. The County Board appointed all members of the Commission. The Board can remove appointed members at will. The Commission accounts for the Proposition 10 allocations and appropriations. The Commission provides most of its services directly to the citizens of the County.

Complete audited financial statements for the discretely presented component unit are issued separately and may be obtained at the unit's administrative office.

Also included in the accompanying basic financial statements as fiduciary funds are assets of numerous self-governed school districts, independent special districts, and other independent agencies for which the County Treasurer acts as custodian of those funds. The financial reporting for these governmental entities, which are independent of the County, is limited to the total amount of cash and investments and other assets, and the related fiduciary responsibility of the County for disbursement of these assets. Activities of the school districts and special districts are administered by separate boards and are independent of the County Board of Supervisors. The County Auditor-Controller makes disbursements upon the request of the responsible school or self-governed district officers. The operations of these entities have been excluded from the basic financial statements as each entity conducts its own day-to-day operations and answers to its own governing board.

## **B. Related Organizations**

Related organizations are excluded from the financial reporting entity because the County's accountability does not extend beyond making appointments. Audited financial statements are available from the respective organizations. Related organizations are described as follows:

*Local Agency Formation Commission of Shasta County (LAFCO)* is a jointly governed organization composed of members from the County's Board, members from the city councils in the County, and representatives from the independent special districts. LAFCOs are responsible for coordinating changes in local governmental boundaries and conducting studies that review governmental structure.

The *Redding Area Bus Authority (RABA)* was formed under a joint powers agreement between the County, City of Redding, City of Shasta Lake, and City of Anderson. The function of RABA is to provide the most cost effective public transportation system utilizing federal and state funding participation.

The *Shasta Area Safety Communications Agency (SHASCOM)* was created by a joint powers agreement between the County and the City of Redding. The purpose of SHASCOM is to provide dispatch services for law enforcement and fire and rescue operations.

The *Shasta Regional Transportation Agency (SRTA)*, (formerly the *Regional Transportation Planning Agency (RTPA)*) provides transportation planning services and administers the metropolitan transportation planning organization (MPO) function for local jurisdictions within the County. While RTPA was officially a part of the County in the past, on August 1, 2012 the RTPA separated from the County and formally became the SRTA, an independent agency, per unanimous board vote.

## **C. Basis of Presentation**

### Government-wide Financial Statements

The Statement of Net Position and Statement of Activities report information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Internal balances in the Statement of Net Position have been eliminated, with the exception of those representing balances between the governmental activities and the business-type activities. 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, indirect expenses and program revenues for each function of the County's governmental activities and for each segment of the business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function or segment. Indirect expenses for centralized services and administrative overhead are allocated based on the annual Countywide Cost Allocation Plan and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Program revenues include a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Revenues that are not classified as program revenues, including *all* taxes and interest, are presented instead as general revenues.

### Fund Financial Statements

Separate fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. The focus of governmental and proprietary fund financial

statements is on major funds and each major fund is presented in a separate column. Nonmajor funds and internal service funds are aggregated and presented in single columns.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from nonexchange transactions.

The County reports the following major governmental funds:

- The *General Fund* is the County's primary operating fund. It accounts for all financial resources and legally authorized activities of the County except those required to be accounted for in another fund.
- The *Social Services Fund* is used to account for the activities of Social Service departments. The primary revenue sources are federal and state grants with mandated County matching funds.
- The *Mental Health Fund* is used to account for the activities of Mental Health departments. The primary revenue sources are federal and state grants with mandated County matching funds.
- The *Roads Administrative Fund* is used to account for the activities associated with road maintenance and bridge construction. The primary revenue sources are federal and state grants.
- The *Public Safety Fund* is used to account for the law enforcement activities of the County and includes the functions of the Sheriff, the District Attorney, and the Probation Department. The primary revenue sources are federal grants, state grants, and General Fund contributions.

The County reports the following major proprietary funds:

- The *Solid Waste Fund* accounts for the activities of solid waste collection and disposal and septage disposal.
- The *County Service Area #6 (Jones Valley) Fund* is used to account for the activity associated with the Jones Valley Water District and their water systems.
- The *West Central Landfill Fund* is used to account for the activity associated with improvement and closure of the County's landfill.
- The *Fall River Mills Airport Fund* is used to account for the activity associated with the airport, including improvements.

Additionally, the County reports the following fund types:

- *Internal Service Funds* account for vehicle operations, risk management, information technology, communications operations, facilities management, and County utilities that provide services to other departments or agencies of the County, or to other governments, on a cost reimbursement basis.
- The *Investment Trust Fund* accounts for the external portion of the County Treasurer's investment pool, which commingles resources of legally separate local governments within the County in an

investment portfolio for the benefit of all participants.

- *Agency Funds* are custodial in nature and do not involve measurement of results of operations. Since they are custodial in nature, they do not have equity accounts since all assets are due to individuals or entities at some future time. These funds include: Clearing and Revolving Funds; Deposit Funds; Other Agency Funds; State, City, and Special District Revenue Funds; and Tax Collection Funds.

#### **D. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donations.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues available if they are collected within one hundred eighty (180) days of the end of the current fiscal period, except for property taxes which is 60 days. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The accounts of the County are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

#### **E. Cash and Investments**

The cash balances of substantially all funds are pooled and invested by the County Treasurer for the purpose of increasing earnings through investment activities. The pool's investments are stated at fair value based on market prices. Earnings of the investment pool are apportioned to the appropriate funds quarterly using a formula based on the average daily balance of each participating fund.

A trustee or fiscal agent manages cash and investments held separately from the pool, and these assets are reported in various funds as follows: the Administration Center, as a component unit of the General Fund; the Housing Authority of Shasta County, as a component unit of Special Revenue Funds; and the Housing Authority Trust Fund Account, as a component unit of Agency Funds. Some cash and investments of the Shasta Joint Powers Financing Authority, a component unit of the General Fund, are accounted for in Debt Service Funds.

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 Treasurer's investment pool, to be cash equivalents.

#### **F. Receivables and Payables**

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

The County only accrues revenues at fiscal year-end and accrues only those revenues it deems collectible; as such the County has no allowance for doubtful accounts in its governmental funds.

The County accrues expenditures, and the associated liability, as they relate to budgeted appropriations. Goods encumbered by purchase orders, received prior to June 30<sup>th</sup>, and intended for use prior to June 30<sup>th</sup> will be expenditures of the current fiscal year and accrued when paid. Goods encumbered by purchase orders, received prior to June 30<sup>th</sup>, and intended for use after June 30<sup>th</sup> will be expenditures of the following fiscal year. The budget of the following fiscal year is encumbered for these liabilities, and the expenditure is recorded when paid.

Notes receivable in governmental funds consist of non-current rehabilitation, CALHome, and redevelopment loans. The non-current portion of loans receivable are offset by reservation of fund balance. Special assessment receivables are the uncollected portion of special assessments which a governmental unit has levied but not collected.

#### **G. Inventories and Other Assets**

Inventory consists of expendable supplies held for consumption and is valued at cost, approximating market value, using the first-in, first-out (FIFO) method. The cost is recorded as an expenditure at the time individual inventory items are purchased and the balance is adjusted annually for goods on hand at the end of the fiscal year. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as other assets. The inventories and other assets recorded in the governmental funds do not reflect current appropriable resources and thus, an equivalent portion of fund balance is reserved. Prepaid items reflect payments for costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements, with expenditures recorded when consumed. Inventories and prepaid items recorded in the governmental funds are not in spendable form and thus, an equivalent portion of fund balance is reported as nonspendable.

#### **H. Capital Assets**

Capital assets, which include land, structures and improvements, equipment (which includes software systems and related intangibles), and infrastructure (roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Acquisitions of capital assets are recorded as expenditures in the governmental fund types at the time

of purchase and are recorded in the Capital Asset Accounting System. Capital assets in the proprietary funds are capitalized in the fund(s) in which they are utilized.

Capital assets are recorded at historical cost or at estimated historical cost if purchased or constructed. In the case of structures and improvements, if historical costs were not available, engineering estimates were used to approximate historical cost. Donated capital assets are recorded at the acquisition value at the date of donation. Self-constructed assets are recorded at the amount of direct labor, material, and capitalized interest costs.

Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide and proprietary fund financial statements. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Class	Useful Life Years
Structures and Improvements	40 - 50
Equipment – Vehicles	3 - 10
Equipment – Other	3 - 10
Equipment – Software	3 - 5
Infrastructure – Roads	30
Infrastructure – Bridges	50

The costs of normal maintenance and repairs that do not add to the value of assets or materially extend asset lives are not capitalized. The capitalization thresholds are \$5,000 for equipment and software, \$25,000 for structures and improvements, \$500,000 for infrastructure and all land regardless of value.

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

The State of California’s (State) Constitution Article XIII provides that the combined maximum property tax rate on any given property may not exceed one percent of its assessed value unless voters have approved an additional amount for the general obligation debt. Assessed value is calculated at 100 percent of market value, as defined by Article XIII A, and may not be adjusted by more than two percent per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a one percent tax levy among the County, cities, school districts, and other districts. The County assesses properties, enrolls values, and collects property taxes as follows:

	Secured	Unsecured
Lien/Valuation date	January 1	January 1
Levy date	September 12	July 15
Due date	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10 (Due November 1) April 10 (Due February 1)	August 31 (Due July 1)

The term “unsecured” refers to taxes on personal property. These taxes are not secured by liens on

the property being taxed. Property taxes are recorded as receivables in the fiscal year of the levy and are recorded as revenue when collections are apportioned.

Effective July 1, 1993, the County began apportioning secured (and secured supplemental) property tax revenue in accordance with the alternative method of distribution (the Teeter Plan) prescribed by Section 4701 of the California Revenue and Taxation Code. Current secured/supplemental apportionments continue to follow “pre-Teeter” allocation methods based on collections until year-end. At year-end, the unpaid current secured/supplemental receivable balance is apportioned and each participating agency’s delinquency is financed or “bought out” by the Teeter Plan.

The alternative method of distribution assures each participating agency receives their full current secured/supplemental collections while providing the County with future delinquent penalties and redemption interest on unpaid receivables. Under the Teeter Plan, specified amounts of delinquent or “abstract” secured or supplemental taxes are held in trust to provide revenue for future year “buy-outs” and to offset potential losses from the sale of tax-defaulted properties.

#### **J. Lease Obligations**

The County leases various assets under both operating and capital lease agreements. In the government-wide and proprietary fund financial statements, capital leases and the related lease obligations are reported as liabilities in the applicable governmental or business-type activities column of the Statement of Net Position.

#### **K. Long-Term Debt, Deferred Debt Expense, and Bond Discounts/Premiums**

In the government-wide and proprietary funds financial statements, outstanding debt is reported as a liability. Bond issuance costs (except any portion related to prepaid insurance costs), bond discounts or premiums, and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using the straight-line method, which is not materially different from the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs, except any portion related to prepaid insurance costs are reported as expenditures. Prepaid insurance costs should be reported as an asset and systematically and rationally expensed over the life of the related debt.

#### **L. Employee Compensated Absences**

Full-time permanent employees accumulate earned but unused vacation leaves and sick pay benefits in varying amounts to specified maximums depending on status and tenure with the County. A liability for these amounts is accrued when incurred in the government-wide financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees.

#### **M. Fund Equity**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2015, fund balances for governmental funds consist of the following categories:

Nonspendable Fund Balance - includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact (such as inventories or prepaid amounts).

Restricted Fund Balance - includes amounts that can be spent only for specific purposes stipulated by external parties (such as creditors, grant providers, or contributors) or by law.

Committed Fund Balance - includes amounts that can be used only for the specific purpose determined by the Board of Supervisors by a formal action, such as the passage of an ordinance. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action. The formal action must occur prior to the end of the reporting period. The amount which will be subject to the constraint may be determined in the subsequent period.

Assigned Fund Balance - is comprised of amounts intended to be used by the government entity for specific purposes that are neither restricted nor committed. Intent can be expressed by the Board of Supervisors or by an official or body to which the Board delegates the authority. Assigned fund balance can be used to eliminate a projected budgetary deficit in the subsequent year's budget.

Unassigned Fund Balance - is the residual classification for the General Fund and includes all amounts not contained in the other classifications. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance. Unassigned amounts are technically available for any purpose.

#### **N. Use of Estimates**

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

#### **O. Pensions**

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

#### **P. Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County of Shasta Retiree Healthcare Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Public Agency Retirement System (PARS) Trust. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



## **Q. Adoption of New GASB Pronouncements**

The primary government adopted the following in fiscal year 2018:

1. GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, was established to improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire OPEB liability and a more comprehensive measure of OPEB expense. The implementation of this Statement resulted in a restatement decreasing beginning net position of the primary government by \$77,981,753.

## **NOTE 2: Cash in Treasury**

### **A. Cash Management**

As provided for by the California Government Code, the cash balances of substantially all funds are pooled and invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. The investment pool is not registered within the Securities and Exchange Commission (SEC), and a treasury oversight committee provides oversight to ensure that investments comply with the approved investment policy. The respective funds' shares of the total pool are included in the accompanying combined balance sheet under the caption "Cash and Investments." These investments are stated at fair value. Interest earned on these investments is allocated quarterly to certain participating funds based on their daily cash in County treasury balances.

The County Treasurer determines the fair value of investments annually, at fiscal year-end, for the purpose of financial reporting. Participants may withdraw their investment from the pool on a dollar per dollar basis. School districts are considered involuntary participants in the investment pool and comprise 43 percent of the total treasury investment pool (including County Operational funds). Special districts and various trust funds approximate 2 percent of the investment pool and the extent of involuntary participation cannot be determined at this time. County operational funds comprise the remaining 55 percent of the investment pool.

At June 30, 2018, total County cash and investments were as follows:

<b><u>Cash</u></b>	
Cash on hand and imprest cash	\$ 41,597
Deposits	10,545,267
Total cash and deposits	<u>10,586,864</u>
<b><u>Investments</u></b>	
In Treasurer's pool	505,776,407
External to the Treasurer's pool	386,397
Total investments	<u>506,162,804</u>
<b><u>In-transit items</u></b>	
Outstanding checks	(11,281,881)
Electronic funds transfers	(1,007,648)
	<u>(12,289,529)</u>
Total cash and investments	<u>\$ 504,460,139</u>

Total cash and investments at June 30, 2018 were presented on the County's financial statements as follows:

Primary government	\$ 245,172,915
Primary government - restricted cash	136,803
Component units	2,105,381
Investment trust fund	233,705,598
Agency funds	23,339,442
Total cash and investments	<u>\$ 504,460,139</u>

## Investments

At June 30, 2018, the County had the following investments:

	<u>Interest Rates</u>	<u>Maturities</u>	<u>Par</u>	<u>Fair Value</u>	<u>WAM (Years)</u>
<b><u>Investments in Investment Pool</u></b>					
Local Agency Investment Fund	1.90%	Various	\$ 52,000,000	\$ 52,000,000	0.55
Repo Agreement	1.67%	7/2/2018	36,000,000	36,000,000	0.00
LIR Treasury Fund - Mutual Fund	1.73%	7/2/2018	-	-	0.00
U.S. Treasury Note	.88%-1.85%	10/11/18-1/31/20	20,000,000	19,726,713	0.83
Medium Term Notes	1.65% - 2.20%	8/1/18-4/17/20	20,000,000	20,000,000	1.00
Commercial Paper	1.51% - 2.55%	7/2/18-3/15/19	75,000,000	73,903,575	0.34
Federal Farm Credit	1.01%-2.60%	10/26/18-3/8/21	70,000,000	69,964,538	1.57
Federal Home Loan Bank	1.00% - 3.63%	7/10/18-12/6/21	85,000,000	84,736,520	1.53
Federal National Mortgage	0.75% - 1.88%	7/27/18-7/28/20	65,000,000	64,920,729	1.03
Federal Home Loan Mortgage Corporation	0.88% - 2.50%	9/27/18-10/20/21	84,776,830	84,524,332	1.44
			<u>\$ 507,776,830</u>	<u>\$ 505,776,407</u>	
<b><u>Investments Outside Investment Pool</u></b>					
Shasta Lake Local Agency Investment Fund	1.90%	6/30/2018	\$ 258,660	\$ 258,660	0.00
Investments with fiscal agent	0.00% - 1.41%	6/30/2018	127,737	127,737	0.00
			<u>386,397</u>	<u>386,397</u>	
<b>Total Investments</b>			<u>\$ 508,163,227</u>	<u>\$ 506,162,804</u>	

### Interest Rate Risk

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 1095 days or less in accordance with its investment policy. The Local Agency Investment Fund (LAIF) averages 200 days to maturity and approximately 50percent of the portfolio is US Treasuries further limiting interest rate risk.

### Credit Risk

State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standards & Poor's or P-1 by Moody's Investors Service. State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service. The County does not have credit limits on government agency securities.

Concentration of Credit Risk

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 at June 30, 2018.

<u>Investments in Investment Pool</u>	<u>Moody's</u>	<u>S&amp;P</u>	<u>% of Portfolio</u>
Local Agency Investment Fund	Unrated	Unrated	10.28%
Repo Agreement	Unrated	Unrated	7.12%
U.S. Treasury Note	Unrated	Unrated	3.90%
Medium Term Notes	A1 - Aa3	A+ - AA+	3.95%
Commercial Paper	P-1	A-1+	14.61%
Federal Farm Credits	Aaa	AA+	13.83%
Federal Home Loan Bank	Aaa	AA+	16.75%
Federal National Mortgage	Aaa	AA+	12.84%
Federal Home Loan Mortgage Corp.	Aaa	AA+	16.71%
			<u>100.00%</u>

At June 30, 2018, the County had the following investments in any one issuer that represent 5 percent or more of the total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded because they are not a concentration of credit risk.

	<u>% of Portfolio</u>	<u>Amount</u>
Federal Farm Credit	13.83%	69,004,750
Federal Home Loan Bank	16.75%	84,053,900
Federal National Mortgage	12.84%	64,306,950
Federal Home Loan Mortgage Corp.	16.71%	83,694,912

Custodial Credit Risk

For an investment, 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 collateral security that are in the possession of an outside party. At year end, the County’s investment pool and specific investments had no securities exposed to custodial credit risk.

## Local Agency Investment Fund

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

At June 30, 2018, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$52,000,000 (fair value of \$51,902,597) and is the same as the value of the pool shares. The total amount invested by all public agencies in LAIF on that day was \$88,964,875,827; 100percent of which was invested in other non-derivative financial products.

## County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the Treasurer's investment pool as of June 30, 2018:

### **Statement of Net Position**

#### **Assets**

Investments	\$ 505,776,407
Other deposits	8,681,363
Cash	28,302
Total assets	<u>514,486,072</u>

#### **In-transit items**

Outstanding checks and warrants payable	11,281,881
Electronic funds transfers	1,007,648
Total in-transit items	<u>12,289,529</u>

#### **Net Position**

Equity of internal pool participants	268,516,960
Equity of external pool participants	233,688,648
Total net position	<u>\$ 502,205,608</u>

### Statement of Changes in Net Position

Investment earnings	\$ 5,956,206
Investment expenses	(640,125)
Net contribution to pool participants	<u>46,107,720</u>
Increase in Net Position	51,423,801
Net position at July 1, 2017	<u>450,781,807</u>
Net position at June 30, 2018	<u><u>\$ 502,205,608</u></u>

### B. Allocations of Investment Income Among Funds

Investment income from pooled investments is allocated first to those funds, which are required by law or administrative action to receive investment income, and then to the Proprietary Funds. Investment income is allocated on a quarterly basis based on the aggregate daily cash balance in each fund.

Cash and investments held separately from the pool are managed by a trustee or fiscal agent; include those for the Shasta Lake Local Agency Investment Fund, Housing Authority of Shasta County, and Shasta Joint Powers Financing Authority. Investments are stated at fair value.

### C. Authorized Investments

The table below identifies the investment types that are authorized for the County by the California Government Code or the County's Investment Policy, where more restrictive. The table also identifies certain provisions of the County's Investment Policy that address interest rate risk, credit risk, and concentration risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	1 year	10%	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	80%	20%
State of California Obligations	2 years	10%	None
Banker's Acceptances*	180 days	35%	10%
Commercial Paper**	270 days	20%	4%
Negotiable Certificates of Deposit	1 year	20%	5%
Repurchase Agreements	5 days	10%	None
Medium Term Notes**	5 years	20%	3%
Mutual Funds/Money Market Mutual Funds	N/A	5%	None
County Pooled Investment Funds	2 years	5%	None
Inactive Public Deposits**	None	None	7.5%
Local Agency Investment Fund (LAIF)	N/A	None	None

\*The Treasury may invest only in bankers' acceptances issued by institutions rated A or better by Standard and Poor's Corporation or A2 or better by Moody's Investor Service.

\*\*The Treasury may invest only in commercial paper, medium-term notes, and inactive public deposits that are rated A or its equivalent or better by a nationally-recognized rating service.

Investments for bond proceeds and funds held by bond fiscal agent or trustees are governed and restricted by the bond documents. The permitted investment language in each bond transaction is usually unique to each transaction and at times can either be more permissive or less permissive than the County's investment policy over other investments.

#### **D. Fair Value of Investments**

Accounting pronouncement GASB Statement No. 31 generally applies to investments in external investment pools (State of California LAIF and other government sponsored investment pools), investments purchased with maturities greater than one year, mutual funds, and certain investment agreements. Generally, governmental entities need to report the "fair value" changes for these investments at year-end and record these gains or losses on their income statement.

The County does not present realized and unrealized gains or losses on separate items on the face of its financial statements or in its note disclosures when they are deemed to be immaterial to the financial statements as a whole.

#### **E. Methods and Assumptions Used to Estimate Fair Value**

The County adjusts its investment accounting records to "fair value" at fiscal year-end. The investment pool is categorized by fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quotes in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

All investments in the pool as of the year ended June 30, 2018, were considered to be Level 1 assets. The County's investment custodian provides market values on each investment instrument on a monthly basis. The investments held by the County are widely traded and trading values are readily available from numerous published sources.

The County Treasurer typically holds all investments to maturity, material unrealized gains and losses are recorded at fiscal year-end and the carrying values of its investments at fiscal year-end are considered "fair value."

**NOTE 3: Notes Receivable**

Notes receivables at year-end in the amount of \$9,851,594, as reported in the governmental non-major funds, include \$3,056,563 in loans to individuals for housing rehabilitation, \$5,687,474 for the purchases of homes, and \$248,000 for interim financing for a Veteran's Housing Community in Shasta Lake City. The maximum original amount of these notes is \$96,000 per owner occupied home or \$96,000 per housing unit for rental owners. The maximum term of these notes is 30 years and the annual interest rate varies from no interest to 6 percent.

The note receivable for the Veteran's Housing Community was approved by the Board on November 7, 2017 and is due within 18 months with an option for an additional six months.

The remaining \$859,557 consist of real property rehabilitation deferred loans to the following organizations:

Shingletown Activities Council	\$	94,829
Happy Valley Community Foundation	\$	99,404
Whitmore Community Center	\$	278,456
Fall River Lions Club	\$	90,000
Cottonwood Community Center	\$	296,868

Funding for these loans is provided by Community Development Block Grants.



**NOTE 4: Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Balance June 30, 2017	Additions	Transfers	Retirements	Balance June 30, 2018
<b>Governmental Activities</b>					
Capital assets not being depreciated:					
Land	\$ 3,819,156	\$ 745,998	\$ -	\$ (31,894)	\$ 4,533,260
Construction in Progress	3,328,455	6,395,685	(4,090,356)	-	5,633,785
Total capital assets not being depreciated	7,147,611	7,141,683	(4,090,356)	(31,894)	10,167,045
Capital assets being depreciated:					
Structures and improvements	132,122,007	6,137	4,090,356	-	136,218,499
Long-term leasehold improvements	693,468	-	-	-	693,468
Equipment	48,365,554	2,043,134	-	(1,799,380)	48,609,308
Infrastructure	124,055,133	-	-	-	124,055,133
Total capital assets being depreciated	305,236,163	2,049,270	4,090,356	(1,799,380)	309,576,409
Less accumulated depreciation					
Structures and improvements	(46,097,763)	(2,561,133)	-	-	(48,658,896)
Long-term leasehold improvements	(637,702)	(13,347)	-	-	(651,050)
Equipment	(36,094,565)	(3,016,139)	-	1,686,426	(37,424,278)
Infrastructure	(71,712,720)	(1,461,740)	-	-	(73,174,460)
Total accumulated depreciation	(154,542,750)	(7,052,358)	-	1,686,426	(159,908,683)
Total capital assets being depreciated, net	150,693,412	(5,003,088)	4,090,356	(112,954)	149,667,726
Governmental Activities Capital Assets, Net	\$ 157,841,024	\$ 2,138,595	\$ -	\$ (144,848)	\$ 159,834,771
<b>Business-Type Activities</b>					
Capital assets not being depreciated:					
Land and improvements	\$ 2,026,076	\$ -	\$ -	\$ -	\$ 2,026,076
Construction in Progress	382,936	109,347	(179,649)	-	312,634
Total capital assets not being depreciated	2,409,012	109,347	(179,649)	-	2,338,710
Capital assets being depreciated:					
Structures and improvements	81,137,904	-	179,649	-	81,317,553
Equipment	318,301	157,616	-	(17,626)	458,291
Total capital assets being depreciated	81,456,205	157,616	179,649	(17,626)	81,775,844
Less accumulated depreciation					
Structures and improvements	(39,556,808)	(1,486,706)	-	-	(41,043,514)
Equipment	(255,138)	(27,069)	-	17,626	(264,581)
Total accumulated depreciation	(39,811,946)	(1,513,775)	-	17,626	(41,308,095)
Total capital assets being depreciated, net	41,644,259	(1,356,159)	179,649	-	40,467,749
Business-Type Activities Capital Assets, Net	\$ 44,053,271	\$ (1,246,812)	\$ -	\$ -	\$ 42,806,459

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

**Governmental Activities**

General government	\$	2,636,219
Public protection		1,012,894
Public ways		2,144,917
Health and sanitation		221,194
Public assistance		189,774
Education		717
Capital assets held by the County's internal service funds are charged to the various functions based on the usage of the assets.		<u>846,643</u>

Total Depreciation Expenses Governmental Activities \$ 7,052,358

**Business-Type Activities**

Airport	\$	253,739
Solid Waste		462,681
County Service Areas		<u>797,355</u>

Total Depreciation Expenses Business-Type Activities \$ 1,513,775

**NOTE 5: Interfund Transactions****Interfund Receivables/Payables*****Due to/from Other Funds:***

Interfund receivable and payable balances represent short-term balances relating to services between funds. Balances at June 30, 2018, between major and non-major governmental funds, non-major enterprise funds, internal service funds, and fiduciary funds are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Roads Administration Fund	\$ 3,833
	Public Safety Fund	194,263
	Social Services Fund	49,731
	Mental Health Fund	31,708
	Capital Projects Funds	109,140
	Nonmajor Governmental Funds	280,153
	Internal Service Funds	154
	Nonmajor Enterprise Funds	92,982
	Agency Funds	485,053
	Investment Trust Funds	89
	<u>1,247,106</u>	
Roads Administration Fund	General Fund	43,943
	Social Services Fund	5,108
	Mental Health Fund	7,325
	Nonmajor Governmental Funds	48,876
	Internal Service Funds	3,830
	Solid Waste Disposal Fund	949
	<u>110,030</u>	
Public Safety Fund	General Fund	114,448
	Social Services Fund	85,642
	Mental Health Fund	21,949
	Capital Projects Funds	272,124
	Nonmajor Governmental Funds	1,843
	Agency Funds	41,801
	<u>537,809</u>	
Social Services Fund	General Fund	358,172
	Mental Health Fund	707,298
	Nonmajor Governmental Funds	546,556
	<u>1,612,026</u>	
Mental Health Fund	Public Safety Fund	48,039
	Social Services Fund	69,117
	Nonmajor Governmental Funds	210,563
	Agency Funds	2,354
	<u>\$ 330,073</u>	

***Due to/from Other Funds:***

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor Governmental Funds	General Fund	\$ 6,334
	Public Safety Fund	58,311
	Social Services Fund	95,687
	Mental Health Fund	803,584
	Nonmajor Governmental Funds	107,645
	Nonmajor Enterprise Funds	50
	Agency Funds	61,500
		<u>1,133,111</u>
Internal Service Funds	General Fund	28,137
	Public Safety Fund	3,692
	Social Services Fund	1,322
	Nonmajor Governmental Funds	600
	Internal Service Funds	5,111
		<u>38,861</u>
Solid Waste Disposal Fund	General Fund	19
	Roads Administration Fund	1,351
	West Central Landfill Fund	115,148
		<u>116,518</u>
CSA #6 Jones Valley Water Funds	General Fund	10,221
	Agency Funds	14,850
		<u>25,072</u>
Enterprise Funds	General Fund	60,731
	Nonmajor Governmental Funds	30,000
	Agency Funds	9,486
		<u>100,216</u>
Agency Funds	General Fund	12,513
	Public Safety Fund	86,890
	Social Services Fund	2,946
	Agency Funds	586,538
		<u>688,887</u>
Investment Trust Funds	Agency Funds	199,484
	Investment Trust Funds	321
		<u>199,804</u>
		<u>\$ 6,139,513</u>

**Transfers:**

Interfund 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 becomes 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.

Interfund transfers for the year ended June 30, 2018, consisted of the following:

<u>Transfer From Fund</u>	<u>Transfer To Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Public Safety Fund	\$ 25,940,052	Funding of operational expenditures
	Social Services Fund	3,955,297	Funding of operational expenditures
	Mental Health Fund	294,990	Funding of operational expenditures
	Nonmajor Governmental Funds	5,781,528	Funding of operational expenditures
	Internal Service Funds	31,899	Funding of operational expenditures
		<u>36,003,767</u>	
Roads Administration Fund	General Fund	510,021	Funding of capital improvement projects
	Nonmajor Governmental Funds	600	Funding of operational expenditures
		<u>510,621</u>	
Public Safety Fund	General Fund	1,056,432	Funding of capital improvement projects
	Internal Service Funds	26,897	Funding of vehicle
		<u>1,083,329</u>	
Social Services Fund	General Fund	237,592	Funding of operational expenditures
	Internal Service Funds	8,067	Funding of operational expenditures
		<u>245,658</u>	
Mental Health Fund	General Fund	1,936,531	Funding of capital improvement projects
	Public Safety Fund	37,729	
	Nonmajor Governmental Funds	515,751	Funding of operational expenditures
		<u>2,490,010</u>	
Nonmajor Governmental Funds	General Fund	833,770	Funding of capital improvement projects
	Public Safety Fund	828,094	Funding of operational expenditures
	Mental Health Fund	204,213	
	Nonmajor Governmental Funds	685,850	Funding of operational expenditures
	Nonmajor Enterprise Funds	55,000	Funding of operational expenditures
		<u>2,606,928</u>	
Internal Service Funds	Nonmajor Governmental Funds	51,784	Funding of operational expenditures
		<u>51,784</u>	
Solid Waste Disposal Fund	Roads Administration Fund	100,000	Funding of operational expenditures
		<u>100,000</u>	
West Central Landfill Fund	Solid Waste Disposal Fund	504,979	Funding of capital improvement projects
		<u>504,979</u>	
		<u>\$ 43,597,076</u>	

**Advances:**

Advances are used to record transactions between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year. The following is a listing of advances to/from other funds:

<u>Receivable fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Roads Administration Fund	Nonmajor Governmental Funds	\$ 8,899
Nonmajor Governmental Funds	Nonmajor Governmental Funds	304,824
	Nonmajor Enterprise Funds	56,667
		<u>361,491</u>
Internal Service Funds	Nonmajor Enterprise Funds	<u>289,468</u>
		<u>\$ 659,857</u>

**NOTE 6: Long-Term Liabilities****A. Changes in Long-Term Obligations**

The changes in the County's long-term obligations during the year consisted of the following:

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2018</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds Payable:					
Lease revenue bonds	\$ 30,870,000	\$ -	\$ 1,960,000	\$ 28,910,000	\$ 2,020,000
Unamortized bond	448,793	-	30,427	418,367	-
Total Bonds Payable	<u>31,318,793</u>	<u>-</u>	<u>1,990,427</u>	<u>29,328,367</u>	<u>2,020,000</u>
Notes payable	345,451	-	41,730	303,721	42,991
Claims liability	19,709,000	2,295,113	3,007,113	18,997,000	2,596,157
Capital lease obligations	--	--	--	--	--
Compensated absences	8,804,450	10,978,092	10,914,997	8,867,545	4,911,311
Governmental Activities Long-Term Liabilities	<u>\$ 60,177,694</u>	<u>\$ 13,273,205</u>	<u>\$ 15,954,266</u>	<u>\$ 57,496,633</u>	<u>\$ 9,570,459</u>
<b>Business-Type Activities</b>					
Bonds payable	\$ 790,400	\$ -	\$ 44,700	\$ 745,700	\$ 66,900
Financing Leases	900,797	-	139,927	760,870	143,859
Notes payable	3,343,650	-	129,232	3,214,418	129,232
Compensated Absences	43,582	140,882	143,777	40,687	22,534
Liability for landfill closure/postclosure care	12,391,205	737,947	--	13,129,152	--
Business-Type Activity Long-Term Liabilities	<u>\$ 17,469,633</u>	<u>\$ 878,829</u>	<u>\$ 457,635</u>	<u>\$ 17,890,827</u>	<u>\$ 362,525</u>

## B. Summary of Long-Term Obligations

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2018</u>
<b>Governmental Activities</b>						
<b>Bonds Payable:</b>						
Lease Revenue Bonds:						
2011 Refunding Lease Revenue Bonds – County Courthouse Improvement Project	2011	2023	2.65%	\$ 200,000-270,000	\$ 5,325,000	<u>\$ 2,480,000</u>
2013 Refunding Lease Revenue Bonds – Administration Center	2013	2032	2.50-4.00%	\$ 1,325,000 - 2,295,000	\$ 33,505,000	<u>\$ 26,430,000</u>
Total Governmental Bonds Payable						<u>\$ 28,910,000</u>
<b>Notes Payable</b>						
State of California, Energy Resources Conservation and Development Commission	2011	2024	3.00%	\$ 21,721 - 49,888	\$ 522,171	<u>\$ 303,721</u>
						<u>\$ 29,213,721</u>
<b>Business-Type Activities</b>						
<b>Bonds Payable:</b>						
CSA No. 3 (Castella) Limited Obligation Improvemer	2009	2047	4.13%	2,000 - 9,200	184,700	<u>\$ 163,700</u>
CSA No. 6 (Jones Vallev) 1980 Revenue Bonds	1980	2020	5.00%	1,000 - 30,000	537,000	<u>\$ 59,000</u>
CSA No. 6 (Jones Vallev) Limited Obligation Bonds	1998	2038	4.75%	6,357 - 38,000	802,789	<u>\$ 503,000</u>
CSA No. 8 (Palo Cedro) Sewer Bonds	1990	2001	6.00-9.20%	20,000	857,466	<u>\$ 20,000</u>
						<u>\$ 745,700</u>
<b>Financing Lease:</b>						
Solid Waste – California Infrastructure and Economic Bank	2007	2022	2.81%	109,039 - 160,723	2,000,000	<u>\$ 760,870</u>
<b>Notes Payable:</b>						
CSA No. 6 (Jones Vallev) Note Pavable	2011	2042	0.00%	3,333	100,000	<u>\$ 78,333</u>
CSA No. 6 (Jones Vallev) Note Pavable	2011	2044	0.00%	112,171	3,365,133	<u>\$ 2,916,448</u>
CSA No. 23 (Crag View) Note Pavable	2011	2034	0.00%	13,727	274,546	<u>\$ 219,637</u>
						<u>\$ 3,214,418</u>
						<u>\$ 4,720,989</u>



As of June 30, 2018, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30,	Governmental Activities	
	Lease Revenue Bonds	
	Principal	Interest
2019	\$ 2,020,000	\$ 890,556
2020	2,080,000	831,469
2021	2,135,000	770,766
2022	2,200,000	708,316
2023	2,255,000	652,485
2024 - 2028	9,490,000	2,397,900
2029 - 2032	8,730,000	771,638
	<u>\$ 28,910,000</u>	<u>\$ 7,023,130</u>

Year Ending June 30,	Governmental Activities	
	Notes Payable	
	Principal	Interest
2019	\$ 42,991	\$ 8,793
2020	44,271	7,513
2021	45,628	6,155
2022	47,007	4,776
2023	48,428	3,355
2024 - 2025	75,396	2,279
	<u>\$ 303,721</u>	<u>\$ 32,871</u>



As of June 30, 2018, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30	Business-Type Activities	
	Bonds Payable	
	Principal	Interest
2019	\$ 46,900	\$ 33,179
2020	49,000	30,871
2021	20,100	28,462
2022	20,200	27,524
2023	21,400	26,517
2024 - 2028	124,000	121,277
2029 - 2033	154,200	90,211
2034 - 2038	179,500	51,896
2039 - 2043	67,800	15,573
2044 - 2048	42,600	4,538
	<u>\$ 725,700</u>	<u>\$ 430,048</u>

Year Ending June 30	Business-Type Activities	
	Notes Payable	
	Principal	Interest
2019	\$ 129,232	\$ -
2020	129,232	-
2021	129,232	-
2022	129,232	-
2023	129,232	-
2024 - 2028	646,158	-
2029 - 2033	646,158	-
2034 - 2038	591,249	-
2039 - 2043	572,522	-
2044 - 2048	112,171	-
	<u>\$ 3,214,417</u>	<u>\$ -</u>

Year Ending June 30	Business-Type Activities	
	Financing Lease	
	Principal	Interest
2019	\$ 143,859	\$ 19,359
2020	147,901	15,260
2021	152,057	11,046
2022	156,330	6,713
2023	160,723	2,258
	<u>\$ 760,870</u>	<u>\$ 54,636</u>

The County has assessed the impact of GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities", as it relates to 2011 and 2013 advanced refunding of the Lease Revenue Bonds for the Courthouse and Admin Center. The outcome of the assessment showed the amount to be reported as a deferred outflow of resources due to the difference between the reacquisition price and the net carrying value of the old debt to be immaterial to the financial statements as a whole. As such, the deferred outflows do not appear on the Government-Wide Statement of Net Position.

Interest payments and lease revenue bonds are serviced by revenues generated from lease payments made by the general fund on lease facilities. Capital lease obligations are paid from the general fund. Claims and judgments will be paid from the County's risk management internal service funds. A majority of the claims are paid through internal service fund charges to the general fund and enterprise funds. Compensated absences liabilities will be paid by several of the County's funds, including the general fund, special revenue funds, and internal service funds.

**C. Compensated Absences/Sick Time**

Accumulated vacation, compensated time, administrative leave, unused holiday time, and a percentage of the accumulated sick pay (the percentage varies based on length of employment and whether management or non-management employee status), is payable upon termination. Such amounts are not accrued in governmental funds, but are recorded as long-term liabilities on the Statement of Net Assets. Non-vested sick pay benefits payables due to illness of employees are recorded as expenditures when paid.

Vacation	\$	5,858,872
Sick Leave		1,896,207
Compensated Time Off		437,315
Administrative Leave		409,037
Holiday Credit		306,802
Total	\$	<u>8,908,232</u>

**NOTE 7: Landfill Closure and Post Closure Costs**

**Estimated Liability for Solid Waste Landfill Closure and Postclosure Maintenance Costs**

The County currently owns and maintains the West Central Landfill site. State and federal laws and regulations require that the County place a final cover on the landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. In addition to operating expenses related to current activities of the landfill, an estimated liability is being recognized based on the future closure and postclosure maintenance costs that will be incurred near or after the date the landfill no longer accepts waste. The estimated total current cost of the landfill closure and postclosure maintenance costs is \$21,897,979 based on the amount that would be paid if all equipment facilities and services required to close, monitor, and maintain the landfill were acquired as of the balance sheet date. However, the costs for landfill closure and postclosure maintenance costs are based on yearly estimates, reviewed by the California Department of Resources Recycling and Recovery, as prepared by the county public works department. At June 30, 2018 the estimated percentage usage (filled) of the landfill site was 59.80% and the County has recognized an estimated liability of \$13,129,152 for the County landfill site for closure and postclosure maintenance costs. It is estimated that an additional \$8,768,827

liability will be recognized as closure and postclosure costs between the date of the balance sheet and the date the landfill is expected to be filled to capacity.

These cost estimates are subject to change based on such factors as inflation or deflation, changes in technology, or changes in federal or state landfill laws and regulations. The County expects that future inflation costs will be paid from the interest earnings on these contributions.

State and federal laws and regulations require the County to make annual contributions to finance closure and postclosure maintenance costs. The County has established an enterprise fund to maintain these monies.

The landfill is technically not in compliance with the terms of its operating permit under Subtitle D of the Environmental Protection Agency. While the landfill is currently not meeting Gas Monitoring and Control compliance requirements, a plan is in place to bring the Landfill into compliance. The County has a deadline of August 2018 to complete certain milestones to satisfy the requirements set forth in California Code of Regulations (CCR) Title 27, Section 20921-20939. The County awarded a contract to ABD Liovin Drilling, Inc., on June 5, 2018, to complete these requirements. The requirements for Gas Monitoring and Control were met on August 14, 2018 for the wells in question. A previously compliant well now exceeds mandated levels and the County is waiting for a remediation request from the LEA. The county believes compliance will be achieved when the remediation plan is in place.

As stated above, the estimated liability of the County landfill site closure and postclosure maintenance cost was \$13,129,152 liability and as of June 30, 2018 the County has set aside \$ 15,608,271, resulting in an overfunding of the liability by \$2,479,119.

**NOTE 8: FUND BALANCES**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2018, fund balances for governmental funds consist of the following categories:

The following is a summary of Fund Balances at June 30, 2018:

	General Fund	Social Services Fund	Mental Health Fund	Roads Administration Fund	Public Safety Fund	Other Governmental Funds
<b>Nonspendable</b>						
Inventory	\$ -	\$ -	\$ -	\$ 350,587	\$ -	\$ -
Prepaid expenses	1,319,237	1,142,683	10,835	-	114,610	54,518
<b>Total Nonspendable</b>	<b>1,319,237</b>	<b>1,142,683</b>	<b>10,835</b>	<b>350,587</b>	<b>114,610</b>	<b>54,518</b>
<b>Restricted for:</b>						
Impact Fees	3,597,844	-	-	-	-	-
General Reserves	10,882,592	-	-	-	-	-
Recorder Fees	235,657	-	-	-	-	-
Public Protection State Realignment	247,894	-	-	-	7,709,929	-
Agricultural Commissioner	56,267	-	-	-	-	-
Vital Statistics	2,481	-	-	-	-	-
General Plan Maintenance Prog	253,310	-	-	-	-	-
Surface Mining/Reclamation	25,874	-	-	-	-	-
Public Safety General	-	-	-	-	5,604,251	-
Photo Lab	-	-	-	-	13,151	-
Asset Forfeiture	-	-	-	-	662,832	-
Prop 172 Sales Tax	-	-	-	-	7,722,516	-
CCIPF Community Corrections	-	-	-	-	842,087	-
SAFE Grant	-	-	-	-	696,652	-
CALMMET Grant	-	-	-	-	132,047	-
Consumer Protection	-	-	-	-	2,817,550	-
Real Estate Fraud	-	-	-	-	51,917	-
DA Community Prosecution	-	-	-	-	188,591	-

	General	Social Services	Mental Health	Roads	Public Safety	Other
	Fund	Fund	Fund	Administration	Fund	Funds
				Fund		
Fire	-	-	-	-	-	3,507,902
Detention Facility Inmate	-	-	-	-	-	270,410
Endangered Species	-	-	-	-	-	196,843
Child Support Services	-	-	-	-	-	2,839,983
Shasta Co Water Agency	-	-	-	-	-	98,135
Public Works Divisions	-	-	-	-	-	353,735
County Service Areas (CSA)	-	-	-	-	-	821,055
Permanent Road Divisions (PRD)	-	-	-	-	-	1,761,579
Dust Mitigation	-	-	-	-	-	1,096,289
Roads General	-	-	-	4,686,661	-	-
ZOB Traffic Impact	-	-	-	782,461	-	-
Anderson Solid Waste	-	-	-	352,623	-	-
Illegal Dumping	-	-	-	33,090	-	-
Solid Waste	883,857	-	-	-	-	-
Hazardous Materials Program	280,512	-	-	-	-	-
Hlth and Sanitation State Realignment	-	-	117,421	-	-	-
Alcohol Educ/Prevention Programs	-	-	217,050	-	-	-
Safe Drinking Water	215,212	-	-	-	-	-
Air Quality	-	-	-	-	-	3,576,591
Mental Health Services Act	-	-	-	-	-	12,155,646
Public Health Services	-	-	-	-	-	13,811,432
Whole Person Care Program	-	-	2,312,755	-	-	-
HHSA IGT	-	-	3,592,055	-	-	-
HHSA 1991/2011 State Realignment	-	-	8,479,355	-	-	-
Public Assistance Social Services	-	6,738,349	-	-	-	-
Public Assistance State Realignment	-	10,648,841	-	-	-	-
CPS Donations	-	866	-	-	-	-
PHA Housing Assist	-	-	-	-	-	187,866
Housing Home IPP	-	-	-	-	-	5,030,819
Shasta Housing Rehab	-	-	-	-	-	4,435,256
Housing Cal Home	-	-	-	-	-	1,155,471
IHSS Public Authority	-	-	-	-	-	153,031
Courthouse Bond	-	-	-	-	-	10,500
Administration Center Bond	-	-	-	-	-	1,825
Energy Retrofit	-	-	-	-	-	118
<b>Total Restricted</b>	<b>16,681,499</b>	<b>17,388,056</b>	<b>14,718,636</b>	<b>5,854,834</b>	<b>26,441,524</b>	<b>51,464,486</b>
<b>Committed to:</b>						
Secure Rural Schools Title III	261,373	-	-	-	-	-
<b>Total Committed</b>	<b>261,373</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Assigned to:</b>						
Capital Projects:						
Accum Capital Outlay	-	-	-	-	-	6,856,840
General	32,424	-	-	-	-	-
General - Imprest Cash	3,325	-	-	-	-	-
General Government	24,372,066	-	-	-	-	-
General Debt Services	3,125,558	-	-	-	-	-
Agricultural Commissioner Equipment	5,710	-	-	-	-	-
Victim Witness SRMC SART	17,108	-	-	-	-	-
Hatchet Ridge Community Benefit	1,299,938	-	-	-	-	-
<b>Total Assigned</b>	<b>28,856,129</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,856,840</b>
General Government	42,414,732	-	-	-	-	-
General Promotion - Intermtn Fair	22,173	-	-	-	-	-
Wildlife	31,104	-	-	-	-	-
Public Assistance - OC	1,221,852	-	-	-	-	-
<b>Total Unassigned</b>	<b>43,689,861</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balance</b>	<b>\$ 90,808,099</b>	<b>\$ 18,530,739</b>	<b>\$ 14,729,471</b>	<b>\$ 6,205,421</b>	<b>\$ 26,556,134</b>	<b>\$ 58,375,844</b>

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

On March 1, 2011, the County Board approved a fund balance policy. The policy established a minimum reserve of twenty percent of the average final budgeted General Fund appropriations for the preceding three fiscal years, with an upper goal of fifty percent. A designation for debt service that is equal to one year of debt service payments will be maintained. Effective the fiscal year ending June 30, 2011, this category will be in the Assigned Fund Balance. Fund balance in excess of the upper goal may be considered for the following one-time or short-term purposes: restore funds advanced from the General Reserve in prior fiscal years; increase the General Reserves to its minimally approved level; capital and technology improvements; reduction of unfunded liabilities, including retirement and retiree health obligations; debt retirement; productivity enhancements; cost avoidance projects; litigation; local match for grants involving multiple departments; and other purposes which are fiscally prudent for the County as identified and recommended by the County Executive Officer and approved by the Board of Supervisors.

On December 4, 2007, the County established a reserve policy for cash flow purposes, revenue shortfalls, or unpredicted one-time expenditures. The General Reserve has a target balance of five percent of unrestricted General Fund resources. In years where the General Reserve is less than the target balance, the County Executive Officer may recommend increases to the reserve from unanticipated one-time resources. Once the target balance is achieved, the General Reserve shall be maintained at a minimum balance of ten million dollars and can be spent down a maximum of two million dollars per fiscal year. Reductions or increases to the General Reserve, except in cases of a legally declared emergency, may only be made at the time of adopting the budget and require a four-fifths vote by the Board of Supervisors. The General Reserve shall be the last resort in balancing the County budget. The General Reserve may be used as a resource for "dry-period" financing for special districts under the Board of Supervisors, as well as select districts and/or agencies in the county at any time upon written request. Requests for loans for "dry-period financing" for special districts under the Board of Supervisors as well as select districts and agencies in the county shall be reviewed by the County Executive Officer and approval requires a four-fifths vote of the Board of Supervisors.

**NOTE 9: Risk Management**

The County has a Risk Management Fund (Internal Service Fund) to consolidate the County's Workers' Compensation and General Liability insurance programs that are partially self-insured. Fund revenues are primarily premium charges to other funds and are planned to equal estimated payments resulting from self-insurance programs, liability insurance coverage in excess of the self-insured amount, and operating expenses.

The County maintains a self-insured retention (SIR) of \$250,000 per occurrence for its general liability program. Losses, which exceed the SIR, are covered by excess insurance policy purchased through CSAC Excess Insurance Authority.

The County maintains a self-insured retention (SIR) of \$250,000 per occurrence for its Workers' Compensation Program. Losses, which exceed the SIR, are covered by an excess insurance policy purchased through the CSAC Excess Insurance Authority.

The actuarially determined outstanding claims liability including incurred but not reported claims and expense liability adjustment as of June 30, 2018, were as follows:

General liability	\$	2,082,000
Workers' compensation		<u>16,915,000</u>
Total	\$	<u><u>18,997,000</u></u>

Unpaid Claims Liabilities

The County of Shasta establishes claims liabilities based on estimates of the ultimate costs of the claims that have been reported but not settled, and of claims that have been incurred, but not reported (IBNR). The length of time for which such costs must be estimated varies depending on the type of insurance involved. Estimated amounts of salvage and reinsurance recoverable are considered in developing the estimates. Because actual claims costs depend on many complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. In estimating the liability, reliance is placed on both actual historical data and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. Settlements have not exceeded insurance coverage for each of the past three fiscal years.

As discussed above, the County of Shasta established a liability for both reported and unreported insured events, which included estimates of both future payments of losses and related claim adjustment expenses. The following represents changes in those aggregate liabilities for the fund at June 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Balance, Beginning of Year claims liability	\$ 19,709,000	\$ 20,353,000
Current year claims and changes in estimates	2,295,113	2,318,187
Claim payments	<u>(3,007,113)</u>	<u>(2,962,187)</u>
Balance, End of Year	<u><u>\$ 18,997,000</u></u>	<u><u>\$ 19,709,000</u></u>

**NOTE 10. Other Postemployment Benefits**

**A. Plan Description and Administration**

The County of Shasta Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the County. The plan provides healthcare benefits to eligible retirees and their dependents. The Plan does not issue a financial report.

The County has prefunded a portion of its OPEB benefits in Public Agency Retirement Services (PARS) trust.

The PARS Trust is a tax qualified irrevocable trusts, organized under Internal Revenue Code (IRC) Section 115, established to pre-fund OPEB as described in GASB Statement 75. PARS issue annual audited financial statements for each participating agency of the Trust. PARS is considered an agency agent multiple-employer plan, required to provide financial statements and required supplementary information (Schedule of Changes in Fiduciary Net Position by Plan) that are prepared in conformance with GASB statement 75.

These reports may be obtained by writing the plan at the following address:

PARS 4350 Von Karman Ave., Suite 100, Newport Beach, CA 92660-2043

**B. Benefits Provided**

The County provides retiree healthcare benefits to employees retiring directly from the County. Medical coverage is provided through CalPERS healthcare program (PEMHCA) except for County Trades and Crafts/Teamster provided through the union sponsored plan. The County pays a portion of retiree healthcare premiums, subject to caps which are based on the PEMHCA “unequal method”. The contribution caps also vary by bargaining unit and length of service according to bargaining agreements. PEMHCA law requires that the retirees receive the same healthcare benefits that are offered to the active employees. Also under requirements of state and local law, the County pays the medical insurance coverage for employees that retire due to disability. No vision or life insurance benefits are provided.

Benefit provisions are established and may be amended through agreements and memorandums of understanding between the County, its management employees, and unions representing County employees.

As of June 30, 2017, (the valuation date on the most recent actuarial valuation performed), plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	1,334
Inactive plan members Entitled to but not yet receiving benefits	-
Active plan members	<u>1,774</u>
	3,108

All new hires after January 1, 2017, will be eligible to participate in a County sponsored 401 (a) plan in lieu of retiree healthcare benefits. Eligible employees must participate in a deferred compensation plan to be eligible for participation in the 401 (a) plan. New hires will only be eligible for the CalPERS Minimum Required Contribution towards healthcare. The implementation of the 401 (a) plan is projected to allow the County to be fully funded by 2039/40.

**B. Contributions**

The contributions are based on pay-go for premiums and contributions to the PARS OPEB trust. The County is making an annual contribution of 3% of payroll directly to the PARS Trust. The pay-go amount is the actual amount of retiree premiums. Total contributions (pay-go and trust contributions) for the year ended June 30, 2018 were \$11,146,352.

**C. Net OPEB Liability**

At June 30, 2018, the County reported a net OPEB liability \$175,888,831. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability was determined by an actuarial valuation as of June 20, 2017.



#### D. Actuarial Assumptions

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75% per annum
Payroll Increases	3.00% per annum
Salary Increases	3.00% per annum
Investment Rate of Return	6.85% for GASB 75 purposes
Healthcare Cost Trend Rates	6.50% in 2019 trending downward to 5.00% in 2022

Mortality rates were based on the CalPERS most recent pension experience study projected fully generational Scale MP-2014 modified to converge to ultimate rates in 2022.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	75.00%	5.35%
Fixed Income	20.00%	2.40%
Cash	5.00%	0.00%
	<u>100.00%</u>	

*Discount rate.* The discount rate used to measure the total OPEB liability was 6.85% based on a blended rate reflecting the asset rate of return and using the average of 3 – 20-year municipal bond rate indices: S&P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO Index, and Fidelity GO AA 20 Year Bond Index.

**Changes in the Net OPEB Liability**

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2016	\$ 212,945,306	\$ 42,484,553	\$ 170,460,753
Changes for the year:			
Service cost	7,630,587	-	7,630,587
Interest	14,775,410	-	14,775,410
Contributions - employer	-	12,455,186	(12,455,186)
Net investment income	-	4,534,213	(4,534,213)
Benefit payments	(9,752,964)	(9,752,964)	-
Administrative expenses	-	(11,480)	11,480
Net changes	12,653,033	7,224,955	5,428,078
Balance at June 30, 2017	\$ 225,598,339	\$ 49,709,508	\$ 175,888,831

*Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates.* The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85 percent) or 1-percentage point higher (7.85 percent) than the current discount rate:

	<b>Discount Rate Trend Rates</b>		
	<b>1% Decrease -5.85%</b>	<b>Current Rate -6.85%</b>	<b>1% Increase -7.85%</b>
Net OPEB Liability	\$ 208,920,409	\$ 175,888,831	\$ 149,125,235

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.* The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.0 percent decreasing to 4.0 percent) or 1-percentage-point higher (7.0 percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

	<b>Healthcare Cost Trend Rates</b>		
	<b>1% Decrease (5.00% decreasing to 4.00%)</b>	<b>Current Rate (6.00% decreasing to 5.00%)</b>	<b>1% Increase (7.00% decreasing to 6.00%)</b>
Net OPEB Liability	\$ 208,920,409	\$ 175,888,831	\$ 149,125,235

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

For the year ended June 30, 2018, the County recognized OPEB expense of \$19,108,754. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions subsequent to MD	\$ 11,146,352	\$
Net Differences Between Projected and Actual Earnings on Plan Investments	-	1,225,490
Total	<u>\$ 11,146,352</u>	<u>\$ 1,225,490</u>

The balances as of June 30, 2018, of the deferred outflows/(inflows) of resources will be recognized in the OPEB expense for the period ending June 30:

Year ended June 30:

2019	\$ (306,373)
2020	\$ (306,373)
2021	\$ (306,373)
2022	\$ (306,373)
2023	\$ -
	<u>(1,225,490)</u>

**NOTE 11: PENSION PLANS**

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

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

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

The Plans’ provisions and benefits in effect at June 30, 2018, are summarized as follows:

Employees Covered – At June 30, 2018, the following employees were covered by the benefit terms for each Plan:

**MISCELLANEOUS**

Hire Date	Prior to 05/08/11	05/09/11 to 12/31/12	On or after 01/01/13
Benefit Formula	2% @ 55	2% @ 60	2% @ 62
Benefit Vesting Schedule	5 yrs of service	5 yrs of service	5 yrs of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50-55	50-67	52-67
Monthly Benefits, as a % of Eligible Compensation	1.4% to 2.4%	1.0% to 2.4%	1.0% to 2.5%
Required Employee Contribution Rates	7.000%	7.000%	7.250%
Required Employer Contribution Rates	18.086%	18.086%	18.086%

**SAFETY**

	<b><u>Tier 1</u></b>	<b><u>Tier 1</u></b>	<b><u>Tier 1 and 2</u></b>
Hire Date	Prior to 05/08/11	Prior to 10/21/12	05/09/11 to 12/31/12
Benefit Formula	3% @ 50	2% @ 50	3% @ 55
Benefit Vesting Schedule	5 yrs of service	5 yrs of service	5 yrs of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50	50	50-55
Monthly Benefits, as a % of Eligible Compensation	3.0%	2.0% to 2.7%	2.4% to 3.0%
Required Employee Contribution Rates	9.000%	9.000%	9.000%
Required Employer Contribution Rates	46.183%	46.183%	46.183%

	<b><u>Tier 2</u></b>	<b><u>Tier 3</u></b>	<b><u>Tier 3</u></b>
Hire Date	10/22/12 to 12/31/12	On or after 01/01/13	On or after 01/01/13
Benefit Formula	2% @ 55	2.7% @ 57	2.7% @ 57
Benefit Vesting Schedule	5 yrs of service	5 yrs of service	5 yrs of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50-55	50-57	50-57
Monthly Benefits, as a % of Eligible Compensation	1.4% to 2.0%	2.0% to 2.7%	2.0% to 2.7%
Required Employee Contribution Rates	7.000%	10.500%	13.500%
Required Employer Contribution Rates	46.183%	46.183%	46.183%

**EMPLOYEES COVERED**

	<b><u>Miscellaneous</u></b>	<b><u>Safety</u></b>
Inactive Employees or Beneficiaries Currently Receiving Benefits	2,191	384
Inactive Employees Entitled to but not yet Receiving Benefits	1,393	202
Active Employees	1,687	249
<b>Total</b>	<b>5,271</b>	<b>835</b>

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**B. Net Pension Liability**

The Local Government’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2017, using an annual actuarial valuation as of June 30, 2016, rolled forward to June 30,

2017 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below. Actuarial Assumptions – The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

**ACTUARIAL ASSUMPTIONS**

	<b>Miscellaneous</b>	<b>Safety</b>
Valuation Date	June 30, 2016	June 30, 2016
Measurement Date	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.75%	2.75%
Payroll Growth	3.0%	3.0%
Projected Salary Increase	0.4% - 8.5% (1)	2.0% - 13.2% (1)
Investment Rate of Return	7.5% (2)	7.5% (2)

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

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

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2016 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

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

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

**LONG-TERM EXPECTED REAL RATE OF RETURN BY ASSET CLASS**

<b>Asset Class</b>	<b>New Strategic Allocation</b>	<b>Real Return Years 1 - 10(a)</b>	<b>Real Return Years 11+(b)</b>
Global Equity	47.00%	4.90%	5.38%
Global Fixed Income	19.00%	0.80%	2.27%
Inflation Sensitive	6.00%	0.60%	1.39%
Private Equity	12.00%	6.60%	6.63%
Real Estate	11.00%	2.80%	5.21%
Infrastructure and Forestland	3.00%	3.90%	5.36%
Liquidity	2.00%	-0.40%	-0.90%
Total	<u>100.00%</u>		

(a) An expected inflation of 2.5% used for this period

(b) An expected inflation of 3.0% used for this period

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

The changes in the Net Pension Liability for each plan follows:

<u><b>Miscellaneous Plan</b></u>	Increase (Decrease)		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability/(Asset)</u>
<b>Balance at June 30, 2016</b>	\$ 549,083,087	\$ 409,034,917	\$ 140,048,170
Change in the year:			
Service cost	13,075,467	-	13,075,467
Interest on total pension liability	40,482,588	-	40,482,588
Changes of assumptions	32,083,262	-	32,083,262
Differences between expected and actual experience	(6,233,904)	-	(6,233,904)
Plan to plan resource movement	-	3,821	(3,821)
Contributions - employer	-	12,803,196	(12,803,196)
Contributions - employee	-	5,498,864	(5,498,864)
Net investment income contributions	-	45,952,461	(45,952,461)
Administrative expenses	(30,259,860)	(30,259,860)	-
Other changes	-	(603,748)	603,748
	(150,207)	(111,895)	(38,312)
<b>Net changes</b>	<u>48,997,346</u>	<u>33,282,837</u>	<u>15,714,508</u>
<b>Balance at June 30, 2017</b>	<u>\$ 598,080,433</u>	<u>\$ 442,317,754</u>	<u>\$ 155,762,679</u>



**Safety Plan**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2016</b>	\$ 212,118,847	\$ 143,671,409	\$ 68,447,438
Service cost	4,440,456	-	4,440,456
Interest on total pension liability	15,639,496	-	15,639,496
Changes of assumptions	12,917,975	-	12,917,975
Differences between expected and actual experience	(1,145,685)	-	(1,145,685)
Plan to plan resource movement	-	(3,937)	3,937
Contributions - employer	-	6,314,557	(6,314,557)
Contributions - employee	-	1,422,596	(1,422,596)
Net investment income contributions	-	16,194,730	(16,194,730)
Administrative expenses	(11,837,159)	(11,837,159)	-
Other changes	-	(210,663)	210,663
	(1,458,544)	(987,894)	(470,650)
<b>Net changes</b>	<u>18,556,539</u>	<u>10,892,230</u>	<u>7,664,309</u>
<b>Balance at June 30, 2017</b>	<u>\$ 230,675,386</u>	<u>\$ 154,563,639</u>	<u>\$ 76,111,747</u>

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

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.15%	6.15%
Net Position Liability	\$232,651,276	\$107,294,904
Current Discount Rate	7.15%	7.15%
Net Position Liability	\$155,762,679	\$76,111,747
1% Increase	8.15%	8.15%
Net Pension Liability	\$91,888,997	\$50,552,290

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

For the year ended June 30, 2018, the County recognized net pension expense of \$9,700,393 and \$24,551,282 for Safety and Miscellaneous respectively. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b><u>Miscellaneous Plan:</u></b>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to MD	\$ 13,553,527	\$ --
Changes of Assumptions	22,057,243	(799,546)
Differences between Expected and Actual Experiences	360,413	(4,543,853)
Net Differences Between Projected and Actual Earnings on Plan Investments	5,360,014	--
Total	<u>\$ 41,331,197</u>	<u>\$ (5,343,399)</u>

<b><u>Safety Plan:</u></b>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to MD	\$ 7,574,036	\$ --
Changes of Assumptions	9,767,249	(892,918)
Differences between Expected and Actual Experiences	-	(1,556,258)
Net Differences Between Projected and Actual Earnings on Plan Investments	1,768,777	--
Total	<u>\$ 19,110,062</u>	<u>\$ (2,449,176)</u>

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

\$21,127,563 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30:	Misc.	Safety
2018	\$ 6,903,383	\$ 1,270,876
2019	14,961,587	5,079,086
2020	4,017,554	3,684,125
2021	(3,448,253)	(947,236)
2022	--	--
	<u>\$ 22,434,270</u>	<u>\$ 9,086,851</u>

#### **NOTE 12: Commitments and Contingencies**

##### **A. Construction Commitments**

At June 30, 2018, the County has commitments of approximately \$1.8 million for construction contracts, awarded but not completed. The major contracts outstanding are for the HHSA Access Control Project, Front Street (Cottonwood) Rehabilitation Project, West Central Landfill Gas



Monitoring Probes Project, Old 44 Drive at Oak Run Creek Bridge Project, and Junction School ATP Project.

## **B. Litigation**

The County is subject to various lawsuits and claims involving public liability and other actions incidental to the ordinary course of County operations. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the County's financial statements.

## **C. Grant Revenues**

The County recognizes as revenue grant monies received as reimbursement for costs incurred in certain federal and State programs it administers. Although the County's federal grant programs have been audited through June 30, 2018 in accordance with the requirements of the Federal Single Audit Act of 1997 and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), these programs may be subject to financial and compliance audits by the reimbursing agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

### **NOTE 13: Tax Abatements**

The County provides property tax abatements through the Agricultural Preserve Program. The program enrolls land in Williamson Act contracts whereby the land is contractually restricted to agricultural, open space, or recreational uses in exchange for reduced property tax assessments. Participation in the program is voluntary. Shasta County Code and Williamson Act guidelines are the set of rules by which Shasta County administers the program.

Under the provisions of these contracts, the assessed value of the land on these parcels is assessed for property tax purposes based on agricultural or open space use, rather than the factored base year value or market value of the property, whichever is less. The contract term is ten years and automatically renews until a nonrenewal or cancellation process is initiated. Under the nonrenewal process, the annual tax assessment increases over a defined period until the assessment reflects the factored base year value or the market value of the property.

For the fiscal year ended June 30, 2018, Shasta County assessed valuation before Williamson Act contracts was \$162,890,081. After Williamson Act contract reductions, the assessed value was \$49,074,533; a reduction in assessed value of \$113,815,548. This results in a tax abatement of approximately \$1,138,155 at the 1% Tax rate allowed by Proposition 13. Of this tax abatement, approximately 13% or \$147,960 would have been received by the County. This amount does not have an impact on the financial statements. The County calculates and distributes tax at a Tax Rate Area (TRA) level therefore the tax abated when calculated at the individual parcels could vary as the County has a higher or lower AB8 factor for each respective TRA. Agricultural lands however are generally located within the unincorporated County where the County generally has a higher AB8 apportionment factor at the TRA level than the Countywide AB8 factor.

**NOTE 14: Subsequent Events**

**Carr Fire**

In July and August 2018, Shasta County experienced a major wildfire, the Carr Fire, which was declared a major disaster at both Federal and State levels. The wildfire burned over 229,000 acres and destroyed more than 1,100 structures in the County and local areas.

While the overall financial impact to the County is unknown, the effects of the fire are expected to be significant. The resulting loss of homes and businesses is expected to have a negative impact on property tax revenues. Expenses related to emergency protective measures, debris removal, and permanent work will be substantial. These additional expenses, to the extent possible, will be mitigated by recoveries through insurance, as well as Federal, State, and Local aid.



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**REQUIRED SUPPLEMENTARY INFORMATION**

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**Schedule of Changes in Net Pension Liability and Related Ratios - Miscellaneous Plan**

Last 10 Fiscal Years#	6/30/2014	6/30/2015	6/30/2016	6/30/2017
<b>Total Pension Liability</b>				
Service Cost	\$ 12,224,611	\$ 11,189,724	\$ 11,336,015	\$ 13,075,467
Interest on Total Pension Liability	38,794,592	37,802,914	39,638,310	40,482,588
Changes of Assumptions	-	(8,765,842)	-	32,083,262
Other Changes*	-	-	1,887,006	(150,207)
Difference between Expected and Actual Experience	-	(2,829,081)	961,367	(6,233,904)
Benefit Payments, Including Refunds of Employee Contributions	(26,781,207)	(27,101,991)	(28,742,124)	(30,259,860)
<b>Net change in total pension liability</b>	<b>24,237,996</b>	<b>10,295,724</b>	<b>25,080,574</b>	<b>48,997,346</b>
<b>Total pension liability - beginning</b>	<b>524,539,518</b>	<b>513,706,789</b>	<b>524,002,514</b>	<b>549,083,087</b>
<b>Total pension liability - ending</b>	<b><u>\$ 548,777,514</u></b>	<b><u>\$ 524,002,513</u></b>	<b><u>\$ 549,083,087</u></b>	<b><u>\$ 598,080,433</u></b>
<b>Plan fiduciary net position</b>				
Contributions- employer	\$ 10,613,414	\$ 10,692,497	\$ 11,780,259	\$ 12,803,196
Contributions- employee	5,477,531	5,160,718	5,211,139	5,498,864
Net investment income	67,399,594	9,505,657	2,224,200	45,952,461
Benefit payments	(26,781,207)	(27,101,991)	(28,742,124)	(30,259,860)
Other Changes*	-	-	1,502,766	(111,895)
Plan to Plan Resource Movement	-	(57,721)	10,730	3,821
Administrative Expense	-	(513,496)	(255,240)	(603,748)
<b>Net change in plan fiduciary net position</b>	<b>56,709,332</b>	<b>(2,314,336)</b>	<b>(8,268,270)</b>	<b>33,282,837</b>
<b>Plan fiduciary net position - beginning</b>	<b>391,555,449</b>	<b>* 419,617,523</b>	<b>417,303,187</b>	<b>409,034,917</b>
<b>Plan fiduciary net position - ending</b>	<b><u>\$ 448,264,781</u></b>	<b><u>\$ 417,303,187</u></b>	<b><u>\$ 409,034,917</u></b>	<b><u>\$ 442,317,754</u></b>
Net pension liability - ending	<b><u>\$ 100,512,733</u></b>	<b><u>\$ 106,699,326</u></b>	<b><u>\$ 140,048,170</u></b>	<b><u>\$ 155,762,679</u></b>
Plan fiduciary net position as a percentage of the total pension liability	82%	80%	74%	74%
Covered - employee payroll	\$ 76,720,293	\$ 78,482,344	\$ 80,496,804	\$ 84,349,079
Net pension liability as a percentage of covered-employee payroll	131%	136%	174%	185%

**Notes to Schedule:**

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Change in assumptions: In 2015, amounts reported as change in assumptions resulted primarily from adjustments to expected retirement ages of miscellaneous employees.

Changes of Assumptions: The discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.

# Additional years will be presented as available.

\* Beginning balance adjusted for Court share of liability.

**Schedule of Changes in Net Pension Liability and Related Ratios - Safety Plan**

Last 10 Fiscal Years#

	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>6/30/2017</u>
<b>Total Pension Liability</b>				
Service Cost	\$ 3,807,373	\$ 3,842,207	\$ 3,763,000	\$ 4,440,456
Interest on Total Pension Liability	14,739,557	15,218,951	15,347,870	15,639,496
Changes of Benefit Terms	-	(3,690,353)	-	-
Changes of Assumptions	-	(1,498,854)	-	12,917,975
Other Changes*	-	-	(5,359,759)	(1,458,544)
Differences between Expected and Actual Experience	-	-	(676,577)	(1,145,685)
Benefit Payments, Including Refunds of Employee Contributions	<u>(10,796,627)</u>	<u>(11,127,454)</u>	<u>(11,472,553)</u>	<u>(11,837,159)</u>
<b>Net change in total pension liability</b>	7,750,303	2,744,497	1,601,981	18,556,539
<b>Total pension liability - beginning</b>	<u>200,022,066</u>	<u>207,772,369</u>	<u>210,516,866</u>	<u>212,118,847</u>
<b>Total pension liability - ending</b>	<u>\$ 207,772,369</u>	<u>\$ 210,516,866</u>	<u>\$ 212,118,847</u>	<u>\$ 230,675,386</u>
<b>Plan fiduciary net position</b>				
Contributions- employer	\$ 5,136,760	\$ 5,584,150	\$ 5,701,397	\$ 6,314,557
Contributions- employee	1,297,697	1,357,254	1,379,624	1,422,596
Net investment income	22,915,469	3,427,674	764,617	16,194,730
Benefit Payments, Including Refunds of Employee Contributions	<u>(10,796,627)</u>	<u>(11,127,454)</u>	<u>(11,472,553)</u>	<u>(11,837,159)</u>
Other Changes*	-	-	(3,850,827)	(987,894)
Plan to Plan Resource Movement	-	18,160	(11,130)	(3,937)
Administrative Expense	-	<u>(170,257)</u>	<u>(89,832)</u>	<u>(210,663)</u>
<b>Net change in plan fiduciary net position</b>	18,553,299	(910,473)	(7,578,704)	10,892,230
<b>Plan fiduciary net position - beginning</b>	<u>133,607,287</u>	<u>152,160,586</u>	<u>151,250,113</u>	<u>143,671,409</u>
<b>Plan fiduciary net position - ending</b>	<u>\$ 152,160,586</u>	<u>\$ 151,250,113</u>	<u>\$ 143,671,409</u>	<u>\$ 154,563,639</u>
Net pension liability - ending	<u>\$ 55,611,783</u>	<u>\$ 59,266,753</u>	<u>\$ 68,447,438</u>	<u>\$ 76,111,747</u>
Plan fiduciary net percentage as a percentage of the total pension liability	73%	72%	68%	67%
Covered - employee payroll	\$ 13,750,488	\$ 14,550,508	\$ 14,812,446	\$ 15,901,881
Net pension liability as a percentage of covered - employee payroll	404%	407%	462%	479%

**Notes to Schedule:**

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Change in assumptions: In 2015, amounts reported as change in assumptions resulted primarily from adjustments to expected retirement ages of miscellaneous employees.

Changes of Assumptions: The discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.

# Additional years will be presented as available.

\* Beginning balance adjusted for Court share of liability.

**Schedule of Contributions - Pension Liability**

Last 10 Fiscal Years\*

	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>6/30/2017</u>	<u>6/30/2018</u>
<b>Miscellaneous Plan</b>					
Actuarially determined contribution	\$ 10,613,414	\$ 11,422,473	\$ 11,780,259	\$ 12,803,196	\$ 14,700,524
Contributions related to the actuarially determined contribution	<u>(10,613,414)</u>	<u>(11,422,473)</u>	<u>(11,780,259)</u>	<u>(12,803,196)</u>	<u>(14,700,524)</u>
County's covered payroll	76,720,293	78,482,344	80,496,804	84,349,079	79,747,045
Contributions as a percentage of covered-employee payroll	13.83%	14.55%	14.63%	15.18%	18.43%
<b>Safety Plan</b>					
Actuarially determined contribution	\$ 5,136,760	\$ 5,584,150	\$ 5,701,397	\$ 6,314,557	\$ 6,427,039
Contributions related to the actuarially determined contribution	<u>(5,136,760)</u>	<u>(5,584,150)</u>	<u>(5,701,397)</u>	<u>(6,314,557)</u>	<u>(6,427,039)</u>
County's covered payroll	13,750,488	14,550,508	14,812,446	15,901,881	13,515,956
Contributions as a percentage of covered-employee payroll	37.36%	38.38%	38.49%	39.71%	47.55%

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

**Notes to schedule:**

	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
Valuation date:					
Methods and assumptions used to determine contribution rates:					
Single and Agent Employers	Entry Age Normal				
Amortization method/Period	For details, see June 30, 2014 Funding Valuation Report.				
Asset valuation method	Market Value of Assets. For details, see June 30, 2014 Funding Valuation Report.				
Inflation	2.75%				
Salary increases	Varies by Entry Age and Service				
Payroll Growth	3.00%				
Investment Rate of Return	7.5% Net of Pension Plan Investment and Administrative Expenses; Includes Inflation.				
Retirement age	The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.				
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.				



**Schedule of Changes in Net OPEB Liability and Related Ratios**

Last 10 Fiscal Years#	<u>6/30/2017</u>
<b>Total OPEB Liability</b>	
Service Cost	\$ 7,630,587
Interest	14,775,410
Difference between Expected and Actual Benefit payments, including refunds of employee contributions	<u>(9,752,964)</u>
<b>Net change in total OPEB liability</b>	12,653,033
<b>Total OPEB liability - beginning</b>	<u>212,945,306</u>
<b>Total OPEB liability - ending</b>	<u><u>\$ 225,598,339</u></u>
<b>Plan fiduciary net position</b>	
Contributions- employer	\$ 12,455,186
Net investment income	4,534,213
Benefit payments	(9,752,964)
Administrative Expense	<u>(11,480)</u>
<b>Net change in plan fiduciary net position</b>	7,224,953
<b>Plan fiduciary net position - beginning</b>	<u>42,484,553</u>
<b>Plan fiduciary net position - ending</b>	<u><u>\$ 49,709,506</u></u>
 Net pension liability - ending	 <u><u>\$ 175,888,833</u></u>
 Plan fiduciary net position as a percentage of the total OPEB liability	  22%
 Covered payroll	 \$ 95,751,708
 Net pension liability as a percentage of covered- employee payroll	  184%

# Additional years will be presented as available.

**Schedule of OPEB Contributions**

	<u>6/30/2017</u>	<u>6/30/2018</u>
Actuarially determined contribution	\$ 24,051,000	\$ 21,253,870
Contributions related to the actuarially determined contribution	<u>(12,455,186)</u>	<u>(11,146,352)</u>
Contribution deficiency (excess)	<u>\$ 11,595,814</u>	<u>\$ 10,107,518</u>
 County's covered payroll	 \$ 95,751,708	 \$ 95,347,394
Contributions as a percentage of covered- employee payroll	13.01%	11.69%

**Notes to schedule**

Valuation Date: June 30, 2017  
 Measurement Date: June 30, 2017 for FYE June 30, 2018

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization method/Period	20 years on a level percentage of pay basis
Asset valuation method	5 year smoothing for gains and losses
Inflation	2.75% per annum
Salary increases	3.0% per annum
Payroll Growth	3.0% per annum
Investment Rate of Return	6.85%
Retirement age	55-62 depending on contract
Mortality	Mortality rates were based on the CalPERS most recent pension experience study projected fully generational Scale MP-2014 modified to converge to ultimate rates i

\*Fiscal year 2018 was the 1st year of implementation. Additional years will be presented as they become available.

**COUNTY OF SHASTA  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Taxes	\$ 45,818,000	\$ 45,818,000	\$ 55,535,674	\$ 9,717,674
Licenses and Permits	3,487,380	3,591,880	4,567,118	975,238
Fines and Forfeitures	2,518,810	2,518,810	1,625,419	(893,391)
Use of Money and Property	776,750	776,750	1,548,646	771,896
Intergovernmental	6,573,128	6,764,149	8,815,816	2,051,667
Charges for Other Services	10,067,497	10,571,991	11,501,519	929,528
Miscellaneous Revenue	2,161,661	2,177,661	2,814,618	636,957
Total Revenues	<u>71,403,226</u>	<u>72,219,241</u>	<u>86,408,812</u>	<u>14,189,571</u>
<b>EXPENDITURES</b>				
General Government:				
Nonprog Rev/Trans Out:				
Services and Supplies	240,000	240,000	115,076	(124,924)
Other charges	71,148	200	25	(175)
Board of Supervisors:				
Salaries and Benefits	397,635	397,635	366,256	(31,379)
Services and Supplies	139,510	139,510	89,311	(50,199)
Other charges	83,513	83,513	83,500	(13)
County Administrative Office:				
Salaries and Benefits	1,032,159	1,032,159	947,538	(84,621)
Services and Supplies	147,611	147,611	147,219	(392)
Other charges	50	50	27	(23)
Reimbursements	(1,371,124)	(1,371,124)	(1,371,125)	(1)
Clerk of the Board:				
Salaries and Benefits	240,594	240,594	194,935	(45,659)
Services and Supplies	105,263	105,263	74,379	(30,884)
Other charges	75,477	75,477	75,469	(8)
Auditor-Controller:				
Salaries and Benefits	2,318,689	2,352,052	2,314,652	(37,400)
Services and Supplies	1,110,077	1,039,371	852,233	(187,138)
Other charges	45	45	44	(1)
Capital Assets	-	70,800	41,283	(29,518)
Reimbursements	(2,568,938)	(2,585,666)	(2,568,938)	16,728
Treasurer Tax Collector:				
Salaries and Benefits	1,131,849	1,131,849	1,052,716	(79,133)
Services and Supplies	790,642	790,642	611,086	(179,556)
Other charges	50	50	38	(12)
Reimbursements	(8,002)	(8,002)	(6,144)	1,858
Assessor:				
Salaries and Benefits	3,620,878	3,620,878	3,440,857	(180,021)
Services and Supplies	624,099	624,099	589,899	(34,200)
Other charges	325,910	325,910	325,881	(29)
Capital Assets	5,880	5,880	3,528	(2,352)
Reimbursements	(186,813)	(186,813)	(186,813)	-

**COUNTY OF SHASTA  
GENERAL FUND (CONTINUED)  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

<b>EXPENDITURES (CONTINUED)</b>	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
General Government (Continued):				
Purchasing:				
Salaries and Benefits	\$ 206,943	\$ 206,943	\$ 202,097	\$ (4,846)
Services and Supplies	48,291	48,291	37,838	(10,453)
Other charges	14	14	12	(2)
Reimbursements	(363,281)	(363,281)	(363,281)	-
County Counsel:				
Salaries and Benefits	1,792,254	1,792,254	1,730,921	(61,333)
Services and Supplies	288,692	288,692	185,653	(103,039)
Other charges	31	31	26	(5)
Reimbursements	(1,820,840)	(1,820,840)	(1,813,397)	7,443
Personnel:				
Salaries and Benefits	1,229,953	1,229,953	1,178,935	(51,018)
Services and Supplies	807,720	807,720	420,343	(387,377)
Other charges	35	35	26	(9)
Reimbursements	(2,095,089)	(2,095,089)	(1,905,869)	189,220
Election Admin and Registration:				
Salaries and Benefits	884,995	859,995	784,377	(75,618)
Services and Supplies	1,155,732	1,155,732	1,004,416	(151,316)
Other charges	67,548	67,548	67,548	-
Capital Assets	-	25,000	24,705	(295)
Impact Fee Admin:				
Services and Supplies	8,200	8,200	7,261	(939)
Intermountain Fair:				
Salaries and Benefits	6,796	6,796	6,796	-
Services and Supplies	11,282	11,282	9,282	(2,000)
Economic Development:				
Services and Supplies	70,500	70,500	70,485	(15)
Land, Buildings, and Improvements:				
Services and Supplies	81,689	81,689	81,459	(230)
Other charges	23,367	23,367	23,367	-
Capital Assets	3,378,750	5,823,585	4,782,114	(1,041,471)
Reimbursements	(3,378,750)	-	-	-
Surveyor:				
Services and Supplies	23,000	18,300	11,211	(7,089)
Other charges	164	164	164	-
Miscellaneous General 1:				
Salaries and Benefits	500,000	500,000	329	(499,671)
Services and Supplies	507,534	507,534	265,552	(241,982)
Other charges	335,000	335,000	218,965	(116,035)
Reimbursements	(83,336)	(83,336)	(83,336)	-
Tobacco Settlement Funds:				
Services and Supplies	150,000	150,000	187,562	37,562

**COUNTY OF SHASTA  
GENERAL FUND (CONTINUED)  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

<b>EXPENDITURES (CONTINUED)</b>	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
General Government (Continued):				
CSA Administration:				
Salaries and Benefits	\$ 741,466	\$ 736,466	\$ 748,295	\$ 11,829
Services and Supplies	142,037	147,037	120,993	(26,044)
Other charges	20,015	20,015	20,015	-
Title III Projects:				
Services and Supplies	25,500	119,750	31,797	(87,953)
Central Service Cost:				
Reimbursements	(1,888,447)	(1,888,447)	(1,888,447)	-
Reserves for Contingencies:				
Approp for Contingency	5,000,000	4,950,000	-	(4,950,000)
Total General Government	16,203,967	22,012,883	13,361,148	(8,651,735)
Public Protection:				
Trial Courts:				
Salaries and Benefits	13,760	13,760	15,081	1,321
Services and Supplies	740,202	740,202	618,348	(121,854)
Other charges	1,476,727	1,476,727	1,342,884	(133,843)
Conflict Public Defender:				
Services and Supplies	2,414,164	2,489,164	2,494,960	5,796
Other charges	21,518	21,518	21,518	-
Approp for Contingency	250,000	175,000	-	(175,000)
Public Defender:				
Salaries and Benefits	3,412,740	3,433,025	3,224,989	(208,036)
Services and Supplies	471,665	471,665	477,532	5,867
Other charges	117,113	117,113	117,053	(60)
Capital Assets	125,274	-	-	-
Reimbursements	-	(20,285)	-	20,285
Grand Jury:				
Services and Supplies	63,677	63,677	62,571	(1,106)
Other charges	49,632	49,632	49,632	-
County Clerk:				
Salaries and Benefits	315,312	315,312	326,574	11,262
Services and Supplies	112,677	112,677	81,050	(31,627)
Other charges	13,916	13,916	13,916	-
Sheriff Civil Unit:				
Salaries and Benefits	508,809	508,809	450,450	(58,359)
Services and Supplies	78,257	78,257	73,131	(5,126)
Other charges	14,014	14,014	14,013	(1)
Victim Witness Assistance:				
Salaries and Benefits	848,048	875,356	821,337	(54,019)
Services and Supplies	170,839	211,230	177,085	(34,145)
Other charges	96,587	96,587	94,899	(1,688)

**COUNTY OF SHASTA  
GENERAL FUND (CONTINUED)  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

<b>EXPENDITURES (CONTINUED)</b>	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Public Protection (Continued):				
Ag Comm and Sealer of Weights:				
Salaries and Benefits	\$ 1,276,883	\$ 1,276,883	\$ 1,238,970	\$ (37,913)
Services and Supplies	355,334	355,319	341,787	(13,532)
Other charges	47,731	47,746	47,746	-
Building Inspection:				
Salaries and Benefits	1,456,533	1,331,533	1,308,536	(22,997)
Services and Supplies	622,915	722,415	607,382	(115,033)
Other charges	125,915	126,415	126,409	(6)
Capital Assets	30,000	52,250	5,438	(46,812)
Reimbursements	(76,134)	(76,134)	-	76,134
Planning:				
Salaries and Benefits	1,411,018	1,411,018	1,303,210	(107,808)
Services and Supplies	648,053	648,053	453,020	(195,033)
Other charges	44,788	44,789	44,782	(7)
Capital Assets	-	22,250	5,438	(16,812)
Reimbursements	(148,819)	(148,819)	(143,321)	5,498
Recorder:				
Salaries and Benefits	542,621	542,621	418,219	(124,402)
Services and Supplies	524,983	518,864	447,664	(71,200)
Other charges	114,170	114,170	114,156	(14)
Capital Assets	273,284	319,403	228,077	(91,326)
Public Guardian:				
Services and Supplies	943,709	943,709	815,346	(128,363)
Other charges	129,277	129,277	129,277	-
Reimbursements	(90,218)	(90,218)	(90,218)	-
Wildlife Control:				
Services and Supplies	5,000	5,000	-	(5,000)
Other charges	108	108	108	-
Animal Control:				
Salaries and Benefits	344,063	344,063	313,703	(30,360)
Services and Supplies	240,187	240,187	220,707	(19,480)
Other charges	36,809	36,809	36,790	(19)
Public Administrator:				
Salaries and Benefits	187,791	187,791	163,646	(24,145)
Services and Supplies	66,835	66,835	23,745	(43,090)
Other charges	370	370	370	-
Total Public Protection	20,428,137	20,430,063	18,638,009	(1,792,054)

**COUNTY OF SHASTA  
GENERAL FUND (CONTINUED)  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Health and Sanitation:				
Environmental Health:				
Salaries and Benefits	\$ 2,133,293	\$ 2,058,293	\$ 1,948,418	\$ (109,875)
Services and Supplies	404,625	428,605	365,603	(63,002)
Other charges	50,944	50,944	50,942	(2)
Capital Assets	30,000	52,250	5,438	(46,812)
Reimbursements	(203,180)	(203,180)	(196,867)	6,313
Total Health and Sanitation	2,415,682	2,386,912	2,173,534	(213,378)
Public Assistance:				
Opportunity Center:				
Salaries and Benefits	3,861,691	3,861,691	3,175,966	(685,725)
Services and Supplies	2,060,207	2,158,360	1,867,831	(290,529)
Other charges	1,716,769	1,716,769	1,841,573	124,804
Capital Assets	77,500	251,422	130,137	(121,285)
Reimbursements	(1,495,627)	(1,495,627)	(1,420,906)	74,721
County Indigent Cases - Gen Fund:				
Services and Supplies	378,506	378,506	340,556	(37,950)
Other charges	1,394,958	1,394,958	1,015,698	(379,260)
Housing Authority:				
Salaries and Benefits	588,662	613,662	599,769	(13,893)
Services and Supplies	150,234	150,234	122,908	(27,326)
Other charges	173,602	173,602	153,592	(20,010)
Reimbursements	(797,439)	(797,439)	(876,677)	(79,238)
Veterans Services Office:				
Salaries and Benefits	329,342	329,342	249,483	(79,859)
Services and Supplies	86,076	86,076	75,074	(11,002)
Other charges	85,302	85,302	85,296	(6)
Reimbursements	(4,500)	(4,500)	(7,377)	(2,877)
Community Action Agency:				
Salaries and Benefits	294,472	372,512	364,946	(7,566)
Services and Supplies	72,946	238,959	156,107	(82,852)
Other charges	143,692	145,513	142,509	(3,004)
Reimbursements	(15,119)	(160,261)	(141,860)	18,401
Total Public Assistance	9,101,274	9,499,081	7,874,625	(1,624,456)
Education:				
Library Admin:				
Salaries and Benefits	56	56	56	-
Services and Supplies	110,811	110,811	37,586	(73,225)
Other charges	1,308,443	1,308,443	1,307,687	(756)
Agric Ext Service Farm Advisor:				
Salaries and Benefits	141,737	141,737	134,984	(6,753)
Services and Supplies	72,259	72,259	69,865	(2,394)
Other charges	4,751	4,751	4,720	(31)



**COUNTY OF SHASTA  
GENERAL FUND (CONTINUED)  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>EXPENDITURES (CONTINUED)</b>				
Education (Continued):				
Farm Advisor Jt Lassen Shasta:				
Salaries and Benefits	\$ -	\$ 2,517	\$ 2,516	\$ (1)
Services and Supplies	-	262	243	(19)
Other charges	1,497	1,497	1,497	-
Total Education	<u>1,639,554</u>	<u>1,642,333</u>	<u>1,559,155</u>	<u>(83,178)</u>
Recreation:				
Recreation and Parks Development:				
Services and Supplies	45,915	45,915	33,878	(12,037)
Other charges	663	663	438	(225)
Veterans Halls:				
Services and Supplies	115,650	115,650	101,689	(13,961)
Other charges	9,338	9,338	9,303	(35)
Total Recreation	<u>171,566</u>	<u>171,566</u>	<u>145,309</u>	<u>(26,257)</u>
Total Expenditures	<u>49,960,180</u>	<u>56,142,838</u>	<u>43,751,778</u>	<u>(12,391,059)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	21,443,046	16,076,403	42,657,033	26,580,629
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	583,330	6,567,982	4,574,345	(1,993,637)
Transfers Out	(36,747,901)	(37,233,307)	(36,003,767)	1,229,540
Sale of Capital Assets	500	500	12,065	11,565
Net Financing Sources (Uses)	<u>(36,164,071)</u>	<u>(30,664,825)</u>	<u>(31,417,356)</u>	<u>(752,531)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(14,721,025)	(14,588,422)	11,239,677	25,828,098
Fund Balance - Beginning	<u>79,568,423</u>	<u>79,568,423</u>	<u>79,568,423</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 64,847,398</u>	<u>\$ 64,980,001</u>	<u>\$ 90,808,099</u>	<u>\$ 25,828,098</u>



**COUNTY OF SHASTA  
SOCIAL SERVICES FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 30,000	\$ 30,000	\$ 89,648	\$ 59,648
Intergovernmental	101,919,597	100,528,762	103,599,746	3,070,984
Charges for Other Services	100,567	100,567	93,557	(7,010)
Miscellaneous Revenue	349,476	349,476	707,704	358,228
Total Revenues	102,399,640	101,008,805	104,490,655	3,481,850
<b>EXPENDITURES</b>				
Current:				
Public Assistance	113,303,038	112,518,794	105,801,936	(6,716,858)
Total Expenditures	113,303,038	112,518,794	105,801,936	(6,716,858)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(10,903,398)	(11,509,989)	(1,311,281)	10,198,708
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,955,297	3,955,297	3,955,297	-
Transfers Out	-	(344,304)	(245,658)	98,646
Sale of Capital Assets	8,050	8,050	12,360	4,310
Net Financing Sources (Uses)	3,963,347	3,619,043	3,721,999	102,956
<b>NET CHANGE IN FUND BALANCES</b>	(6,940,051)	(7,890,946)	2,410,718	10,301,664
Fund Balance - Beginning	16,120,021	16,120,021	16,120,021	-
<b>FUND BALANCE - ENDING</b>	\$ 9,179,970	\$ 8,229,075	\$ 18,530,739	\$ 10,301,664

**COUNTY OF SHASTA  
MENTAL HEALTH FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Fines and Forfeitures	\$ 20,000	\$ 20,000	\$ 24,042	\$ 4,042
Use of Money and Property	40,000	40,000	99,676	59,676
Intergovernmental	32,623,613	31,551,422	35,086,876	3,535,454
Charges for Other Services	364,366	364,366	271,089	(93,277)
Miscellaneous Revenue	-	-	35,725	35,725
Total Revenues	33,047,979	31,975,788	35,517,407	3,541,619
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	34,059,485	33,276,277	31,334,623	(1,941,654)
Total Expenditures	34,059,485	33,276,277	31,334,623	(1,941,654)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,011,506)	(1,300,489)	4,182,783	5,483,272
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	294,990	294,990	499,203	204,213
Transfers Out	-	(2,609,196)	(2,490,010)	119,186
Sale of Capital Assets	-	-	185	185
Net Financing Sources (Uses)	294,990	(2,314,206)	(1,990,622)	323,584
<b>NET CHANGE IN FUND BALANCES</b>	(716,516)	(3,614,695)	2,192,161	5,806,856
Fund Balance - Beginning	12,537,310	12,537,310	12,537,310	-
<b>FUND BALANCE - ENDING</b>	\$ 11,820,794	\$ 8,922,615	\$ 14,729,471	\$ 5,806,856

**COUNTY OF SHASTA  
PUBLIC SAFETY FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Taxes	\$ 72,786	\$ 72,786	\$ 80,604	\$ 7,818
Licenses and Permits	118,850	118,850	158,050	39,200
Fines and Forfeitures	603,625	603,625	2,662,142	2,058,517
Use of Money and Property	77,000	77,000	282,589	205,589
Intergovernmental	28,279,561	28,379,561	31,404,406	3,024,845
Charges for Other Services	3,495,495	3,585,843	3,706,705	120,862
Miscellaneous Revenue	146,100	462,302	495,177	32,875
Total Revenues	32,793,417	33,299,967	38,789,672	5,489,705
<b>EXPENDITURES</b>				
Current:				
Public Protection	68,495,702	68,407,435	63,236,993	(5,170,443)
Total Expenditures	68,495,702	68,407,435	63,236,993	(5,170,443)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	(35,702,285)	(35,107,468)	(24,447,320)	10,660,148
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	26,729,542	27,542,212	26,805,875	(736,337)
Transfers Out	(162,010)	(1,500,102)	(1,083,329)	416,773
Sale of Capital Assets	12,000	12,000	37,189	25,189
Net Financing Sources (Uses)	26,579,532	26,054,110	25,759,735	(294,375)
<b>NET CHANGE IN FUND BALANCES</b>				
	(9,122,753)	(9,053,358)	1,312,415	10,365,773
Fund Balance - Beginning	25,243,719	25,243,719	25,243,719	-
<b>FUND BALANCE - ENDING</b>	\$ 16,120,966	\$ 16,190,361	\$ 26,556,134	\$ 10,365,773

**COUNTY OF SHASTA  
ROADS ADMINISTRATION FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Taxes	\$ 2,705,535	\$ 2,705,535	\$ 2,506,104	\$ (199,431)
Licenses and Permits	10,000	10,000	50,473	40,473
Use of Money and Property	20,000	20,000	54,012	34,012
Intergovernmental	15,668,555	11,002,900	11,428,026	425,126
Charges for Other Services	738,000	638,000	716,659	78,659
Miscellaneous Revenue	-	-	43,496	43,496
Total Revenues	19,142,090	14,376,435	14,798,771	422,336
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	23,899,677	17,709,022	15,836,714	(1,872,308)
Total Expenditures	23,899,677	17,709,022	15,836,714	(1,872,308)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,757,587)	(3,332,587)	(1,037,944)	2,294,643
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,000,000	100,000	100,000	-
Transfers Out	(600)	(675,600)	(510,621)	164,979
Sale of Capital Assets	-	-	51,018	51,018
Net Financing Sources (Uses)	999,400	(575,600)	(359,603)	215,997
<b>NET CHANGE IN FUND BALANCES</b>	(3,758,187)	(3,908,187)	(1,397,547)	2,510,640
Fund Balance - Beginning	7,602,968	7,602,968	7,602,968	-
<b>FUND BALANCE - ENDING</b>	\$ 3,844,781	\$ 3,694,781	\$ 6,205,421	\$ 2,510,640

## **BASIS OF BUDGETING**

In accordance with the provisions of Section 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before August 30. Budgeted expenditures are enacted into law through the passage of an Appropriation Ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors. 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 not legally exceed appropriations. Any amendments for transfers of appropriations between departments or funds are authorized by the County Administrative Office and must be approved by the Board of Supervisors.

The Board of Supervisors must approve supplemental appropriations normally financed by unanticipated revenues during the year. Pursuant to Board Resolution, the County Administrative Office is authorized to approve any budget transfer within a budget unit provided that such approval does not exceed \$75,000 nor increase the total appropriations of the budget. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

The County uses an encumbrance system as an extension of normal budgetary accounting for the general, special revenue, and other debt service funds and to assist in controlling expenditures of the capital projects funds. Under this system, purchase orders and contracts for the expenditure of monies are recorded to reserve that portion of applicable appropriations. Encumbered appropriations are not carried forward in the ensuing year's budget, all amounts must be re-budgeted.

Annual budgets are prepared on the modified accrual basis of accounting plus encumbrances for governmental fund types and on the accrual basis plus encumbrances for proprietary funds. Intrafund transfers (transfers between operating units in the same governmental type fund) are included in the Budgetary Comparison Schedules as Other Financing Sources (uses) transfers in or out. The effects of these intrafund transfers are eliminated in the fund financial statement to conform to GAAP. The Inmate Welfare Fund is not required to submit a budget to the County and as such, budgetary information for that fund is not available.

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## **SUPPLEMENTARY INFORMATION**

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**COMBINING FINANCIAL STATEMENTS –  
NONMAJOR GOVERNMENTAL FUNDS**

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**COUNTY OF SHASTA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2018**

	Special Revenue Funds	Capital Project Funds	Debt Service Funds	Total
<b>ASSETS</b>				
Cash and Investments	\$ 39,464,790	\$ 7,238,104	\$ 11,128	\$ 46,714,022
Accounts Receivable	252,109	-	-	252,109
Due from Other Governments	5,393,338	-	-	5,393,338
Advances to Other Funds	361,491	-	-	361,491
Other Assets	54,518	-	-	54,518
Due from Other Funds	1,133,111	-	-	1,133,111
Special Assessments Receivable	334,135	-	-	334,135
Notes Receivable	9,603,594	-	-	9,603,594
Cash and Investments - Restricted	-	-	1,315	1,315
Total Assets	<u>\$ 56,597,085</u>	<u>\$ 7,238,104</u>	<u>\$ 12,443</u>	<u>\$ 63,847,632</u>
<b>LIABILITIES</b>				
Accounts Payable	1,167,711	-	-	1,167,711
Retention Payable	18,478	-	-	18,478
Salaries and Benefits Payable	1,497,050	-	-	1,497,050
Due to Other Funds	1,226,235	381,265	-	1,607,500
Advances from Other Funds	313,723	-	-	313,723
Due to Other Governments	133,658	-	-	133,658
Deposits from Others	20,922	-	-	20,922
Unearned Revenue	13,512	-	-	13,512
Total Liabilities	<u>4,391,288</u>	<u>381,265</u>	<u>-</u>	<u>4,772,553</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	699,235	-	-	699,235
<b>FUND BALANCES</b>				
Nonspendable	54,518	-	-	54,518
Restricted	51,452,044	-	12,443	51,464,487
Assigned	-	6,856,840	-	6,856,840
Total Fund Balances	<u>51,506,561</u>	<u>6,856,840</u>	<u>12,443</u>	<u>58,375,844</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 56,597,085</u>	<u>\$ 7,238,104</u>	<u>\$ 12,443</u>	<u>\$ 63,847,632</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds	Capital Project Funds	Debt Service Funds	Total
<b>REVENUES</b>				
Taxes	\$ 2,370,247	\$ -	\$ -	\$ 2,370,247
Licenses and Permits	266,485	-	-	266,485
Fines and Forfeitures	14,346	-	-	14,346
Use of Money and Property	553,625	86,610	1,463	641,697
Intergovernmental	46,542,802	-	-	46,542,802
Charges for Services	2,570,721	-	-	2,570,721
Miscellaneous Revenues	421,349	-	-	421,349
Total Revenues	<u>52,739,576</u>	<u>86,610</u>	<u>1,463</u>	<u>52,827,648</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	5,709	-	5,709
Public Protection	14,204,777	-	-	14,204,777
Public Ways and Facilities	720,347	-	-	720,347
Health and Sanitation	28,797,904	-	-	28,797,904
Public Assistance	5,745,041	-	-	5,745,041
Debt Service:				
Principal	-	-	2,001,730	2,001,730
Interest	-	-	957,866	957,866
Fiscal Agent Fees	-	-	3,801	3,801
Total Expenditures	<u>49,468,070</u>	<u>5,709</u>	<u>2,963,397</u>	<u>52,437,176</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	3,271,506	80,901	(2,961,935)	390,472
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	3,396,605	675,833	2,963,074	7,035,513
Transfers Out	(709,411)	(1,897,516)	-	(2,606,928)
Sale of Capital Assets	40,702	-	-	40,702
Total Other Financial Sources (Uses)	<u>2,727,896</u>	<u>(1,221,684)</u>	<u>2,963,074</u>	<u>4,469,287</u>
<b>NET CHANGE IN FUND BALANCES</b>	5,999,402	(1,140,783)	1,140	4,859,762
Fund Balances - Beginning	<u>45,507,154</u>	<u>7,997,622</u>	<u>11,303</u>	<u>53,516,079</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 51,506,561</u>	<u>\$ 6,856,840</u>	<u>\$ 12,443</u>	<u>\$ 58,375,844</u>



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**SPECIAL REVENUE FUNDS**

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**COUNTY OF SHASTA  
COMBINING BALANCE SHEET  
SPECIAL REVENUE FUNDS  
JUNE 30, 2018**

	Mental Health Services Act	PHA Housing Assistance	Housing Home IPP	Housing Cal Home
<b>ASSETS</b>				
Cash and Investments	\$ 11,311,051	\$ 352,143	\$ 310,373	\$ 188,443
Accounts Receivable	-	158	-	-
Due from Other Governments	1,518,358	430	-	-
Advances to Other Funds	-	-	-	-
Other Assets	6,950	-	-	-
Due from Other Funds	394,246	-	-	-
Special Assessments Receivable	-	-	-	-
Notes Receivable	-	-	4,720,447	967,028
Total Assets	<u>\$ 13,230,604</u>	<u>\$ 352,731</u>	<u>\$ 5,030,819</u>	<u>\$ 1,155,471</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 377,523	\$ 1,499	\$ -	\$ -
Retention Payable	-	-	-	-
Salaries and Benefits Payable	282,269	-	-	-
Due to Other Funds	389,408	163,366	-	-
Advances from Other Funds	-	-	-	-
Due to Other Governments	18,808	-	-	-
Deposits from Others	-	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	<u>1,068,008</u>	<u>164,865</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	6,950	-	-	-
Restricted	12,155,646	187,866	5,030,819	1,155,471
Total Fund Balances	<u>12,162,596</u>	<u>187,866</u>	<u>5,030,819</u>	<u>1,155,471</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 13,230,604</u>	<u>\$ 352,731</u>	<u>\$ 5,030,819</u>	<u>\$ 1,155,471</u>

**COUNTY OF SHASTA  
COMBINING BALANCE SHEET (CONTINUED)  
SPECIAL REVENUE FUNDS  
JUNE 30, 2018**

	Endangered Species	Roads SVAP Fund	Child Support Services	Public Health
<b>ASSETS</b>				
Cash and Investments	\$ 196,843	\$ 791,465	\$ 3,178,011	\$ 11,365,198
Accounts Receivable	-	-	-	147,866
Due from Other Governments	-	-	-	3,493,164
Advances to Other Funds	-	304,824	-	-
Other Assets	-	-	4,414	39,925
Due from Other Funds	-	-	-	670,981
Special Assessments Receivable	-	-	-	-
Notes Receivable	-	-	-	-
Total Assets	<u>\$ 196,843</u>	<u>\$ 1,096,289</u>	<u>\$ 3,182,425</u>	<u>\$ 15,717,134</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 8,512	\$ 216,924
Retention Payable	-	-	-	-
Salaries and Benefits Payable	-	-	329,471	728,835
Due to Other Funds	-	-	45	518,449
Advances from Other Funds	-	-	-	-
Due to Other Governments	-	-	-	36,456
Deposits from Others	-	-	-	3
Unearned Revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>338,028</u>	<u>1,500,667</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	365,110
<b>FUND BALANCES</b>				
Nonspendable	-	-	4,414	39,925
Restricted	196,843	1,096,289	2,839,983	13,811,432
Total Fund Balances	<u>196,843</u>	<u>1,096,289</u>	<u>2,844,397</u>	<u>13,851,357</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 196,843</u>	<u>\$ 1,096,289</u>	<u>\$ 3,182,425</u>	<u>\$ 15,717,134</u>

**COUNTY OF SHASTA  
COMBINING BALANCE SHEET (CONTINUED)  
SPECIAL REVENUE FUNDS  
JUNE 30, 2018**

	Shasta Housing Fund	County Water Agency	Air Quality Management	CSA #1 Fire Protection
<b>ASSETS</b>				
Cash and Investments	\$ 515,929	\$ 68,237	\$ 3,657,323	\$ 3,850,407
Accounts Receivable	-	-	4,925	30
Due from Other Governments	-	717	89,144	248,228
Advances to Other Funds	-	56,667	-	-
Other Assets	255	-	-	2,623
Due from Other Funds	5,281	2,515	309	42,968
Special Assessments Receivable	-	-	-	-
Notes Receivable	3,916,120	-	-	-
Total Assets	<u>\$ 4,437,584</u>	<u>\$ 128,135</u>	<u>\$ 3,751,700</u>	<u>\$ 4,144,256</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 14,980	\$ 478,238
Retention Payable	-	-	-	-
Salaries and Benefits Payable	1,253	-	34,741	108,293
Due to Other Funds	-	30,000	111,875	-
Advances from Other Funds	-	-	-	-
Due to Other Governments	-	-	-	47,201
Deposits from Others	821	-	-	-
Unearned Revenue	-	-	13,512	-
Total Liabilities	<u>2,073</u>	<u>30,000</u>	<u>175,109</u>	<u>633,731</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	255	-	-	2,623
Restricted	4,435,256	98,135	3,576,591	3,507,902
Total Fund Balances	<u>4,435,511</u>	<u>98,135</u>	<u>3,576,591</u>	<u>3,510,525</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,437,584</u>	<u>\$ 128,135</u>	<u>\$ 3,751,700</u>	<u>\$ 4,144,256</u>



**COUNTY OF SHASTA  
COMBINING BALANCE SHEET (CONTINUED)  
SPECIAL REVENUE FUNDS  
JUNE 30, 2018**

	Inmate Welfare Fund	In-Home Support Services	Lighting Districts
<b>ASSETS</b>			
Cash and Investments	\$ 270,436	\$ 132,670	\$ 353,363
Accounts Receivable	99,131	-	-
Due from Other Governments	-	43,297	-
Advances to Other Funds	-	-	-
Other Assets	-	352	-
Due from Other Funds	-	720	372
Special Assessments Receivable	-	-	-
Notes Receivable	-	-	-
<b>Total Assets</b>	<u><u>\$ 369,567</u></u>	<u><u>\$ 177,038</u></u>	<u><u>\$ 353,735</u></u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 45,656	\$ 585	\$ -
Retention Payable	-	-	-
Salaries and Benefits Payable	-	12,188	-
Due to Other Funds	2,209	10,883	-
Advances from Other Funds	-	-	-
Due to Other Governments	31,192	-	-
Deposits from Others	20,099	-	-
Unearned Revenue	-	-	-
<b>Total Liabilities</b>	<u><u>99,157</u></u>	<u><u>23,656</u></u>	<u><u>-</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	-	-	-
<b>FUND BALANCES</b>			
Nonspendable	-	352	-
Restricted	270,410	153,031	353,735
<b>Total Fund Balances</b>	<u><u>270,410</u></u>	<u><u>153,382</u></u>	<u><u>353,735</u></u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>\$ 369,567</u></u>	 <u><u>\$ 177,038</u></u>	 <u><u>\$ 353,735</u></u>

**COUNTY OF SHASTA  
COMBINING BALANCE SHEET (CONTINUED)  
SPECIAL REVENUE FUNDS  
JUNE 30, 2018**

	County Service Areas	Permanent Road Division	Total
<b>ASSETS</b>			
Cash and Investments	\$ 819,329	\$ 2,103,570	\$ 39,464,790
Accounts Receivable	-	-	252,109
Due from Other Governments	-	-	5,393,338
Advances to Other Funds	-	-	361,491
Other Assets	-	-	54,518
Due from Other Funds	1,726	13,993	1,133,111
Special Assessments Receivable	-	334,135	334,135
Notes Receivable	-	-	9,603,594
<b>Total Assets</b>	<u><u>\$ 821,055</u></u>	<u><u>\$ 2,451,698</u></u>	<u><u>\$ 56,597,085</u></u>
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ 23,793	\$ 1,167,711
Retention Payable	-	18,478	18,478
Salaries and Benefits Payable	-	-	1,497,050
Due to Other Funds	-	-	1,226,235
Advances from Other Funds	-	313,723	313,723
Due to Other Governments	-	-	133,658
Deposits from Others	-	-	20,922
Unearned Revenue	-	-	13,512
<b>Total Liabilities</b>	<u><u>-</u></u>	<u><u>355,994</u></u>	<u><u>4,391,288</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	-	334,125	699,235
<b>FUND BALANCES</b>			
Nonspendable	-	-	54,518
Restricted	821,055	1,761,579	51,452,044
<b>Total Fund Balances</b>	<u><u>821,055</u></u>	<u><u>1,761,579</u></u>	<u><u>51,506,561</u></u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>\$ 821,055</u></u>	 <u><u>\$ 2,451,698</u></u>	 <u><u>\$ 56,597,085</u></u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Mental Health Services Act	PHA Housing Assistance	Housing Home IPP	Housing Cal Home
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Fines and Forfeitures	-	-	-	-
Use of Money and Property	122,092	785	35,579	-
Intergovernmental	13,635,246	5,231,724	65,627	67,234
Charges for Services	-	-	-	-
Miscellaneous Revenues	45	61,825	-	-
<b>Total Revenues</b>	<u>13,757,383</u>	<u>5,294,334</u>	<u>101,206</u>	<u>67,234</u>
<b>EXPENDITURES</b>				
Current:				
Public Protection	-	-	-	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	10,906,722	-	-	-
Public Assistance	-	5,198,162	161,485	(302)
<b>Total Expenditures</b>	<u>10,906,722</u>	<u>5,198,162</u>	<u>161,485</u>	<u>(302)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,850,661	96,172	(60,278)	67,536
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	55,977	-	16,542	-
Transfers Out	(204,213)	-	-	-
Sale of Capital Assets	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(148,236)</u>	<u>-</u>	<u>16,542</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,702,425	96,172	(43,736)	67,536
Fund Balances - Beginning	<u>9,460,170</u>	<u>91,694</u>	<u>5,074,555</u>	<u>1,087,935</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 12,162,596</u>	<u>\$ 187,866</u>	<u>\$ 5,030,819</u>	<u>\$ 1,155,471</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Endangered Species	Road SVAP Fund	Child Support Services	Public Health
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	6,677
Fines and Forfeitures	-	-	-	2,211
Use of Money and Property	2,184	-	104,535	119,752
Intergovernmental	-	-	8,327,562	15,658,283
Charges for Services	-	13,600	-	594,436
Miscellaneous Revenues	-	-	217	135,816
Total Revenues	<u>2,184</u>	<u>13,600</u>	<u>8,432,314</u>	<u>16,517,175</u>
<b>EXPENDITURES</b>				
Current:				
Public Protection	(68)	-	7,681,244	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	-	-	16,653,023
Public Assistance	-	-	-	-
Total Expenditures	<u>(68)</u>	<u>-</u>	<u>7,681,244</u>	<u>16,653,023</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,252	13,600	751,069	(135,848)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	782,982
Transfers Out	-	-	-	(376,090)
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>406,892</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,252	13,600	751,069	271,044
Fund Balances - Beginning	<u>194,591</u>	<u>1,082,689</u>	<u>2,093,326</u>	<u>13,580,314</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 196,843</u>	<u>\$ 1,096,289</u>	<u>\$ 2,844,397</u>	<u>\$ 13,851,357</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Shasta Housing Fund	County Water Agency	Air Quality Management	CSA #1 Fire Protection
<b>REVENUES</b>				
Taxes	\$ -	\$ 182,604	\$ -	\$ 2,057,137
Licenses and Permits	-	-	229,908	29,900
Fines and Forfeitures	-	-	12,135	-
Use of Money and Property	27,433	787	34,649	43,188
Intergovernmental	-	5,221	3,154,546	121,983
Charges for Services	-	23,783	27,184	1,384,627
Miscellaneous Revenues	-	20,000	-	53,620
Total Revenues	<u>27,433</u>	<u>232,395</u>	<u>3,458,422</u>	<u>3,690,455</u>
<b>EXPENDITURES</b>				
Current:				
Public Protection	-	-	-	6,394,506
Public Ways and Facilities	-	128,284	-	-
Health and Sanitation	-	-	1,238,159	-
Public Assistance	11,070	-	-	-
Total Expenditures	<u>11,070</u>	<u>128,284</u>	<u>1,238,159</u>	<u>6,394,506</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	16,363	104,111	2,220,263	(2,704,051)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	2,469,557
Transfers Out	-	(55,000)	(74,109)	-
Sale of Capital Assets	-	-	-	40,702
Total Other Financing Sources (Uses)	<u>-</u>	<u>(55,000)</u>	<u>(74,109)</u>	<u>2,510,259</u>
<b>NET CHANGE IN FUND BALANCES</b>	16,363	49,111	2,146,154	(193,792)
Fund Balances - Beginning	<u>4,419,148</u>	<u>49,025</u>	<u>1,430,437</u>	<u>3,704,317</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 4,435,511</u>	<u>\$ 98,135</u>	<u>\$ 3,576,591</u>	<u>\$ 3,510,525</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Inmate Welfare Fund	In-Home Support Services	Lighting Districts
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 20,939
Licenses and Permits	-	-	-
Fines and Forfeitures	-	-	-
Use of Money and Property	23,635	1,781	3,818
Intergovernmental	-	273,512	309
Charges for Services	-	-	-
Miscellaneous Revenues	141,058	3,132	-
Total Revenues	<u>164,693</u>	<u>278,424</u>	<u>25,067</u>
<b>EXPENDITURES</b>			
Current:			
Public Protection	129,094	-	-
Public Ways and Facilities	-	-	6,171
Health and Sanitation	-	-	-
Public Assistance	-	374,626	-
Total Expenditures	<u>129,094</u>	<u>374,626</u>	<u>6,171</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	35,598	(96,202)	18,896
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	70,948	600
Transfers Out	-	-	-
Sale of Capital Assets	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>70,948</u>	<u>600</u>
<b>NET CHANGE IN FUND BALANCES</b>	35,598	(25,254)	19,496
Fund Balances - Beginning	<u>234,811</u>	<u>178,636</u>	<u>334,239</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 270,410</u>	<u>\$ 153,382</u>	<u>\$ 353,735</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2018**

	County Service Areas	Permanent Road Division	Total
<b>REVENUES</b>			
Taxes	\$ 108,527	\$ 1,041	\$ 2,370,247
Licenses and Permits	-	-	266,485
Fines and Forfeitures	-	-	14,346
Use of Money and Property	8,795	24,611	553,625
Intergovernmental	1,541	15	46,542,802
Charges for Services	21,569	505,522	2,570,721
Miscellaneous Revenues	-	5,636	421,349
Total Revenues	<u>140,432</u>	<u>536,826</u>	<u>52,739,576</u>
<b>EXPENDITURES</b>			
Current:			
Public Protection	-	-	14,204,777
Public Ways and Facilities	91,974	493,918	720,347
Health and Sanitation	-	-	28,797,904
Public Assistance	-	-	5,745,041
Total Expenditures	<u>91,974</u>	<u>493,918</u>	<u>49,468,070</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	48,457	42,908	3,271,506
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	3,396,605
Transfers Out	-	-	(709,411)
Sale of Capital Assets	-	-	40,702
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,727,896</u>
<b>NET CHANGE IN FUND BALANCES</b>	48,457	42,908	5,999,402
Fund Balances - Beginning	<u>772,597</u>	<u>1,718,670</u>	<u>45,507,154</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 821,055</u>	<u>\$ 1,761,579</u>	<u>\$ 51,506,561</u>



**COUNTY OF SHASTA  
 MENTAL HEALTH SERVICES ACT FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 30,000	\$ 30,000	\$ 122,092	\$ 92,092
Intergovernmental	12,341,425	12,544,925	13,635,246	1,090,321
Miscellaneous Revenue	-	-	45	45
Total Revenues	<u>12,371,425</u>	<u>12,574,925</u>	<u>13,757,383</u>	<u>1,182,458</u>
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	16,123,446	16,326,946	10,906,722	(5,420,224)
Total Expenditures	<u>16,123,446</u>	<u>16,326,946</u>	<u>10,906,722</u>	<u>(5,420,224)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(3,752,021)	(3,752,021)	2,850,661	6,602,682
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	55,977	55,977
Transfers Out	-	-	(204,213)	(204,213)
Net Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(148,236)</u>	<u>(148,236)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,752,021)	(3,752,021)	2,702,425	6,454,446
Fund Balances - Beginning	<u>9,460,171</u>	<u>9,460,171</u>	<u>9,460,171</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 5,708,150</u>	<u>\$ 5,708,150</u>	<u>\$ 12,162,596</u>	<u>\$ 6,454,446</u>



**COUNTY OF SHASTA  
PHA HOUSING ASSISTANCE FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 500	\$ 500	\$ 785	\$ 285
Intergovernmental	5,436,000	5,436,000	5,231,724	(204,276)
Miscellaneous Revenue	4,000	4,000	61,825	57,825
Total Revenues	5,440,500	5,440,500	5,294,334	(146,166)
<b>EXPENDITURES</b>				
Current:				
Public Assistance	5,574,829	5,574,829	5,198,162	(376,667)
Total Expenditures	5,574,829	5,574,829	5,198,162	(376,667)
<b>NET CHANGE IN FUND BALANCES</b>	(134,329)	(134,329)	96,172	230,501
Fund Balances - Beginning	91,694	91,694	91,694	-
<b>FUND BALANCES - ENDING</b>	\$ (42,635)	\$ (42,635)	\$ 187,866	\$ 230,501

**COUNTY OF SHASTA  
HOUSING HOME IPP FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 10,000	\$ 10,000	\$ 35,579	\$ 25,579
Intergovernmental	<u>108,382</u>	<u>108,382</u>	<u>65,627</u>	<u>(42,755)</u>
<b>Total Revenues</b>	<u>118,382</u>	<u>118,382</u>	<u>101,206</u>	<u>(17,176)</u>
<b>EXPENDITURES</b>				
Current:				
Public Assistance	<u>484,924</u>	<u>484,924</u>	<u>161,485</u>	<u>(323,439)</u>
<b>Total Expenditures</b>	<u>484,924</u>	<u>484,924</u>	<u>161,485</u>	<u>(323,439)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(366,542)	(366,542)	(60,278)	306,264
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>16,542</u>	<u>16,542</u>	<u>16,542</u>	<u>-</u>
Net Financing Sources (Uses)	<u>16,542</u>	<u>16,542</u>	<u>16,542</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(350,000)	(350,000)	(43,736)	306,264
Fund Balances - Beginning	<u>5,074,556</u>	<u>5,074,556</u>	<u>5,074,556</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 4,724,556</u>	<u>\$ 4,724,556</u>	<u>\$ 5,030,819</u>	<u>\$ 306,264</u>

**COUNTY OF SHASTA  
HOUSING CAL HOME FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Intergovernmental	\$ 10,862	\$ 10,862	\$ 67,234	\$ 56,372
Total Revenues	<u>10,862</u>	<u>10,862</u>	<u>67,234</u>	<u>56,372</u>
<b>EXPENDITURES</b>				
Current:				
Public Assistance	17,862	17,862	(302)	(18,164)
Total Expenditures	<u>17,862</u>	<u>17,862</u>	<u>(302)</u>	<u>(18,164)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(7,000)	(7,000)	67,536	74,536
Fund Balances - Beginning	<u>1,087,935</u>	<u>1,087,935</u>	<u>1,087,935</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,080,935</u>	<u>\$ 1,080,935</u>	<u>\$ 1,155,471</u>	<u>\$ 74,536</u>

**COUNTY OF SHASTA  
ENDANGERED SPECIES FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 1,000	\$ 1,000	\$ 2,184	\$ 1,184
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>2,184</u>	<u>1,184</u>
<b>EXPENDITURES</b>				
Current:				
Public Protection	195,260	195,260	(68)	(195,328)
Total Expenditures	<u>195,260</u>	<u>195,260</u>	<u>(68)</u>	<u>(195,328)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(194,260)	(194,260)	2,252	196,512
Fund Balances - Beginning	<u>194,591</u>	<u>194,591</u>	<u>194,591</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 331</u>	<u>\$ 331</u>	<u>\$ 196,843</u>	<u>\$ 196,512</u>

**COUNTY OF SHASTA  
ROADS SVAP FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Charges for Other Services	\$ 5,000	\$ 5,000	\$ 13,600	\$ 8,600
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>13,600</u>	<u>8,600</u>
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	50,000	50,000	-	(50,000)
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(45,000)	(45,000)	13,600	58,600
Fund Balances - Beginning	<u>1,082,689</u>	<u>1,082,689</u>	<u>1,082,689</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,037,689</u>	<u>\$ 1,037,689</u>	<u>\$ 1,096,289</u>	<u>\$ 58,600</u>

**COUNTY OF SHASTA  
CHILD SUPPORT SERVICES FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 87,040	\$ 87,040	\$ 104,535	\$ 17,495
Intergovernmental	7,966,219	7,966,219	8,327,562	361,343
Miscellaneous Revenue	-	-	217	217
Total Revenues	8,053,259	8,053,259	8,432,314	379,055
<b>EXPENDITURES</b>				
Current:				
Public Protection	8,320,963	8,320,963	7,681,244	(639,719)
Total Expenditures	8,320,963	8,320,963	7,681,244	(639,719)
<b>NET CHANGE IN FUND BALANCES</b>	(267,704)	(267,704)	751,069	1,018,773
Fund Balances - Beginning	2,093,328	2,093,328	2,093,328	-
<b>FUND BALANCES - ENDING</b>	\$ 1,825,624	\$ 1,825,624	\$ 2,844,397	\$ 1,018,773

**COUNTY OF SHASTA  
PUBLIC HEALTH FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Licenses and Permits	\$ 5,000	\$ 5,000	\$ 6,677	\$ 1,677
Fines and Forfeitures	2,100	2,100	2,211	111
Use of Money and Property	51,500	51,500	119,752	68,252
Intergovernmental	17,854,092	17,242,666	15,658,283	(1,584,383)
Charges for Other Services	724,698	724,698	594,436	(130,262)
Miscellaneous Revenue	48,625	48,625	135,816	87,191
Total Revenues	18,686,015	18,074,589	16,517,175	(1,557,414)
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	21,048,579	20,619,210	16,653,023	(3,966,187)
Total Expenditures	21,048,579	20,619,210	16,653,023	(3,966,187)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	(2,362,564)	(2,544,621)	(135,848)	2,408,773
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	617,577	673,208	782,982	109,774
Transfers Out	(626,596)	(916,596)	(376,090)	540,506
Net Financing Sources (Uses)	(9,019)	(243,388)	406,892	650,280
<b>NET CHANGE IN FUND BALANCES</b>	(2,371,583)	(2,788,009)	271,044	3,059,053
Fund Balances - Beginning	13,580,313	13,580,313	13,580,313	-
<b>FUND BALANCES - ENDING</b>	\$ 11,208,730	\$ 10,792,304	\$ 13,851,357	\$ 3,059,053

**COUNTY OF SHASTA  
SHASTA HOUSING FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 10,000	\$ 10,000	\$ 27,433	\$ 17,433
Intergovernmental	14,333	14,333	-	(14,333)
Total Revenues	<u>24,333</u>	<u>24,333</u>	<u>27,433</u>	<u>3,100</u>
<b>EXPENDITURES</b>				
Current:				
Public Assistance	38,485	38,485	11,070	(27,415)
Total Expenditures	<u>38,485</u>	<u>38,485</u>	<u>11,070</u>	<u>(27,415)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(14,152)	(14,152)	16,363	30,515
Fund Balances - Beginning	<u>4,419,149</u>	<u>4,419,149</u>	<u>4,419,149</u>	-
<b>FUND BALANCES - ENDING</b>	<u>\$ 4,404,997</u>	<u>\$ 4,404,997</u>	<u>\$ 4,435,511</u>	<u>\$ 30,515</u>



**COUNTY OF SHASTA  
COUNTY WATER AGENCY FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Taxes	\$ 152,956	\$ 152,956	\$ 182,604	\$ 29,648
Use of Money and Property	100	100	787	687
Intergovernmental	3,100	3,100	5,221	2,121
Charges for Other Services	27,500	27,500	23,783	(3,717)
Miscellaneous Revenue	-	-	20,000	20,000
Total Revenues	183,656	183,656	232,395	48,739
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	319,281	264,281	128,284	(135,997)
Total Expenditures	319,281	264,281	128,284	(135,997)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(135,625)	(80,625)	104,111	184,736
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	(55,000)	(55,000)	-
Net Financing Sources (Uses)	-	(55,000)	(55,000)	-
<b>NET CHANGE IN FUND BALANCES</b>	(135,625)	(135,625)	49,111	184,736
Fund Balances - Beginning	49,025	49,025	49,025	-
<b>FUND BALANCES - ENDING</b>	\$ (86,600)	\$ (86,600)	\$ 98,135	\$ 184,736

**COUNTY OF SHASTA  
AIR QUALITY MANAGEMENT FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Licenses and Permits	\$ 218,358	\$ 240,608	\$ 229,908	\$ (10,700)
Fines and Forfeitures	-	-	12,135	12,135
Use of Money and Property	15,000	15,000	34,649	19,649
Intergovernmental	1,515,000	1,525,000	3,154,545	1,629,545
Charges for Other Services	24,050	24,050	27,184	3,134
Total Revenues	<u>1,772,408</u>	<u>1,804,658</u>	<u>3,458,422</u>	<u>1,653,764</u>
<b>EXPENDITURES</b>				
Current:				
Health and Sanitation	<u>2,186,763</u>	<u>2,144,013</u>	<u>1,238,159</u>	<u>(905,854)</u>
Total Expenditures	<u>2,186,763</u>	<u>2,144,013</u>	<u>1,238,159</u>	<u>(905,854)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(414,355)	(339,355)	2,220,263	2,559,618
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	(75,000)	(74,109)	891
Net Financing Sources (Uses)	-	(75,000)	(74,109)	891
<b>NET CHANGE IN FUND BALANCES</b>	(414,355)	(414,355)	2,146,154	2,560,509
Fund Balances - Beginning	<u>1,430,437</u>	<u>1,430,437</u>	<u>1,430,437</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,016,082</u>	<u>\$ 1,016,082</u>	<u>\$ 3,576,591</u>	<u>\$ 2,560,509</u>

**COUNTY OF SHASTA  
FIRE PROTECTION CSA #1 FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Taxes	\$ 1,901,050	\$ 1,901,050	\$ 2,057,137	\$ 156,087
Licenses and Permits	23,000	23,000	29,900	6,900
Use of Money and Property	15,000	15,000	43,188	28,188
Intergovernmental	54,000	54,000	121,983	67,983
Charges for Other Services	723,917	723,917	1,384,627	660,710
Miscellaneous Revenue	100	100	53,620	53,520
Total Revenues	2,717,067	2,717,067	3,690,455	973,388
<b>EXPENDITURES</b>				
Current:				
Public Protection	8,172,362	8,144,862	6,394,506	(1,750,356)
Total Expenditures	8,172,362	8,144,862	6,394,506	(1,750,356)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(5,455,295)	(5,427,795)	(2,704,051)	2,723,744
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	2,707,930	2,737,680	2,469,557	(268,123)
Transfers Out	-	(27,500)	-	27,500
Sale of Capital Assets	10,000	10,000	40,702	30,702
Net Financing Sources (Uses)	2,717,930	2,720,180	2,510,259	(209,921)
<b>NET CHANGE IN FUND BALANCES</b>	(2,737,365)	(2,707,615)	(193,792)	2,513,823
Fund Balances - Beginning	3,704,317	3,704,317	3,704,317	-
<b>FUND BALANCES - ENDING</b>	\$ 966,952	\$ 996,702	\$ 3,510,525	\$ 2,513,823

**COUNTY OF SHASTA  
IHSS PUBLIC AUTHORITY FUND  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 1,781	\$ 1,781
Intergovernmental	490,429	369,481	273,512	(95,969)
Miscellaneous Revenue	-	-	3,132	3,132
Total Revenues	490,429	369,481	278,424	(91,057)
<b>EXPENDITURES</b>				
Current:				
Public Assistance	508,466	483,466	374,626	(108,840)
Total Expenditures	508,466	483,466	374,626	(108,840)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(18,037)	(113,985)	(96,202)	17,783
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	70,948	70,948	-
Net Financing Sources (Uses)	-	70,948	70,948	-
<b>NET CHANGE IN FUND BALANCES</b>	(18,037)	(43,037)	(25,254)	17,783
Fund Balances - Beginning	178,636	178,636	178,636	-
<b>FUND BALANCES - ENDING</b>	\$ 160,599	\$ 135,599	\$ 153,382	\$ 17,783

**COUNTY OF SHASTA  
LIGHTING DISTRICT FUNDS  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Taxes	\$ 16,719	\$ 16,719	\$ 20,939	\$ 4,220
Use of Money and Property	1,000	1,000	3,818	2,818
Intergovernmental	298	298	309	11
Total Revenues	18,017	18,017	25,067	7,050
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	40,426	40,426	6,171	(34,255)
Total Expenditures	40,426	40,426	6,171	(34,255)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(22,409)	(22,409)	18,896	41,305
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	600	600	600	-
Net Financing Sources (Uses)	600	600	600	-
<b>NET CHANGE IN FUND BALANCES</b>	(21,809)	(21,809)	19,496	41,305
Fund Balances - Beginning	334,239	334,239	334,239	-
<b>FUND BALANCES - ENDING</b>	\$ 312,430	\$ 312,430	\$ 353,735	\$ 41,305

**COUNTY OF SHASTA  
SPECIAL REVENUE - COUNTY SERVICE AREA FUNDS  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Taxes	\$ 96,697	\$ 96,697	\$ 108,527	\$ 11,830
Use of Money and Property	2,790	2,790	8,795	6,005
Intergovernmental	1,500	1,500	1,541	41
Charges for Other Services	21,711	21,711	21,569	(142)
Total Revenues	122,698	122,698	140,432	17,734
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	316,872	316,872	91,974	(224,898)
Total Expenditures	316,872	316,872	91,974	(224,898)
<b>NET CHANGE IN FUND BALANCES</b>	(194,174)	(194,174)	48,457	242,631
Fund Balances - Beginning	772,598	772,598	772,598	-
<b>FUND BALANCES - ENDING</b>	\$ 578,424	\$ 578,424	\$ 821,055	\$ 242,631

**COUNTY OF SHASTA  
PERMANENT ROAD DIVISION FUNDS  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Taxes	\$ 700	\$ 700	\$ 1,041	\$ 341
Use of Money and Property	2,298	2,298	24,611	22,313
Intergovernmental	16	16	15	(1)
Charges for Other Services	490,713	503,587	505,522	1,935
Miscellaneous Revenue	-	-	5,636	5,636
Total Revenues	493,727	506,601	536,826	30,225
<b>EXPENDITURES</b>				
Current:				
Public Ways and Facilities	2,387,187	2,400,061	493,918	(1,906,143)
Total Expenditures	2,387,187	2,400,061	493,918	(1,906,143)
<b>NET CHANGE IN FUND BALANCES</b>	(1,893,460)	(1,893,460)	42,908	1,936,368
Fund Balances - Beginning	1,718,671	1,718,671	1,718,671	-
<b>FUND BALANCES - ENDING</b>	\$ (174,789)	\$ (174,789)	\$ 1,761,579	\$ 1,936,368

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**CAPITAL PROJECT FUNDS**

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**COUNTY OF SHASTA  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2018**

	Accumulated Capital Outlay	Juvenile Rehabilitation Facility	Adult Rehabilitation Center	Total
<b>ASSETS</b>				
Cash and Investments	\$ 7,238,104	\$ -	\$ -	\$ 7,238,104
Total Assets	<u>\$ 7,238,104</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,238,104</u>
<b>LIABILITIES</b>				
Due to Other Funds	381,265	-	-	381,265
Total Liabilities	<u>381,265</u>	<u>-</u>	<u>-</u>	<u>381,265</u>
<b>FUND BALANCES</b>				
Assigned	6,856,840	-	-	6,856,840
Total Fund Balances	<u>6,856,840</u>	<u>-</u>	<u>-</u>	<u>6,856,840</u>
 Total Liabilities and Fund Balances	 <u>\$ 7,238,104</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 7,238,104</u>

**COUNTY OF SHASTA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Accumulated Capital Outlay	Juvenile Rehabilitation Facility	Adult Rehabilitation Center	Total
<b>REVENUES</b>				
Use of Money and Property	\$ 84,999	\$ -	\$ 1,611	\$ 86,610
Total Revenues	<u>84,999</u>	<u>-</u>	<u>1,611</u>	<u>86,610</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	5,709	5,709
Total Expenditures	<u>-</u>	<u>-</u>	<u>5,709</u>	<u>5,709</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	84,999	-	(4,098)	80,901
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	675,833	-	-	675,833
Transfers Out	<u>(1,215,151)</u>	<u>(6,532)</u>	<u>(675,833)</u>	<u>(1,897,516)</u>
Total Other Financial Sources (Uses)	<u>(539,318)</u>	<u>(6,532)</u>	<u>(675,833)</u>	<u>(1,221,684)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(454,319)	(6,532)	(679,931)	(1,140,783)
Fund Balances - Beginning	7,311,159	6,532	679,931	7,997,622
<b>FUND BALANCES - ENDING</b>	<u>\$ 6,856,840</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,856,840</u>

**COUNTY OF SHASTA  
CAPITAL PROJECTS FUND – ACCUMULATED CAPITAL OUTLAY  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 25,000	\$ 25,000	\$ 84,999	\$ 59,999
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>84,999</u>	<u>59,999</u>
<b>EXPENDITURES</b>				
Current:				
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	25,000	25,000	84,999	59,999
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	691,516	691,516	675,833	(15,683)
Transfers Out	<u>(276,250)</u>	<u>(1,376,639)</u>	<u>(1,215,151)</u>	<u>161,488</u>
Net Financing Sources (Uses)	<u>415,266</u>	<u>(685,123)</u>	<u>(539,318)</u>	<u>145,805</u>
<b>NET CHANGE IN FUND BALANCES</b>	440,266	(660,123)	(454,319)	205,804
Fund Balances - Beginning	<u>7,311,159</u>	<u>7,311,159</u>	<u>7,311,159</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 7,751,425</u>	<u>\$ 6,651,036</u>	<u>\$ 6,856,840</u>	<u>\$ 205,804</u>

**COUNTY OF SHASTA  
CAPITAL PROJECTS FUND – JUVENILE REHABILITATION FACILITY  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 50	\$ 50	\$ -	\$ (50)
Total Revenues	<u>50</u>	<u>50</u>	<u>-</u>	<u>(50)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	343	-	-	-
Total Expenditures	<u>343</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(293)	50	-	(50)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(6,264)	(6,607)	(6,532)	75
Net Financing Sources (Uses)	<u>(6,264)</u>	<u>(6,607)</u>	<u>(6,532)</u>	<u>75</u>
<b>NET CHANGE IN FUND BALANCES</b>	(6,557)	(6,557)	(6,532)	25
Fund Balances - Beginning	<u>6,532</u>	<u>6,532</u>	<u>6,532</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ (25)</u>	<u>\$ (25)</u>	<u>\$ -</u>	<u>\$ 25</u>

**COUNTY OF SHASTA  
CAPITAL PROJECTS FUND – ADULT REHABILITATION CENTER  
BUDEGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ 7,000	\$ 7,000	\$ 1,611	\$ (5,389)
Total Revenues	<u>7,000</u>	<u>7,000</u>	<u>1,611</u>	<u>(5,389)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	5,709	5,709	5,709	-
Total Expenditures	<u>5,709</u>	<u>5,709</u>	<u>5,709</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,291	1,291	(4,098)	(5,389)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(691,516)	(691,516)	(675,833)	15,683
Net Financing Sources (Uses)	<u>(691,516)</u>	<u>(691,516)</u>	<u>(675,833)</u>	<u>15,683</u>
<b>NET CHANGE IN FUND BALANCES</b>	(690,225)	(690,225)	(679,931)	10,294
Fund Balances - Beginning	<u>679,931</u>	<u>679,931</u>	<u>679,931</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ (10,294)</u>	<u>\$ (10,294)</u>	<u>\$ -</u>	<u>\$ 10,294</u>



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**DEBT SERVICE FUNDS**

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**COUNTY OF SHASTA  
COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
JUNE 30, 2018**

	Courthouse Improvement	Administration Center	Energy Retrofit	Total
<b>ASSETS</b>				
Cash and Investments	\$ 10,500	\$ 510	\$ 118	\$ 11,128
Cash and Investments - Restricted	-	1,315	-	1,315
<b>Total Assets</b>	<u>10,500</u>	<u>1,825</u>	<u>118</u>	<u>12,443</u>
<b>LIABILITIES</b>				
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted	<u>10,500</u>	<u>1,825</u>	<u>118</u>	<u>12,443</u>
<b>Total Fund Balances</b>	<u>10,500</u>	<u>1,825</u>	<u>118</u>	<u>12,443</u>
<b>TOTAL FUND BALANCES</b>	<u>\$ 10,500</u>	<u>\$ 1,825</u>	<u>\$ 118</u>	<u>\$ 12,443</u>

**COUNTY OF SHASTA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR DEBT SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Courthouse Improvement	Administration Center	Energy Retrofit	Total
<b>REVENUES</b>				
Use of Money and Property	\$ 117	\$ 1,319	\$ 27	\$ 1,463
Total Revenues	<u>117</u>	<u>1,319</u>	<u>27</u>	<u>1,463</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	460,000	1,500,000	41,730	2,001,730
Interest	74,863	872,950	10,054	957,866
Fiscal Agent Fees	-	3,801	(0)	3,801
Total Expenditures	<u>534,863</u>	<u>2,376,751</u>	<u>51,784</u>	<u>2,963,397</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(534,745)	(2,375,432)	(51,757)	(2,961,935)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>534,863</u>	<u>2,376,428</u>	<u>51,784</u>	<u>2,963,074</u>
Total Other Financing Sources (Uses)	<u>534,863</u>	<u>2,376,428</u>	<u>51,784</u>	<u>2,963,074</u>
<b>NET CHANGE IN FUND BALANCES</b>	117	997	27	1,140
Fund Balances - Beginning	<u>10,384</u>	<u>828</u>	<u>91</u>	<u>11,303</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 10,500</u>	<u>\$ 1,825</u>	<u>\$ 118</u>	<u>\$ 12,443</u>

**COUNTY OF SHASTA  
DEBT SERVICE – COURTHOUSE IMPROVEMENT  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 117	\$ 117
Total Revenues	<u>-</u>	<u>-</u>	<u>117</u>	<u>117</u>
<b>EXPENDITURES</b>				
Current:				
Debt Service	534,863	534,863	534,863	-
Total Expenditures	<u>534,863</u>	<u>534,863</u>	<u>534,863</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(534,863)	(534,863)	(534,746)	117
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	534,863	534,863	534,863	-
Net Financing Sources (Uses)	<u>534,863</u>	<u>534,863</u>	<u>534,863</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	117	117
Fund Balances - Beginning	<u>10,384</u>	<u>10,384</u>	<u>10,384</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 10,384</u>	<u>\$ 10,384</u>	<u>\$ 10,500</u>	<u>\$ 117</u>

**COUNTY OF SHASTA  
DEBT SERVICE – ADMINISTRATION CENTER BOND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 1,319	\$ 1,319
Total Revenues	-	-	1,319	1,319
<b>EXPENDITURES</b>				
Current:				
Debt Service	2,378,950	2,378,950	2,376,751	(2,199)
Total Expenditures	2,378,950	2,378,950	2,376,751	(2,199)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,378,950)	(2,378,950)	(2,375,432)	3,518
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	2,378,950	2,378,950	2,376,428	(2,522)
Net Financing Sources (Uses)	2,378,950	2,378,950	2,376,428	(2,522)
<b>NET CHANGE IN FUND BALANCES</b>	-	-	997	997
Fund Balances - Beginning	829	829	829	-
<b>FUND BALANCES - ENDING</b>	<b>\$ 829</b>	<b>\$ 829</b>	<b>\$ 1,825</b>	<b>\$ 997</b>

**COUNTY OF SHASTA  
DEBT SERVICE – ENERGY RETROFIT  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
<b>REVENUES</b>				
Use of Money and Property	\$ -	\$ -	\$ 27	\$ 27
Total Revenues	<u>-</u>	<u>-</u>	<u>27</u>	<u>27</u>
<b>EXPENDITURES</b>				
Current:				
Debt Service	51,784	51,784	51,784	0
Total Expenditures	<u>51,784</u>	<u>51,784</u>	<u>51,784</u>	<u>0</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(51,784)	(51,784)	(51,757)	27
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	51,784	51,784	51,784	-
Net Financing Sources (Uses)	<u>51,784</u>	<u>51,784</u>	<u>51,784</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	27	27
Fund Balances - Beginning	<u>91</u>	<u>91</u>	<u>91</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 91</u>	<u>\$ 91</u>	<u>\$ 118</u>	<u>\$ 27</u>



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**NONMAJOR ENTERPRISE FUNDS**

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**COUNTY OF SHASTA  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2018**

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA #8 Palo Cedro
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ -	\$ 28,659	\$ 259,821
Receivables, Net	6,198	10,513	27,966
Due from Other Governments	15,087	-	-
Other Assets	-	-	-
Due from Other Funds	4,539	4,117	12,574
Total Current Asset	<u>25,824</u>	<u>43,289</u>	<u>300,361</u>
Noncurrent Assets:			
Special Assessments Receivable	-	156,630	-
Cash and Investments Restricted	-	9,065	-
Capital Assets:			
Nondepreciable, Net	5,562	19,860	340,835
Depreciable, Net	198,279	643,067	846,036
Total Noncurrent Asset	<u>203,841</u>	<u>828,622</u>	<u>1,186,871</u>
Total Assets	<u>229,665</u>	<u>871,911</u>	<u>1,487,232</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	9,730	1,101	1,491
Accrued Interest Payable	-	2,251	-
Due to Other Funds	47,276	110	-
Due to Other Governments	-	-	-
Deposits from Others	-	-	500
Unearned Revenue	1,719	1,393	3,182
Bonds, Notes Payable	-	2,900	20,000
Total Current Liabilities	<u>58,725</u>	<u>7,755</u>	<u>25,173</u>
Noncurrent Liabilities:			
Advances from Other Funds	-	-	-
Notes Payable	-	-	-
Bonds Payable	-	160,800	-
Total Noncurrent Liabilities	<u>-</u>	<u>160,800</u>	<u>-</u>
Total Liabilities	<u>58,725</u>	<u>168,555</u>	<u>25,173</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	203,841	499,427	1,166,871
Unrestricted	<u>(32,901)</u>	<u>203,929</u>	<u>295,188</u>
Total Net Position	<u>\$ 170,940</u>	<u>\$ 703,356</u>	<u>\$ 1,462,059</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2018**

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA #17 Cotton- wood
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 124,995	\$ -	\$ 521,151
Receivables, Net	27,159	9,000	198,610
Due from Other Governments	-	-	4,490
Other Assets	-	-	-
Due from Other Funds	4,380	2,634	31,919
Total Current Asset	<u>156,534</u>	<u>11,634</u>	<u>756,169</u>
Noncurrent Assets:			
Special Assessments Receivable	-	-	-
Cash and Investments Restricted	-	-	-
Capital Assets:			
Nondepreciable, Net	45,928	-	661,187
Depreciable, Net	653,018	113,126	1,524,550
Total Noncurrent Asset	<u>698,946</u>	<u>113,126</u>	<u>2,185,737</u>
Total Assets	<u>855,480</u>	<u>124,760</u>	<u>2,941,907</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	1,679	57	10,870
Accrued Interest Payable	-	-	-
Due to Other Funds	-	3,655	-
Due to Other Governments	-	-	-
Deposits from Others	-	-	-
Unearned Revenue	1,116	1,180	9,700
Bonds, Notes Payable	-	-	-
Total Current Liabilities	<u>2,795</u>	<u>4,892</u>	<u>20,570</u>
Noncurrent Liabilities:			
Advances from Other Funds	-	6,667	289,468
Notes Payable	-	-	-
Bonds Payable	-	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>6,667</u>	<u>289,468</u>
Total Liabilities	<u>2,795</u>	<u>11,559</u>	<u>310,038</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	698,946	113,126	2,185,737
Unrestricted	<u>153,739</u>	<u>75</u>	<u>446,132</u>
Total Net Position	<u>\$ 852,685</u>	<u>\$ 113,201</u>	<u>\$ 2,631,869</u>

**COUNTY OF SHASTA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**JUNE 30, 2018**

	CSA #23 Cragview Water	CSA #25 Keswick Water	Shasta County Transit	Total
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 3,132	\$ -	\$ 54,056	\$ 991,813
Receivables, Net	8,868	15,343	-	303,658
Due from Other Governments	-	-	207,910	227,487
Other Assets	6,864	-	-	6,864
Due from Other Funds	18,298	21,757	-	100,216
Total Current Asset	<u>37,161</u>	<u>37,100</u>	<u>261,966</u>	<u>1,630,038</u>
Noncurrent Assets:				
Special Assessments Receivable	183,519	-	-	340,149
Cash and Investments Restricted	13,784	-	-	22,849
Capital Assets:				
Nondepreciable, Net	-	230	-	1,073,602
Depreciable, Net	1,260,833	1,757,463	-	6,996,373
Total Noncurrent Asset	<u>1,458,136</u>	<u>1,757,693</u>	<u>-</u>	<u>8,432,973</u>
Total Assets	<u>1,495,297</u>	<u>1,794,793</u>	<u>261,966</u>	<u>10,063,011</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	943	1,282	144,887	172,041
Accrued Interest Payable	-	-	-	2,251
Due to Other Funds	12,226	29,756	-	93,023
Due to Other Governments	-	-	117,079	117,079
Deposits from Others	-	-	-	500
Unearned Revenue	508	1,166	-	19,963
Bonds, Notes Payable	13,727	-	-	36,627
Total Current Liabilities	<u>27,404</u>	<u>32,204</u>	<u>261,966</u>	<u>441,483</u>
Noncurrent Liabilities:				
Advances from Other Funds	15,000	15,000	-	326,134
Notes Payable	205,910	-	-	205,910
Bonds Payable	-	-	-	160,800
Total Noncurrent Liabilities	<u>220,910</u>	<u>15,000</u>	<u>-</u>	<u>692,844</u>
Total Liabilities	<u>248,314</u>	<u>47,204</u>	<u>261,966</u>	<u>1,134,327</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,041,196	1,757,693	-	7,666,838
Unrestricted	205,788	(10,104)	-	1,261,846
Total Net Position	<u>\$ 1,246,984</u>	<u>\$ 1,747,589</u>	<u>\$ -</u>	<u>\$ 8,928,684</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA #8 Palo Cedro
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 42,084	\$ 66,962	\$ 158,849
Total Operating Revenues	<u>42,084</u>	<u>66,962</u>	<u>158,849</u>
<b>OPERATING EXPENSES</b>			
Services and Supplies	79,345	58,354	253,488
Central Service Costs	2,938	5,071	2,502
Depreciation	4,658	41,199	95,778
Total Operating Expenses	<u>86,940</u>	<u>104,624</u>	<u>351,768</u>
<b>OPERATING INCOME (LOSS)</b>	(44,856)	(37,662)	(192,918)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Interest	(1,085)	514	3,817
Property Tax Revenues	-	-	-
Nonoperating Grants	176,000	-	-
Other Revenue	-	12	-
Other Expense	(231)	(418)	(322)
Interest Expense	-	(6,771)	-
Total Nonoperating Revenues (Expenses)	<u>174,684</u>	<u>(6,662)</u>	<u>3,495</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	129,828	(44,324)	(189,423)
Capital Grants and Contributions	15,087	-	-
Transfers In	20,000	-	-
<b>CHANGE IN NET POSITION</b>	<u>164,914</u>	<u>(44,324)</u>	<u>(189,424)</u>
Net Position - Beginning	<u>6,026</u>	<u>747,681</u>	<u>1,651,481</u>
<b>NET POSITION - ENDING</b>	<u>\$ 170,940</u>	<u>\$ 703,356</u>	<u>\$ 1,462,059</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA #17 Cotton- wood
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 87,832	\$ 41,257	\$ 850,447
Total Operating Revenues	<u>87,832</u>	<u>41,257</u>	<u>850,447</u>
<b>OPERATING EXPENSES</b>			
Services and Supplies	84,439	48,832	636,708
Central Service Costs	5,222	3,985	17,382
Depreciation	43,056	7,070	240,599
Total Operating Expenses	<u>132,718</u>	<u>59,888</u>	<u>894,690</u>
<b>OPERATING INCOME (LOSS)</b>	(44,885)	(18,631)	(44,243)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest	1,578	22	5,898
Property Tax Revenues	-	-	-
Nonoperating Grants	-	-	4,490
Other Revenue	25	-	147
Other Expense	-	-	-
Interest Expense	-	-	(12,518)
Total Nonoperating Revenues (Expenses)	<u>1,603</u>	<u>22</u>	<u>(1,983)</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	(43,282)	(18,609)	(46,226)
Capital Grants and Contributions	-	-	-
Transfers In	-	20,000	-
<b>CHANGE IN NET POSITION</b>	<u>(43,282)</u>	<u>1,391</u>	<u>(46,226)</u>
Net Position - Beginning	<u>895,966</u>	<u>111,808</u>	<u>2,678,095</u>
<b>NET POSITION - ENDING</b>	<u>\$ 852,685</u>	<u>\$ 113,201</u>	<u>\$ 2,631,869</u>



**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #23 Craigview Water	CSA #25 Keswick Water	Shasta County Transit	Total
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 53,205	\$ 90,878	\$ 24,570	\$ 1,416,085
Total Operating Revenues	<u>53,205</u>	<u>90,878</u>	<u>24,570</u>	<u>1,416,085</u>
<b>OPERATING EXPENSES</b>				
Services and Supplies	71,913	123,985	550,107	1,907,171
Central Service Costs	4,913	16,072	2,639	60,724
Depreciation	30,976	56,161	-	519,498
Total Operating Expenses	<u>107,802</u>	<u>196,219</u>	<u>552,746</u>	<u>2,487,393</u>
<b>OPERATING INCOME (LOSS)</b>	(54,596)	(105,341)	(528,176)	(1,071,308)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest	239	(9)	1,114	12,087
Property Tax Revenues	5,821	24,570	-	30,391
Nonoperating Grants	-	-	527,062	707,552
Other Revenue	85	402	-	671
Other Expense	-	(134)	-	(1,104)
Interest Expense	-	-	-	(19,289)
Total Nonoperating Revenues (Expenses)	<u>6,145</u>	<u>24,830</u>	<u>528,176</u>	<u>730,308</u>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	(48,451)	(80,511)	-	(341,000)
Capital Grants and Contributions	-	-	-	15,087
Transfers In	-	15,000	-	55,000
<b>CHANGE IN NET POSITION</b>	<u>(48,451)</u>	<u>(65,511)</u>	<u>-</u>	<u>(270,913)</u>
Net Position - Beginning	<u>1,295,434</u>	<u>1,813,101</u>	<u>-</u>	<u>9,199,591</u>
<b>NET POSITION - ENDING</b>	<u>\$ 1,246,984</u>	<u>\$ 1,747,589</u>	<u>\$ -</u>	<u>\$ 8,928,684</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA #8 Palo Cedro
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 39,398	\$ 64,906	\$ 149,321
Payments to Suppliers	(131,482)	(65,303)	(266,151)
Operating Subsidies and Transfers	-	-	-
Other Receipts	35,088	12	-
Other Payments	(231)	(418)	(322)
Net Cash Provided (Used) by Operating Activities	(57,227)	(803)	(117,152)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Property Taxes	-	-	-
Nonoperating Subsidies and Transfers	161,960	416	1,060
Net Cash Provided (Used) by Noncapital Financing Activities	161,960	416	1,060
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and Construction of Capital Assets	(103,648)	-	-
Capital Improvement Fees	-	-	500
Principal Payments on Capital Debt	-	(2,700)	-
Special Assessments	-	(180)	-
Capital Grants Received	-	-	-
Interest Payments on Capital Debt	-	(6,808)	-
Net Cash (Used) by Capital and Related Financing Activities	(103,648)	(9,688)	500
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	(1,085)	514	3,817
Net Cash Provided (Used) by Investing Activities	(1,085)	514	3,817
<b>NET INCREASE (DECREASE) IN CASH</b>	-	(9,561)	(111,775)
Cash and Cash Equivalents - Beginning of Year*	-	47,285	371,595
<b>CASH AND CASH EQUIVALENTS - END OF YEAR*</b>	<u>\$ -</u>	<u>\$ 37,724</u>	<u>\$ 259,821</u>

\* Includes Restricted Cash and Imprest Cash



**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA #17 Cotton- wood
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 72,093	\$ 36,070	\$ 804,299
Payments to Suppliers	(91,295)	(52,895)	(670,395)
Operating Subsidies and Transfers	-	-	-
Other Receipts	25	-	147
Other Payments	-	-	-
Net Cash Provided (Used) by Operating Activities	(19,177)	(16,825)	134,051
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Property Taxes	-	-	-
Nonoperating Subsidies and Transfers	-	16,667	34,313
Net Cash Provided (Used) by Noncapital Financing Activities	-	16,667	34,313
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and Construction of Capital Assets	-	-	(5,699)
Capital Improvement Fees	-	-	-
Principal Payments on Capital Debt	-	-	-
Special Assessments	-	-	-
Capital Grants Received	515	-	-
Interest Payments on Capital Debt	-	-	(12,518)
Net Cash (Used) by Capital and Related Financing Activities	515	-	(18,217)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	1,478	22	5,898
Net Cash Provided (Used) by Investing Activities	1,478	22	5,898
<b>NET INCREASE (DECREASE) IN CASH</b>	(17,184)	(136)	156,045
Cash and Cash Equivalents - Beginning of Year*	142,178	135	365,106
<b>CASH AND CASH EQUIVALENTS - END OF YEAR*</b>	<u>\$ 124,995</u>	<u>\$ -</u>	<u>\$ 521,151</u>

\* Includes Restricted Cash and Imprest Cash

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #23 Cragview Water	CSA #25 Keswick Water	Shasta County Transit	Enterprise Funds Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers	\$ 37,303	\$ 89,364	\$ 27,517	\$ 1,320,271
Payments to Suppliers	(76,572)	(146,261)	(724,476)	(2,224,830)
Operating Subsidies and Transfers	3,770	-	713,886	717,656
Other Receipts	85	402	-	35,759
Other Payments	-	(134)	-	(1,105)
Net Cash Provided (Used) by Operating Activities	(35,414)	(56,629)	16,928	(152,249)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Property Taxes	5,821	24,570	-	30,391
Nonoperating Subsidies and Transfers	15,000	30,000	-	259,416
Net Cash Provided (Used) by Noncapital Financing Activities	20,821	54,570	-	289,807
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and Construction of Capital Assets	-	-	-	(109,347)
Capital Improvement Fees	-	-	-	500
Principal Payments on Capital Debt	(13,727)	-	-	(16,427)
Special Assessments	13,728	-	-	13,548
Capital Grants Received	292	-	-	807
Interest Payments on Capital Debt	-	-	-	(19,326)
Net Cash (Used) by Capital and Related Financing Activities	293	-	-	(130,245)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on Investments	239	(9)	1,114	11,988
Net Cash Provided (Used) by Investing Activities	239	(9)	1,114	11,988
<b>NET INCREASE (DECREASE) IN CASH</b>	(14,061)	(2,070)	18,042	19,301
Cash and Cash Equivalents - Beginning of Year*	30,976	2,068	36,014	995,357
<b>CASH AND CASH EQUIVALENTS - END OF YEAR*</b>	<u>\$ 16,916</u>	<u>\$ -</u>	<u>\$ 54,056</u>	<u>\$ 1,014,662</u>

\* Includes Restricted Cash and Imprest Cash

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA #8 Palo Cedro
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (44,856)	\$ (37,662)	\$ (192,918)
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by			
Operating Activities:			
Other Nonoperating Receipts	35,088	12	-
Other Nonoperating Payments	(231)	(418)	(322)
Depreciation Expense	4,658	41,199	95,778
Change in Assets and Liabilities:			
Receivables, Net	1,192	(2,115)	27
Due from Other Funds	(3,878)	-	(9,555)
Due from Other Governments	-	-	-
Accounts and Other Payables	(73,863)	237	1,013
Due to Other Funds	24,664	(2,115)	(11,174)
Unearned Revenue	-	59	-
Other Liabilities	-	-	-
Deposits from Others	-	-	-
Due to Other Governments	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (57,227)</u>	<u>\$ (803)</u>	<u>\$ (117,152)</u>

\* Includes Restricted Cash and Imprest Cash

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA #17 Cotton- wood
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (44,885)	\$ (18,631)	\$ (44,243)
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:			
Other Nonoperating Receipts	25	-	147
Other Nonoperating Payments	-	-	-
Depreciation Expense	43,056	7,070	240,599
Change in Assets and Liabilities:			
Receivables, Net	(13,139)	(2,612)	(27,303)
Due from Other Funds	(2,600)	(2,150)	(20,466)
Due from Other Governments	-	-	-
Accounts and Other Payables	1,400	(68)	1,368
Due to Other Funds	(3,034)	(10)	(17,673)
Unearned Revenue	-	75	1,621
Other Liabilities	-	-	-
Deposits from Others	-	(500)	-
Due to Other Governments	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (19,177)</u>	<u>\$ (16,825)</u>	<u>\$ 134,051</u>

\* Includes Restricted Cash and Imprest Cash

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2018**

	CSA #23 Cragview Water	CSA #25 Keswick Water	Shasta County Transit	Enterprise Funds Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (54,596)	\$ (105,341)	\$ (528,176)	\$ (1,071,308)
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by				
Operating Activities:				
Other Nonoperating Receipts	85	402	-	35,759
Other Nonoperating Payments	-	(134)	-	(1,105)
Depreciation Expense	30,976	56,161	-	519,497
Operating Transfers	-	-	527,062	527,062
Change in Assets and Liabilities:				
Receivables, Net	611	(2,143)	-	(45,482)
Due from Other Funds	(17,021)	(19,938)	-	(75,608)
Due from Other Governments	-	898	191,783	192,681
Accounts and Other Payables	254	(2,733)	-	(72,392)
Due to Other Funds	4,165	16,467	-	11,290
Unearned Revenue	113	(269)	-	1,599
Other Liabilities	-	-	-	-
Deposits from Others	-	-	-	(500)
Due to Other Governments	-	-	(173,741)	(173,741)
Net Cash Provided (Used) by Operating Activities	<u>\$ (35,414)</u>	<u>\$ (56,629)</u>	<u>\$ 16,928</u>	<u>\$ (152,249)</u>

\* Includes Restricted Cash and Imprest Cash

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**INTERNAL SERVICE FUNDS**

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**COUNTY OF SHASTA  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2018**

	Fleet Management	Risk Management	Information Systems
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 5,267,419	\$ 29,062,707	\$ 1,473,680
Receivables, Net	654	9,182	-
Due from Other Governments	-	3,027	4,390
Inventories	76,292	-	-
Other Assets	39	-	129,342
Due from Other Funds	38,531	-	-
Total Current Assets	<u>5,382,934</u>	<u>29,074,916</u>	<u>1,607,412</u>
Noncurrent Assets:			
Advances to Other Funds	-	289,468	-
Capital Assets:			
Nondepreciable, Net	55,375	-	-
Depreciable, Net	1,823,990	-	505,058
Total Noncurrent Assets	<u>1,879,365</u>	<u>289,468</u>	<u>505,058</u>
Total Assets	<u>7,262,299</u>	<u>29,364,384</u>	<u>2,112,469</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	78,894	418,089	4,777
Salary and Benefits Payable	28,925	46,511	256,368
Due to Other Funds	-	4,435	500
Deposits from Others	-	300	-
Claims Payable	-	2,596,157	-
Compensated Absences Payable	10,599	35,657	170,026
Total Current Liabilities	<u>118,419</u>	<u>3,101,148</u>	<u>431,671</u>
Noncurrent Liabilities:			
Claims Payable	-	16,400,843	-
Compensated Absences Payable	8,538	28,723	136,962
Total Noncurrent Liabilities	<u>8,538</u>	<u>16,429,566</u>	<u>136,962</u>
Total Liabilities	<u>126,957</u>	<u>19,530,714</u>	<u>568,633</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,879,365	-	505,058
Unrestricted	5,255,978	9,833,670	1,038,778
Total Net Position	<u>\$ 7,135,342</u>	<u>\$ 9,833,670</u>	<u>\$ 1,543,836</u>



**COUNTY OF SHASTA  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2018**

	Facilities Management	County Utilities	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 696,007	\$ 287,306	\$ 36,787,119
Receivables, Net	290	-	10,126
Due from Other Governments	-	-	7,417
Inventories	41,504	-	117,796
Other Assets	247	-	129,628
Due from Other Funds	-	330	38,861
Total Current Assets	<u>738,049</u>	<u>287,636</u>	<u>37,090,947</u>
Noncurrent Assets:			
Advances to Other Funds	-	-	289,468
Capital Assets:			-
Nondepreciable, Net	-	-	55,375
Depreciable, Net	257,046	-	2,586,093
Total Noncurrent Assets	<u>257,046</u>	<u>-</u>	<u>2,930,936</u>
Total Assets	<u>995,095</u>	<u>287,636</u>	<u>40,021,883</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	116,613	7,149	625,522
Salary and Benefits Payable	153,850	-	485,654
Due to Other Funds	4,160	-	9,095
Deposits from Others	-	-	300
Claims Payable	-	-	2,596,157
Compensated Absences Payable	83,481	-	299,763
Total Current Liabilities	<u>358,104</u>	<u>7,149</u>	<u>4,016,490</u>
Noncurrent Liabilities:			
Claims Payable	-	-	16,400,843
Compensated Absences Payable	67,247	-	241,470
Total Noncurrent Liabilities	<u>67,247</u>	<u>-</u>	<u>16,642,313</u>
Total Liabilities	<u>425,351</u>	<u>7,149</u>	<u>20,658,804</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	257,046	-	2,641,468
Unrestricted	312,698	280,487	16,721,612
Total Net Position	<u>\$ 569,744</u>	<u>\$ 280,487</u>	<u>\$ 19,363,079</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Fleet Management	Risk Management	Information Systems
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,705,694	\$ 9,912,375	\$ 6,701,586
Total Operating Revenues	<u>1,705,694</u>	<u>9,912,375</u>	<u>6,701,586</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	472,485	922,977	4,659,334
Services and Supplies	485,305	1,042,809	1,592,480
Central Service Costs	58,764	182,501	393,070
Insurance Premiums	-	1,931,343	-
Claims Expense	15,604	2,295,113	-
Depreciation	656,568	-	157,419
Total Operating Expenses	<u>1,688,726</u>	<u>6,374,744</u>	<u>6,802,303</u>
<b>OPERATING INCOME (LOSS)</b>	16,968	3,537,632	(100,716)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest	55,772	303,030	13,649
Miscellaneous Revenue	-	574,006	44,807
Miscellaneous Expense	-	(1,171)	(1,507)
Loss on Sale of Capital Asset	(35,364)	-	-
Gain on Sale of Capital Asset	39,603	-	282
Total Nonoperating Revenues (Expenses)	<u>60,011</u>	<u>875,864</u>	<u>57,232</u>
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>	76,980	4,413,496	(43,485)
Transfers In	58,797	-	8,067
Transfers Out	-	-	-
<b>CHANGE IN NET POSITION</b>	<u>135,777</u>	<u>4,413,496</u>	<u>(35,418)</u>
Net Position - Beginning	<u>6,999,565</u>	<u>5,420,174</u>	<u>1,579,254</u>
<b>NET POSITION - ENDING</b>	<u>\$ 7,135,342</u>	<u>\$ 9,833,670</u>	<u>\$ 1,543,836</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Facilities Management	County Utilities	Total
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 4,767,240	\$ 1,467,804	\$ 24,554,699
Total Operating Revenues	<u>4,767,240</u>	<u>1,467,804</u>	<u>24,554,699</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	2,742,510	-	8,797,306
Services and Supplies	1,660,230	1,416,000	6,196,824
Central Service Costs	180,080	-	814,415
Insurance Premiums	-	-	1,931,343
Claims Expense	-	-	2,310,717
Depreciation	32,656	-	846,643
Total Operating Expenses	<u>4,615,476</u>	<u>1,416,000</u>	<u>20,897,248</u>
<b>OPERATING INCOME (LOSS)</b>	151,764	51,804	3,657,452
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest	1,787	2,011	376,249
Miscellaneous Revenue	1,103	-	619,915
Miscellaneous Expense	(8,977)	-	(11,655)
Loss on Sale of Capital Asset	-	-	(35,364)
Gain on Sale of Capital Asset	-	-	39,886
Total Nonoperating Revenues (Expenses)	<u>(6,086)</u>	<u>2,011</u>	<u>989,031</u>
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>			
Transfers In	145,678	53,815	4,646,483
Transfers Out	-	-	66,863
	<u>-</u>	<u>(51,784)</u>	<u>(51,784)</u>
<b>CHANGE IN NET POSITION</b>	<u>145,678</u>	<u>2,031</u>	<u>4,661,563</u>
Net Position - Beginning	<u>424,065</u>	<u>278,456</u>	<u>14,701,514</u>
<b>NET POSITION - ENDING</b>	<u>\$ 569,744</u>	<u>\$ 280,487</u>	<u>\$ 19,363,079</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Fleet Management	Risk Management	Information Systems
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 1,616,089	\$ 9,497,842	\$ 6,578,188
Receipts from Internal Customers	99,906	407,713	126,839
Payments to Suppliers	(607,035)	(3,124,696)	(2,022,183)
Payments to Employees	(467,747)	(950,758)	(4,652,767)
Claims Paid	-	(3,007,113)	-
Other Receipts	-	597,579	44,807
Other Payments	-	(1,171)	(1,507)
Net Cash Provided (Used) by Operating Activities	641,213	3,419,396	73,377
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Nonoperating Subsidies and Transfers In	58,797	-	8,067
Nonoperating Subsidies and Transfers Out	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	58,797	-	8,067
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and Construction of Capital Assets	(291,224)	-	(198,001)
Proceeds from Sale of Capital Assets	39,603	-	282
Net Cash (Used) by Capital and Related Financing Activities	(251,621)	-	(197,719)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	55,772	303,030	13,649
<b>NET INCREASE (DECREASE) IN CASH</b>	504,161	3,722,426	(102,626)
Cash - Beginning of Year	4,763,256	25,340,283	1,576,305
<b>CASH - END OF YEAR</b>	\$ 5,267,419	\$ 29,062,707	\$ 1,473,680

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Facilities Management	Shasta County Utilities	TOTAL
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 4,634,262	\$ 1,355,082	\$ 23,681,463
Receipts from Internal Customers	147,912	112,392	894,762
Payments to Suppliers	(1,917,681)	(1,408,973)	(9,080,568)
Payments to Employees	(2,736,500)	-	(8,807,772)
Claims Paid	-	-	(3,007,113)
Other Receipts	1,103	-	643,489
Other Payments	(8,977)	-	(11,655)
Net Cash Provided (Used) by Operating Activities	<u>120,119</u>	<u>58,501</u>	<u>4,312,606</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Nonoperating Subsidies and Transfers In	-	-	66,864
Nonoperating Subsidies and Transfers Out	-	(51,784)	(51,784)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>(51,784)</u>	<u>15,080</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and Construction of Capital Assets	(71,418)	-	(560,644)
Proceeds from Sale of Capital Assets	-	-	39,885
Net Cash (Used) by Capital and Related Financing Activities	<u>(71,418)</u>	<u>-</u>	<u>(520,759)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	<u>1,787</u>	<u>2,011</u>	<u>376,249</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	50,488	8,728	4,183,176
Cash - Beginning of Year	<u>645,519</u>	<u>278,578</u>	<u>32,603,941</u>
<b>CASH - END OF YEAR</b>	<u>\$ 696,008</u>	<u>\$ 287,306</u>	<u>\$ 36,787,119</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Fleet Management	Risk Management	Information Systems
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET</b>			
<b>CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 16,968	\$ 3,537,632	\$ (100,717)
Adjustments to Reconcile Net Operating Income to Net Cash			
Provided (Used) by Operating Activities:			
Other Nonoperating Receipts	-	597,579	44,807
Other Nonoperating Payments	-	(1,171)	(1,507)
Depreciation Expense	656,568	-	157,419
Change in Assets and Liabilities:			
Receivables, Net	3,804	(4,663)	1,022
Due from Other Funds	(7,187)	200	-
Due from Other Governments	14,041	(2,357)	2,419
Inventories	(21,471)	-	-
Other Assets	-	-	(29,008)
Accounts Payables	(25,891)	79,067	(7,782)
Salaries and Benefits Payable	2,728	(3,977)	(13,168)
Due to Other Funds	(357)	(18,623)	157
Claims Payable	-	(712,000)	-
Due to Other Governments	-	(28,487)	-
Compensated Absences Payable	2,010	(23,804)	19,735
Net Cash Provided (Used) by Operating			
Activities	<u>\$ 641,213</u>	<u>\$ 3,419,396</u>	<u>\$ 73,377</u>

**COUNTY OF SHASTA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2018**

	Facilities Management	Shasta County Utilities	TOTAL
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 151,764	\$ 51,804	\$ 3,657,451
Adjustments to Reconcile Net Operating Income to Net Cash			
Provided (Used) by Operating Activities:			
Other Nonoperating Receipts	1,103	-	643,489
Other Nonoperating Payments	(8,977)	-	(11,655)
Depreciation Expense	32,656	-	846,643
Change in Assets and Liabilities:			
Receivables, Net	682	-	845
Due from Other Funds	14,252	(330)	6,935
Due from Other Governments	-	-	14,103
Inventories	4,913	-	(16,558)
Other Assets	(247)	-	(29,255)
Accounts Payables	(65,647)	7,027	(13,226)
Salaries and Benefits Payable	8,297	-	(6,120)
Due to Other Funds	(16,637)	-	(35,460)
Claims Payable	-	-	(712,000)
Due to Other Governments	-	-	(28,487)
Compensated Absences Payable	(2,040)	-	(4,099)
Net Cash Provided (Used) by Operating Activities	<u>\$ 120,119</u>	<u>\$ 58,501</u>	<u>\$ 4,312,606</u>

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## **TRUST AND AGENCY FUNDS**

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**COUNTY OF SHASTA  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
INVESTMENT TRUST FUNDS  
JUNE 30, 2018**

	School Districts	Special Districts	Total
<b>ASSETS</b>			
Cash and Investments	\$ 223,195,705	\$ 10,509,893	\$ 233,705,598
Accounts Receivable, Net	-	7,119	7,119
Due from Other Governments	-	23,802	23,802
Due from Other Funds	-	199,804	199,804
Total Assets	<u>223,195,705</u>	<u>10,740,618</u>	<u>233,936,323</u>
<b>LIABILITIES</b>			
Due to Other Funds	-	409	409
Due to Other Governments	-	67,699	67,699
Total Liabilities	<u>-</u>	<u>68,108</u>	<u>68,108</u>
<b>NET POSITION</b>			
Net Position Held in Trust for Investment Pool Participants	<u>223,195,705</u>	<u>10,672,510</u>	<u>233,868,215</u>
Total Net Position	<u>\$ 223,195,705</u>	<u>\$ 10,672,510</u>	<u>\$ 233,868,215</u>

**COUNTY OF SHASTA  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 INVESTMENT TRUST FUNDS  
 YEAR ENDED JUNE 30, 2018**

	<u>School Districts</u>	<u>Special Districts</u>	<u>Total</u>
<b>ADDITIONS</b>			
Contributions to Investment Pool	\$ 540,696,951	\$ 18,097,981	\$ 558,794,932
<b>DEDUCTIONS</b>			
Distributions from Investment Pool	<u>511,184,571</u>	<u>17,762,289</u>	<u>528,946,860</u>
<b>CHANGE IN NET POSITION</b>	29,512,380	335,692	29,848,072
Net Position - Beginning	<u>193,683,325</u>	<u>10,336,819</u>	<u>204,020,144</u>
<b>NET POSITION - ENDING</b>	<u>\$ 223,195,705</u>	<u>\$ 10,672,511</u>	<u>\$ 233,868,215</u>

**COUNTY OF SHASTA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<b>CLEARING AND REVOLVING FUNDS</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 514,308	\$ 160,696,789	\$ 156,979,340	\$ 4,231,757
Accounts Receivable, Net	72	229	301	-
Due from Other Funds	49	6,198	49	6,198
Total Assets	<u>\$ 514,429</u>	<u>\$ 160,703,216</u>	<u>\$ 156,979,690</u>	<u>\$ 4,237,956</u>
<b>LIABILITIES</b>				
Due to Other Funds	\$ 2,436	\$ 2,304	\$ 2,436	\$ 2,304
Due to Other Governments	1,555,967	32,087,487	32,438,732	1,204,722
Agency Funds Liabilities	(1,043,974)	176,142,271	172,067,368	3,030,930
Total Liabilities	<u>\$ 514,429</u>	<u>\$ 208,232,062</u>	<u>\$ 204,508,536</u>	<u>\$ 4,237,956</u>
<b>DEPOSIT FUNDS</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 6,753,644	\$ 33,407,779	\$ 33,034,821	\$ 7,126,602
Other Assets	-	51,346	-	51,346
Accounts Receivable, Net	426,220	8,213	433,959	474
Due from Other Governments	197,359	101,857	197,359	101,857
Due from Other Funds	2,026	97,611	2,026	97,611
Total Assets	<u>\$ 7,379,250</u>	<u>\$ 33,666,805</u>	<u>\$ 33,668,165</u>	<u>\$ 7,377,890</u>
<b>LIABILITIES</b>				
Due to Other Funds	\$ 611,185	\$ 264,039	\$ 611,185	\$ 264,039
Due to Other Governments	387,418	1,132,335	1,196,991	322,763
Agency Funds Liabilities	6,380,646	103,484,362	103,073,920	6,791,087
Total Liabilities	<u>\$ 7,379,250</u>	<u>\$ 104,880,736</u>	<u>\$ 104,882,096</u>	<u>\$ 7,377,890</u>
<b>AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 1,424,658	\$ 11,413,825	\$ 11,342,654	\$ 1,495,829
Due from Other Governments	-	469	-	469
Due from Other Funds	761	664	761	664
Total Assets	<u>\$ 1,425,420</u>	<u>\$ 11,414,959</u>	<u>\$ 11,343,415</u>	<u>\$ 1,496,963</u>
<b>LIABILITIES</b>				
Due to Other Funds	\$ 14,767	\$ 10,064	\$ 14,767	10,064
Due to Other Governments	28,378	14,460	914	41,924
Agency Funds Liabilities	1,382,274	20,394,538	20,331,838	1,444,974
Total Liabilities	<u>\$ 1,425,420</u>	<u>\$ 20,419,062</u>	<u>\$ 20,347,518</u>	<u>\$ 1,496,963</u>

**COUNTY OF SHASTA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
<b>STATE AND CITY FUNDS</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 1,433,168	\$ 37,120,987	\$ 37,043,451	\$ 1,510,704
Accounts Receivable, Net	1	5,147	5,148	-
Due from Other Funds	107,123	157,707	107,123	157,707
Total Assets	<u>\$ 1,540,294</u>	<u>\$ 37,283,841</u>	<u>\$ 37,155,722</u>	<u>\$ 1,668,412</u>
<b>LIABILITIES</b>				
Due to Other Governments	1,433,270	6,889,934	6,833,003	1,490,201
Agency Funds Liabilities	107,023	63,606,564	63,535,377	178,210
Total Liabilities	<u>\$ 1,540,294</u>	<u>\$ 70,496,497</u>	<u>\$ 70,368,379</u>	<u>\$ 1,668,412</u>
<b>TAX COLLECTION FUNDS</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 8,888,168	\$ 314,814,452	\$ 314,728,069	\$ 8,974,551
Accounts Receivable, Net	344,353	-	344,353	-
Taxes Receivable, Net	13,237,752	11,402,629	13,237,752	11,402,629
Due from Other Governments	1,154	-	1,154	-
Due from Other Funds	400,381	426,707	400,381	426,707
Total Assets	<u>\$ 22,871,809</u>	<u>\$ 326,643,787</u>	<u>\$ 328,711,709</u>	<u>\$ 20,803,887</u>
<b>LIABILITIES</b>				
Due to Other Funds	\$ 2,869,138	\$ 1,124,776	\$ 2,869,138	\$ 1,124,776
Due to Other Governments	2,454,662	63,863,429	65,342,368	975,722
Taxes Due Other Funds	13,188,733	248,922,860	249,343,269	12,768,324
Agency Funds Liabilities	4,359,275	35,785,905	34,210,117	5,935,063
Total Liabilities	<u>\$ 22,871,809</u>	<u>\$ 349,696,970</u>	<u>\$ 351,764,892</u>	<u>\$ 20,803,887</u>
<b>TOTAL - ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 19,013,950	\$ 557,453,831	\$ 553,128,336	\$ 23,339,442
Other Assets	-	51,346	-	51,346
Accounts Receivable, Net	770,647	13,589	783,761	474
Taxes Receivable, Net	13,237,752	11,402,629	13,237,752	11,402,629
Due from Other Governments	198,513	102,326	198,513	102,326
Due from Other Funds	510,340	688,887	510,340	688,887
Total Assets	<u>\$ 33,731,202</u>	<u>\$ 569,712,607</u>	<u>\$ 567,858,702</u>	<u>\$ 35,585,104</u>
<b>LIABILITIES</b>				
Due to Other Funds	\$ 3,497,526	\$ 1,401,183	\$ 3,497,526	\$ 1,401,183
Due to Other Governments	5,859,695	103,987,644	105,812,007	4,035,332
Taxes Due Other Funds	13,188,733	248,922,860	249,343,269	12,768,324
Agency Funds Liabilities	11,185,248	399,413,639	393,218,619	17,380,265
Total Liabilities	<u>\$ 33,731,202</u>	<u>\$ 753,725,327</u>	<u>\$ 751,871,421</u>	<u>\$ 35,585,104</u>

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## **STATISTICAL SECTION**

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**COUNTY OF SHASTA  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015*</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018*</u>
Governmental Activities										
Net Investment in Capital Assets	78,476	90,282	92,541	95,467	106,550	113,574	116,639	124,443	126,177	130,203
Restricted	61,915	56,759	74,976	74,693	78,246	88,525	96,135	111,411	119,919	142,479
Unrestricted	60,953	64,130	53,116	39,196	28,138	29,212	(145,460)	(157,186)	(167,268)	(250,319)
<b>Total governmental activities net position</b>	<b><u>201,344</u></b>	<b><u>211,171</u></b>	<b><u>220,633</u></b>	<b><u>209,356</u></b>	<b><u>212,934</u></b>	<b><u>231,311</u></b>	<b><u>67,313</u></b>	<b><u>78,668</u></b>	<b><u>78,827</u></b>	<b><u>22,362</u></b>
Business-type activities										
Invested in Capital Assets, net of related debt	27,908	26,665	29,658	33,010	35,730	35,823	35,756	36,467	39,018	38,086
Restricted	665	665	2	2	0	0	0	0	0	0
Unrestricted	8,658	9,708	9,134	8,281	11,475	11,211	17,945	17,942	15,250	16,323
<b>Total business-type activities net position</b>	<b><u>37,232</u></b>	<b><u>37,039</u></b>	<b><u>38,794</u></b>	<b><u>41,294</u></b>	<b><u>47,205</u></b>	<b><u>47,034</u></b>	<b><u>53,701</u></b>	<b><u>54,408</u></b>	<b><u>54,269</u></b>	<b><u>54,408</u></b>
Total Primary Government										
Net Investment in Capital Assets	106,384	116,947	122,199	128,477	142,279	149,397	152,395	160,910	165,195	168,288
Restricted	62,580	57,425	74,978	74,695	78,246	88,525	96,135	111,411	119,919	142,479
Unrestricted	69,611	73,838	62,250	47,478	39,613	40,422	(127,516)	(139,244)	(152,018)	(233,997)
<b>Total primary government net position</b>	<b><u>238,575</u></b>	<b><u>248,210</u></b>	<b><u>259,427</u></b>	<b><u>250,650</u></b>	<b><u>260,139</u></b>	<b><u>278,345</u></b>	<b><u>121,014</u></b>	<b><u>133,077</u></b>	<b><u>133,096</u></b>	<b><u>76,771</u></b>

Source: Statement of Net Assets for FY 2006-2007 through 2011-2012  
Statement of Net Position beginning in 2012-2013 and ongoing

\* FYE June 30, 2015 Unrestricted Net Position reduced due to implementation of GASB 68

\* FYE June 30, 2018 Unrestricted Net Position reduced due to implementation of GASB 75



**COUNTY OF SHASTA  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
<b>Governmental Activities</b>										
General government	8,000	8,658	9,194	11,147	13,452	11,213	11,766	12,995	14,932	11,736
Public protection	83,197	77,730	74,255	78,107	85,761	83,041	91,500	92,417	95,716	96,391
Public ways and facilities	17,868	17,705	17,138	18,988	19,421	18,562	20,528	16,889	17,998	16,361
Health and sanitation	54,292	52,409	54,210	51,144	53,094	48,413	52,320	52,386	55,638	63,965
Public assistance	94,472	95,392	95,160	99,455	98,470	99,329	108,537	111,239	116,770	121,644
Education	1,440	1,392	1,421	1,445	1,489	1,571	1,598	1,542	1,598	1,559
Recreation	331	121	118	91	162	140	159	155	213	145
Interest and fiscal charges	2,505	2,429	2,367	2,308	1,927	1,223	1,109	1,042	990	931
<b>Total Governmental Activities Expen:</b>	<b>262,104</b>	<b>255,836</b>	<b>253,863</b>	<b>262,685</b>	<b>273,776</b>	<b>263,493</b>	<b>287,515</b>	<b>288,665</b>	<b>303,855</b>	<b>312,732</b>
<b>Business-type Activities Expenses</b>										
Airport	111	80	78	94	89	98	149	329	324	361
Solid Waste	1,470	2,404	804	1,074	1,005	1,926	1,676	1,881	1,744	1,847
Landfill	509	522	506	513	1,214	722	(1,840)	578	653	738
County Service Areas	1,760	1,763	1,867	1,830	1,809	2,731	2,227	2,365	2,462	2,627
Shasta County Transit	0	0	0	0	335	420	405	448	674	553
<b>Total Business-type Activities Expense:</b>	<b>3,849</b>	<b>4,768</b>	<b>3,254</b>	<b>3,511</b>	<b>4,451</b>	<b>5,897</b>	<b>2,618</b>	<b>5,602</b>	<b>5,857</b>	<b>6,126</b>
<b>Total Primary Government Expenses</b>	<b>265,953</b>	<b>260,605</b>	<b>257,117</b>	<b>266,196</b>	<b>278,227</b>	<b>269,390</b>	<b>290,133</b>	<b>294,268</b>	<b>309,711</b>	<b>318,858</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
<b>Fees, Fines, Charges for Services</b>										
General government	5,325	5,942	5,610	6,390	5,500	12,574	5,655	5,033	5,691	6,453
Public protection	16,276	17,476	13,455	12,670	13,361	12,733	15,128	13,933	12,116	15,247
Public ways and facilities	1,752	2,201	1,205	1,260	1,278	1,845	1,733	1,317	1,360	1,329
Health and sanitation	3,103	3,269	3,163	3,377	3,287	3,226	3,233	2,974	2,850	3,213
Public assistance	3,070	2,662	2,400	2,392	2,193	2,423	2,366	2,476	2,663	2,728
Education	26	23	22	21	25	28	27	26	24	27
Recreation	3	2	5	4	5	5	8	6	8	7
<b>Operating Grants and Contributions</b>										
General Government	2,051	1,510	2,968	3,767	1,056	1,334	516	1,441	22,785	24,965
Public Protection	28,972	32,968	29,077	30,825	37,760	37,958	37,675	40,440	39,061	41,926
Public ways and facilities	8,884	12,871	11,970	5,066	3,930	4,667	3,731	6,526	9,372	12,579
Health and sanitation	38,039	37,390	43,787	41,654	47,439	45,531	47,881	48,365	51,207	66,597
Public assistance	80,956	84,589	85,246	86,272	91,763	92,408	93,663	98,280	107,809	112,498
Education	6	2	0	0	0	0	0	0	0	0
Recreation	185	0	0	0	0	0	0	0	0	3
<b>Capital Grants and Contributions</b>										
General government	644	1,750	404	1,577	10,627	2,967	0	2,122	0	0
Public protection	10,768	12	22	4	80	48	95	16	72	55
Public ways and facilities	1	3,024	2,874	1,787	3,365	6,013	2,940	1,993	2,610	1,361
Health and sanitation	385	0	75	0	0	10	36	0	0	0
Public assistance	0	267	171	84	101	146	10	41	0	0
Recreation	0	7	27	0	0	0	0	0	0	0
<b>Total Governmental Activities</b>	<b>200,446</b>	<b>205,968</b>	<b>202,480</b>	<b>197,150</b>	<b>221,771</b>	<b>223,916</b>	<b>214,698</b>	<b>224,990</b>	<b>257,629</b>	<b>288,990</b>
<b>Business-type Activities</b>										
<b>Fees, Fines, Charges for Services</b>										
Airport	95	78	73	61	71	75	58	52	54	69
Solid Waste	1,177	1,242	939	840	1,245	2,147	2,041	1,066	1,122	1,147
Landfill	1,739	1,789	2,054	1,405	2,652	549	955	2,113	2,243	2,204
Shasta County Transit	0	0	0	0	507	22	21	23	25	25
County Service Areas	1,362	1,154	1,155	1,281	1,392	1,293	1,354	1,195	1,495	1,666
<b>Operating Grants and Contributions</b>										
Airport	10	0	20	10	10	10	10	10	15	10
Solid Waste	0	0	0	0	0	0	0	8	0	0
Shasta County Transit	0	0	0	0	0	471	335	170	450	527
County Service Areas	0	0	0	0	0	0	524	1,383	98	187
<b>Capital Grants and Contributions</b>										
Airport	1,171	148	108	117	375	168	23	0	0	26
County Service Areas	561	66	549	2,202	3,922	389	337	43	132	151
<b>Total Business-type Activities Revenue</b>	<b>6,116</b>	<b>4,477</b>	<b>4,897</b>	<b>5,916</b>	<b>10,174</b>	<b>5,124</b>	<b>5,658</b>	<b>6,063</b>	<b>5,634</b>	<b>6,012</b>
<b>Total Primary Government Revenues</b>	<b>206,562</b>	<b>210,445</b>	<b>207,378</b>	<b>203,066</b>	<b>231,945</b>	<b>229,040</b>	<b>220,356</b>	<b>231,053</b>	<b>263,262</b>	<b>295,002</b>
<b>Net (Expense)/Revenues</b>										
Governmental Activities	(61,658)	(49,869)	(51,383)	(65,535)	(52,005)	(39,577)	(72,817)	(63,675)	(46,226)	(23,742)
Business-Type Activities	2,267	(291)	1,644	2,405	5,723	(773)	3,040	461	(223)	(114)
<b>Total Primary Government net expen</b>	<b>(59,391)</b>	<b>(50,160)</b>	<b>(49,739)</b>	<b>(63,130)</b>	<b>(46,281)</b>	<b>(40,349)</b>	<b>(69,777)</b>	<b>(63,214)</b>	<b>(46,449)</b>	<b>(23,856)</b>

Source: Statement of Activities

(continued)

COUNTY OF SHASTA  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)  
(CONTINUED)

	2009	2010	2011	Fiscal Year		2014	2015	2016	2017	2018
				2012	2013					
General Revenue and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property Taxes	24,583	25,177	22,584	22,568	28,123	26,100	26,176	27,126	28,538	29,351
Sales and use taxes	2,382	2,226	2,515	2,793	3,657	2,833	2,700	2,922	3,815	3,901
Other Taxes	26,598	24,921	28,192	29,512	28,641	30,265	31,013	29,562	2,107	3,977
Motor Vehicles in-lieu	11,349	10,969	9,396	632	637	613	603	602	0	0
Interest and investment income	3,059	1,127	1,199	1,017	523	758	1,535	1,671	2,478	2,948
Miscellaneous	3,659	3,335	4,000	3,802	4,189	3,876	18,630	8,919	9,065	5,037
Transfers	(17,585)	0	0	0	107	100	0	0	228	45
Total Governmental Actives	54,046	67,754	67,885	60,323	65,877	64,545	80,658	70,802	46,231	45,259
Business-type Activities										
Taxes:										
Property Taxes	29	29	23	29	27	27	27	28	29	30
Interest and investment income	358	128	135	112	53	89	112	114	185	267
Miscellaneous	4	5	5	7	31	654	3,489	104	98	1
Transfers	0	0	0	0	(107)	(100)	0	0	(228)	(45)
Change in estimate	6,210	0	0	0	0					
Total Business-type Activities	6,601	162	163	148	3	669	3,627	247	83	254
Total Primary Government	60,647	67,916	68,048	60,471	65,880	65,214	84,285	71,049	46,315	45,512
Change in Net Position										
Governmental Activities	(7,612)	17,886	16,502	(5,211)	13,873	24,968	7,841	7,127	5	21,516
Business-Type Activities	8,868	(129)	1,806	2,553	5,726	(103)	6,667	708	(140)	140
Total Primary Government	1,256	17,757	18,309	(2,658)	19,599	24,865	14,508	7,834	(135)	21,656

Source - Statement of Activities

**COUNTY OF SHASTA  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	2009	2010
General Fund		
Reserved	10,383	7,884
Unreserved	42,859	51,011
Total General Fund	<u>53,241</u>	<u>58,895</u>

All Other Governmental Funds		
Reserved	18,726	16,935
Unreserved, reported in:		
Special Revenue Funds	28,345	30,365
Debt Service Funds	6,238	1,617
Capital Project Funds	4,673	5,828
Total all other Governmental Funds	<u>57,982</u>	<u>54,745</u>

	2011	2012	2013	2014	2015	2016	2017	2018
General Fund								
Nonspendable	33	592	44	74	966	1,107	1,044	1,319
Restricted	9,944	12,219	12,785	13,206	17,714	20,640	20,351	16,681
Committed	0	0	0	0	83	130	151	261
Assigned	36,744	6,173	5,176	5,783	23,627	20,773	32,471	28,856
Unassigned	16,965	50,137	56,623	65,154	54,207	56,366	41,672	43,690
Total General Fund	<u>63,686</u>	<u>69,122</u>	<u>74,629</u>	<u>84,218</u>	<u>96,598</u>	<u>99,016</u>	<u>95,688</u>	<u>90,808</u>

All Other Governmental Funds								
Nonspendable	561	601	869	457	648	425	472	1,673
Restricted	58,604	57,136	63,307	66,395	74,540	78,673	90,181	115,868
Committed	953	842	716	603	2,344	1,230	930	0
Assigned	4,768	5,426	1,214	8,322	3,825	9,206	7,318	6,857
Unassigned	(135)	0	0	0	0	0	0	0
Total all other Governmental Funds	<u>64,752</u>	<u>64,005</u>	<u>66,105</u>	<u>75,776</u>	<u>81,357</u>	<u>89,535</u>	<u>98,900</u>	<u>124,398</u>

Note: In 2011, the County began implementation of GASB Statement 54, which changed the classifications of the fund balance. Fund balance information in years prior to 2011 is presented according to the previous guidelines.

Source: Balance Sheet - Governmental Funds

**COUNTY OF SHASTA**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

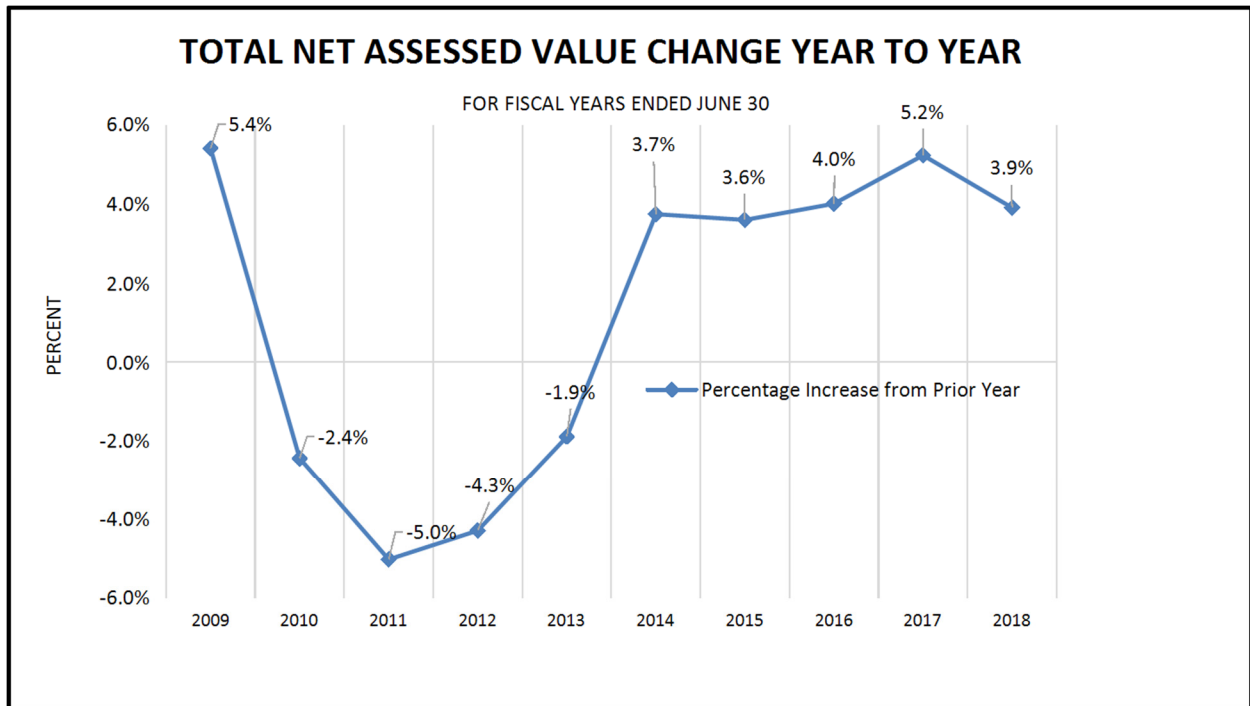
	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Taxes	49,009	48,580	47,618	47,161	49,229	49,222	49,250	52,042	55,205	60,493
Licenses and permits	3,293	3,550	3,076	3,061	3,285	3,780	4,063	4,258	3,872	5,042
Fines and forfeitures	4,170	5,324	4,556	3,885	6,011	11,764	7,116	4,894	5,016	4,326
Use of money and	3,238	1,495	1,458	1,257	1,027	1,071	1,570	1,784	2,374	2,716
Intergovernmental	183,958	184,796	192,500	181,289	203,751	199,302	197,327	205,942	211,699	235,711
Charges for current	21,386	20,232	17,428	17,754	18,049	17,646	18,022	17,582	18,338	18,860
Miscellaneous revenue	5,080	4,714	3,809	4,126	4,700	4,220	18,721	6,354	7,638	5,685
Total revenues	<u>270,133</u>	<u>268,692</u>	<u>270,445</u>	<u>258,534</u>	<u>286,052</u>	<u>287,004</u>	<u>296,068</u>	<u>292,856</u>	<u>304,142</u>	<u>332,833</u>
<b>Expenditures</b>										
Current:										
General government	7,358	11,967	9,572	10,347	22,170	12,071	11,189	15,737	13,216	13,367
Public protection	82,920	80,083	73,930	73,364	81,199	82,144	85,713	90,402	93,073	96,080
Public ways and	29,610	21,317	18,407	18,760	18,398	21,304	18,833	14,930	17,987	16,557
Health and sanitation	53,879	52,097	53,596	49,005	51,568	47,894	50,858	49,768	55,683	62,306
Public assistance	93,471	94,506	94,121	96,330	95,908	98,645	105,840	107,065	113,831	119,422
Education	1,520	1,404	1,413	1,414	1,485	1,585	1,590	1,538	1,583	1,559
Recreation	337	122	121	110	176	161	155	141	191	145
Debt service										
Principal	1,813	1,894	1,971	7,903	37,887	2,646	2,625	1,889	1,941	2,002
Interest	2,572	2,498	2,417	2,269	2,375	1,245	1,141	1,070	1,015	958
Admin Fees	0	12	8	124	1,008	8	6	2	6	4
Total expenditures	<u>273,478</u>	<u>265,899</u>	<u>255,556</u>	<u>259,628</u>	<u>312,174</u>	<u>267,703</u>	<u>277,949</u>	<u>282,543</u>	<u>298,526</u>	<u>312,399</u>
Excess (deficiency) of revenues over expenditures	<u>(3,345)</u>	<u>2,793</u>	<u>14,889</u>	<u>(1,094)</u>	<u>(26,122)</u>	<u>19,302</u>	<u>18,119</u>	<u>10,313</u>	<u>5,616</u>	<u>20,433</u>
<b>Other Financing Sources</b>										
Premium on long term debt issued	-	-	-	-	578	-	-	-	-	-
Long term debt issued	-	-	389	5,458	33,505	-	-	-	-	-
Transfers in	41,508	42,747	30,070	32,281	37,028	40,785	32,844	46,760	43,953	42,970
Transfers out	(42,629)	(43,217)	(30,594)	(32,759)	(37,290)	(40,960)	(33,159)	(46,657)	(43,658)	(42,940)
Sale of capital assets	153	94	45	803	155	132	157	179	127	154
Total other financing sources and uses	<u>(969)</u>	<u>(377)</u>	<u>(90)</u>	<u>5,783</u>	<u>33,398</u>	<u>(42)</u>	<u>(158)</u>	<u>282</u>	<u>422</u>	<u>183</u>
Net change in fund balances	(4,314)	2,416	14,798	4,689	7,276	19,259	17,962	10,595	6,038	20,617
Debt Service as a percentage of non-capital expenditures	1.70%	1.74%	1.76%	4.02%	13.55%	1.51%	1.39%	1.09%	1.01%	0.97%

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

**COUNTY OF SHASTA  
ASSESSED VALUATION\*  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year	Secured	Unsecured	Exemptions	Net Assessed Valuations	Percentage Increase from Prior Year	Tax Rate
2009	15,180,022	837,852	(274,227)	15,743,647	5.4%	1.0000
2010	14,797,030	834,255	(273,331)	15,357,954	-2.4%	1.0000
2011	14,076,459	781,995	(271,755)	14,586,699	-5.0%	1.0000
2012	13,329,287	899,460	(268,305)	13,960,442	-4.3%	1.0000
2013	13,083,035	876,092	(263,631)	13,695,496	-1.9%	1.0000
2014	13,618,835	849,884	(260,286)	14,208,433	3.7%	1.0000
2015	14,101,469	876,245	(258,020)	14,719,694	3.6%	1.0000
2016	14,749,949	816,097	(256,160)	15,309,886	4.0%	1.0000
2017	15,547,340	817,953	(253,750)	16,111,543	5.2%	1.0000
2018	16,178,477	815,015	(252,463)	16,741,029	3.9%	1.0000

Source: <http://www.co.shasta.ca.us/docs/Auditor/property-tax-reports/2015-certified-values-by-tax-base.pdf?sfvrsn=2>



\*Due to Article XIII-A, added to the California Constitution by Proposition 13 in 1978, the County does not track the estimated actual value of all county properties. Proposition 13 fixed the base for valuation of real property at the full cash value which appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect: (1) annual inflation up to two percent; (2) current market value at time of ownership change; and (3) market value for new construction. As a result, similar properties can have substantially different assessed values based on the date of purchase.



**COUNTY OF SHASTA**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**  
**(PER \$100 OF ASSESSED VALUES)**  
**(UNAUDITED)**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>County Direct Rates</b>										
General	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
<b>Cities, Schools, and Special</b>										
<b>Districts Combined Rates</b>										
Mayers Memorial Hospital GOB 2010	-	-	-	0.0568	0.0159	0.0372	0.0336	0.0330	0.0407	0.0320
Burney Water Bond	0.0109	0.0136	0.0072	0.0114	-	-	-	-	-	-
Cragview Water Bond	0.0435	0.0475	0.0001	0.0477	-	-	-	-	-	-
Centerville CSD Bond	0.0034	0.0036	0.0040	0.0036	0.0063	0.0043	0.0037	0.0034	0.0031	0.0001
Shasta Dam (Grunsky)	0.0001	0.0001	0.0001	0.0001	0.0001	0.0019	0.0014	0.0001	0.0003	0.0001
Gateway Unified SD G O Bond 2002	0.0343	0.0397	0.0422	0.0604	0.0621	0.0194	0.0680	0.0463	0.0450	0.0472
Gateway Unified SD G O Bond 2008	-	0.0101	0.0062	0.0188	0.0141	0.0138	0.0291	0.0265	0.0278	0.0320
Anderson Union HSD G O Bond 2012	-	-	-	-	-	0.0185	0.0163	0.0270	0.0057	0.0198
Fall River Mills JUSD G O Bond 2004	0.0285	0.0380	0.0376	0.0423	0.0277	0.0319	0.0340	0.0314	0.0287	0.0276
Shasta Union HSD G O Bond 2001	0.0171	0.0187	0.0205	0.0289	0.0189	0.0219	0.0235	0.0213	0.0202	0.0211
Shasta Union HSD 2016	-	-	-	-	-	-	-	-	-	0.0186
S T & T Jt Comm Coll G O Bond 2002	0.0091	0.0101	0.0095	0.0162	0.0054	0.0088	0.0107	0.0051	0.0057	0.0082
S T & T Jt Comm Coll GOB 2016 Srs A	-	-	-	-	-	-	-	-	-	0.0185
Black Butte ESD GOB 2016	-	-	-	-	-	-	-	-	0.0300	0.0308
Cascade ESD G O Bond 2008	-	0.0354	0.0336	0.0230	0.0150	0.0302	0.0262	0.0267	0.0282	0.0287
Cascade ESD Bond 2016	-	-	-	-	-	-	-	-	-	0.0268
Columbia ESD G O Bond 1996	0.0342	0.0228	0.0357	0.0407	0.0308	0.0321	0.0404	0.0297	0.0266	0.0281
Columbia ESD G O Bond 2014	-	-	-	-	-	-	-	0.0252	0.0294	0.0410
Cottonwood ESD G O Bond 2003	0.0168	0.0197	0.0210	0.0285	0.0233	0.0237	0.0244	0.0233	0.0218	0.0141
Enterprise ESD G O Bond 1990	0.0440	0.0487	0.0731	0.0396	0.0399	0.0472	0.0582	0.0450	0.0416	0.0681
Enterprise ESD G O Bond 2008	0.0223	0.0278	0.0338	0.0608	0.0092	0.0187	0.0229	0.0297	0.0260	0.0123
Grant ESD G O Bond 2004	0.0215	0.0275	0.0327	0.0411	0.0333	0.0375	0.0277	0.0289	0.0297	0.0001
Happy Valley ESD SSB Bond	0.0671	0.0753	0.0842	0.0778	0.0791	0.0195	0.0161	-	-	-
Happy Valley ESD G O Bond 2008	-	-	-	-	0.0495	0.0405	0.0412	0.0408	0.0417	0.0399
Happy Valley ESD G O Bond 2014	-	-	-	-	-	-	0.0288	0.0272	0.0271	0.0276
Junction School SSB Bond	0.0681	0.0774	0.0385	-	-	-	-	-	-	-
Junction ESD GOB 2016	-	-	-	-	-	-	-	-	0.0300	0.0243
North Cow Creek SSB Bond	0.0721	0.0833	0.0819	-	-	-	-	-	-	-
Pacheco Union ESD G O Bond 2008	-	0.0342	0.0341	0.0390	0.0341	0.0318	0.0357	0.0221	0.0279	0.0317
Redding ESD G O Bond 1991	0.0555	0.0622	0.0574	0.0600	0.0693	0.0615	0.0748	0.0680	0.0660	0.0394
Red Bluff UHSD GOB 2016 Srs 17	-	-	-	-	-	-	-	-	-	0.0294
Cottonwood FPD Bond 17	-	-	-	-	-	-	-	-	-	0.0483
Bella Vista Water (Land Only)	0.3529	0.3700	0.3700	0.3700	0.3700	0.3700	0.3608	0.3700	0.3700	0.3700

Source: <http://www.co.shasta.ca.us/docs/Auditor/property-tax-reports/2015-ad-valorem-rates-by-district.pdf?sfvrsn=4>

**COUNTY OF SHASTA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND SEVEN YEARS AGO  
(IN THOUSANDS)  
(UNAUDITED)**

Taxpayer	Industry	Fiscal Year 2018			Fiscal Year 2011		
		Assessed Value	Rank	Percentage of Total County Assessed Value	Assessed Value	Rank	Percentage of Total County Assessed Value
Pacific Gas and Electric Company	Utility	\$ 880,033	1	5.46%	\$ 670,477	1	4.49%
Sierra Pacific Industries	Lumber	132,923	2	0.83%	80,274	3	0.54%
Knauf Insulation LLC	Manufacturing	122,510	3	0.76%	139,021	2	0.93%
Lehigh Southwest Cement Co.	Manufacturing	71,295	4	0.44%	23,704	8	0.16%
MPT of Shasta LP	Hospital	67,607	5	0.42%	61,255	4	0.41%
RPI Shasta Mall LP	Retail	51,908	6	0.32%			
Walmart	Retail	42,949	7	0.27%	21,047	9	0.14%
McConnell Foundation	Non-Profit	28,841	8	0.18%	19,829	10	0.13%
Pacific Bell Telephone Company	Telephone	35,620	9	0.22%	53,982	5	0.36%
Knighten Gary & Patsy 1995 Trust	Retail	28,339	10	0.18%			
Mt Shasta Mall LLC Etal	Retail				32,690	6	0.22%
Wheelabrator	Energy				25,259	7	0.17%
<b>Total</b>		<u>\$ 1,462,025</u>		<u>9.07%</u>	<u>\$ 1,127,538</u>		<u>7.55%</u>
Total County Assessed Value		\$ 16,111,543			\$ 14,935,881		

Source: County Property Tax System: Megabyte  
Data not available for FY 2009 and 2010.

**COUNTY OF SHASTA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year	Total Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Delinquent Amount	% of Levy Delinquent
		Collected Amount	% of Original Levy			
2009	182,200	175,050	96.08%	7,150	-	0.00%
2010	179,241	173,186	96.62%	6,055	-	0.00%
2011	169,860	164,784	97.01%	5,076	-	0.00%
2012	167,885	163,919	97.64%	3,966	-	0.00%
2013	162,662	159,691	98.17%	2,971	-	0.00%
2014	166,263	164,177	98.75%	2,086	-	0.00%
2015	177,904	174,538	98.11%	3,080	286	0.16%
2016	184,246	181,149	98.32%	2,426	671	0.36%
2017	190,999	187,992	98.43%	1,611	1,396	0.73%
2018	206,162	202,999	98.47%	-	3,163	1.53%

Source: County Property Tax System: Megabyte



**COUNTY OF SHASTA  
RATIOS OF TOTAL DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	2009	2010	2011	Fiscal Year 2012	2013	2014	2015	2016	2017	2018
<b>Governmental Activities</b>										
Lease Revenue Bonds	49,290	47,610	45,865	43,525	39,415	37,070	34,620	32,770	30,870	28,910
Add deferred amounts:										
For issuance premiums:	1,131	1,084	1,037	990	570	540	510	479	449	418
Notes Payable			389	522	500	463	425	386	345	304
Capital Leases	1,328	1,114	889	651	401	137	-	-	-	-
Total bonds and notes payable	<u>50,421</u>	<u>48,694</u>	<u>47,291</u>	<u>45,037</u>	<u>40,485</u>	<u>38,073</u>	<u>35,555</u>	<u>33,635</u>	<u>31,664</u>	<u>29,632</u>
Less resources restricted for principal repayment	6,875	5,899	4,828	3,470	673	-	-	-	-	-
Net total bonds and notes payable	<u>57,296</u>	<u>54,593</u>	<u>52,119</u>	<u>48,507</u>	<u>41,158</u>	<u>38,073</u>	<u>35,555</u>	<u>33,635</u>	<u>31,664</u>	<u>29,632</u>
<b>Business Type</b>										
Bonds Payable	2,285	1,698	1,029	990	949	912	874	833	790	746
Financing Leases	1,891	1,779	1,664	1,545	1,423	1,298	1,169	1,037	901	761
Notes Payable	277	246	314	3,087	4,441	3,799	3,706	3,473	3,344	3,214
Total bonds and notes payable	<u>4,453</u>	<u>3,723</u>	<u>3,007</u>	<u>5,622</u>	<u>6,813</u>	<u>6,009</u>	<u>5,749</u>	<u>5,343</u>	<u>5,035</u>	<u>4,721</u>
Less resources restricted for principal repayment	665	665	2	-	-	-	-	-	-	-
Net total bonds and notes payable	<u>5,118</u>	<u>4,388</u>	<u>3,009</u>	<u>5,622</u>	<u>6,813</u>	<u>6,009</u>	<u>5,749</u>	<u>5,343</u>	<u>5,035</u>	<u>4,721</u>
<b>Total Outstanding Debt less restricted resources</b>	<u>62,414</u>	<u>58,981</u>	<u>55,128</u>	<u>54,129</u>	<u>47,971</u>	<u>44,082</u>	<u>41,304</u>	<u>38,978</u>	<u>36,699</u>	<u>34,353</u>
Percentage of Personal Income	0.93%	0.88%	0.83%	0.75%	0.59%	0.52%	0.48%	0.44%	N/A	N/A
Percentage of Assessed Value of Taxable Property*	0.40%	0.38%	0.38%	0.39%	0.35%	0.31%	0.28%	0.25%	0.23%	0.21%
Net outstanding debt Per Capita	339	332	309	303	268	245	230	217	204	N/A

Source:

1. See the Demographic Statistics Schedule for detail information on personal income and population.
2. Source - Notes to the Financial Statements, Note 6 Long Term Liabilities

\* Due to Article XIII-A, added to the California Constitution by Proposition 13 in 1978, the County does not track the estimated actual value of all county properties; therefore, the ratio of net outstanding debt to the estimated actual value of taxable property is unable to be determined; however, the ratio of net outstanding debt to the assessed value of taxable property is determinable and presented in the table.

**COUNTY OF SHASTA**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Assessed Value of Property (a)	15,743,647	15,357,954	14,586,699	13,960,442	13,695,496	14,208,433	14,719,694	15,309,886	16,111,543	16,741,029
Debt Limit, 1.25% of Assessed Value	196,796	191,974	182,334	174,506	171,194	177,605	183,996	191,374	201,394	209,263
<i>Amount of Debt</i> <u><i>Applicable to Limit</i></u>										
General Obligation Bonds (b)	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>196,795.59</u>	<u>191,974.43</u>	<u>182,333.74</u>	<u>174,505.53</u>	<u>171,193.70</u>	<u>177,605.41</u>	<u>183,996.18</u>	<u>191,373.58</u>	<u>201,394.29</u>	<u>209,262.86</u>

Source:

(a) Countywide Assessed Values & Exemptions

(b) The County does not have any general bonded debt.

**COUNTY OF SHASTA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Calendar	Population	Personal Income		School Enrollment	Unemployment Rate
		<i>(in billions)</i>	Per Capita Income		
Year	(1,4,a)	(2,a)	(2,a)	(3,b)	(2,a)
2009	183,928	6.17	34,068	28,348	14.6%
2010	177,472	6.21	35,048	27,753	15.8%
2011	178,189	6.30	35,466	27,392	14.9%
2012	178,477	6.45	36,141	27,173	13.3%
2013	178,980	6.96	39,016	27,176	10.9%
2014	179,804	7.30	40,900	26,935	9.7%
2015	179,533	7.34	41,997	26,626	7.8%
2016	179,631	7.68	43,079	26,315	6.9%
2017	179,921	N/A	N/A	26,419	5.8%
* 2018	N/A	N/A	N/A	26,873	5.1%

Sources:

1. Employment Development Department
2. California Department of Transportation Shasta County Economic Forecast
3. As cited on kidsdata.org, California Dept. of Education, California Basic Educational Data System (CBEDS); National Center for Education Statistics, Digest of Education Statistics (Nov. 2013).
4. U.S. Census Bureau

Source:

N/A = not available

a. Data for Calendar Years

b. Data includes kindergarten through grade 12

\* Unemployment rate as of June 2018

**COUNTY OF SHASTA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

Employer	Industry	2018			2009		
		Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Shasta County	Government Offices	2,007	1	2.84%	1,925	1	2.66%
Mercy Medical Center	Hospitals	1,505	2	2.13%	1,600	2	2.21%
Shasta Regional Medical Center	Hospitals	818	3	1.16%	600	5	0.83%
City of Redding	Government Offices	777	4	1.10%	860	3	1.19%
Shasta Community College	Education	612	5	0.87%	700	4	0.97%
Redding Rancheria	Casinos	565	6	0.80%	370	8	0.51%
CA Transportation Department	Government Offices	514	7	0.73%			
Shasta Union High School District	Education	398	8	0.56%			
Shasta Community Health	Clinics	384	9	0.54%			
Blue Shield of California	Insurance	330	10	0.47%	430	6	0.59%
Wal Mart	Department Stores				375	7	0.52%
United States Post Office	Postal Service				300	9	0.41%
Shasta Head Start	Education				250	10	0.35%
<b>Total</b>		<b>7,910</b>			<b>7,410</b>		

Source:

CA Employment Development Department list of major employers

Data for 2009 was obtained from the June 30, 2009 City of Redding CAFR

**COUNTY OF SHASTA**  
**FULL TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Function/Program	Full Time Equivalent Employees per Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government	247.00	247.00	229.00	230.00	226.00	226.00	228.00	234.00	234.00	235.00
Public Protection	687.00	687.00	582.00	581.00	619.00	622.00	626.00	605.00	606.50	600.50
Public Ways and Facilities	99.00	98.00	98.00	98.00	90.00	90.00	91.00	85.00	88.00	88.00
Health and Sanitation	352.50	346.50	323.00	323.50	329.00	326.00	330.00	324.50	346.00	364.00
Public Assistance	536.00	543.00	536.00	546.00	570.00	632.00	650.00	693.00	709.50	717.50
Education	2.50	2.50	1.50	1.50	2.50	2.50	2.50	2.50	2.50	2.00
<b>Total</b>	<b>1,924</b>	<b>1,924</b>	<b>1,770</b>	<b>1,780</b>	<b>1,837</b>	<b>1,899</b>	<b>1,928</b>	<b>1,944</b>	<b>1,987</b>	<b>2,007</b>

Source: County Budget Report

Notes:

Position allocation figures are calculated at the time of budget preparation for the following year.

**COUNTY OF SHASTA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Function / Department	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Public Protection</b>										
<b>Planning and Building</b>										
Total Permits Issued	1,934	1,857	1,717	1,656	1,895	2,416	2,804	2,867	2,925	2,890
<b>Sheriff</b>										
Main Jail										
Jail bookings	12,913	12,603	11,210	11,960	11,741	13,200	11,476	12,169	11,358	11,529
Average daily population	268	226	231	274	332	330	333	331	339	348
<b>Probation</b>										
Juvenile Hall										
Average daily population	41	33	31	29	30	24	23	15	21	21
* Crystal Creek Camp	45	45	0	0	0	0	0	0	0	0
* Average Daily Population	34	20	0	0	0	0	0	0	0	0
<b>Health and Sanitation</b>										
<b>Environmental health</b>										
Septic Permits Issued	275	229	182	203	218	266	232	224	305	386
Waivers Issued	71	57	50	42	48	51	67	55	68	82
Wells Permits Issued	315	271	201	337	227	285	254	201	182	417
<b>Mental Health</b>										
Total number of patient days in State Hospitals										
	503	181	778	513	657	18	0	0	0	0
Day Treatment Days provided to youth in out-of-county group home facilities										
	639	351	1,020	1,221	403	491	473	47	0	17
<b>Public Health</b>										
Number of Children enrolled in the Healthy Families										
	122	127	102	95	98	107	100	111	118	112
Percentage of the State allocated caseload enrolled in the Women, Infants & Children(WIC) Program										
	101.0%	94.8%	97.6%	98.5%	98.1%	93.8%	90.0%	97.0%	81.0%	71.0%
Percentage of live born infants whose mothers received prenatal care in the first trimester.										
	70.0%	68.8%	71.1%	64.7%	66.8%	72.1%	73.3%	71.0%	Not Available	Not Available
<b>Solid Waste</b>										
West Central Landfill										
Tonnage per year	126,778	130,060	127,655	126,286	122,847	124,379	124,827	129,603	137,256	138,781
% of Capacity	40.0%	42.4%	44.6%	46.7%	48.8%	50.9%	52.9%	55.3%	57.6%	59.8%
<b>Public Assistance</b>										
<b>Social Services</b>										
Rate per 1,000 children entering out-of-home care for the first time (State Rate is 2.8)										
	6.3%	6.9%	6.6%	7.8%	6.1%	5.6%	6.0%	5.7%	5.4%	Not Available
Percentage of child abuse/neglect referrals where a response is required within 10 days that were timely										
	97.3%	98.5%	98.7%	98.1%	98.0%	97.5%	97.8%	98.0%	97.9%	94.6%

Source:  
\* Camp was closed in August of 2009 due to budget controls.  
^<http://www.savecaliforniastreet.org/wp->

**COUNTY OF SHASTA  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Function/Program	2009	2010	2011	Fiscal Year 2012	2013	2014	2015	2016	2017	2018
Recreation and Cultural Services										
Park acreage	27	27	27	27	27	27	27	27	27	27
Public Protection										
Correction facility capacities										
* Main Jail	223	223	223	285	342	342	342	342	342	342
** Juvenile hall	56	35	35	35	35	30	40	40	40	40
*** Crystal Creek Camp	45	45	0	0	0	0	0	0	0	0
Public Ways and Facilities										
**** Miles of county roads	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,190	1,190
Libraries										
***** Main and Branches	3	3	3	3	3	3	3	3	3	3
Airport										
Number of runways	1	1	1	1	1	1	1	1	1	1

Note: Majority of County assets are in buildings and equipment, which are under the Functional area of General Government

Source: County management

\* One floor of Jail closed due to budget restrictions; 1/2 floor re-opened in 2012; full floor opened in 2013.

\*\* In 2010 Juv Hall beds were limited to 35 due to budget controls.  
On January 26, 2014 Juvenile Hall moved to the Juvenile Rehabilitation Facility  
Bed space went from 35 to 90. Beds were temporarily limited to 30 due to staff scheduling.

\*\*\* Camp was closed in August of 2009 due to budget controls.

\*\*\*\* Miles of County Roads decreased in 2016 due to termination of .0971 miles of maintained road on Pacheco School Road per Resolution 2017-053

\*\*\*\*\* Library Ownership and Operation transferred to City of Redding; County maintains same level of contribution.