

COUNTY *of* SHASTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2015



*Photo: Daniel H. Parks
Location: Lake Helen, Lassen National Park*

**BRIAN MUIR,
AUDITOR-CONTROLLER**





County of Shasta, California
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2015

Prepared under the direction of Brian Muir, Auditor-Controller

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COUNTY OF SHASTA

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INTRODUCTORY SECTION

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Shasta County

OFFICE OF THE AUDITOR-CONTROLLER

1450 Court Street, Suite 238
Redding, California 96001-1671
Phone (530) 225-5771

BRIAN MUIR
AUDITOR-CONTROLLER

NOLDA SHORT
ASST. AUDITOR-CONTROLLER

December 22, 2015

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, 2015. 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 Gallina 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, 2015 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, 2015. 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.

The CAFR is organized into three sections:

- *The Introductory Section* is intended to familiarize the reader with the organizational structure of the County, the nature and scope of the services it provides, and the specifics of its legal operating environment.
- *The Financial Section* includes the independent auditor's report on financial statements, MD&A, audited financial statements, note disclosures and supporting statements, and schedules necessary to provide readers with a comprehensive understanding of the County's financial activities of the past fiscal year.
- *The Statistical Section* provides the reader with additional historic perspective, context, and detail to assist in using the information contained within the financial statements.

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 30th most populous county in the State with a population of approximately 179,000 as of January 1, 2015. 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.

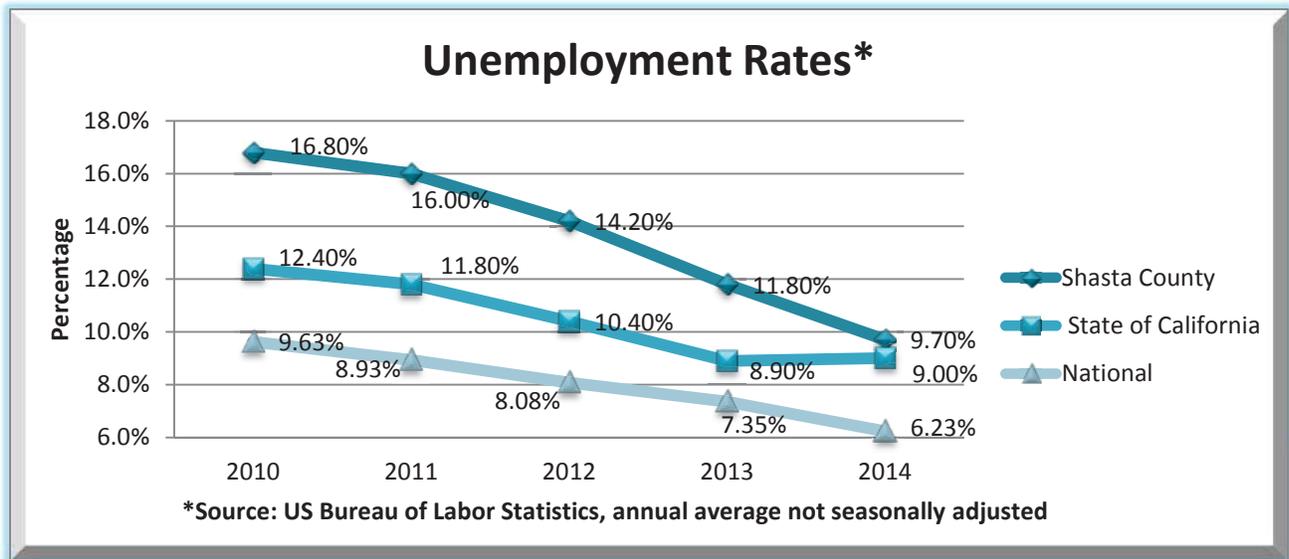
A five-member County Board of Supervisors is the legislative authority and governance for the County. Each supervisor is elected to a four year term in nonpartisan districts. The terms are staggered with two supervisors being elected then three supervisors being elected in alternating election years. 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 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

Like other California counties, Shasta County felt the ill effects of the latest economic recession, but overall, has fared relatively better than most of its counterparts due in large part to the conservative budget strategy of the County. The local economy in 2015 continues to be in an economic recovery after signs of stabilization appeared in 2011 for the first time since the economic recession began in 2007.

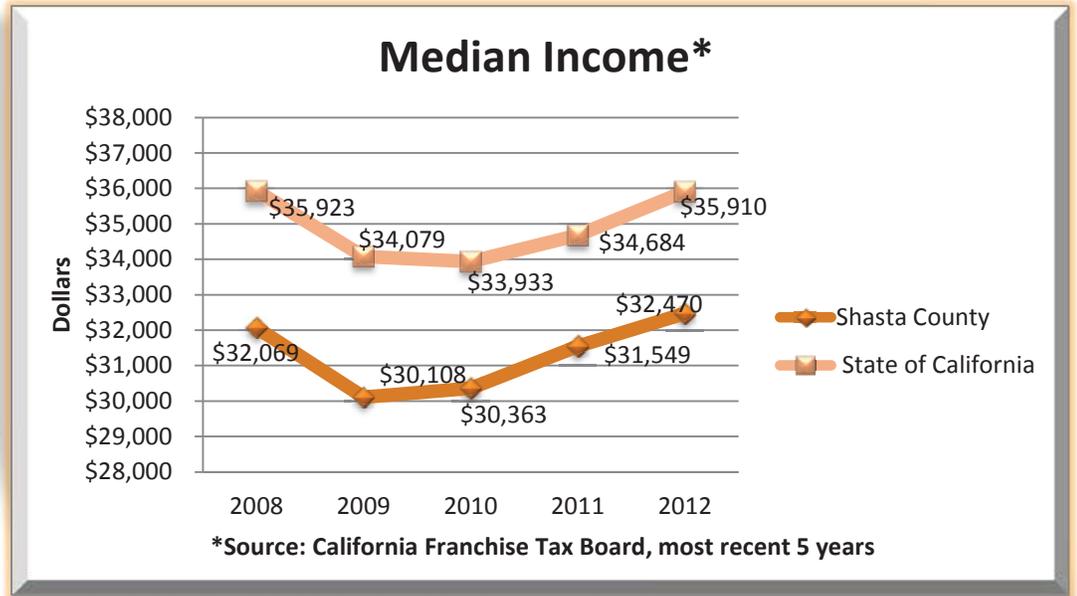
Employment:



Unemployment in the County as of June 30, 2015 was 7.3%, which is higher than the state rate of 6.3%. Last year at this time unemployment in Shasta County was 9.2%.

Income:

Family average income of \$32,470, as reported to the Franchise Tax Board, increased 2.9% from 2011 to 2012 (the most recent data from FTB) for the residents of Shasta County. Shasta County 2012 median family



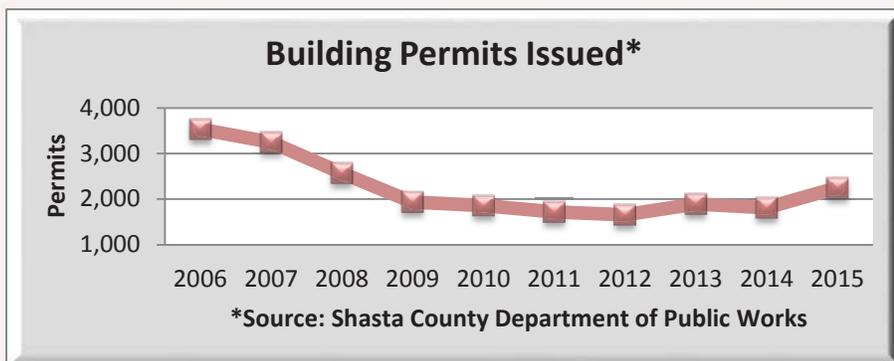
income was approximately 10.6% lower than the State median. Shasta County ranked 30 out of 58 counties when comparing annual income in 2012; in 2011 we were also ranked 30th.

Retail Sales:

Retail sales for the County as a whole increased by 5.6% from 2014 to 2015 according to the State Board of Equalization.

Real Estate:

- The national, state, and local economic downturn has resulted in a decline in property values, lagging sales of consumer goods and services, and a steep decline in interest rates. Shasta County discretionary revenue has finally begun to stabilize in FY 2014-15 after several years of decline. Discretionary property tax revenue receipts were \$23.1M in 2014, compared to \$23.7M in 2015, an increase of 2.6% over the prior year.



- The median home prices increased from \$189,300 to \$207,200 from 2012 to 2013, an increase of 9.5%.

- Building permits issued increased from 2014 to 2015 with 1,813 and 2,251 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.

Water Year 2015 has been noteworthy for much less precipitation than normal in California, temperatures much warmer than normal and a growing El Niño in the Eastern Pacific that many Californians hope will end the state's drought. Most of all, Water Year 2015 will be remembered as the fourth year of one of the state's most severe dry periods on record. This includes Lake Shasta, the largest reservoir in the State, and one of the largest tourist attractions within the County.

As of the end of April 2014, Lake Shasta reservoir was at 72 percent capacity compared to 53 percent at the same time last year. The increase in lake level is due to the Bureau of Reclamation holding back water for the fall Salmon run and a wet December. Despite California's largest reservoir being in better shape than last year, houseboat sales are down 20% from the previous year, and 65% from two years ago. The lack of sales has been attributed to media coverage and the unstable economy.

Transient occupancy tax within the County decreased in 2015 by 2.2% in the unincorporated area.

Long Term Financial Planning:

There has been no significant improvement to revenues, and the County continues to adhere to conservative spending due to the continued economic downturn. 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 in future fiscal years.

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

Relevant Financial Policies:

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

Budget Cuts: County Departments have been able to absorb the decreases in revenue through budget cuts 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, 2014. The County has received this award for 17 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, 2014. This was the first year the County has ever 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 Information Technology department, and the various County departments who assisted in the preparation of this report. Additionally, we would like to acknowledge the efforts of our independent auditor, Gallina 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,

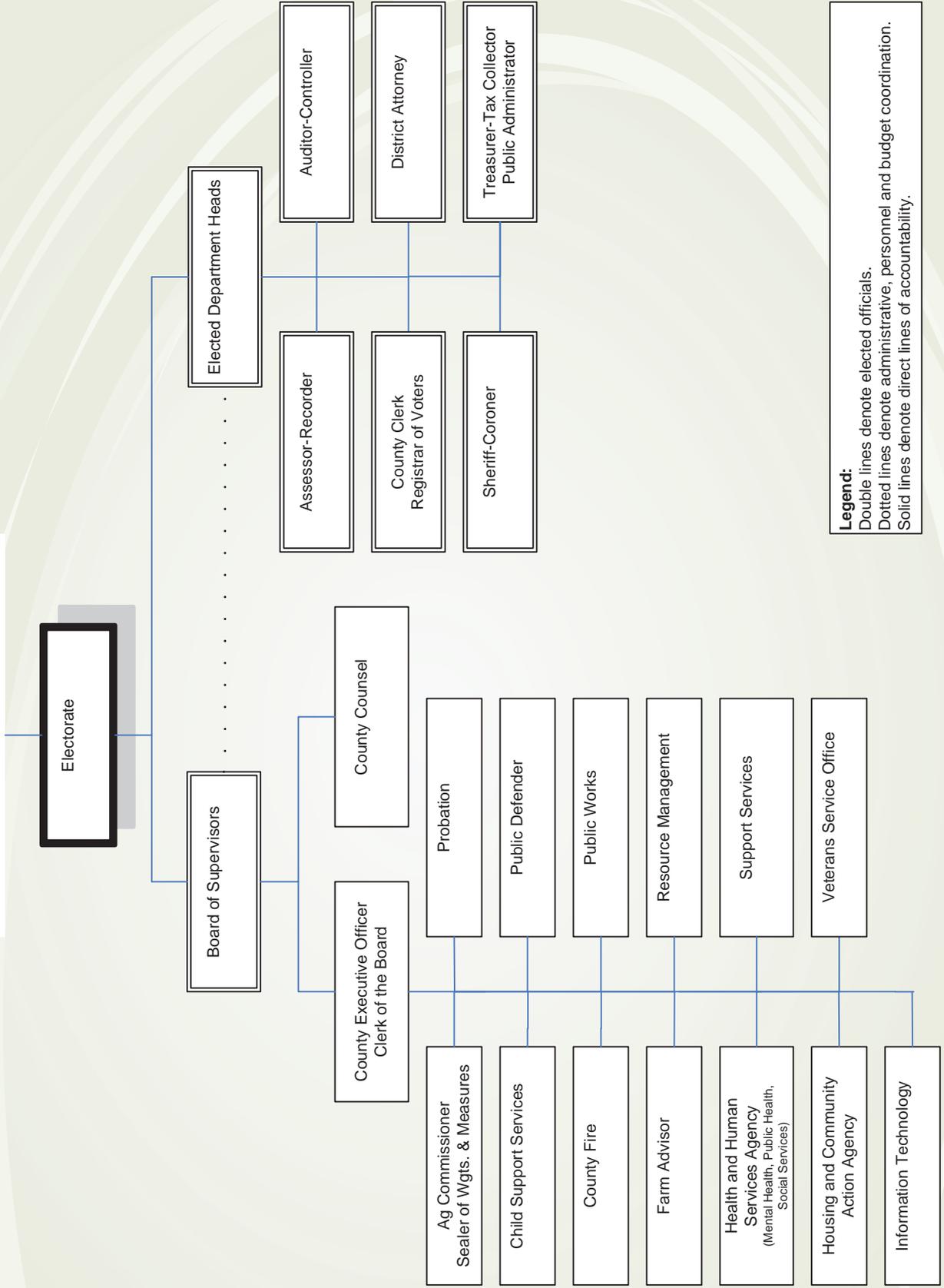


Brian Muir
Auditor-Controller



Lawrence G. Lees
County Executive Officer

County of Shasta
Organizational Chart
May 2015



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

COUNTY OF SHASTA

COUNTY OFFICIALS

JUNE 30, 2015

OFFICIALS

David A. Kehoe

Leonard Moty

Pam Giacomini

Bill Schappell

Les Baugh

Leslie Morgan

Brian Muir

Cathy Darling Allen

Stephen S. Carlton

Tom Bosenko

Lori J. Scott

Lawrence G. Lees

POSITION

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

County Executive Officer



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, 2014

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Supervisors and Grand Jury
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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Children and Families First Commission (Commission), which represents 100 percent 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, 2015, 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

Emphasis of Matter

Implementation of New Accounting Standards

As disclosed in the Note 1 to the financial statements, the County of Shasta adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, during the fiscal year 2015. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net position liability and related ratios and schedule of contributions, schedule of funding progress – other postemployment benefits, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2015, 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 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 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.



Roseville, California
December 22, 2015

MANAGEMENT'S DISCUSSION & ANALYSIS (MD & A)

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COUNTY OF SHASTA

Management's Discussion and Analysis June 30, 2015

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, 2015. 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 \$125,253,543. Of the net position, \$96,134,604 is restricted for specific purpose (*restricted net position*), and \$152,394,714 is the net investment in capital assets. This leaves an unrestricted net position of \$(123,275,775), compared to an unrestricted net position in the previous year of \$40,424,104. The swing in unrestricted net position from positive to negative was caused by the implementation of GASB Statement No. 68., a change in accounting method, which requires recording a future Net Pension Liability. While this liability is not new, this initial year recording created a large change in the balance of the County's net position. With the inclusion of this future liability, the government's total net position decreased by \$153,091,179 in comparison with the prior year.
- The County's net position net investment in capital assets, increased by \$2,999,312.
- The County's governmental funds reported combined fund balances of \$177,954,992 an increase of \$17,961,234 in comparison with the prior year.
- The County's unrestricted fund balance for the governmental funds was \$84,087,013, or 30% 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 of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover 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 OF SHASTA

Management's Discussion and Analysis June 30, 2015

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 Successor Agency to the Shasta County Redevelopment Agency, 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. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, 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 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, Shasta County Transit and the Fall River Mills Airport operations are considered to be 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.

COUNTY OF SHASTA

Management's Discussion and Analysis
June 30, 2015

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, Road Administration Fund, and the Public Safety Fund to demonstrate compliance with this budget.

Other Supplementary Information presented is the combining statements referred to earlier in connection with 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. However, in the current fiscal year ended June 30, 2015, the implementation of GASB Statement No. 68 created an anomaly with the initial recording of the future Net Pension Liability.

The Countys Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014
Current and Other Assets	\$ 236,262	\$ 229,365	\$ 29,422	\$ 27,822	\$ 265,684	\$ 257,187
Capital Assets	152,194	151,785	41,505	41,829	193,699	193,614
Total Assets	<u>388,456</u>	<u>381,150</u>	<u>70,927</u>	<u>69,651</u>	<u>459,383</u>	<u>450,801</u>
Deferred Inflows of Resources	15,810	-	-	-	15,810	-
Current and Other Liabilities	27,812	27,688	661	383	28,473	28,071
Long-Term Liabilities	267,263	122,151	16,565	18,729	283,828	140,880
Total Liabilities	<u>295,075</u>	<u>149,839</u>	<u>17,226</u>	<u>19,112</u>	<u>312,301</u>	<u>168,951</u>
Deferred Inflows of Resources	37,638	-	-	3,505	37,638	3,505
Net Investment in Capital Assets	116,638	113,574	35,756	35,823	152,394	149,397
Restricted	96,135	88,525	-	-	96,135	88,525
Unrestricted	(141,220)	29,212	17,945	11,211	(123,275)	40,423
Total Net Position	<u>\$ 71,553</u>	<u>\$ 231,311</u>	<u>\$ 53,701</u>	<u>\$ 47,034</u>	<u>\$ 125,254</u>	<u>\$ 278,345</u>

A significant portion of the County's net position, \$152.4M, 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, \$96.1M, 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 a whole, as well as for its separate governmental activities and business-type activities.

The County's net position decreased by \$153.1M during the current fiscal year. The net decrease in net position represents the implementation of GASB Statement No. 68.

COUNTY OF SHASTA

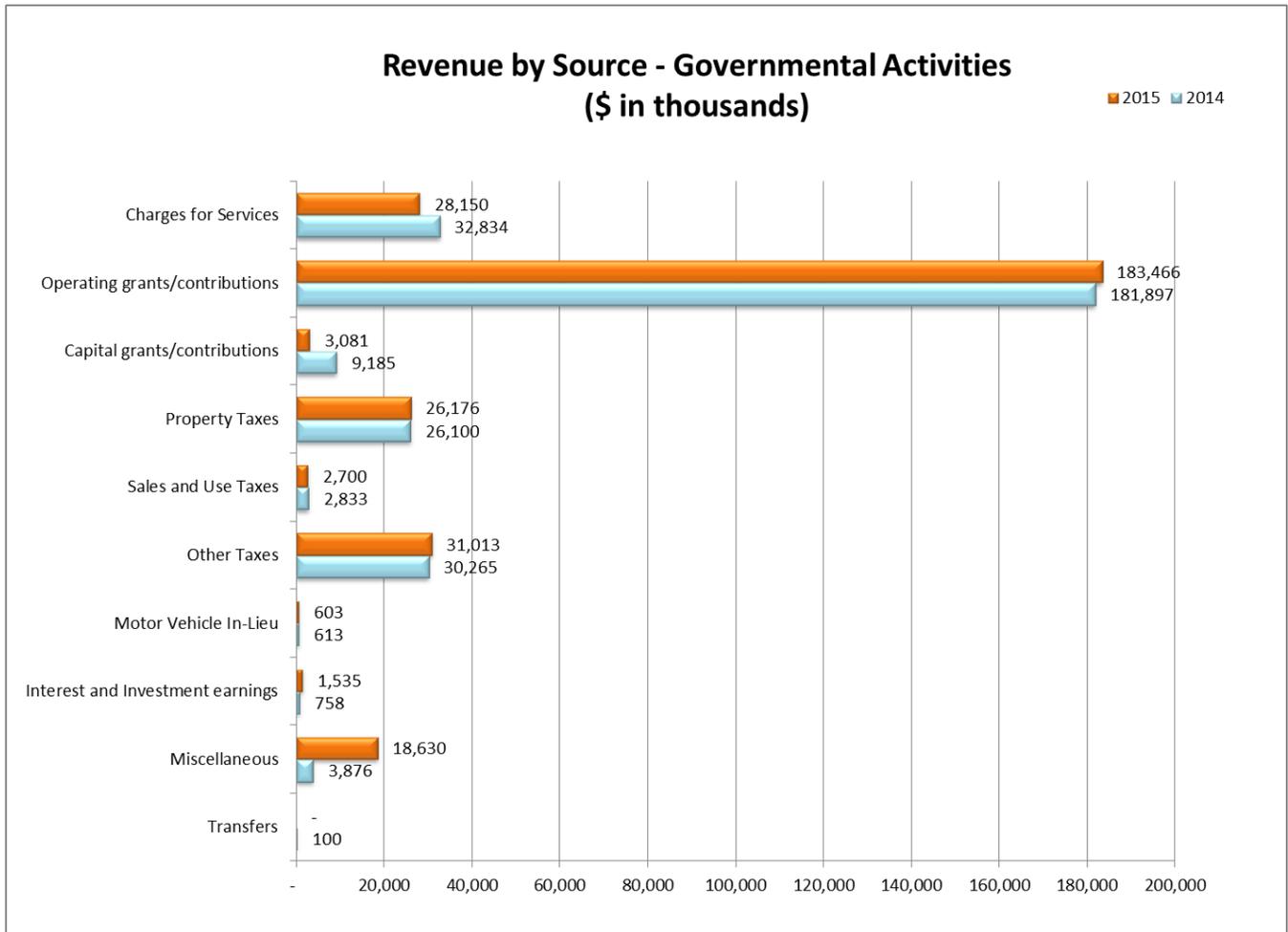
Management's Discussion and Analysis
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The County's Changes in Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014
Revenues						
Program Revenues:						
Charges for services	\$ 28,150	\$ 32,834	\$ 4,429	\$ 4,086	\$ 32,579	\$ 36,920
Operating grants/contributions	183,466	181,897	869	481	184,335	182,378
Capital grants/contributions	3,081	9,185	360	557	3,441	9,742
Property taxes	26,176	26,100	27	27	26,203	26,127
Sales and use taxes	2,700	2,833	-	-	2,700	2,833
Other taxes	31,013	30,265	-	-	31,013	30,265
Motor vehicles in-lieu	603	613	-	-	603	613
Interest and investment earnings	1,535	758	112	89	1,647	847
Miscellaneous	18,630	3,876	241	654	18,871	4,530
Total Revenues	295,354	288,361	6,038	5,894	301,392	294,255
Expenses						
General Government	11,766	11,967	-	-	11,766	11,967
Public Protection	91,500	85,407	-	-	91,500	85,407
Public Ways and Facilities	20,528	19,036	-	-	20,528	19,036
Health and Sanitation	52,320	49,614	-	-	52,320	49,614
Public Assistance	108,537	101,083	-	-	108,537	101,083
Education	1,597	1,593	-	-	1,597	1,593
Recreation	158	161	-	-	158	161
Interest on Debt	1,109	1,223	-	-	1,109	1,223
Fall River Mills Airport	-	-	149	103	149	103
Solid Waste Disposal	-	-	(1,840)	1,935	(1,840)	1,935
West Central Landfill	-	-	1,676	722	1,676	722
Shasta County Transit	-	-	405	420	405	420
County Service Areas (Water/Sewer)	-	-	2,227	2,785	2,227	2,785
Total Expenses	287,515	270,084	2,617	5,965	290,132	276,049
Excess (deficiency) before transfers	7,839	18,277	3,421	(71)	11,260	18,206
Transfers	-	100	-	(100)	-	-
Changes in Net Position	7,839	18,377	3,421	(171)	11,260	18,206
Net Position - Beginning	231,312	212,934	47,033	47,205	278,345	260,139
Prior Period Adjustment	(167,598)	-	3,247	-	(164,351)	-
Net Position - Ending	\$ 71,553	\$ 231,311	\$ 53,701	\$ 47,034	\$ 125,254	\$ 278,345

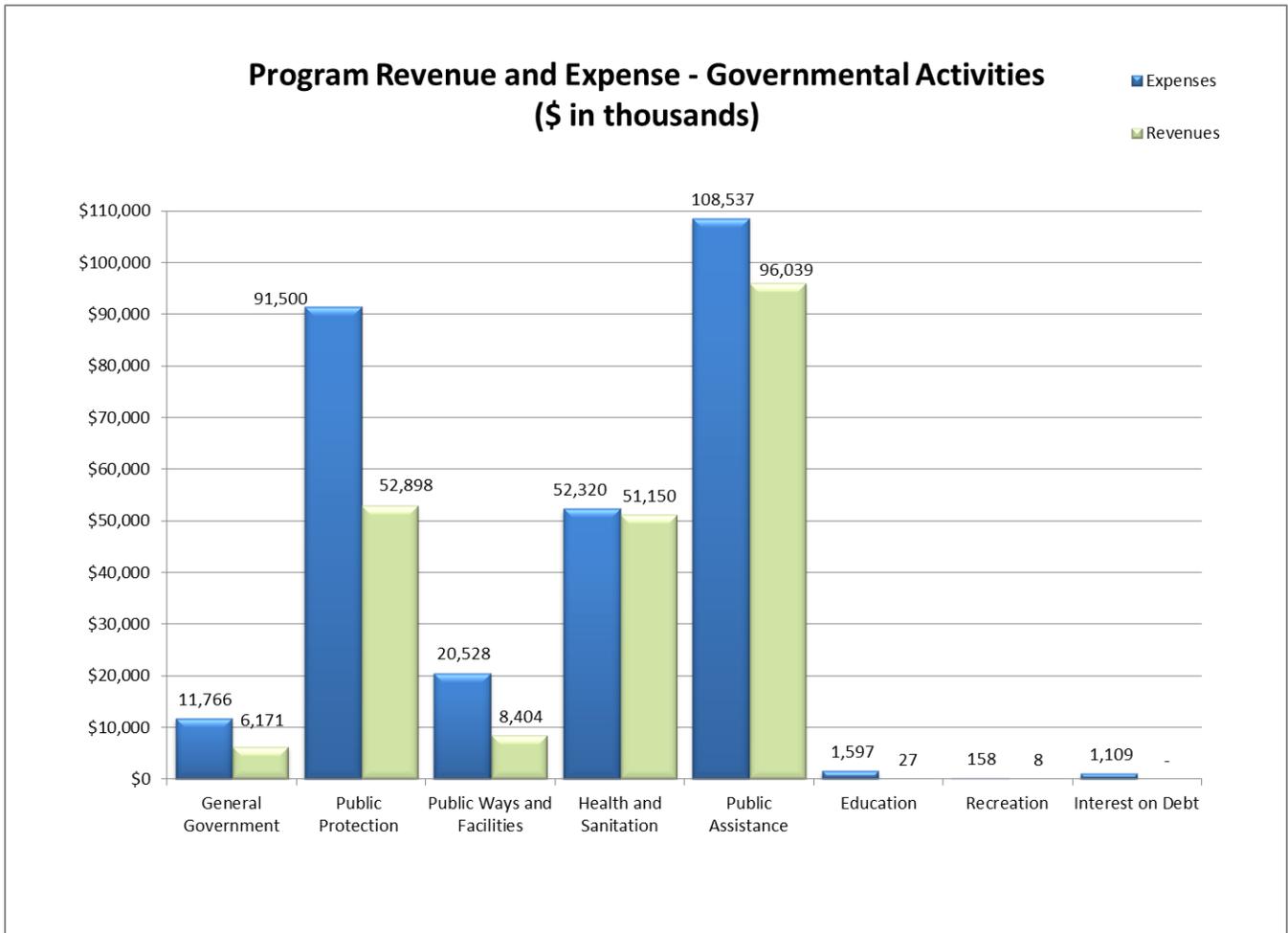
COUNTY OF SHASTA

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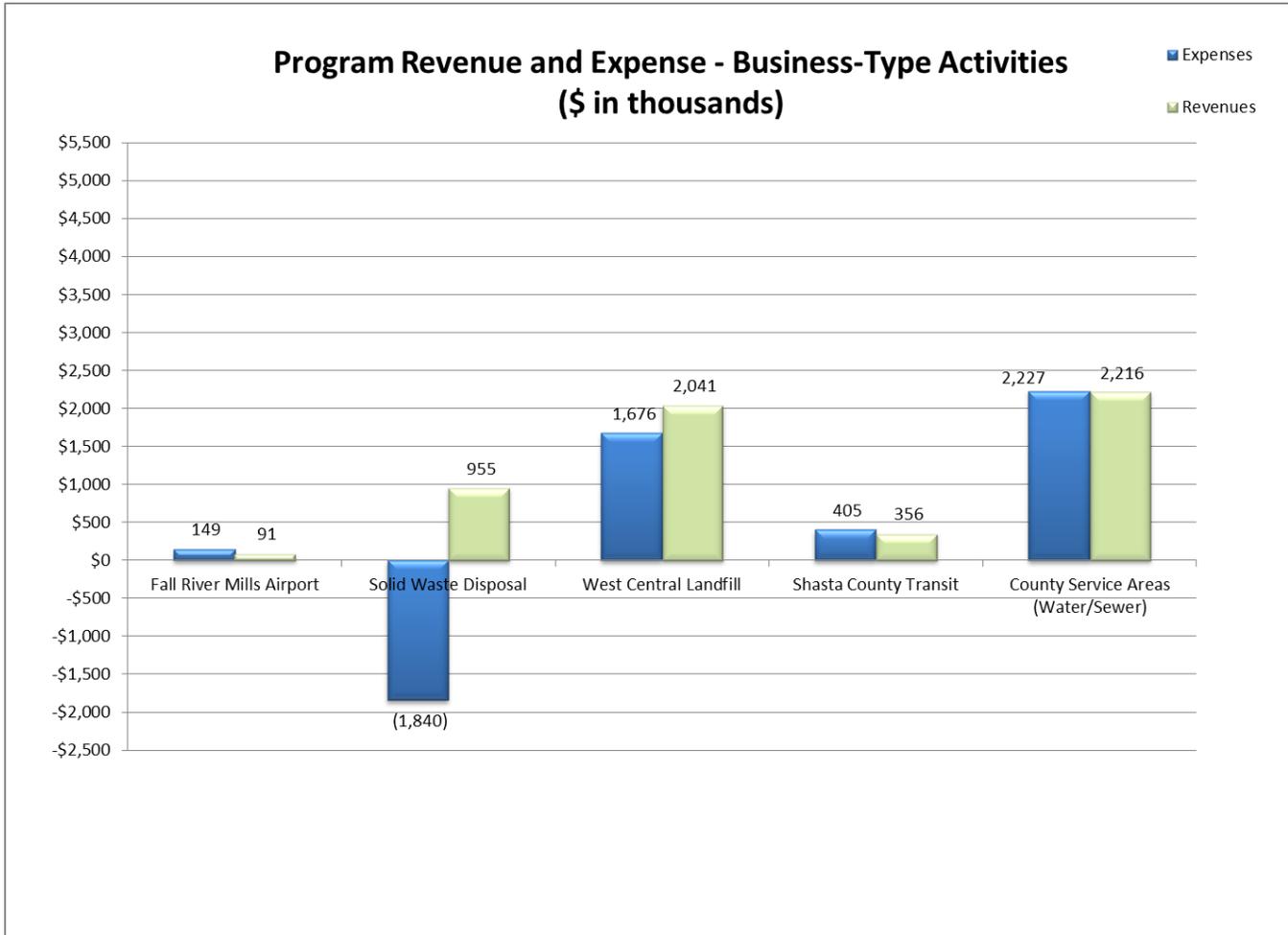
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FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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 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. In particular, *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

	FY 2015	FY 2014	Net Change	
			Amount	Percent
Fund Balance - Beginning	\$ 159,993,758	\$ 140,734,490	\$ 19,259,268	13.68%
Revenues	296,067,766	287,004,497	9,063,269	3.16%
Expenditures	(277,949,018)	(267,702,983)	(10,246,035)	3.83%
Other Financing Sources (Uses)	(157,514)	(42,246)	(115,268)	272.85%
Fund Balance - Ending	\$ 177,954,992	\$ 159,993,758	\$ 17,961,234	11.23%

COUNTY OF SHASTA

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At June, 30, 2015, the County's governmental funds reported combined fund balances of \$177,954,992. Of these combined fund balances, \$84,087,013 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, \$92,254,084, 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, \$1,613,895 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, 2015, unrestricted General Fund balance was \$77,917,861, while total fund balance was \$96,597,928. 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 49% of total General Fund expenditures, while the total fund balance represents 61% of total General Fund expenditures.

The County's management also assigns (earmarks) unrestricted General Fund balance to a particular 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 \$77,917,861 General Fund unrestricted fund balance, 30% is assigned.

Total governmental funds Fund Balance increased by \$17,961,234 in comparison with the prior year. The major governmental funds had changes in fund balance as follows: General Fund increased \$12,380,392, the majority of which was due to an increase in miscellaneous revenue due to a refund received from the Risk Management internal service fund for an excess in working capital. Similarly Public Safety Fund increased \$5,455,186 for the same transaction. The non-major governmental funds increased by \$1,310,567, and the Roads Administration Fund decreased \$1,184,911.

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

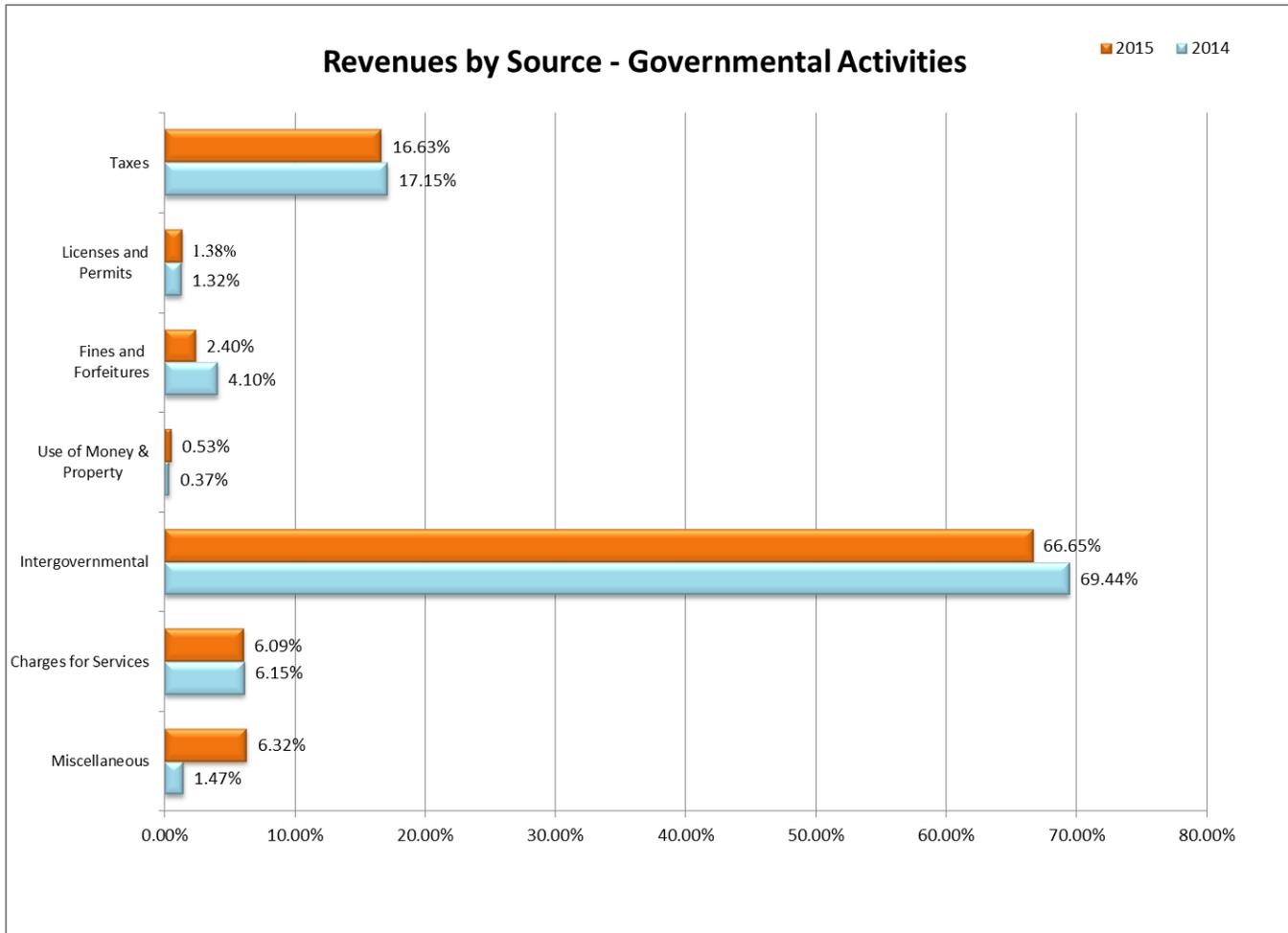
Revenues Classified by Source
Governmental Funds

	FY 2015		FY 2014		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Taxes	\$ 49,249,838	16.63%	\$ 49,221,515	17.15%	\$ 28,323	0.06%
Licenses and Permits	4,062,654	1.38%	3,779,516	1.32%	283,138	7.49%
Fines and Forfeitures	7,115,769	2.40%	11,763,679	4.10%	(4,647,910)	-39.51%
Use of Money & Property	1,569,410	0.53%	1,071,089	0.37%	498,321	46.52%
Intergovernmental	197,326,862	66.65%	199,302,430	69.44%	(1,975,568)	-0.99%
Charges for Services	18,021,509	6.09%	17,646,160	6.15%	375,349	2.13%
Miscellaneous	18,721,724	6.32%	4,220,108	1.47%	14,501,616	343.63%
Total Revenue by Source	<u>\$ 296,067,766</u>	<u>100.00%</u>	<u>\$ 287,004,497</u>	<u>100.00%</u>	<u>\$ 9,063,269</u>	

COUNTY OF SHASTA

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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:

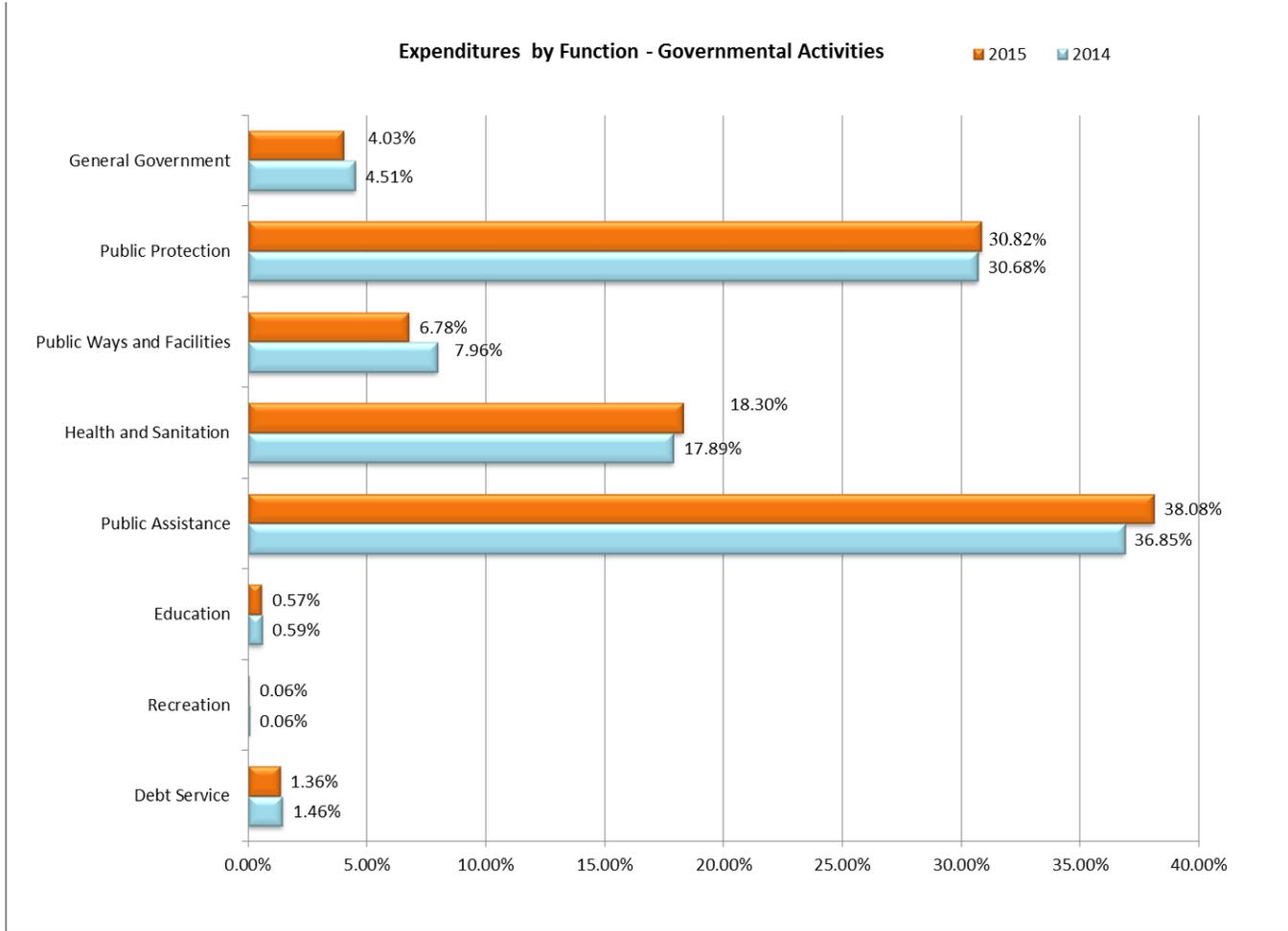
Expenditures Classified by Source
Governmental Funds

	FY 2015		FY 2014		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
General Government	\$ 11,188,585	4.03%	\$ 12,071,247	4.51%	\$ (882,662)	-7.31%
Public Protection	85,713,090	30.82%	82,143,959	30.68%	3,569,131	4.35%
Public Ways and Facilities	18,833,307	6.78%	21,304,334	7.96%	(2,471,027)	-11.60%
Health and Sanitation	50,858,547	18.30%	47,893,733	17.89%	2,964,814	6.19%
Public Assistance	105,839,853	38.08%	98,645,285	36.85%	7,194,568	7.29%
Education	1,589,660	0.57%	1,584,812	0.59%	4,848	0.31%
Recreation	154,629	0.06%	160,637	0.06%	(6,008)	-3.74%
Debt Service	3,771,347	1.36%	3,898,976	1.46%	(127,629)	-3.27%
Total by Function	\$ 277,949,018	100.00%	\$ 267,702,983	100.00%	\$ 10,246,035	

COUNTY OF SHASTA

Management's Discussion and Analysis
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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		Net Change	
	FY 2015	FY 2014	Amount	Percent
	Proceeds from Sale of Capital Assets	\$ 157,231	\$ 132,330	\$ 24,901
Transfers in	32,844,020	40,784,985	(7,940,965)	-19.47%
Transfers out	(33,158,765)	(40,959,561)	7,800,796	-19.05%
Net financing sources (uses)	\$ (157,514)	\$ (42,246)	\$ (115,268)	272.85%

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.

COUNTY OF SHASTA

Management's Discussion and Analysis
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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 2015	FY 2014	Net Change	
			Amount	Percent
Fund Balance - Beginning	\$ 50,281,151	\$ 47,205,050	\$ 3,076,101	6.52%
Operating Revenues	4,702,586	4,488,058	214,528	4.78%
Operating Expenses	(2,525,007)	(5,897,326)	3,372,319	-57.18%
Non-Operating Revenues (Expenses)	1,242,035	992,880	249,155	25.09%
Transfers In (Out) and capital contributions	-	244,896	(244,896)	-100.00%
Total Net Position - Ending	\$ 53,700,765	\$ 47,033,558	\$ 6,667,207	

Net position restricted for net investment in capital assets at fiscal year end was \$35,756,052. Unrestricted net position of the enterprise funds at fiscal year end was \$17,944,713.

The net position of the enterprise funds increased \$6,667,204 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 2015	FY 2014	Net Change	
			Amount	Percent
Fund Balance - Beginning	\$ 18,735,772	\$ 19,760,023	\$ (1,024,251)	-5.18%
Operating Revenues	17,488,405	17,891,174	(402,769)	-2.25%
Operating Expenses	(21,615,048)	(19,602,188)	(2,012,860)	10.27%
Non-Operating Revenues (Expenses)	(5,802,941)	412,187	(6,215,128)	-1507.84%
Transfers In (Out) and capital contributions	314,745	274,576	40,169	14.63%
Total Net Position - Ending	\$ 9,120,933	\$ 18,735,772	\$ (9,614,839)	

Total net position of the internal service funds at fiscal year end were \$9,120,933 and include \$2,778,467 invested in capital assets.

The net position of the internal service funds decreased \$9,614,839 over the prior fiscal year. The majority of this decreased was caused by a one-time refund of excess working capital reserve in the amount of \$9,244,725. Operating revenues decreased 2% and operating expenses increased 10%.

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.

COUNTY OF SHASTA

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Differences between the original budget and the final amended budget resulted in an \$8,760,096 increase in appropriations. The components of appropriations variance are briefly summarized as follows: \$5,180,348 increase in general government; \$223,375 increase in public protection; \$3,323,118 increase in public assistance; \$6,745 decrease in public health and sanitation; \$40,000 increase in education; \$0 change in recreation.

Even with these adjustments, actual expenditures were \$22,011,290 below final budget amounts. Resources available for appropriation were \$1,666,226 over final budget amounts.

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

Budgetary Comparison General Fund				
	Original	Final	Net Change	
	Budget	Budget	Amount	Percent
Total Revenues	\$ 193,372,186	\$ 195,950,057	\$ 2,577,871	1.33%
Total Expenditures	(172,125,539)	(180,885,635)	(8,760,096)	5.09%
Other Financing Sources (Uses)	(29,965,207)	(24,286,505)	5,678,702	-18.95%
Net Changes in Fund Balances	<u>\$ (8,718,560)</u>	<u>\$ (9,222,083)</u>	<u>\$ (503,523)</u>	

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

Budgetary Comparison General Fund				
	Final	Actual	Net Change	
	Budget	Amounts	Amount	Percent
Total Revenues	\$ 195,950,057	\$ 197,616,283	\$ 1,666,226	0.85%
Total Expenditures	(180,885,635)	(158,874,345)	22,011,290	-12.17%
Other Financing Sources (Uses)	(24,286,505)	(26,361,546)	(2,075,041)	8.54%
Net Changes in Fund Balances	<u>\$ (9,222,083)</u>	<u>\$ 12,380,392</u>	<u>\$ 21,602,475</u>	

CAPITAL ASSETS

The County's investment in capital assets for its governmental and business type activities as of June 30, 2015, amounted to \$193,698,388 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, leasehold improvements, equipment, and infrastructure (roads and bridges). The total increase in the County's investment in capital assets for the current fiscal year was \$83,902.

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

	Capital Assets					
	Governmental Activities		Business-Type Activities		Total Activities	
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014
Land and Improvements	\$ 2,843,856	\$ 2,589,019	\$ 2,026,076	\$ 2,026,076	\$ 4,869,932	\$ 4,615,095
Structures & Improvements	121,122,419	120,031,724	75,545,606	63,589,135	196,668,025	183,620,859
Leasehold Improvements	923,068	923,068	-	-	923,068	923,068
Equipment	45,812,572	44,288,454	318,301	312,649	46,130,873	44,601,103
Infrastructure	121,418,927	120,706,996	-	-	121,418,927	120,706,996
Construction in Progress	3,829,496	2,030,834	615,290	11,932,987	4,444,786	13,963,821
Total	295,950,338	290,570,095	78,505,273	77,860,847	374,455,611	368,430,942
Accumulated Depreciation	(143,756,791)	(138,785,197)	(37,000,432)	(36,031,259)	(180,757,223)	(174,816,456)
Net Capital Assets	<u>\$ 152,193,547</u>	<u>\$ 151,784,898</u>	<u>\$ 41,504,841</u>	<u>\$ 41,829,588</u>	<u>\$ 193,698,388</u>	<u>\$ 193,614,486</u>

COUNTY OF SHASTA

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

	Additions	Retirements (Net of Accum. Depreciation)	Transfers & Adjustments	Depreciation	Net Change
General Government	\$ 3,676,215	\$ (516,838)	\$ -	\$ (2,465,495)	\$ 693,882
Public Protection	640,662	(4,382)	-	(957,479)	(321,199)
Public Ways & Facilities	1,898,334	(9,631)	-	(2,335,754)	(447,051)
Health & Sanitation	235,116	-	-	(162,701)	72,415
Public Assistance	355,706	(14,664)	-	(143,280)	197,762
Education	5,735	-	-	(995)	4,740
Internal Service Funds	940,507	(72,891)	-	(659,511)	208,105
Enterprise Funds	665,639	(50)	-	(990,334)	(324,745)
Total	<u>\$ 8,417,914</u>	<u>\$ (618,456)</u>	<u>\$ -</u>	<u>\$ (7,715,549)</u>	<u>\$ 83,909</u>

COUNTY OF SHASTA

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

Projects completed in current fiscal year:

	<u>Current Year Costs</u>	<u>Total Costs</u>
Major bridge, road and construction projects:		
Governmental Funds:		
Public Works Upper N. Remodel	87,683	358,875
Redwood Transit Shelter	106,745	141,783
Jail PH 1 Hot Water System	126,551	190,087
Facilities Management Roof	43,728	43,728
Smith Bottom Road @ ACID Canal	553,857	711,934
Total Governmental Funds	<u>918,563</u>	<u>1,446,407</u>
Enterprise Funds:		
Fall River Mills Airport Extension	23,534	11,956,471
Total Enterprise Funds	<u>23,534</u>	<u>11,956,471</u>
Total projects completed in current fiscal year	<u>942,097</u>	<u>13,402,878</u>
 Construction in progress at June 30, 2015:		
Major bridge and road projects:		
Governmental Funds:		
Spring Creek Road @ Fall River Bridge	26,795	276,056
Cassel-Fall River Road @ Pit River	67,083	450,537
Ash Creek Rd. @ Sac. River	22,610	51,755
Inwood Road @ S.F. Bear Creek	45,662	136,352
Lower Gas Point Rd. @ NF Cttwd Creek	23,179	106,927
Old 44 Dr. @ Oak Run Creek	51,363	129,561
Soda Creek Rd. @ Soda Creek	40,556	120,078
Gas Point Rd. @ No Name Ditch	21,358	27,592
Parkville Rd. @ Ash Creek	10,322	22,310
Fern Road E. @ Glendening	29,629	110,387
Bear Mountain Rd. @ Deep Hole Creek Bridge	2,652	2,652
Total Governmental Funds	<u>341,209</u>	<u>1,434,207</u>
Building upgrades:		
Governmental Funds:		
MHSA Remodel	716,968	911,275
Social Services 2460 Breslauer Addition	45,826	45,826
1600/1626 Court Street Remodel	546,404	546,404
Jail Security System Upgrade	47	47
Adult Rehab Center	587,139	587,139
Total Governmental Funds	<u>1,896,384</u>	<u>2,090,691</u>
Major construction:		
Enterprise Funds:		
CSA #25 Water System Improvements	615,290	615,290
Total construction in progress at June 30, 2015	<u>2,852,883</u>	<u>4,140,188</u>
 Summary of construction in progress at June 30, 2015		
Total Governmental Funds	2,237,593	3,524,898
Total Enterprise Funds	615,290	615,290
Total construction in progress	<u>2,852,883</u>	<u>4,140,189</u>

Additional information regarding capital assets begin on page 62 with note 4.

COUNTY OF SHASTA

Management's Discussion and Analysis
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DEBT ADMINISTRATION

At the end of the current fiscal year, the County had total debt obligation outstanding of \$41,303,679. Of this amount, \$34,620,000 comprises bonds that are secured by the County's lease rental payments and other dedicated sources of revenue, and \$853,500 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.

Capital Assets

	Governmental Activities		Business-Type Activities		Total Activities	
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014
Lease Revenue Bonds	\$ 34,620,000	\$ 37,070,000	\$ -	\$ -	\$ 34,620,000	\$ 37,070,000
Special Assessment Bonds	-	-	853,500	891,900	853,500	891,900
Water/Sewer Bonds	-	-	20,000	20,000	20,000	20,000
Capital Lease Obligations	-	137,031	-	-	-	137,031
Financing Leases	-	-	1,169,282	1,298,046	1,169,282	1,298,046
Notes Payable	425,241	463,405	3,798,675	3,798,675	4,131,251	4,262,080
Debt Obligation	35,045,241	37,670,436	5,748,792	6,008,621	40,794,033	43,679,057
Unamortized Bond Premium	509,646	540,027	-	-	509,646	540,027
Total Debt	35,554,887	38,210,463	5,748,792	6,008,621	41,303,679	44,219,084
Less Current Portion	(1,919,712)	(2,655,575)	(343,848)	(279,663)	(2,263,560)	(2,935,238)
Net Long-Term Debt	\$ 33,635,175	\$ 35,554,888	\$ 5,404,944	\$ 5,728,958	\$ 39,040,119	\$ 41,283,846

Reductions of the County's total outstanding debt included principal payments of \$2,488,164 and amortization of bond premium of \$30,379 with \$1,123,397 in interest expense for governmental activities and principal payments of \$259,657 with \$77,863 in interest expense for 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/postclosure care costs liability. More detailed information about the County's long-term liabilities is presented in notes to the financial statements, page 69, note 6.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The County's fiscal year 2015-16 budget takes in to consideration the overall financial health of the County and 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 FY 2015-16 Adopted Budget attempts to address potential harm from State take-backs. The County could receive significantly more or less than projected upon State budget amendments. The Governor's "May Revise" Budget was released on May 14, 2015. His focus is on preserving fiscal stability. The May Revise proposes new spending in only three areas: creating a first-ever California Earned Income Tax Credit to assist the state's lowest-income workers (\$380 million); holding tuition flat at the state's universities for California undergraduate students for two more years, and temporary assistance to the University of California to pay down its unfunded pension liability; and lastly, providing health care and other safety net services to currently undocumented immigrants who gain Permanent Residence Under Color of Law status under the President's executive actions.

While the budget plan assumes the continued expansion of the economy, the May Revise cautions that it is inevitable that a recession is on the way. The latest recovery has already exceeded the average by one year. Higher revenues will be both saved and used to pay down debts. The State will have a Rainy Day Fund of

COUNTY OF SHASTA

Management's Discussion and Analysis June 30, 2015

approximately \$3.5 billion by June 30, 2015. They will repay the deferrals due to schools and community colleges (\$1 billion); make the last payment on the Economic Recovery Bonds that were used to cover budget deficits as far back as 2002; and repay local governments the final mandate reimbursements for activities in 2004 or earlier (\$765 million).

The Governor's message is that while building a healthy Rainy Day Fund and paying down long-term debt are significant to the State's fiscal health and stability, new ongoing spending could lead the State back into budgetary imbalances by as early as 2018-19.

State legislators passed a \$117.5 billion spending plan on Monday, June 15, 2015, adding \$749 million to the spending plan proposed by Governor Brown. The two plans are similar in many ways, with the exception of increased spending on child care or social programs for the poor.

LONG-RANGE PLANNING

There has been no significant improvement to revenues, and the County continues to adhere to conservative spending due to the continued economic downturn. 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 24, 2015, the Board of Supervisors received the FY 2014-15 Mid-Year Report, and approved the following principles for the FY 2015-16 Budget:

- Continue the Controlled Hiring Process approved by the Board in December 2007.
- 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.
- Continue to evaluate all contracts with community providers and agencies to evaluate if services could be reduced or provided by existing county staff.
- The CEO will review all requests for capital assets and computer equipment.
- As a baseline, direct departments to prepare a budget with a 3 percent increase 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.
- Review all positions vacant over 18 months.
- Encourage expenditure reductions in the current fiscal year to create carry-over funds for 2015-16.

COUNTY OF SHASTA

Management's Discussion and Analysis June 30, 2015

- In accordance with Administrative Policy 2-101, direct department heads to limit expenditures in FY 2014-15 to ensure that their spending remains within each Object Level in the Adopted Budget.
- 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 \$83.6 million. This will be offset by revenue, \$64.2 million, leaving a structural imbalance of \$21.1 (including a one-time \$10 million transfer to Accumulated Capital Outlay). This will be offset by use of fund balance carryover and General Fund General Purpose fund balance. The carryover estimate is developed through a joint effort of staff in the Auditor-Controller's Office and the County Administrative Office. The actual fund balance figure is not firm until the County's books are closed at the end of September, subsequent to the adoption of the County budget.

The Auditor-Controller calculates the County's Maintenance of Effort (MOE) for public safety. The most recent calculation is FY 2014-15. The FY 2014-15 adopted budget for all the public safety departments exceeded the adjusted MOE Base by \$25.1 million. The County subsidy to the combined health and human services programs has been held static over the last several years.

DISCRETIONARY REVENUE

The national, state, and local economic downturn resulted in a decline in property values, lagging sales of consumer goods and services, and a steep decline in interest rates. Shasta County continues to experience the unprecedented loss of discretionary revenue. The County realized one-time revenue due to the dissolution of redevelopment agencies. It is anticipated that revenue will stabilize in FY 2015-16. The dissolution of redevelopment agencies may have some yet unknown positive impact on the General Fund, as a minimal amount of tax increment may accrue to the General Fund.

FY 2015-16 adopted discretionary General Revenue is \$49.9 million, a decrease of \$393,106, or less than 1 percent compared to the FY 2014-15 estimated year-end.

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. Sales tax realignment revenue is expected to continue to grow in FY 2015-16 due to an improved economy, and the growth in revenue will fund partial repayment of the prior year's caseload growth. 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.

2011 Realignment (Health and Human Services) is funded through a State special fund sales tax and vehicle license fees (VLF). Both of these revenue sources are increasing per estimates in the FY 2015-16 California Governor's Budget. The Administration, in consultation with county partners and stakeholders, is continuing to develop an allocation for funds in the 2011 Realignment Behavioral Health Services Growth Special Account. From FY 2013-14 revenues, the Account has \$60.0 million. The first priority for growth funds is federal entitlement programs: Medi-Cal Specialty Mental Health, including those required by Early Periodic Screening, Diagnosis,

COUNTY OF SHASTA

Management's Discussion and Analysis June 30, 2015

and Treatment, 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. The intent of the Community Corrections Partnership Program authorized by AB 109 is to reduce recidivism and end the revolving door of lower-level offenders and parole violators through the state's prisons.

The County's Community Corrections Partnership Executive Committee (CCPEC), chaired by the Chief Probation Officer, approved their FY 2015-16 budget at their February 26, 2015 meeting and included it in their respective FY 2015-16 budget requests. Funding for FY 2015-16 is expected to be \$6.5 million and appropriations are requested at \$8.2 million (which includes 3 percent, or \$195,406, to set aside for reserves), relying on \$1.7 million in AB109 Restricted fund balance. Projected fund balance at the end of FY 2015-16, including FY 2014-15 growth funds to be received in FY 2015-16, is \$5.3 million.

Receipts from Public Safety Augmentation Proposition 172 sales tax have leveled out at \$14 million annually. Receipts in the current year are approximately eight percent (8%) higher than this time last year. The County's pro-rata share of this sales tax is \$.004782.

COUNTY WORKFORCE

The Adopted budget provides for a workforce of 1,944 full-time equivalents (FTE's). This includes a net increase of 13.5 FTE's. As of May 18, 2015, total vacancies were 233, or 12.0 percent. Some of these vacancies may be due to the County's Controlled Hiring Process. The CEO confers with Support Services weekly 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 County's vacancy factor is typically 10 percent. 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 employer share of CalPERS ("PERS") retirement had already experienced volatility due to the investment losses PERS experienced during the downturn in the market. In April 2012, PERS announced an assumption change which included the reduction of the discount rate from 7.75 percent to 7.5 percent. 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 2016-17, with the cost spread over 20 years with the increases phased in over the first five years and ramped down over the last five years of the twenty year amortization period. Since 2011-12, on average the PERS-Miscellaneous rate increased less than one percent a year, and the PERS-Safety rate increased three percent a year. It is yet uncertain what impact pension reform will have on employee retirement. The County successfully bargained reduced retirement benefits with labor, many of which are now the state-norm. While beneficial to the County's long-term fiscal health, these pension changes will not realize any immediate financial benefit.

On the local level, the County has successfully negotiated with 9 represented bargaining units and 3 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).

COUNTY OF SHASTA

Management's Discussion and Analysis June 30, 2015

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 most governmental agencies, the County pays for these post-retirement benefits on a "pay-as-you-go" basis. This means that OPEB costs are ignored while an employee renders service and recognized only after the employee retires.

GASB 45 requires governmental agencies to conduct an actuarial valuation of the liability for OPEB and report them on their financial statements. The Unfunded Actuarial Accrued Liability is the excess of the Actuarial Accrued Liability over Plan Assets. This represents the amount of the Actuarial Accrued Liability at the valuation date that still must be funded. The County's estimated Unfunded Actuarial Liability as of June 30, 2014, is \$162 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 will increase to 3 percent effective July 1, 2015. Additionally, one-time additions to the OPEB-Trusts are made when funding is available. The combined assets of the two OPEB-Trusts are \$32 million.

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

At the end of June 30, 2014, the County had total debt obligation outstanding of \$44.2 million. Of this amount, \$37.0 million comprises bonds that are secured by the County's lease rental payments and other dedicated sources of revenue, and \$891,900 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.

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, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	
Assets				
Cash and investments	\$ 180,808,129	\$ 23,268,609	\$ 204,076,738	\$ 2,603,915
Receivables, net	10,954,065	722,398	11,676,463	100
Due from other governments	27,835,071	1,568,720	29,403,791	240,031
Inventories	479,958	22,444	502,402	--
Other assets	1,337,930	64,616	1,402,546	--
Internal balances	706,721	(706,721)	--	--
Due from external parties	3,021,702	--	3,021,702	--
Special assessments receivable	485,143	4,349,836	4,834,979	--
Notes receivable	10,428,025	--	10,428,025	--
Prepaid insurance costs	205,372	--	205,372	--
Prepaid expenses	--	--	--	1,836
Cash and investments - restricted	192	132,127	132,319	--
Capital Assets:				
Non-depreciable	6,673,352	2,641,366	9,314,718	99,162
Depreciable, net	145,520,195	38,863,475	184,383,670	487,235
Total Assets	388,455,855	70,926,870	459,382,725	3,432,279
Deferred Outflows of Resources				
Deferred pensions	15,809,567	--	15,809,567	--
Total deferred outflows of resources	15,809,567	--	15,809,567	--
Liabilities				
Accounts payable	3,515,067	207,602	3,722,669	175,859
Retention payable	2,169	25,748	27,917	--
Salaries and benefits payable	6,515,253	--	6,515,253	16,770
Interest payable	248,444	27,591	276,035	--
Due to other governments	1,327,216	32,170	1,359,386	214,836
Deposits from others	5,792	5,376	11,168	--
Unearned revenue	5,850,448	18,677	5,869,125	--
Long-Term Liabilities:				
Due within one year	10,347,779	343,848	10,691,627	--
Due beyond one year	53,933,698	16,565,093	70,498,791	13,911
Net OPEB obligation	70,776,000	--	70,776,000	--
Net pension liability	142,553,138	--	142,553,138	--
Total Liabilities	295,075,004	17,226,105	312,301,109	421,376
Deferred Inflows of Resources				
Deferred pensions	37,637,640	--	37,637,640	--
Total deferred inflows of resources	37,637,640	--	37,637,640	--
Net Position				
Net investment in capital assets	116,638,662	35,756,052	152,394,714	586,397
Restricted for:				
Special revenue	40,353,740	--	40,353,740	--
Public safety	25,765,731	--	25,765,731	--
Roads administration	9,548,886	--	9,548,886	--
Capital projects	5,673,326	--	5,673,326	--
Debt service	16,768	--	16,768	--
General fund reserved fund balance	14,776,153	--	14,776,153	--
Unrestricted	(141,220,488)	17,944,713	(123,275,775)	2,424,506
Total Net Position	\$ 71,552,778	\$ 53,700,765	\$ 125,253,543	\$ 3,010,903

The accompanying notes are an integral part of these financial statements.

COUNTY OF SHASTA

Statement of Activities
For the Year Ended June 30, 2015

Functions/Programs Primary Government	Expenses	Indirect Expense Allocation	Program Revenues		
			Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities					
General government	\$ 10,937,884	\$ 827,647	\$ 5,654,833	\$ 516,252	\$ --
Public protection	88,832,258	2,667,953	15,127,689	37,675,422	95,064
Public ways and facilities	20,120,376	407,449	1,733,350	3,731,010	2,939,690
Health and sanitation	51,192,058	1,127,607	3,233,351	47,880,773	35,889
Public assistance	106,685,298	1,851,530	2,365,964	93,662,997	10,256
Education	1,571,614	25,936	26,949	--	--
Recreation	146,584	11,955	8,121	--	--
Debt Service:					
Interest expense	1,108,678	--	--	--	--
Total Governmental Activities	<u>280,594,750</u>	<u>6,920,077</u>	<u>28,150,257</u>	<u>183,466,454</u>	<u>3,080,899</u>
Business-Type Activities					
Fall River Mills Airport	143,927	5,478	57,752	10,000	23,184
West Central Landfill	(1,840,326)	--	2,040,802	--	--
Solid Waste Disposal	1,669,183	7,287	955,424	--	--
Shasta County Transit	403,007	2,297	20,728	334,830	--
County Service Areas	2,179,653	47,538	1,354,415	523,910	337,177
Total Business-Type Activities	<u>2,555,444</u>	<u>62,600</u>	<u>4,429,121</u>	<u>868,740</u>	<u>360,361</u>
Total Primary Government	<u>\$ 283,150,194</u>	<u>\$ 6,982,677</u>	<u>\$ 32,579,378</u>	<u>\$ 184,335,194</u>	<u>\$ 3,441,260</u>
Component Units					
Children and Families First	\$ 1,750,597	\$ --	\$ --	\$ 1,433,984	\$ --
Total Component Units	<u>\$ 1,750,597</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,433,984</u>	<u>\$ --</u>

General Revenues

Taxes:

Property taxes
Sales and use taxes
RDA pass through taxes
State in-lieu taxes
Federal in-lieu taxes
State highway user taxes
Property tax in-lieu of VLF
Other taxes
Motor vehicles in-lieu
Interest and investment earnings
Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning , Restated

Net Position - Ending

The accompanying notes are an integral part of these financial statements.

Changes in Net Position			
Governmental Activities	Business-Type Activities	Total Primary Government	Component Unit
\$ (5,594,446)	\$ --	\$ (5,594,446)	\$ --
(38,602,036)	--	(38,602,036)	--
(12,123,775)	--	(12,123,775)	--
(1,169,652)	--	(1,169,652)	--
(12,497,611)	--	(12,497,611)	--
(1,570,601)	--	(1,570,601)	--
(150,418)	--	(150,418)	--
<u>(1,108,678)</u>	<u>--</u>	<u>(1,108,678)</u>	<u>--</u>
<u>(72,817,217)</u>	<u>--</u>	<u>(72,817,217)</u>	<u>--</u>
--	(58,469)	(58,469)	--
--	3,881,128	3,881,128	--
--	(721,046)	(721,046)	--
--	(49,746)	(49,746)	--
--	(11,689)	(11,689)	--
<u>--</u>	<u>3,040,178</u>	<u>3,040,178</u>	<u>--</u>
<u>(72,817,217)</u>	<u>3,040,178</u>	<u>(69,777,039)</u>	<u>--</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>(316,613)</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>(316,613)</u>
26,176,429	26,830	26,203,259	--
2,699,617	--	2,699,617	--
582	--	582	--
1,037,944	--	1,037,944	--
1,453,478	--	1,453,478	--
8,033,324	--	8,033,324	--
18,571,946	--	18,571,946	--
1,915,778	--	1,915,778	--
603,330	--	603,330	--
1,535,246	111,663	1,646,909	8,544
18,630,216	240,943	18,871,159	2,722
<u>80,657,890</u>	<u>379,436</u>	<u>81,037,326</u>	<u>11,266</u>
7,840,673	3,419,614	11,260,287	(305,347)
<u>63,712,105</u>	<u>50,281,151</u>	<u>113,993,256</u>	<u>3,316,250</u>
<u>\$ 71,552,778</u>	<u>\$ 53,700,765</u>	<u>\$ 125,253,543</u>	<u>\$ 3,010,903</u>

The accompanying notes are an integral part of these financial statements.

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**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**

COUNTY OF SHASTA

Balance Sheet
Governmental Funds
June 30, 2015

	General Fund	Roads Administration Fund	Public Safety Fund
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and investments	\$ 86,235,537	\$ 8,792,028	\$ 22,966,415
Accounts receivable	6,268,832	85,632	4,422,497
Due from other governments	16,907,959	1,246,518	5,001,598
Inventories	--	387,880	--
Other assets	965,868	99	6,468
Due from other funds	3,887,831	11,299	500,547
Special assessments receivable	--	--	--
Notes receivable	--	--	--
Advances to other funds	--	22,247	--
Cash and investments - restricted	--	--	--
Totals Assets	<u><u>\$ 114,266,027</u></u>	<u><u>\$ 10,545,703</u></u>	<u><u>\$ 32,897,525</u></u>
Liabilities			
Accounts payable	\$ 1,862,466	\$ 430,200	\$ 316,809
Retention payable	2,169	--	--
Salaries and benefits payable	3,164,932	386,880	1,693,687
Due to other funds	664,686	17,507	504,244
Due to other governments	657,824	18,617	224,306
Deposits from others	1,500	--	--
Unearned revenue	2,697,304	113,683	229,718
Advances from other funds	--	--	--
Total Liabilities	<u><u>9,050,881</u></u>	<u><u>966,887</u></u>	<u><u>2,968,764</u></u>
Deferred Inflows of Resources			
Unavailable revenue	<u>8,617,218</u>	<u>31,319</u>	<u>4,163,030</u>
Fund Balances:			
Nonspendable	965,868	387,979	6,468
Restricted	17,714,199	9,153,414	25,759,263
Committed	83,140	--	--
Assigned	23,627,464	6,104	--
Unassigned	54,207,257	--	--
Total Fund Balances	<u><u>96,597,928</u></u>	<u><u>9,547,497</u></u>	<u><u>25,765,731</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 114,266,027</u></u>	<u><u>\$ 10,545,703</u></u>	<u><u>\$ 32,897,525</u></u>

The accompanying notes are an integral part of these financial statements.

Non-Major Governmental Funds	Total Governmental Funds
\$ 35,448,518	\$ 153,442,498
158,610	10,935,571
4,661,374	27,817,449
--	387,880
253,579	1,226,014
326,536	4,726,213
485,143	485,143
10,428,025	10,428,025
472,926	495,173
192	192
<u>\$ 52,234,903</u>	<u>\$ 209,944,158</u>
\$ 485,926	\$ 3,095,401
--	2,169
937,215	6,182,714
516,900	1,703,337
209,093	1,109,840
3,917	5,417
2,809,743	5,850,448
483,506	483,506
<u>5,446,300</u>	<u>18,432,832</u>
<u>744,767</u>	<u>13,556,334</u>
253,579	1,613,894
39,627,209	92,254,085
2,343,704	2,426,844
3,819,344	27,452,912
--	54,207,257
<u>46,043,836</u>	<u>177,954,992</u>
<u>\$ 52,234,903</u>	<u>\$ 209,944,158</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF SHASTA

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2015

Total Fund Balances - Governmental Funds (page 27)	\$ 177,954,992
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	149,415,082
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	
Unavailable revenues	13,556,334
Other post employment benefits obligation	(70,776,000)
Long-Term Debt that has not been included in the governmental fund activity.	(35,554,887)
Interest on outstanding debt not due and payable in the current period is not accrued in the governmental funds.	(248,444)
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 prepaid insurance costs.	205,372
Compensated absences are not accrued in the Governmental Funds.	(7,739,393)
Internal Service Funds assets and liabilities are included in governmental activities in the Statement of Net Position	9,120,933
Net pension liability	(142,553,138)
Deferred outflows of resources related to the net pension liability	15,809,567
Deferred inflows of resources related to the net pension liability	<u>(37,637,640)</u>
Net Position of Governmental Activities (page 23)	<u>\$ 71,552,778</u>

The accompanying notes are an integral part of these financial statements.

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COUNTY OF SHASTA

Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended June 30, 2015

	General Fund	Roads Administration Fund	Public Safety Fund
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ 45,006,704	\$ 2,100,144	\$ 74,395
Licenses and permits	3,649,178	36,065	137,003
Fines and forfeitures	4,467,727	--	2,626,195
Use of money and property	1,064,616	40,095	132,990
Intergovernmental	121,105,313	12,634,886	28,684,307
Charges for other services	10,522,753	1,150,424	3,401,641
Miscellaneous revenue	11,799,992	1,015,640	4,319,100
Total Revenues	<u>197,616,283</u>	<u>16,977,254</u>	<u>39,375,631</u>
Expenditures			
Current:			
General government	10,601,446	--	--
Public protection	15,361,017	--	57,430,336
Public ways and facilities	--	18,139,495	--
Health and sanitation	26,060,474	--	--
Public assistance	105,107,119	--	--
Education	1,589,660	--	--
Recreation	154,629	--	--
Debt Service	--	--	--
Total Expenditures	<u>158,874,345</u>	<u>18,139,495</u>	<u>57,430,336</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>38,741,938</u>	<u>(1,162,241)</u>	<u>(18,054,705)</u>
Other Financing Sources (Uses)			
Transfers in	3,016,577	5,190	24,241,091
Transfers out	(29,398,096)	(88,573)	(782,463)
Sale of capital assets	19,973	60,713	51,263
Total Other Financing Sources (Uses)	<u>(26,361,546)</u>	<u>(22,670)</u>	<u>23,509,891</u>
Net Change in Fund Balances	12,380,392	(1,184,911)	5,455,186
Fund Balances - Beginning	<u>84,217,536</u>	<u>10,732,408</u>	<u>20,310,545</u>
Fund Balances - Ending	<u>\$ 96,597,928</u>	<u>\$ 9,547,497</u>	<u>\$ 25,765,731</u>

The accompanying notes are an integral part of these financial statements.

Non-Major Governmental Funds	Total Governmental Funds
\$ 2,068,595	\$ 49,249,838
240,408	4,062,654
21,847	7,115,769
331,709	1,569,410
34,902,356	197,326,862
2,946,691	18,021,509
1,586,992	18,721,724
<u>42,098,598</u>	<u>296,067,766</u>
587,139	11,188,585
12,921,737	85,713,090
693,812	18,833,307
24,798,073	50,858,547
732,734	105,839,853
--	1,589,660
--	154,629
3,771,347	3,771,347
<u>43,504,842</u>	<u>277,949,018</u>
<u>(1,406,244)</u>	<u>18,118,748</u>
5,581,162	32,844,020
(2,889,633)	(33,158,765)
25,282	157,231
<u>2,716,811</u>	<u>(157,514)</u>
1,310,567	17,961,234
<u>44,733,269</u>	<u>159,993,758</u>
<u>\$ 46,043,836</u>	<u>\$ 177,954,992</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF SHASTA

Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures, and Changes in Fund Balances
to the Government-Wide Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances - Total Governmental Funds (page 31)	\$ 17,961,234
Amounts reported for governmental activities in the Statement of Net Activities are different because:	
Governmental funds report capital outlays as expenditures.	6,576,677
In the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.	(6,065,705)
Governmental Funds report the disposal of assets only to the extent that proceeds are received from the sale. In the Statement of Net Activities, a gain or loss is reported for each disposal.	(329,963)
Revenues that do not provide current financial resources are not reported as revenues in the funds.	(995,042)
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.	2,625,196
Interest on outstanding debt is reported as an expenditure when due in the Governmental Funds, but is accrued in the Statement of Activities.	50,568
Governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the current year amortization of prepaid insurance costs.	(13,095)
Compensated absences in the Statement of Activities is reported as an expense, but is not reported in the Governmental Funds.	84,794
Other Post Employment Benefits are reported as an expense when contributions are made in the governmental funds, but are accrued in the Statement of Activities.	(5,657,000)
Internal Service Funds are used by management to charge the cost of certain activities to individual funds. The net revenue (expense) of the internal services funds is reported with Governmental Activities.	(9,614,839)
Pension expense is reported as an expense but is not reported in the Governmental funds	<u>3,217,848</u>
Change in Net Position of Governmental Activities (page 25)	<u><u>\$ 7,840,673</u></u>

The accompanying notes are an integral part of these financial statements.

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COUNTY OF SHASTA

Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
Assets			
Current Assets:			
Cash and investments	\$ 3,654,920	\$ 18,187,415	\$ 12,467
Receivables, net	392,951	--	99
Due from other governments	33,564	676,768	2,002
Inventories	--	--	22,444
Due from other funds	200,113	--	--
Other assets	--	--	--
Total Current Assets	<u>4,281,548</u>	<u>18,864,183</u>	<u>37,012</u>
Noncurrent Assets:			
Special assessments receivable	--	--	--
Advances to other funds	--	--	--
Cash and investments - restricted	--	--	--
Capital assets, non depreciable	1,100,708	--	110,000
Capital assets, depreciable - net	10,099,864	--	12,210,852
Total Noncurrent Assets	<u>11,200,572</u>	<u>--</u>	<u>12,320,852</u>
Total Assets	<u>15,482,120</u>	<u>18,864,183</u>	<u>12,357,864</u>
Liabilities			
Current Liabilities:			
Accounts payable	20,039	--	2,074
Salaries and benefits payable	--	--	--
Interest payable	13,690	--	--
Due to other governments	--	--	--
Due to other funds	--	200,016	--
Deposits from others	--	--	400
Unearned Revenue	--	--	--
Claims payable	--	--	--
Compensated absences payable	--	--	--
Bonds, notes payable	132,382	--	--
Total Current Liabilities	<u>166,111</u>	<u>200,016</u>	<u>2,474</u>
Noncurrent Liabilities:			
Claims payable	--	--	--
Advances from other funds	--	--	--
Compensated absences payable	--	--	--
Bonds, notes payable	1,036,899	--	--
Landfill closure/postclosure care costs	--	11,160,152	--
Total Noncurrent Liabilities	<u>1,036,899</u>	<u>11,160,152</u>	<u>--</u>
Total Liabilities	<u>1,203,010</u>	<u>11,360,168</u>	<u>2,474</u>
Net Position			
Net investment in capital assets	10,031,291	--	12,320,852
Unrestricted	4,247,819	7,504,015	34,538
Total Net Position	<u>\$ 14,279,110</u>	<u>\$ 7,504,015</u>	<u>\$ 12,355,390</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activities

CSA #6 Jones Valley Water	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 339,060	\$ 1,186,935	\$ 23,380,797	\$ 27,365,631
40,922	288,426	722,398	18,494
--	856,386	1,568,720	17,622
--	--	22,444	92,078
16,910	18,368	235,391	479,861
56,086	8,530	64,616	111,916
<u>452,978</u>	<u>2,358,645</u>	<u>25,994,366</u>	<u>28,085,602</u>
3,856,809	493,027	4,349,836	--
--	--	--	357,214
--	19,939	19,939	--
54,400	1,376,258	2,641,366	55,376
9,882,628	6,670,131	38,863,475	2,723,091
<u>13,793,837</u>	<u>8,559,355</u>	<u>45,874,616</u>	<u>3,135,681</u>
<u>14,246,815</u>	<u>10,918,000</u>	<u>71,868,982</u>	<u>31,221,283</u>
7,078	236,329	265,520	419,669
--	--	--	332,539
10,655	3,246	27,591	--
--	--	--	217,375
--	373,215	573,231	143,195
3,976	1,000	5,376	375
0	18,677	18,677	--
--	--	--	4,004,174
--	--	--	271,583
<u>153,504</u>	<u>57,962</u>	<u>343,848</u>	<u>--</u>
<u>175,213</u>	<u>690,429</u>	<u>1,234,243</u>	<u>5,388,910</u>
--	--	--	16,476,826
--	368,881	368,881	--
--	--	--	234,614
3,869,790	498,252	5,404,941	--
--	--	11,160,152	--
<u>3,869,790</u>	<u>867,133</u>	<u>16,933,974</u>	<u>16,711,440</u>
<u>4,045,003</u>	<u>1,557,562</u>	<u>18,168,217</u>	<u>22,100,350</u>
5,913,734	7,490,175	35,756,052	2,778,467
4,288,078	1,870,263	17,944,713	6,342,466
<u>\$ 10,201,812</u>	<u>\$ 9,360,438</u>	<u>\$ 53,700,765</u>	<u>\$ 9,120,933</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF SHASTA

Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2015

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
Operating Revenues			
Charges for services	\$ 953,623	\$ 2,040,802	\$ 52,952
Operating Expenses			
Salaries and benefits	--	--	--
Services and supplies	1,436,780	--	108,383
Central service costs	7,287	--	5,478
Insurance premiums	--	--	--
Claims expense	--	--	--
Depreciation	199,195	--	35,544
Landfill closure/postclosure care costs	--	(1,840,326)	--
Total Operating Expenses	<u>1,643,262</u>	<u>(1,840,326)</u>	<u>149,405</u>
Operating Income (Loss)	<u>(689,639)</u>	<u>3,881,128</u>	<u>(96,453)</u>
Non-Operating Revenues (Expenses)			
Investment income (loss)	18,087	86,636	94
Property tax revenue	--	--	--
Licenses and permits revenue	--	--	--
Non-operating grants	--	--	33,184
Capital improvement fees	--	--	--
Miscellaneous revenue	13	--	5,000
Miscellaneous expense	(50)	--	--
Interest expense	(33,158)	--	--
Gain (loss) on sale of capital assets	1,802	--	--
Total Non-Operating Revenues (Expenses)	<u>(13,306)</u>	<u>86,636</u>	<u>38,278</u>
Net Income (Loss) Before Transfers	<u>(702,945)</u>	<u>3,967,764</u>	<u>(58,175)</u>
Transfers in	895,927	--	--
Transfers out	--	(895,927)	--
Change in Net Position	<u>192,982</u>	<u>3,071,837</u>	<u>(58,175)</u>
Net Position - Beginning, Restated	<u>14,086,128</u>	<u>4,432,178</u>	<u>12,413,565</u>
Net Position - Ending	<u>\$ 14,279,110</u>	<u>\$ 7,504,015</u>	<u>\$ 12,355,390</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activities			
CSA #6 Jones Valley Water	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 184,449	\$ 1,470,760	\$ 4,702,586	\$ 17,488,405
--	--	--	7,659,927
208,602	1,560,931	3,314,696	5,177,091
16,875	30,663	60,303	1,324,461
--	--	--	1,686,032
--	--	--	5,108,026
277,855	477,740	990,334	659,511
--	--	(1,840,326)	--
<u>503,332</u>	<u>2,069,334</u>	<u>2,525,007</u>	<u>21,615,048</u>
<u>(318,883)</u>	<u>(598,574)</u>	<u>2,177,579</u>	<u>(4,126,643)</u>
1,407	5,439	111,663	148,122
--	26,830	26,830	--
--	818,170	818,170	--
--	--	33,184	--
5,625	--	5,625	--
84,748	248,037	337,798	3,285,450
--	--	(50)	(9,244,725)
(33,706)	(26,123)	(92,987)	--
--	--	1,802	8,212
<u>58,074</u>	<u>1,072,353</u>	<u>1,242,035</u>	<u>(5,802,941)</u>
(260,809)	473,779	3,419,614	(9,929,584)
--	--	895,927	550,892
--	--	(895,927)	(236,147)
(260,809)	473,779	3,419,614	(9,614,839)
<u>10,462,621</u>	<u>8,886,659</u>	<u>50,281,151</u>	<u>18,735,772</u>
<u>\$ 10,201,812</u>	<u>\$ 9,360,438</u>	<u>\$ 53,700,765</u>	<u>\$ 9,120,933</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF SHASTA

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
Cash Flows from Operating Activities			
Receipts from customers	\$ 861,520	\$ 2,076,585	\$ 54,488
Receipts from internal customers	--	--	--
Payments to suppliers	(1,464,467)	--	(82,532)
Payments to employees	--	--	--
Operating subsidies and transfers	--	--	--
Claims paid	--	--	--
Other revenue	--	--	--
Net Cash Provided (Used) by Operating Activities	(602,947)	2,076,585	(28,044)
Cash Flows from Non-Capital Financing Activities			
Other revenue	(38)	--	--
Payment of refund to participants	--	--	--
Non-operating grants received	--	--	5,000
Property taxes	--	--	--
Non-operating subsidies and transfers in	895,927	--	--
Non-operating subsidies and transfers out	--	(796,370)	(836)
Net Cash Provided (Used) by Non-Capital Financing Activities	895,889	(796,370)	4,164
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	(930)	--	(23,534)
Capital improvement fees	--	--	--
Principal payments on debt	(128,765)	--	--
Proceeds from sale of capital assets	(19,361)	--	--
Proceeds from capital-type special assessments	--	--	--
Capital grants received	--	--	38,562
Interest payments on debt	(34,666)	--	--
Net Cash Used by Capital and Related Financing Activities	(183,722)	--	15,028
Cash Flows From Investing Activities			
Income on investments	18,087	86,636	94
Net Increase (Decrease) in Cash and Cash Equivalents	127,307	1,366,851	(8,758)
Cash and Cash Equivalents - Beginning of Year	3,527,613	16,820,564	21,225
Cash and Cash Equivalents - End of Year	\$ 3,654,920	\$ 18,187,415	\$ 12,467

The accompanying notes are an integral part of these financial statements.

Business-Type Activities			
CSA #6 Jones Valley Water	Non-Major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 187,843	\$ 1,169,919	\$ 4,350,355	\$ 16,652,730
--	--	--	743,723
(267,367)	(1,206,550)	(3,020,916)	(8,340,401)
--	--	--	(7,587,191)
--	(238,826)	(238,826)	--
--	--	--	(4,970,026)
--	--	--	3,289,291
<u>(79,524)</u>	<u>(275,457)</u>	<u>1,090,613</u>	<u>(211,874)</u>
2,036	21,935	23,933	--
--	--	--	(9,244,724)
--	--	5,000	--
--	5,072	5,072	--
--	--	895,927	--
--	(20,065)	(817,271)	335,688
<u>2,036</u>	<u>6,942</u>	<u>112,661</u>	<u>(8,909,036)</u>
--	(594,214)	(618,678)	(221,159)
5,625	500	6,125	--
(93,753)	(37,314)	(259,832)	(642,085)
--	--	(19,361)	--
159,942	46,669	206,611	--
--	888,411	926,973	--
(34,196)	(26,546)	(95,408)	--
<u>37,618</u>	<u>277,506</u>	<u>146,430</u>	<u>(863,244)</u>
<u>1,407</u>	<u>5,582</u>	<u>111,806</u>	<u>148,122</u>
(38,463)	14,573	1,461,510	(9,836,032)
<u>377,523</u>	<u>1,192,301</u>	<u>21,939,226</u>	<u>37,201,663</u>
<u>\$ 339,060</u>	<u>\$ 1,206,874</u>	<u>\$ 23,400,736</u>	<u>\$ 27,365,631</u>

The accompanying notes are an integral part of these financial statements.

continued

COUNTY OF SHASTA

Statement of Cash Flows (continued)
 Proprietary Funds
 For the year ended June 30, 2015

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (689,639)	\$ 3,881,128	\$ (96,453)
Adjustments to reconcile net operating income to net cash provided (used) by operating activities:			
Depreciation expense	199,196	--	35,544
Changes in assets and liabilities:			
Receivables, net	13,730	--	1,536
Due from other funds	(98,403)	--	--
Due from other governments	(4,753)	35,783	54
Inventories	--	--	29,578
Other assets	--	--	--
Accounts payable	(20,401)	--	1,697
Salaries and benefits payable	--	--	--
Due to other funds	(2,677)	--	--
Claims liability	--	--	--
Due to other governments	--	--	--
Compensated absences payable	--	--	--
Landfill closure/postclosure care costs	--	(1,840,326)	--
Net Cash Provided (Used) by Operating Activities	\$ (602,947)	\$ 2,076,585	\$ (28,044)

The accompanying notes are an integral part of these financial statements.

Business-Type Activities			
CSA #6	Non-Major	Total	Internal
Jones Valley	Enterprise	Enterprise	Service
Water	Funds	Funds	Funds
\$ (318,883)	\$ (598,574)	\$ 2,177,579	\$ (4,126,643)
277,857	477,740	990,337	659,511
3,394	(45,712)	(27,052)	3,283,927
54,983	26,684	(16,736)	12,869
--	(518,765)	(487,681)	(10,515)
--	--	29,578	(4,381)
(56,086)	(8,530)	(64,616)	35,225
(5,341)	169,442	145,397	(175,143)
--	--	--	38,792
(35,448)	200,604	162,479	(109,879)
--	--	--	138,000
--	21,654	21,654	12,419
--	--	--	33,944
--	--	(1,840,326)	--
<u>\$ (79,524)</u>	<u>\$ (275,457)</u>	<u>\$ 1,090,613</u>	<u>\$ (211,874)</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF SHASTA

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Investment Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets		
Cash and investments	\$ 171,971,086	\$ 29,532,194
Accounts receivable, net	33,687	604,050
Taxes receivable, net	--	14,045,261
Due from other governments	17,146	57,978
Due from other funds	720,350	556,143
Totals Assets	<u>172,742,269</u>	<u>44,795,626</u>
Liabilities		
Due to other funds	521,285	3,776,910
Due to other governments	87,300	8,948,994
Taxes due to other funds	--	13,686,707
Agency funds liabilities	--	18,383,015
Total Liabilities	<u>608,585</u>	<u>\$ 44,795,626</u>
Net Position		
Net position held in trust for investment pool participants	<u>\$ 172,133,684</u>	

The accompanying notes are an integral part of these

COUNTY OF SHASTA

Statement of Changes in Fiduciary Net Position
Investment Trust Funds
For the Year Ended June 30, 2015

Additions	
Contributions to investment pool	\$ 454,502,302
Deductions	
Distributions from investment pool	<u>431,107,667</u>
Change in Net Position	23,394,635
Net Position, Beginning	<u>148,739,049</u>
Net Position, Ending	<u><u>\$ 172,133,684</u></u>

The accompanying notes are an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

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COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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
- Mel Mar Lighting
- Rother Riverside Sub Light
- Sierra Vista Lighting
- Summit City Lighting

Permanent Road Divisions (PRDs) are established for the benefit of private road systems. Annual parcel charges are levied to pay for the level of maintenance work desired by the property owners.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

A. **Component Units** (continued)

- Aegean Way PRD
- Aiden Park PRD
- Alpine Way PRD
- Amber Lane PRD
- Amber Ridge PRD
- Amesbury Village PRD
- Blackstone Estates PRD
- Buckshot Lane EFER PRD
- #1 Butterfield Lane EFER PRD
- #2 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
- Deer Flat Road 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
- Jennifer Drive EFER PRD
- Jordan Manor PRD
- L & R Estates PRD
- Lake Drive PRD
- Laurel Glen Estates PRD
- Laverne Lane PRD
- Lark Court 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
- 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 Road PRD
- Shasta Lake Ranchos PRD
- Shasta Meadows PRD
- Shelly Lane PRD
- Ski Way PRD
- #1 Skylark Lane EFER PRD
- #2 Skylark Lane EFER PRD
- Silver Saddle Estates PRD
- Sleeping Bull Estates PRD
- Sonora Trail PRD
- #1 Squaw Carpet Fire Access PRD
- #2 Squaw Carpet Fire Access PRD
- Sterling Ranch PRD
- Stillwater Ranch PRD
- Terri Lee Terrace PRD
- Timber Ridge PRD
- Tract 1323 PRD
- Valparaiso Way PRD
- Vedder Road PRD
- Victoria Highlands Estates PRD

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

A. **Component Units** (continued)

- Latona Road PRD
- Logan Road PRD
- #1 Los Palos EFER PRD
- #2 Los Palos EFER PRD
- Manor Crest PRD
- Manton Heights PRD
- Manzanillo Orchard 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 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 *Shasta County Air Quality Management District* endeavors to achieve state and federal ambient air quality standards.

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 *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 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 *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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. **Component Units** (continued)

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 *Regional Transportation Planning Agency* (RTPA) provides transportation planning services and administers the metropolitan transportation planning organization (MPO) function for local jurisdictions within the County. On August 1st, 2012 the RTPA separated from the County and formally became the Shasta Regional Transportation Agency (SRTA), an independent agency per unanimous board vote.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Assets 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 County-wide 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 *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 *Roads Administration Fund* is used to account for the activities associated with road maintenance and bridge construction.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 water district and their water systems.
- The *West Central Landfill Fund* is used to account for the activity associated with replacement and improvement of the County's landfill.
- The *Fall River Mills Airport Fund* is used to account for the activity associated with the airport, including the re-build and improvements.

Additionally, the County reports the following fund types:

- *Internal Service Funds* account for vehicle operations, risk management, information technology, communications operations, janitorial services, 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. These funds account for assets held by the County in an agency capacity for individuals or other government units.

New Accounting Pronouncements

For the fiscal year ended June 30, 2015, the County implemented the following Governmental Accounting Standards Board (GASB) Statements:

- GASB Statement No. 68, *Accounting and Financial Reporting for Pension – An Amendment of GASB Statement No. 27*. The requirements of this statement are effective for fiscal years beginning after June 15, 2014. GASB 68 improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.

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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

D. Measurement Focus and Basis of Accounting (continued)

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. 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 Courthouse, Administrative and Justice Center Improvement Project, 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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 and received after June 15th will not be utilized until after June 30, and therefore, these expenditures are not accrued in the current 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 the lower of cost (first-in, first-out) or market. 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.

H. **Capital Assets**

Capital assets, which include land, structures and improvements, equipment, 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 Assets Accounting System. Capital assets in the proprietary funds are capitalized in the fund 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 estimated fair market value at the date of donation. Self-constructed assets are recorded at the amount of direct labor, material, and capitalized interest costs.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

H. **Capital Assets** (continued)

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	5 - 10
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, \$25,000 for structures and improvements, and \$500,000 for infrastructure.

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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

I. Property Tax Levy, Collection and Maximum Rates

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 Assets.

K. Long-Term Debt and Bond Discounts/Premiums

In the government-wide and proprietary funds financial statements, outstanding debt is reported as a liability. 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 are reported as expenditures.

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. 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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

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. 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.

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 insure 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 39 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 59 percent of the investment pool.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 2: **CASH IN TREASURY** (CONTINUED)

A. **Cash Management** (continued)

At June 30, 2015, total County cash and investments were as follows:

<i>Cash:</i>	
Cash on hand and imprest cash	\$ 27,240
Deposits	78,179,745
Total cash and deposits	<u>78,206,985</u>
<i>Investments:</i>	
In Treasurer's pool	340,291,676
External to the Treasurer's pool	379,183
Total investments	<u>340,670,859</u>
<i>In-transit items:</i>	
Outstanding checks	(9,929,861)
Electronic funds transfers	(631,731)
	<u>(10,561,592)</u>
Total cash and investments	<u>\$ 408,316,252</u>

Total cash and investments at June 30, 2015 were presented on the County's financial statements as follows:

Primary government	\$ 204,076,738
Primary government - restricted cash	132,319
Component units	2,603,915
Investment trust fund	171,971,086
Agency funds	29,532,194
Total cash and investments	<u>\$ 408,316,252</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 2: **CASH IN TREASURY** (CONTINUED)

A. **Cash Management** (continued)

Investments

At June 30, 2015, the County had the following investments:

	Interest Rates	Maturities	Par	Cost	Fair Value	WAM (Years)
Investments in Investment Pool						
Local Agency Investment Fund	0.28%	7/12015	\$ 50,000,000	\$ 50,000,000	\$ 50,034,959	0.00
U.S. Treasury Note	0.63%	12/15/16 - 5/31/17	10,000,000	9,967,209	10,009,350	1.71
Medium Term Notes	0.60% - 3.68%	1/15/16 - 11/20/17	45,000,000	45,525,585	45,385,900	1.12
Commercial Paper	0.29% - 0.40%	7/13/15 - 11/6/15	35,000,000	34,920,796	34,985,400	0.13
Federal Farm Credit	0.55% - 1.20%	8/26/16 - 12/18/17	55,000,000	54,979,750	54,960,750	2.00
Federal Home Loan Bank	0.36% - 1.00%	2/19/16 - 12/18/17	60,000,000	59,939,454	59,938,100	1.77
Federal National Mortgage	0.38% - 1.05%	12/21/15 - 5/25/18	50,000,000	50,010,625	49,865,300	2.05
Federal Home Loan Mortgage Corporation	0.42% - 1.17%	3/12/2018	35,000,000	34,948,257	35,035,750	1.18
Government National Mortgage Association	8.00% - 9.50%	5/15/17 - 8/15/17	3,178		3,206	1.89
			<u>\$ 340,003,178</u>	<u>\$ 340,291,676</u>	<u>\$ 340,218,715</u>	
Investments Outside Investment Pool						
Shasta Lake Local Agency Investment Fund	0.28%	6/30/2015	\$ 253,075	\$ 253,075	\$ 253,075	0.00
Investments with fiscal agent	0.01 %- 1.00%	6/30/2015	126,108	126,108	126,108	0.00
			<u>\$ 379,183</u>	<u>\$ 379,183</u>	<u>\$ 379,183</u>	
Total Investments			<u>\$ 340,382,361</u>	<u>\$ 340,670,859</u>	<u>\$ 340,597,898</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 five years or less in accordance with its investment policy.

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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 2: **CASH IN TREASURY** (CONTINUED)

A. **Cash Management** (continued)

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, 2015.

Investments in Investment Pool	Moody's	S&P	% of Portfolio
Local Agency Investment Fund	Unrated	Unrated	14.70%
U.S. Treasury Note	Unrated	Unrated	2.93%
Certificate of Deposit			0.00%
Medium Term Notes	A3 - Aaa	A - AAA	13.34%
Commercial Paper	P-1	A-1	10.28%
Federal Farm Credits	Aaa	AA+	16.16%
Federal Home Loan Bank	Aaa	AA+	17.62%
Federal National Mortgage	Aaa	AA+	14.67%
Federal Home Loan Mortgage Corp.	Aaa	AA+	10.30%
Government National Mortgage Association		AAA	0.00%
			<u>100.00%</u>

At June 30, 2015 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.

	Portfolio	Amount
Local Agency Investment Fund	14.70%	\$ 50,018,799
Federal Farm Credit	16.16%	54,960,750
Federal Home Loan Bank	17.62%	59,938,100
Federal National Mortgage	14.66%	49,865,300
Federal Home Loan Mortgage Corp.	10.30%	35,035,750

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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 2: **CASH IN TREASURY** (CONTINUED)

A. **Cash Management** (continued)

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 Advisor Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2015, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$50,000,000 (fair value of \$50,018,799) and is the same as value of the pool shares. The total amount invested by all public agencies in LAIF on that day was \$69,614,988,609; 100% of which was invested in other non-derivative financial products.

County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net assets and changes in net assets for the Treasurer's investment pool as of June 30, 2015:

Statement of Net Position

Assets:

Investments	\$	340,291,676
Other deposits		76,610,083
Cash		11,823
Total assets		<u>416,913,582</u>

In-transit items:

Outstanding checks and warrants payable		9,929,861
Electronic funds transfers		631,731
Total in-transit items		<u>10,561,592</u>

Net Position:

Equity of internal pool participants		234,598,055
Equity of external pool participants		172,133,684
Total net position	\$	<u>406,731,739</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 2: CASH IN TREASURY (CONTINUED)

B. Allocations of Investment Income Among Funds

Statement of Changes in Net Position

Investment earnings	\$ 2,483,031
Investment expenses	(654,223)
Net contribution to pool participants	<u>41,157,515</u>
Increase in Net Position	42,986,323
Net position at July 1, 2014	<u>363,745,416</u>
Net position at June 30, 2015	<u><u>\$ 406,731,739</u></u>

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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 2: **CASH IN TREASURY** (CONTINUED)

C. Authorized Investments (continued)

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.

E. Methods and Assumptions Used to Estimate Fair Value

The County adjusts its investment accounting records to "fair value" at fiscal year end. 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 \$10,428,025, as reported in the governmental non-major funds, include \$3,327,423 in loans to individuals for housing rehabilitation, and \$6,236,045 for the purchases of homes. 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 remaining \$864,557 consist of real property rehabilitation deferred loans to the following organizations:

Shingletown Activities Council	\$	94,829
Happy Valley Community Foundation		104,404
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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 4: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	Balance July 1, 2014	Additions	Transfers	Retirements	Balance June 30, 2015
Governmental Activities					
Capital assets not being depreciated:					
Land and improvements	\$ 2,589,019	\$ 254,837	\$ --	\$ --	\$ 2,843,856
Construction in progress	2,030,834	3,156,157	304,597	(1,662,092)	3,829,496
Total Capital Assets Not Being Depreciated	<u>4,619,853</u>	<u>3,410,994</u>	<u>304,597</u>	<u>(1,662,092)</u>	<u>6,673,352</u>
Capital assets being depreciated:					
Structures and improvements	120,031,724	1,894,759	(304,597)	(499,467)	121,122,419
Long-term leasehold improvements	923,068	--	--	--	923,068
Equipment	44,288,454	3,180,993	--	(1,656,875)	45,812,572
Infrastructure	120,706,996	711,931	--	--	121,418,927
Total Capital Assets Being Depreciated	<u>285,950,242</u>	<u>5,787,683</u>	<u>(304,597)</u>	<u>(2,156,342)</u>	<u>289,276,986</u>
Less accumulated depreciation for:					
Structures and Improvements	(38,767,587)	(2,420,599)	--	243,818	(40,944,368)
Long-term leasehold improvements	(806,801)	(23,576)	--	--	(830,377)
Equipment	(31,678,205)	(2,909,995)	--	1,509,803	(33,078,397)
Infrastructure	(67,532,604)	(1,371,045)	--	--	(68,903,649)
Total Capital Assets Being Depreciated, Net	<u>(138,785,197)</u>	<u>(6,725,215)</u>	<u>--</u>	<u>1,753,621</u>	<u>(143,756,791)</u>
Total Capital Assets Being Depreciated, Net	<u>147,165,045</u>	<u>(937,532)</u>	<u>(304,597)</u>	<u>(402,721)</u>	<u>145,520,195</u>
Governmental Activities Capital Assets, Net	<u>\$ 151,784,898</u>	<u>\$ 2,473,462</u>	<u>\$ --</u>	<u>\$ (2,064,813)</u>	<u>\$ 152,193,547</u>
Business-Type Activities					
Capital assets not being depreciated:					
Land and improvements	\$ 2,026,076	\$ --	\$ --	\$ --	\$ 2,026,076
Construction in progress	11,932,987	638,824	(11,956,521)	--	615,290
Total Capital Assets Not Being Depreciated	<u>13,959,063</u>	<u>638,824</u>	<u>(11,956,521)</u>	<u>--</u>	<u>2,641,366</u>
Capital assets being depreciated:					
Structures and improvements	63,589,135	--	11,956,471	--	75,545,606
Equipment	312,649	26,763	50	(21,163)	318,299
Total Capital Assets Being Depreciated	<u>63,901,784</u>	<u>26,763</u>	<u>11,956,521</u>	<u>(21,163)</u>	<u>75,863,905</u>
Less accumulated depreciation for:					
Structures and Improvements	(35,792,415)	(978,221)	--	--	(36,770,636)
Equipment	(238,844)	(12,113)	--	21,163	(229,794)
Total Accumulated Depreciation	<u>(36,031,259)</u>	<u>(990,334)</u>	<u>--</u>	<u>21,163</u>	<u>(37,000,430)</u>
Total Capital Assets Being Depreciated, Net	<u>27,870,525</u>	<u>(963,571)</u>	<u>11,956,521</u>	<u>--</u>	<u>38,863,475</u>
Business-Type Activities Capital Assets, Net	<u>\$ 41,829,588</u>	<u>\$ (324,747)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 41,504,841</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

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

Governmental Activities	
General government	\$ 2,465,495
Public protection	957,479
Public ways	2,335,754
Health and sanitation	162,701
Public assistance	143,280
Education	995
Capital assets held by the County's internal service funds are charged to the various functions based on the usage of the assets	<u>659,511</u>
Total Depreciation Expenses Governmental Activities	<u><u>\$ 6,725,215</u></u>
Business-Type Activities	
Airport	\$ 35,544
Solid Waste	199,195
County Service Areas	<u>755,595</u>
Total Depreciation Expenses Business-Type Activities	<u><u>\$ 990,334</u></u>

NOTE 5: **INTERFUND TRANSACTIONS**

Interfund Receivables/Payables

Due to/from Other Funds:

Due to and Due from Other Funds represent any interfund receivables and payables. These may result from services rendered by one fund to another fund, or from interfund loans. "Due from" and "due to" balances are generally used to reflect short-term interfund receivables and payables whereas "advance from" and "advance to" balances are long-term. The majority of the interfund balances resulted from the time lag between the time that (1) goods and services were provided, (2) transactions were recorded in the accounting system, and (3) payments between the funds were made.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 5: INTERFUND TRANSACTIONS (CONTINUED)

Interfund Receivables/Payables (continued)

Due to/from Other Funds: (continued)

Interfund receivable and payable balances at June 30, 2015, 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 Admin. Fund	\$ 4,425
	Public Safety Fund	251,572
	Nonmajor Governmental Funds	302,677
	Internal Service Funds	71,198
	Nonmajor Enterprise Funds	373,215
	Investment Trust Fund	46
	Agency Funds	<u>2,884,698</u>
		<u>3,887,831</u>
Roads Fund	General Fund	11,129
	Internal Service Funds	170
		<u>11,299</u>
Public Safety Fund	General Fund	233,986
	Nonmajor Governmental Funds	184,144
	Internal Service Funds	28,833
	Agency Funds	<u>53,584</u>
		<u>500,547</u>
Nonmajor Governmental Funds	General Fund	234,241
	Public Safety	2,965
	Nonmajor Governmental Funds	2,513
	Internal Service Funds	19,086
	Agency Funds	66,930
	Investment Trust Fund	<u>801</u>
	<u>326,536</u>	
Internal Service Funds	General Fund	173,281
	Roads Admin. Fund	13,082
	Public Safety Fund	241,796
	Nonmajor Governmental Funds	27,566
	Internal Service Funds	23,908
	Agency Funds	<u>228</u>
	<u>479,861</u>	
CSA #6 Jones Valley Water Funds	General Fund	1,675
	Agency Funds	<u>15,235</u>
		<u>16,910</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 5: **INTERFUND TRANSACTIONS** (CONTINUED)

Interfund Receivables/Payables (continued)

Due to/from Other Funds: (continued)

Receivable fund	Payable Fund	Amount
Solid Waste Disposal Fund	General Fund	\$ 97
	West Central Landfill Fund	200,016
		200,113
Nonmajor Enterprise Fund	General Fund	9,963
	Agency Fund	8,405
		18,368
Agency Funds	Investment Trust Funds	310
	Public Safety Fund	7,911
	Agency Fund	547,783
	Investment Trust Funds	139
		556,143
Investment Trust Funds	Agency Funds	200,052
	Investment Trust Funds	520,298
		720,350
		\$ 6,717,958

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. 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 following is a listing of advances to/from other funds:

Receivable fund	Payable Fund	Amount
Roads Fund	Nonmajor Government Funds	\$ 22,247
Nonmajor Government Funds	Nonmajor Government Funds	461,259
	Nonmajor Enterprise Funds	11,667
		472,926
Internal Service Funds	Nonmajor Enterprise Funds	357,214
		\$ 852,387

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 5: **INTERFUND TRANSACTIONS** (CONTINUED)

Interfund Receivables/Payables (continued)

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, 2015, 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	\$ 23,594,956	Funding of operational expenditures
	Roads Fund	5,190	Funding of operational expenditures
	Nonmajor Governmental Funds	5,283,058	Funding of operational expenditures
	Internal Service Funds	514,892	Purchase of vehicles and funding operational expenses
		<u>29,398,096</u>	
Roads	General Fund	87,683	Funding of capital improvement projects
	Nonmajor Governmental Funds	890	Funding of operational expenditures
		<u>88,573</u>	
Public Safety Fund	General Fund	668,192	Funding of capital improvement projects
	Nonmajor Governmental Funds	78,271	Funding of operational expenditures
	Internal Service Funds	36,000	Purchase of vehicles
		<u>782,463</u>	
Nonmajor Governmental Funds	General Fund	2,216,974	Funding of capital improvement projects
	Public Safety Fund	646,135	Funding of operational expenditures
	Nonmajor Governmental Funds	26,524	Funding of operational expenditures
		<u>2,889,633</u>	
Internal Service Funds	General Fund	43,728	Funding of capital improvement projects
	Nonmajor Governmental Funds	192,419	Funding of operational expenditures
		<u>236,147</u>	
West Central Landfill Fund	Solid Waste Disposal Fund	<u>895,927</u>	Funding of capital improvement projects
		<u>\$ 34,290,839</u>	

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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:

	Balance July 1, 2014	Additions	Retirements	Adjustments	Balance June 30, 2015	Amounts Due Within One Year
Governmental Activities						
Bonds Payable:						
Lease revenue bonds	\$ 37,070,000	\$ --	\$ 2,450,000	\$ --	\$ 34,620,000	\$ 1,850,000
Unamortized bond premium	540,027	--	30,379	--	509,646	30,427
Total Bonds payable	<u>37,610,027</u>	<u>--</u>	<u>2,480,379</u>	<u>--</u>	<u>35,129,646</u>	<u>1,880,427</u>
Notes payable	463,405	--	38,164	--	425,241	39,285
Claims liability	20,343,000	5,108,024	4,970,024	--	20,481,000	4,004,174
Capital leases obligations	137,031	--	137,031	--	--	--
Compensated absences	8,296,440	9,494,027	9,544,875	--	8,245,590	4,423,893
Governmental Activities Long-Term Liabilities	<u>\$ 66,849,903</u>	<u>\$ 14,602,051</u>	<u>\$ 17,170,473</u>	<u>\$ --</u>	<u>\$ 64,281,477</u>	<u>\$ 10,347,779</u>
Business-Type Activities						
Bonds payable	\$ 911,900	\$ --	\$ 38,400	\$ --	\$ 873,500	\$ 60,500
Financing leases	1,298,046	--	128,764	--	1,169,282	132,382
Notes payable	3,798,675	--	92,493	178	3,706,006	150,966
Liability for landfill closure/ postclosure care costs	13,000,478	--	1,840,326	--	11,160,153	--
Business-Type Activities Long-Term Liabilities	<u>\$ 19,009,099</u>	<u>\$ --</u>	<u>\$ 2,099,983</u>	<u>\$ 178</u>	<u>\$ 16,908,941</u>	<u>\$ 343,848</u>

B. Summary of Long-Term Obligations

	Date of Issue	Date of Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2015
Governmental Activities						
Bonds Payable:						
Lease Revenue Bonds:						
2011 Refunding Lease Revenue Bonds - County Courthouse Improvement Project	2011	2023	2.65%	\$200,000 - \$270,000	\$ 5,325,000	\$ 3,820,000
2013 Refunding Lease Revenue Bonds - Administration Center	2013	2032	2.50% - 4.00%	\$1,325,000 - \$2,295,000	33,505,000	<u>30,800,000</u>
Total Governmental Bonds Payable						<u>34,620,000</u>
Notes Payable						
State of California, Energy Resources Conservation and Development Commission	2011	2024	3.00%	\$21,721 - \$49,888	522,171	<u>425,241</u>
						<u>\$ 35,045,241</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 6: LONG-TERM LIABILITIES (CONTINUED)

B. Summary of Long-Term Obligations (continued)

	<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, 2015</u>
<u>Business-Type Activities</u>						
Bonds Payable:						
CSA No. 3 (Castella) Limited Obligation Improvement Bond	2009	2047	4.13%	\$2,000 - \$9,200	\$ 184,700	\$ 171,500
CSA No. 6 (Jones Valley) 1980 Revenue Bonds	1980	2020	5.00%	\$1,000 - \$30,000	537,000	138,000
CSA No. 6 (Jones Valley) Limited Obligation Bonds	1998	2038	4.75%	\$6,357 - \$38,000	802,789	544,000
CSA No. 8 (Palo Cedro) Sewer Bonds	1990	2001	6.00-9.20%	\$20,000	857,466	<u>20,000</u>
Total Governmental Bonds Payable						<u>873,500</u>
Financing Lease:						
Solid Waste - California Infrastructure and Economic Bank	2007	2022	2.81%	\$109,039-\$160,723	2,000,000	<u>1,169,282</u>
Notes Payable:						
CSA No. 6 (Jones Valley) Note Payable	2011	2042	0.00%	\$3,333	100,000	88,333
CSA No. 6 (Jones Valley) Note Payable	2011	2044	0.00%	\$112,171	3,365,133	3,252,962
CSA No. 11 (French Gulch) Note Payable	1995	2019	3.41%	\$5,389 - \$24,063	420,000	103,896
CSA No. 23 (Crag View) Note Payable	2011	2034	0.00%	\$13,727	274,546	<u>260,815</u>
						<u>3,706,006</u>
						<u>\$ 5,748,788</u>

During fiscal year 2011/12 the CSA No. 6 (Jones Valley) entered into a funding agreement with the State of California Department of Public Health (CDPH) in which the State will provide grant funding of \$3,000,000 and a construction loan of \$3,928,000 for the upgrade of the water system. As of June 30, 2012 the County had received advances in the amount of \$3,928,000 on this loan. In June 2014 the CDPH completed the reconciliation of fund distribution for the project. Based on the reconciliation the loan amount was adjusted to \$3,365,133 on June 9, 2014. The County carries a special assessment receivable in the amount of \$3.2M to offset the advances on the loan, as the County will recover the money from the tax payers through a tax levy. Repayment commenced in June 2014, the loan will be repaid over thirty years at zero percent interest.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

B. Summary of Long-Term Obligations (continued)

As of June 30, 2015, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30	Governmental Activities Lease Revenue Bonds	
	Principal	Interest
2016	\$ 1,850,000	\$ 1,057,365
2017	1,900,000	1,003,388
2018	1,960,000	947,813
2019	2,020,000	890,556
2020	2,080,000	831,469
2021 - 2025	10,220,000	3,258,068
2026 - 2030	10,075,000	1,804,688
2031 - 2032	4,515,000	238,350
	<u>\$ 34,620,000</u>	<u>\$ 10,031,697</u>

Year Ending June 30	Governmental Activities Notes Payable	
	Principal	Interest
2016	\$ 39,285	\$ 12,499
2017	40,505	11,278
2018	41,730	10,054
2019	42,991	8,793
2020	44,271	7,513
2021 - 2025	216,459	16,566
	<u>\$ 425,241</u>	<u>\$ 66,703</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

B. Summary of Long-Term Obligations (continued)

Year Ending June 30	Business-Type Activities Bonds Payable	
	Principal	Interest
2016	\$ 60,500	\$ 39,454
2017	42,600	37,458
2018	44,700	35,383
2019	46,900	33,179
2020	49,000	30,871
2021 - 2025	107,800	132,541
2026 - 2030	135,700	104,323
2031 - 2035	169,100	69,102
2036 - 2040	152,900	28,522
2041 - 2045	37,700	9,498
2046 - 2048	26,600	1,675
	<u>\$ 873,500</u>	<u>\$ 522,006</u>

Year Ending June 30	Business-Type Activities Notes Payable	
	Principal	Interest
2016	\$ 150,967	\$ 3,366
2017	151,727	2,607
2018	152,495	1,839
2019	153,295	1,039
2020	141,572	211
2021 - 2025	646,159	--
2026 - 2030	646,159	--
2031 - 2035	632,431	--
2036 - 2040	577,522	--
2041 - 2043	453,680	--
	<u>\$ 3,706,007</u>	<u>\$ 9,062</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

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

B. Summary of Long-Term Obligations (continued)

Year Ending June 30	Business-Type Activities	
	Financing Lease	
	Principal	Interest
2016	\$ 132,382	\$ 30,997
2017	136,102	27,225
2018	139,927	23,346
2019	143,859	19,359
2020	147,901	15,260
2021 - 2023	469,111	20,017
	<u>\$ 1,169,282</u>	<u>\$ 136,204</u>

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 time	\$ 5,217,886
Sick leave	1,892,314
Compensated time-off	391,605
Administrative leave	432,342
Holiday credit	311,443
Total	<u>\$ 8,245,590</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 7: CAPITAL LEASES

During the fiscal year, the County made its last remaining payment on the Aircon Energy Retrofit capital lease. At the end of the lease term ownership of the assets were transferred to the County.

The book values of the assets at June 30, 2015 are as follows:

	<u>Governmental Activities</u>
Aircon Energy Retrofit	\$ 2,631,984
Less: accumulated depreciation	<u>(849,129)</u>
	<u>\$ 1,782,855</u>

As of June 30, 2015, there were no future minimum lease payments under capital leases.

NOTE 8: LANDFILL CLOSURE AND POST CLOSURE COSTS

A. 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 \$21,024,490 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, 2015 the estimated percentage usage (filled) of the landfill site was 52.9 percent and the County has recognized an estimated liability of \$11,160,153 for the County landfill site for closure and postclosure maintenance costs. It is estimated that an additional \$9,864,336 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 March 2016 to complete certain milestones to satisfy the requirements set forth in California Code of Regulations (CCR) Title 27, Section 20921-20939, and believes it will be able to meet this deadline.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 8: **LANDFILL CLOSURE AND POST CLOSURE COSTS** (CONTINUED)

A. **Estimated Liability for Solid Waste Landfill Closure and Postclosure Maintenance Costs**
(continued)

As stated above, the estimated liability of the County landfill site closure and postclosure maintenance cost was \$11,160,153 liability and as of June 30, 2015 the County has set aside \$11,877,510, resulting in an overfunding of the liability by \$717,357.

NOTE 9: **COMPONENT UNIT CONDENSED FINANCIAL INFORMATION**

Shasta Children and Families First Commission

Current and other assets	\$ 2,845,882
Capital assets, net	586,397
Total Assets	<u>3,432,279</u>
Current and other liabilities	407,465
Long-term liabilities	13,911
Total Liabilities	<u>421,376</u>
Invested in capital assets	586,397
Restricted	2,424,506
Total Net Position	<u>3,010,903</u>
Revenues	
Aid from other governments	1,436,706
Use of money and property	8,544
Total Revenues	<u>1,445,250</u>
Expenses	
Operating expenses	<u>1,750,597</u>
Change in Net Position	(305,347)
Net Position, Beginning	<u>3,316,250</u>
Net Position, Ending	<u>\$ 3,010,903</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 10: 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, 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. Commitments may be changed or lifted only by the Board of Supervisors taking 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. **Unassigned amounts** are technically available for any purpose.

Unassigned Fund Balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. **Unassigned amounts** are technically available for any purposes.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 10: FUND BALANCES (CONTINUED)

The following is a summary of fund balances at June 30, 2015:

	General Fund	Roads	Public Safety Fund	Other Governmental Funds
Nonspendable:				
Inventory	\$ --	\$ 387,880	\$ --	\$ --
Prepaid expenses	965,868	99	6,468	253,580
Total Nonspendable	965,868	387,979	6,468	253,580
Restricted for:				
Impact Fees	1,747,307	--	--	--
General Reserves	10,624,256	--	--	--
Recorder Fees	142,658	--	--	--
Public Protection State Realignment	100,461	--	6,401,358	--
Agricultural Commissioner	49,164	--	--	--
Vital Statistics	1,787	--	--	--
Surface Mining/Reclamation	54,016	--	--	--
Public Safety General	--	--	7,643,451	--
Photo Lab	--	--	12,408	--
Asset Forfeiture	--	--	937,888	--
Prop 172 Sales Tax	--	--	7,148,178	--
DMV Remote Access VLF	--	--	153,087	--
CCIPF Community Corrections	--	--	646,315	--
SAFE Grant	--	--	902,948	--
CALMMET Grant	--	--	52,227	--
Consumer Protection	--	--	1,861,403	--
Fire	--	--	--	3,251,519
Detention Facility Inmate	--	--	--	185,630
Endangered Species	--	--	--	192,228
Child Support Services	--	--	--	1,759,877
Shasta Co Water Agency	--	--	--	144,826
Public Works Divisions	--	--	--	305,308
County Service Areas (CSA)	--	--	--	717,944
Permanent Road Divisions (PRD)	--	--	--	1,255,592
Dust Mitigation	--	--	--	1,070,689
Roads General	--	7,971,468	--	--
ZOB Traffic Impact	--	484,037	--	--
Anderson Solid Waste	--	697,909	--	--
Solid Waste	465,703	--	--	--
Hazardous Materials Prog	194,181	--	--	--
Hlth and Sanitation State Realignment	53,571	--	--	--
Alcohol Educ/Prevention Programs	232,594	--	--	--
Air Quality	--	--	--	1,694,612
Mental Health Services	--	--	--	9,329,910

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 10: FUND BALANCES (CONTINUED)

	General Fund	Roads	Public Safety Fund	Other Governmental Funds
Restricted for (continued):				
Public Health Services	\$ --	\$ --	\$ --	\$ 8,833,231
Public Assistance State Realignment	4,041,517	--	--	--
CPS Donations	6,984	--	--	--
Housing Home IPP	--	--	--	5,366,099
Shasta Housing Rehab	--	--	--	4,369,832
Housing Cal Home	--	--	--	998,763
IHSS Public Authority	--	--	--	134,380
Courthouse Bond	--	--	--	14,214
Admin Center Bond	--	--	--	2,486
Energy Retrofit	--	--	--	68
Total Restricted	17,714,199	9,153,414	25,759,263	39,627,208
Committed to:				
Secure Rural Schools Title III	83,140	--	--	--
Capital Project - Adult Detention	--	--	--	1,853,982
Child Support Lease Agreement	--	--	--	399,999
Communication System	--	--	--	89,723
Total Committed	83,140	--	--	2,343,704
Assigned to:				
Capital Projects:				
Accum Capital Outlay	--	--	--	3,749,789
Juvenile Hall Bldg	--	--	--	69,555
General	23,471	--	--	--
General - Imprest Cash	3,350	--	--	--
General Government	19,083,011	--	--	--
General Debt Services	3,122,529	--	--	--
Agricultural Commissioner Equipment	5,710	--	--	--
Animal Control Shelter	135,331	--	--	--
Victim Witness SRMC SART	17,108	--	--	--
Hatchet Ridge Community Benefit	1,203,309	--	--	--
Gen Promotion Imprest Cash	450	--	--	--
Illegal Dumping	-	6,104	--	--
Health and Sanitation - Imprest Cash	445	--	--	--
Public assistance - Imprest Cash	32,750	--	--	--
Total Assigned	23,627,464	6,104	--	3,819,344

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 10: FUND BALANCES (CONTINUED)

	General Fund	Roads	Public Safety Fund	Other Governmental Funds
Unassigned:				
General Government	\$32,961,654	\$ --	\$ --	\$ --
Secure Rural Schools Title III	131,847	--	--	--
General Promotion - Intermtn Fair	83,636	--	--	--
Wildlife	24,581	--	--	--
Resource Management	5,394,806	--	--	--
Mental Health Services	5,850,450	--	--	--
Public Assistance - OC	1,512,647	--	--	--
Public Assistance - Social Svs	8,247,635	--	--	--
Total Unassigned	<u>54,207,256</u>	<u>--</u>	<u>--</u>	<u>--</u>
 Total Fund Balance	<u>\$ 96,597,928</u>	<u>\$ 9,547,497</u>	<u>\$ 25,765,731</u>	<u>\$ 46,043,836</u>

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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

Note 11: **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, 2015, were as follows:

General liability	\$ 1,143,000
Workers' compensation	<u>19,362,000</u>
 Total	 <u>\$ 20,505,000</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. There were no settlements in excess of the insurance coverage in any of the three prior 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, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Balance, Beginning of Year claims liability	\$ 20,343,000	\$ 20,337,000
Current year claims and changes in estimates	5,108,026	3,267,182
Claim payments	<u>(4,946,026)</u>	<u>(3,261,182)</u>
Balance, End of Year	<u>\$ 20,505,000</u>	<u>\$ 20,343,000</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS

From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. The requirements of GASB Statement No. 45 were adopted during the year ended June 30, 2008. The cost of post-employment healthcare in the year is now recognized when the employee services are received.

A. **Plan Description**

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 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. The Board of Supervisors establishes and may amend the benefits offered. No vision or life insurance benefits are provided. As of June 30, 2013 (the end date of the most recent actuarial valuation performed), plan membership consisted of 1,672 active participants and 1,124 retirees and beneficiaries.

The County has prefunded a portion of its OPEB benefits in CalPERS OPEB trust (CERBT) and PARS trust.

The CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to pre-fund OPEB as described in GASB Statement 45. The CERBT issues a publicly available financial report that includes financial statements and required supplementary information for the County, not individualized, but in aggregate with the other CERBT participating agencies.

PARS also issues an annual audited financial statements for each participating agency of the Trust. However, as PARS is considered a single-employer plan, it is not required to provide financial statements that are prepared in conformance with GASB statement 45, as CERBT is.

These reports may be obtained by writing or calling the plans at the following addresses:

CERBT State of California PERS – 400 Q St – Sacramento, CA 95811

PARS County of Shasta, Auditor – Controller – 1450 Court Street. Ste. 238, Redding, CA
96001

B. **Funding Policy**

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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

B. Funding Policy (continued)

The required contribution is based on pay-as-you-go financing requirements, with an initial \$12 million (\$10,034,000 for Miscellaneous and \$1,966,000 for Safety) for the year ended June 30, 2008 (contributed in December 2008) to prefund benefits and an additional 1% of payroll annually (July 1, 2008 through June 30, 2013) to the CalPERS OPEB trust (CERBT) and PARS OPEB trust. Beginning July 1, 2013 the County increased its annual payroll contribution to 2% of payroll annually. The contributions are divided evenly between the CERBT and PARS trusts. For the year ended June 30, 2015, the County contributed \$13,266,463 (\$11,324,882 for Miscellaneous and \$1,941,582 for Safety), including \$6,017,431 (\$5,076,482 for Miscellaneous and \$940,949 for Safety) in benefit payments and \$7,249,032 (\$6,248,400 for Miscellaneous and \$1,000,632 for Safety) deposited to CERBT and PARS. The County's ARC was \$19,433,000 (\$14,796,000 for Miscellaneous and \$4,637,000 for Safety) for the year ended June 30, 2015.

C. Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefit cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table, based on the actuarial valuation as of June 30, 2013, shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's Net OPEB obligation (dollar amounts in thousands):

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
Annual required contribution	\$ 14,796	\$ 4,637	\$ 19,433
Interest on net OPEB obligation	2,642	423	3,065
Adjustment to annual required contribution	<u>(3,081)</u>	<u>(493)</u>	<u>(3,574)</u>
Annual OPEB cost (expense)	14,357	4,567	18,924
Contributions (benefit payments)	<u>(11,325)</u>	<u>(1,942)</u>	<u>(13,267)</u>
Increase in net OPEB obligation	3,032	2,625	5,657
Net OPEB obligation - beginning of year	<u>48,162</u>	<u>16,957</u>	<u>65,119</u>
Net OPEB obligation - end of year	<u>\$ 51,194</u>	<u>\$ 19,582</u>	<u>\$ 70,776</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for years ended June 30, 2013 through 2015 are as follows (dollar amounts in thousands):

<u>Year Ended</u>	Miscellaneous		
	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2013	\$ 15,381	34.53%	\$ 42,987
June 30, 2014	12,620	58.99%	48,162
June 30, 2015	14,357	78.88%	51,194

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

C. Annual OPEB Cost and Net OPEB Obligation (continued)

Safety

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2013	\$ 4,744	21.18%	\$ 14,045
June 30, 2014	4,090	28.80%	16,957
June 30, 2015	4,567	42.52%	19,582

D. Funded Status and Funding Progress.

The funded status of the plan as of June 30, 2013, the plan's most recent actuarial valuation date, was as follows (dollar amounts in thousands):

Miscellaneous

<u>Valuation Date</u>	<u>Entry Age Actuarial Value of Assets</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability (Excess Assets)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
06/30/13	\$ 17,749	\$ 136,389	\$ 118,640	14.90%	\$ 71,313	171.8%

Safety Plan

<u>Valuation Date</u>	<u>Entry Age Actuarial Value of Assets</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability (Excess Assets)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
06/30/13	\$ 5,290	\$ 48,971	\$ 43,681	12.11%	\$ 15,357	284.4

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

E. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are consistent with the long-term perspective of the calculations.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 12: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

E. Actuarial Methods and Assumptions (continued)

For the June 30, 2013 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included (a) the discount rate is a select and ultimate assumption: 7.25% for 2007/08, 6% for 2008/09, 4.50% for 2009/10 through 2038/39, 4.7% for 2039/40, 4.8% for 2040/41 and 6.75% for 2041/42 and years thereafter. The average return on the combined CERBT trust (7.25% return) and PARS trust (6.25% return for the HighMark Moderate portfolio to be selected by the County) is represented by the full funding rate of 6.75%; (b) 3.25% annual aggregate payroll increase rate and (c) estimated healthcare costs based on actual premiums for 2013 and 2014, with projected healthcare cost increases of 8.0% for 2015 and decreasing to 5.0% after 7 years (the post-Medicare medical cost trend starts 0.4% lower for 2015). Both (a) and (b) include an inflation component of 3.0%.

Implied subsidy for the County Trades and Crafts/Teamster union healthcare plans has been included in the calculations based on estimated PERS Choice Premium. Active employees and retirees are charged the same premium under the union plan, with overall demographics similar to County Trades and Crafts/Teamsters employees. All participants are assumed to be Medicare Part B eligible (and elect coverage).

A change in the percentage of payroll that the County contributes annually (County increased from 1% to 2%) and an additional contribution of \$1.4M to the trust above and beyond the 2%, are the main reason for the decrease in the unfunded actuarial accrued liability. The amount decreased \$12.3M, from \$175 million for June 30, 2011 to \$163 million for June 30, 2013.

The unfunded actuarial accrued liability (or excess assets) is being amortized over a fixed 30-year period as a level percentage of projected payroll beginning with the year ended June 30, 2010.

NOTE 13: COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

At June 30, 2015, the County has commitments of approximately \$4.1 million for construction contracts, awarded but not completed. The major contracts outstanding are for the Keswick Water System and Probation Department Relocation 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 litigations 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, 2015 in accordance with the requirements of the Federal Single Audit Act of 1997 and the related United States Office of Management and Budget Circular A-133, 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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 14: 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, 2015, are summarized as follows:

Employees Covered – At June 30, 2015, the following employees were covered by the benefit terms for each Plan:

Miscellaneous

Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2% @ 55	2% @ 62
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50-55	52-67
Monthly Benefits, as a % of Eligible Compensation	2.0% to 2.7%	1.0% to 2.5%
Required Employee Contribution Rates	7%	6.5%
Required Employer Contribution Rates	13.3%	15.2%

Safety

Hire Date	Prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	3% @ 50	2.7% @ 57
Benefit Vesting Schedule	5 years of service	5 years of service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50	50-57
Monthly Benefits, as a % of Eligible Compensation	3.00%	2.0% to 2.7%
Required Employee Contribution Rates	9%	12.75%
Required Employer Contribution Rates	33.58%	35.60%

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 14: PENSION PLANS (CONTINUED)

A. General Information about the Pension Plans (continued)

EMPLOYEES COVERED

	Miscellaneous	Safety
Inactive Employees or Beneficiaries Currently Receiving Benefits	1,889	336
Inactive Employees Entitled to but not yet Receiving Benefits	155	11
Active Employees	1,427	221
Total	<u>3,471</u>	<u>568</u>

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

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, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 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, 2013 actuarial valuations were determined using the following actuarial assumptions:

ACTUARIAL ASSUMPTIONS

	Miscellaneous	Safety
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry-Age Normal	Cost Method
Actuarial Assumptions:		
Discount Rate	7.5%	7.5%
Inflation	2.75%	2.75%
Payroll Growth	3.0%	3.0%
Projected Salary Increase	3.3% - 14.2% (1)	3.3% - 14.2% (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, 2013 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.

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 14: **PENSION PLANS** (CONTINUED)

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

Discount Rate – The discount rate used to measure the total pension liability was 7.50 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 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 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.

According to Paragraph 30 of Governmental Accounting Standards Board (GASB) Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB Statements 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 15: PENSION PLANS (CONTINUED)

B. Net Pension Liability (continued)

LONG-TERM EXPECTED REAL RATE OF RETURN BY ASSET CLASS

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	100.00%		

(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:

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2013	\$ 475,075,441	\$ 354,631,770	\$ 120,443,671
Changes in the Year:			
Service Cost	11,071,830	-	11,071,830
Interest on the Total Pension Liability	35,136,262	-	35,136,262
Contribution - Employer	-	9,612,569	(9,612,569)
Contribution - Employee (Paid by Employer)	-	4,961,000	(4,961,000)
Net Investment Income		61,043,812	(61,043,812)
Benefit Payments, Including Refunds of Employee Contributions	(24,255,739)	(24,255,739)	-
Net Changes	21,952,353	51,361,642	(29,409,289)
Balance at June 30, 2014	\$ 497,027,794	\$ 405,993,412	\$ 91,034,382

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 14: **PENSION PLANS** (CONTINUED)

C. Changes in the Net Pension Liability (continued)

Safety Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2013	\$ 185,300,442	\$ 123,773,791	\$ 61,526,651
Changes in the Year:			
Service Cost	3,527,150	-	3,527,150
Interest on the Total Pension Liability	13,654,726	-	13,654,726
Differences Between Actual and Expected Experience	-	-	-
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Contribution - Employer	-	4,758,694	(4,758,694)
Contribution - Employee (Paid by Employer)	-	1,202,187	(1,202,187)
Net Investment Income	-	21,228,890	(21,228,890)
Administrative Expenses	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(10,001,995)	(10,001,995)	-
Net Changes	7,179,881	17,187,776	(10,007,895)
Balance at June 30, 2014	\$ 192,480,323	\$ 140,961,567	\$ 51,518,756

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:

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.50%	6.50%
Net Position Liability	\$151,944,972	\$76,519,914
Current Discount Rate	7.50%	7.50%
Net Position Liability	\$91,034,382	\$51,518,756
1% Increase	8.50%	8.50%
Net Pension Liability	\$40,029,820	\$30,887,817

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

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 14: **PENSION PLANS** (CONTINUED)

C. Changes in the Net Pension Liability (continued)

For the year ended June 30, 2015, the County recognized net pension expense of \$3,217,847. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS
OF RESOURCES RELATED TO PENSIONS**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 15,809,567	\$ -
Net Differences Between Projected and Actual Earnings on Plan Investments	-	(37,637,640)
Total	<u>\$ 15,809,567</u>	<u>\$ (37,637,640)</u>

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

\$15,809,567 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, 2016. 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	Total Deferred Outflows/(Inflows) of Resources
2015	\$ (6,982,565)	\$ (2,426,846)	\$ (9,409,410)
2016	(6,982,565)	(2,426,846)	(9,409,410)
2017	(6,982,565)	(2,426,846)	(9,409,410)
2018	(6,982,565)	(2,426,842)	(9,409,410)
2019	-	-	-
Thereafter	-	-	-
	<u>\$ (27,930,260)</u>	<u>\$ (9,707,380)</u>	<u>\$ (37,637,640)</u>

COUNTY OF SHASTA

Notes to the Financial Statements
Fiscal Year Ended June 30, 2015

NOTE 14: **PENSION PLANS** (CONTINUED)

E. Payable to the Pension Plan

At June 30, 2015, the County reported a payable of \$142,553,138 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

NOTE 15: **RESTATEMENT OF FUND BALANCE/NET POSITION**

Adjustments resulting from errors or changes to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning fund balance or net position.

During the current year, a prior period adjustment was made to recognize prior year revenue for CSA #6 Jones Valley Water.

The restatement of beginning net position of the government activities is summarized below:

	Governmental Activities	Business-Type Activities	CSA #6 Jones Valley Water
Net position as of June 30, 2014, as previously reported	\$ 231,311,164	\$ 47,033,558	\$ 7,215,028
<u>Implementation of New Accounting Standards - GASB Statement Nos. 68 and 71</u>			
Net pension liability adjustment - beginning balance	(181,970,323)	-	-
Net pension liability adjustment - reversal of net pension asset	14,371,264	-	-
<u>Restatement net position</u>			
Recognized prior year revenue	-	3,247,593	3,247,593
Total prior period adjustment	(167,599,059)	3,247,593	3,247,593
Net position as of July 1, 2014, restated	\$ 63,712,105	\$ 50,281,151	\$ 10,462,621

NOTE 16: **OTHER FUND DISCLOSURES**

A. Deficit Fund Balances

At June 30, 2015, the fund below had the following deficit fund balance or net position:

Internal Service Fund

Risk Management Fund \$ (1,327,413)

The deficit net position was caused by a refund made to the County departments from the Risk Management fund to correct an excess of working capital in their fund. The calculation of the amount of the refund was made at the end of the previous year to reduce the funds working capital to zero and was based on budgeted figures for the current year. As the calculation was based on estimated figures, the final net position fluctuated based on actuals. The fund has adjusted its rates for the next year and will make up the deficit by increased billings to the departments.

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REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF SHASTA

Required Supplementary Information
For the Year Ended June 30, 2015

Schedule of Changes in the Net Pension Liability and Related Ratios

Last 10 Fiscal Years*

	<u>Safety 6/30/2014</u>	<u>Miscellaneous 6/30/2014</u>
Total Pension Liability		
Service Cost	\$ 3,807,373	\$ 12,224,611
Interest on total pension liability	14,739,557	38,794,592
Benefit payments, including refunds of employee contributions	<u>(10,796,627)</u>	<u>(26,781,207)</u>
Net change in total pension liability	7,750,303	24,237,996
Total pension liability - beginning	<u>200,022,066</u>	<u>524,539,518</u>
Total pension liability - ending	<u><u>\$ 207,772,369</u></u>	<u><u>\$ 548,777,514</u></u>
 Plan fiduciary net position		
Contributions- employer	\$ 5,136,760	\$ 10,613,414
Contributions- employee	1,297,697	5,477,531
Net investment income	22,915,469	67,399,594
Benefit payments	<u>(10,796,627)</u>	<u>(26,781,207)</u>
Net change in plan fiduciary net position	18,553,299	56,709,332
Plan fiduciary net position - beginning	<u>133,607,287</u>	<u>391,555,449</u>
Plan fiduciary net position - ending	<u><u>\$ 152,160,586</u></u>	<u><u>\$ 448,264,781</u></u>
 Net pension liability - ending	<u><u>\$ 55,611,783</u></u>	<u><u>\$ 100,512,733</u></u>
 Plan fiduciary net percentage as a percentage of the total pension liability	73.23%	81.68%
 Covered - employee payroll	\$ 13,750,488	\$ 76,720,293
 Net pension liability as a percentage of covered-employee payroll	404.43%	131.01%

Notes to Schedule;

Benefit changes. In 2015, benefit terms were modified to base miscellaneous employee pensions on a final three-year average salary instead of a five-year average salary.

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

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

COUNTY OF SHASTA

Required Supplementary Information
For the Year Ended June 30, 2015

Schedule of Contributions

Last 10 Fiscal Years*

	<u>Safety 6/30/2014</u>	<u>Miscellaneous 6/30/2014</u>
Actuarially determined contribution	\$ 5,136,760	\$ 10,613,414
Contributions related to the actuarially determined contribution	<u>(5,136,760)</u>	<u>(10,613,414)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 13,750,488	\$ 76,720,293
Contributions as a percentage of covered-employee payroll	37.36%	13.83%

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

Notes to schedule

Valuation date: 6/30/2013

Methods and assumptions used to determine contribution rates:

Single and Agent Employers Example	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market
Inflation	3.50%
Salary increases	4.5% average, including inflation of 3%
Investment rate of return	7.75%, net of pension plan investment expense, including inflation
Retirement age	57 years
Mortality	RP-2000 Healthy Annuitant Mortality Table

COUNTY OF SHASTA

Required Supplementary Information
For the Year Ended June 30, 2015

Other Postemployment Benefits

Schedule of Funding Progress

The tables below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30: (dollar amounts in thousands)

Miscellaneous

Valuation Date	Entry Age Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Payroll
06/30/09	\$ 10,547	\$ 121,942	\$ 111,395	8.65%	\$ 64,862	171.74%
06/30/11	13,364	143,830	130,466	9.29%	67,120	194.38%
06/30/13	17,749	136,389	118,640	13.01%	69,068	171.77%

Safety Plan

Valuation Date	Entry Age Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL as a % of Payroll
06/30/09	\$ 2,797	\$ 32,337	\$ 29,540	8.65%	\$ 14,351	205.84%
06/30/11	4,629	49,826	45,197	9.29%	11,396	396.60%
06/30/13	5,290	48,971	43,681	10.80%	14,874	293.67%

COUNTY OF SHASTA

General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Taxes	\$ 41,948,000	\$ 41,948,000	\$ 45,006,704	\$ 3,058,704
Licenses and permits	2,812,678	3,003,567	3,649,178	645,611
Fines and forfeitures	3,975,475	3,864,461	4,467,727	603,266
Use of money and property	875,675	875,675	1,064,616	188,941
Intergovernmental	128,103,082	127,468,804	121,105,313	(6,363,491)
Charges for other services	10,304,116	10,301,732	10,522,753	221,021
Miscellaneous revenue	5,353,160	8,487,818	11,799,992	3,312,174
Total Revenues	193,372,186	195,950,057	197,616,283	1,666,226
Expenditures				
General Government				
County counsel				
Reimbursements	(1,609,779)	(1,609,779)	(1,596,572)	(13,207)
Salaries and benefits	1,635,397	1,635,397	1,534,152	101,245
Services and supplies	252,425	252,425	182,894	69,531
Elections				
Other charges	56,287	56,287	56,287	--
Salaries and benefits	765,170	707,405	605,256	102,149
Services and supplies	1,460,631	935,874	665,908	269,966
Auditor-controller				
Reimbursements	(2,076,335)	(2,076,335)	(2,068,789)	(7,546)
Salaries and benefits	1,962,683	1,962,683	1,903,750	58,933
Services and supplies	1,108,425	1,108,425	837,484	270,941
Treasurer				
Reimbursements	(7,823)	(7,823)	(8,022)	199
Salaries and benefits	1,230,983	1,230,983	1,116,072	114,911
Services and supplies	636,467	636,467	546,206	90,261
Assessor				
Reimbursements	(175,706)	(175,706)	(162,874)	(12,832)
Other charges	548,190	548,190	548,190	--
Salaries and benefits	3,570,566	3,570,566	3,205,801	364,765
Services and supplies	575,035	575,035	528,495	46,540
Purchasing				
Reimbursements	(155,068)	(155,068)	(153,008)	(2,060)
Salaries and benefits	134,828	134,828	111,727	23,101
Services and supplies	41,009	41,009	36,350	4,659
Board of Supervisors				
other charges	86,065	86,065	86,065	--
Salaries and benefits	414,425	414,425	409,210	5,215
Services and supplies	108,081	108,081	84,762	23,319
County Administrative Office				
Reimbursements	(1,112,597)	(1,112,597)	(1,113,180)	583
Salaries and benefits	954,651	954,651	938,384	16,267
Services and supplies	148,443	148,443	112,662	35,781

continued

COUNTY OF SHASTA

General Fund
 Budgetary Comparison Schedule (continued)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Expenditures (continued)				
General Government (continued)				
Clerk of the Board				
Other charges	\$ 114,921	\$ 114,921	\$ 114,921	\$ --
Salaries and benefits	229,216	229,216	202,508	26,708
Services and supplies	69,817	69,817	64,022	5,795
Non-Prog Rev/ Trans out				
other charges	70,882	70,882	69,128	1,754
Services and supplies	225,000	188,360	30,277	158,083
Surveyor				
Other charges	80	80	80	--
Services and supplies	21,000	21,000	14,032	6,968
Miscellaneous General				
Capital assets	--	1,428,000	1,415,125	12,875
Reimbursements	(71,030)	(71,030)	(71,056)	26
Other charges	292,000	292,000	262,894	29,106
Services and supplies	449,225	521,225	320,999	200,226
Tobacco settlement grants				
Services and supplies	200,000	200,000	154,489	45,511
CSA admin				
Other charges	16,144	16,144	16,144	--
Salaries and benefits	666,293	666,293	551,256	115,037
Services and supplies	124,834	124,834	114,635	10,199
Title III Projects				
Services and supplies	500	54,000	593	53,407
Central Service Cost				
Reimbursements	(2,456,208)	(2,456,208)	(2,456,208)	--
Personnel				
Reimbursements	(1,694,046)	(1,694,046)	(1,631,938)	(62,108)
Salaries and benefits	1,001,748	1,001,748	856,001	145,747
Services and supplies	622,773	622,773	360,415	262,358
Promotion				
Services and supplies	48,300	48,300	46,683	1,617
Property Management				
Services and supplies	5,500	5,500	4,841	659
Land Buildings & Improvements				
Capital assets	2,218,548	4,246,010	1,673,952	2,572,058
Reimbursements	(2,218,548)	--	--	--
Other charges	5,960	5,960	5,960	--
Services and supplies	77,000	77,000	61,593	15,407
Intermountain fair				
Other charges	12,744	12,744	--	12,744
Salaries and benefits	3,152	3,152	3,150	2
Services and supplies	10,862	10,862	9,740	1,122
General Government Total	<u>10,599,120</u>	<u>15,779,468</u>	<u>10,601,446</u>	<u>5,178,022</u>

continued

COUNTY OF SHASTA

General Fund
 Budgetary Comparison Schedule (continued)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Expenditures (continued)				
Public Protection				
Trial Courts				
Other charges	\$ 1,222,517	\$ 1,222,517	\$ 1,256,365	\$ (33,848)
Salaries and benefits	(9,050)	(9,050)	(9,048)	(2)
Services and supplies	1,668,732	1,668,732	607,995	1,060,737
Conflict public defender approp for contingency				
Other charges	31,631	31,631	31,631	--
Services and supplies	2,409,282	2,409,282	1,910,323	498,959
Public defender				
Reimbursements	--	--	(5,720)	5,720
Other charges	72,436	72,436	72,436	--
Salaries and benefits	3,181,412	3,181,412	2,828,729	352,683
Services and supplies	514,357	514,357	406,355	108,002
Grand Jury				
Other charges	11,972	11,972	11,972	--
Services and supplies	77,838	77,838	74,962	2,876
Victim witness				
Other charges	67,725	67,725	60,786	6,939
Salaries and benefits	737,831	737,831	673,343	64,488
Services and supplies	152,982	152,982	105,169	47,813
County clerk				
Other charges	15,398	15,398	15,398	--
Salaries and benefits	247,025	260,025	250,082	9,943
Services and supplies	76,093	83,093	76,870	6,223
Planning				
Other charges	90,450	90,450	90,450	--
Salaries and benefits	1,153,607	1,220,674	852,643	368,031
Services and supplies	576,995	577,034	275,116	301,918
Recorder				
Other charges	205,584	205,584	205,584	--
Salaries and benefits	620,358	620,358	492,168	128,190
Services and supplies	474,048	474,048	396,238	77,810
Public guardian				
Reimbursements	(90,218)	(90,218)	(90,218)	--
Other charges	75,552	75,552	75,552	--
Services and supplies	586,164	579,199	547,328	31,871
Wildlife control				
Other charges	623	623	623	--
Animal control				
Capital Assets	--	10,100	9,830	270
Other charges	18,612	18,612	18,612	--
Salaries and benefits	283,216	283,216	266,375	16,841
Services and supplies	401,584	391,484	277,144	114,340

continued

COUNTY OF SHASTA

General Fund
 Budgetary Comparison Schedule (continued)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Expenditures (continued)				
Public Protection (continued)				
Public administrator				
Other charges	\$ (4,698)	\$ (4,698)	\$ (4,698)	\$ --
Salaries and benefits	137,245	137,245	87,146	50,099
Services and supplies	18,224	18,224	14,633	3,591
Sheriff civil unit				
Capital Assets		5,063	5,063	--
Other charges	15,118	15,118	15,118	--
Salaries and benefits	425,956	425,956	417,315	8,641
Services and supplies	96,179	91,116	103,865	(12,749)
AG comm & sealer of weights				
Other charges	27,088	27,088	27,088	--
Salaries and benefits	1,205,886	1,205,886	1,038,385	167,501
Services and supplies	344,563	348,163	333,732	14,431
Building inspection				
Capital Assets	30,000	30,000	--	30,000
Reimbursements	(119,203)	(119,203)	(78,980)	(40,223)
Other charges	185,310	185,310	185,309	1
Salaries and benefits	1,215,350	1,354,907	1,065,975	288,932
Services and supplies	429,106	429,183	365,973	63,210
Public protection total	<u>18,880,880</u>	<u>19,104,255</u>	<u>15,361,017</u>	<u>3,743,238</u>
Health and Sanitation				
Alcohol and Drug				
Capital Assets	20,000	20,000	17,703	2,297
Reimbursement	(1,000)	(1,000)	--	(1,000)
Other charges	1,255,663	1,145,313	1,014,371	130,942
Salaries and benefits	1,142,516	990,587	987,605	2,982
Services and supplies	923,422	1,185,701	1,142,254	43,447
Perinatal				
Reimbursement	(20,000)	(20,000)	(10,280)	(9,720)
Other charges	132,050	152,050	138,690	13,360
Salaries and benefits	571,014	551,014	398,842	152,172
Services and supplies	245,556	245,556	178,332	67,224
Environmental Health				
Capital Assets	30,000	30,000	--	30,000
Reimbursement	(168,626)	(168,626)	(178,444)	9,818
Other charges	87,450	87,450	87,450	--
Salaries and benefits	1,677,120	1,695,361	1,555,942	139,419
Services and supplies	463,813	463,827	292,102	171,725
Mental Health				
Capital Assets	90,000	65,000	35,869	29,131
Reimbursement	(2,776,867)	(2,776,867)	(2,560,100)	(216,767)
Other charges	13,877,806	13,407,175	11,126,964	2,280,211
Salaries and benefits	8,069,877	6,884,924	6,829,799	55,125
Services and supplies	3,187,132	4,842,716	5,003,375	(160,659)
Health and Sanitation Total	<u>28,806,926</u>	<u>28,800,181</u>	<u>26,060,474</u>	<u>2,739,707</u>

continued

COUNTY OF SHASTA

General Fund
 Budgetary Comparison Schedule (continued)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Expenditures (continued)				
Public Assistance				
Aid Programs				
Other Charges	\$ 46,047,075	\$ 46,045,875	\$ 44,188,868	\$ 1,857,007
Services and supplies	--	1,200	1,173	27
General Relief				
Other Charges	1,256,064	1,612,064	1,399,589	212,475
Services and supplies	400,780	400,780	358,959	41,821
Opportunity Center				
Capital Assets	141,674	91,674	91,443	231
Reimbursements	(1,236,235)	(1,236,235)	(1,166,256)	(69,979)
Other Charges	1,421,943	1,471,943	1,465,374	6,569
Salaries and benefits	2,775,407	2,725,407	2,670,787	54,620
Services and supplies	1,758,569	1,758,569	1,721,974	36,595
Housing Authority				
Reimbursements	(1,800)	(1,800)	(2,506)	706
Other Charges	324,545	324,545	248,945	75,600
Salaries and benefits	602,594	602,594	517,100	85,494
Services and supplies	184,713	184,713	118,230	66,483
Community Action Agency				
Reimbursements	--	--	(3,959)	3,959
Other Charges	152,072	155,094	144,437	10,657
Salaries and benefits	279,248	279,248	232,416	46,832
Services and supplies	131,561	128,539	97,241	31,298
Social Services				
Capital Assets	507,000	257,000	229,758	
Reimbursements	(957,944)	(957,944)	(870,007)	(87,937)
Other Charges	6,796,593	6,796,593	5,872,401	924,192
Salaries and benefits	32,564,901	32,564,901	29,140,968	3,423,933
Services and supplies	18,347,653	21,592,771	18,104,193	3,488,578
Health and Human Services Agency				
Capital Assets	25,000	25,000	24,605	395
Reimbursements	(8,944,243)	(8,944,243)	(8,465,606)	(478,637)
Other Charges	212,326	212,326	212,326	--
Salaries and benefits	7,790,642	7,790,642	7,316,127	474,515
Services and supplies	1,035,393	1,035,393	1,001,498	33,895
Veterans Services				
Reimbursements	(7,337)	(7,337)	(7,337)	--
Other Charges	22,247	22,247	22,247	--
Salaries and benefits	363,848	375,848	362,674	13,174
Services and supplies	65,068	75,068	79,457	(4,389)
Public Assistance total	<u>112,059,357</u>	<u>115,382,475</u>	<u>105,107,119</u>	<u>10,275,356</u>

continued

COUNTY OF SHASTA

General Fund
 Budgetary Comparison Schedule (continued)
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Expenditures (continued)				
Education				
Agric Ext Service Farm Advisor				
Capital Assets	\$ 5,736	\$ 5,756	\$ 5,735	\$ 21
Other charges	10,178	10,178	10,178	--
Salaries and benefits	123,826	123,826	119,963	3,863
Services and Supplies	62,610	62,590	57,031	5,559
Farm Advisor JT Lassen Shasta				
Other charges	3,373	3,373	3,373	--
Salaries and benefits	38,085	38,085	35,199	2,886
Services and Supplies	16,772	16,772	11,283	5,489
Library Admin				
Other charges	1,269,565	1,269,565	1,268,820	745
Services and Supplies	68,300	108,300	78,078	30,222
Education Total	<u>1,598,445</u>	<u>1,638,445</u>	<u>1,589,660</u>	<u>48,785</u>
Recreation				
Recreation and Parks Dev				
Other charges	968	968	968	--
Services and supplies	39,869	39,869	33,586	6,283
Veterans Hall				
Other charges	12,087	12,087	11,988	99
Services and supplies	127,887	127,887	108,087	19,800
Recreation total	<u>180,811</u>	<u>180,811</u>	<u>154,629</u>	<u>26,182</u>
Total Expenditures	<u>172,125,539</u>	<u>180,885,635</u>	<u>158,874,345</u>	<u>22,011,290</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>21,246,647</u>	<u>15,064,422</u>	<u>38,741,938</u>	<u>23,677,516</u>
Other Financing Sources (Uses)				
Transfers in	6,833,510	15,522,164	3,016,577	(12,505,587)
Transfers out	(36,799,217)	(39,809,169)	(29,398,096)	10,411,073
Sale of capital assets	500	500	19,973	19,473
Net Financing Sources (Uses)	<u>(29,965,207)</u>	<u>(24,286,505)</u>	<u>(26,361,546)</u>	<u>(2,075,041)</u>
Net Change in Fund Balances	(8,718,560)	(9,222,083)	12,380,392	21,602,475
Fund Balance - Beginning	<u>84,217,536</u>	<u>84,217,536</u>	<u>84,217,536</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 75,498,976</u>	<u>\$ 74,995,453</u>	<u>\$ 96,597,928</u>	<u>\$ 21,602,475</u>

COUNTY OF SHASTA

Roads Administration Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Taxes	\$ 4,700,000	\$ 2,350,000	\$ 2,100,144	\$ (249,856)
Licenses and permits	32,000	12,000	36,065	24,065
Use of money and property	30,000	15,000	40,095	25,095
Intergovernmental	25,673,760	12,249,130	12,634,886	385,756
Charges for other services	1,634,000	817,000	1,150,424	333,424
Miscellaneous revenue	1,936,768	968,384	1,015,640	47,256
Total Revenues	<u>34,006,528</u>	<u>16,411,514</u>	<u>16,977,254</u>	<u>565,740</u>
Expenditures				
Current:				
Public ways and facilities	41,689,238	20,071,095	18,139,495	1,931,600
Total Expenditures	<u>41,689,238</u>	<u>20,071,095</u>	<u>18,139,495</u>	<u>1,931,600</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,682,710)</u>	<u>(3,659,581)</u>	<u>(1,162,241)</u>	<u>2,497,340</u>
Other Financing Sources (Uses)				
Transfers in	185,190	45,190	5,190	(40,000)
Transfers out	(365,348)	(364,448)	(88,573)	275,875
Sale of capital assets	--	--	60,713	60,713
Net Financing Sources (Uses)	<u>(180,158)</u>	<u>(319,258)</u>	<u>(22,670)</u>	<u>296,588</u>
Net Change in Fund Balance	(7,862,868)	(3,978,839)	(1,184,911)	2,793,928
Fund Balance - Beginning	<u>10,732,408</u>	<u>10,732,408</u>	<u>10,732,408</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 2,869,540</u>	<u>\$ 6,753,569</u>	<u>\$ 9,547,497</u>	<u>\$ 2,793,928</u>

COUNTY OF SHASTA

Public Safety Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Taxes	\$ 137,926	\$ 68,963	\$ 74,395	\$ 5,432
Licenses and permits	148,400	74,200	137,003	62,803
Fines and forfeitures	1,268,554	462,594	2,626,195	2,163,601
Use of money and property	100,924	50,462	132,990	82,528
Intergovernmental	49,807,965	25,062,551	28,684,307	3,621,756
Charges for other services	6,643,115	3,344,330	3,401,641	57,311
Miscellaneous revenue	8,503,866	4,251,933	4,319,100	67,167
Total Revenues	<u>66,610,750</u>	<u>33,315,033</u>	<u>39,375,631</u>	<u>6,060,598</u>
Expenditures				
Current:				
Public Protection	126,109,713	63,309,814	57,430,336	5,879,478
Total Expenditures	<u>126,109,713</u>	<u>63,309,814</u>	<u>57,430,336</u>	<u>5,879,478</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(59,498,963)</u>	<u>(29,994,781)</u>	<u>(18,054,705)</u>	<u>11,940,076</u>
Other Financing Sources (Uses)				
Transfers in	49,908,146	26,022,096	24,241,091	(1,781,005)
Transfers out	(3,109,476)	(2,470,289)	(782,463)	1,687,826
Sale of capital assets	6,000	3,000	51,263	48,263
Net Financing Sources (Uses)	<u>46,804,670</u>	<u>23,554,807</u>	<u>23,509,891</u>	<u>(44,916)</u>
Net Change in Fund Balance	(12,694,293)	(6,439,974)	5,455,186	11,895,160
Fund Balance - Beginning	<u>20,310,545</u>	<u>20,310,545</u>	<u>20,310,545</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 7,616,252</u>	<u>\$ 13,870,571</u>	<u>\$ 25,765,731</u>	<u>\$ 11,895,160</u>

COUNTY OF SHASTA

Notes to Required Supplementary Information For the Year Ended June 30, 2015

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 in order 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 with 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.

SUPPLEMENTARY INFORMATION

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**COMBINING FINANCIAL STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS**

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COUNTY OF SHASTA

Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2015

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Assets				
Cash and investments	\$ 29,509,557	\$ 5,922,385	\$ 16,576	\$ 35,448,518
Accounts receivable	158,610	--	--	158,610
Due from other governments	4,661,374	--	--	4,661,374
Other assets	253,579	--	--	253,579
Due from other funds	326,536	--	--	326,536
Special assessments receivable	485,143	--	--	485,143
Notes receivable	10,428,025	--	--	10,428,025
Advances to other funds	472,926	--	--	472,926
Cash and investments - restricted	--	--	192	192
Total Assets	<u>\$ 46,295,750</u>	<u>\$ 5,922,385</u>	<u>\$ 16,768</u>	<u>\$ 52,234,903</u>
Liabilities				
Accounts payable	\$ 421,011	\$ 64,915	\$ --	\$ 485,926
Salaries and benefits payable	937,215	--	--	937,215
Due to other funds	332,756	184,144	--	516,900
Due to other governments	209,093	--	--	209,093
Advances from other funds	483,506	--	--	483,506
Deposits from others	3,917	--	--	3,917
Unearned revenue	2,809,743	--	--	2,809,743
Total Liabilities	<u>5,197,241</u>	<u>249,059</u>	<u>--</u>	<u>5,446,300</u>
Deferred Inflows of Resources				
Unavailable revenue	744,767	--	--	744,767
Fund Balances				
Nonspendable	253,579	--	--	253,579
Restricted	39,610,441	--	16,768	39,627,209
Committed	489,722	1,853,982	--	2,343,704
Assigned	--	3,819,344	--	3,819,344
Total Fund Balance	<u>40,353,742</u>	<u>5,673,326</u>	<u>16,768</u>	<u>46,043,836</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 46,295,750</u>	<u>\$ 5,922,385</u>	<u>\$ 16,768</u>	<u>\$ 52,234,903</u>

COUNTY OF SHASTA

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2015

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
Revenues				
Taxes	\$ 2,068,595	\$ -	\$ --	\$ 2,068,595
Licenses and permits	240,408	--	--	240,408
Fines & forfeitures	21,847	--	--	21,847
Use of money and property	298,452	32,994	263	331,709
Intergovernmental	34,902,356	--	--	34,902,356
Charges for other services	2,946,691	--	--	2,946,691
Miscellaneous revenue	1,586,992	--	--	1,586,992
Total Revenues	<u>42,065,341</u>	<u>32,994</u>	<u>263</u>	<u>42,098,598</u>
Expenditures				
Current				
General government	--	587,139	--	587,139
Public protection	12,921,737	--	--	12,921,737
Public ways and facilities	693,812	--	--	693,812
Health and sanitation	24,798,073	--	--	24,798,073
Public assistance	732,734	--	--	732,734
Debt service				
Principal	--	--	2,625,196	2,625,196
Interest	--	--	1,140,620	1,140,620
Fiscal agent fees	--	--	5,531	5,531
Total Expenditures	<u>39,146,356</u>	<u>587,139</u>	<u>3,771,347</u>	<u>43,504,842</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,918,985</u>	<u>(554,145)</u>	<u>(3,771,084)</u>	<u>(1,406,244)</u>
Other Financing Sources (Uses)				
Transfers in	2,465,435	--	3,115,727	5,581,162
Transfers out	(803,023)	(2,086,603)	(7)	(2,889,633)
Sale of capital assets	25,282	--	--	25,282
Total Other Financing Sources (Uses)	<u>1,687,694</u>	<u>(2,086,603)</u>	<u>3,115,720</u>	<u>2,716,811</u>
Net Change in Fund Balances	4,606,679	(2,640,748)	(655,364)	1,310,567
Fund Balances - Beginning	<u>35,747,063</u>	<u>8,314,074</u>	<u>672,132</u>	<u>44,733,269</u>
Fund Balances - Ending	<u>\$ 40,353,742</u>	<u>\$ 5,673,326</u>	<u>\$ 16,768</u>	<u>\$ 46,043,836</u>

SPECIAL REVENUE FUNDS

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COUNTY OF SHASTA

Combining Balance Sheet
Special Revenue Funds
June 30, 2015

	Mental Health Services	Housing Home IPP	Housing Cal Home	Endangered Species
Assets				
Cash and investments	\$ 8,851,261	\$ 128,932	\$ 90,813	\$ 192,228
Accounts receivable	876	--	--	--
Due from other governments	946,517	--	--	--
Other assets	192	--	--	--
Due from other funds	115,464	--	--	--
Special assessments receivable	--	--	--	--
Notes receivable	--	5,237,282	998,763	--
Advances to other funds	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 9,914,310</u></u>	<u><u>\$ 5,366,214</u></u>	<u><u>\$ 1,089,576</u></u>	<u><u>\$ 192,228</u></u>
Liabilities				
Accounts payable	\$ 95,203	\$ --	\$ 500	\$ --
Salaries and benefits payable	176,114	--	--	--
Due to other funds	296,053	--	--	--
Due to other governments	16,837	115	--	--
Unearned revenue	--	--	90,313	--
Deposits from others	--	--	--	--
Advances from other funds	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>584,207</u>	<u>115</u>	<u>90,813</u>	<u>--</u>
Deferred Inflows of Resources				
Unavailable revenue	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund Balances				
Nonspendable	192	--	--	--
Restricted	9,329,911	5,366,099	998,763	192,228
Committed	--	--	--	--
Total Fund Balance	<u>9,330,103</u>	<u>5,366,099</u>	<u>998,763</u>	<u>192,228</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 9,914,310</u></u>	<u><u>\$ 5,366,214</u></u>	<u><u>\$ 1,089,576</u></u>	<u><u>\$ 192,228</u></u>

continued

COUNTY OF SHASTA

Combining Balance Sheet (continued)
Special Revenue Funds
June 30, 2015

	Roads SVAP Fund	Child Support Services	Public Health
Assets			
Cash and investments	\$ 609,429	\$ 3,264,795	\$ 6,304,338
Accounts receivable	--	718	97,339
Due from other governments	--	--	3,353,825
Other assets	--	1,930	5,432
Due from other funds	--	4,159	133,140
Special assessments receivable	--	--	--
Notes receivable	--	--	--
Advances to other funds	461,260	--	--
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 1,070,689</u>	<u>\$ 3,271,602</u>	<u>\$ 9,894,074</u>
Liabilities			
Accounts payable	\$ --	\$ 12,735	\$ 130,517
Salaries and benefits payable	--	242,154	436,302
Due to other funds	--	120	30,947
Due to other governments	--	--	77,512
Unearned revenue	--	854,787	30,777
Deposits from others	--	--	--
Advances from other funds	--	--	--
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>--</u>	<u>1,109,796</u>	<u>706,055</u>
Deferred Inflows of Resources			
Unavailable revenue	--	--	259,633
	<hr/>	<hr/>	<hr/>
Fund Balances:			
Nonspendable	--	1,930	5,432
Restricted	1,070,689	1,759,877	8,833,231
Committed	--	399,999	89,723
	<hr/>	<hr/>	<hr/>
Total Fund Balance	<u>1,070,689</u>	<u>2,161,806</u>	<u>8,928,386</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,070,689</u>	<u>\$ 3,271,602</u>	<u>\$ 9,894,074</u>

continued

COUNTY OF SHASTA

Combining Balance Sheet (continued)
 Special Revenue Funds
 June 30, 2015

	Shasta Housing Fund	County Water Agency	Air Quality Management	Fire Protection CSA #1
Assets				
Cash and investments	\$ 177,847	\$ 131,282	\$ 3,521,228	\$ 3,175,785
Accounts receivable	--	--	12,540	21,628
Due from other governments	5	--	88,008	196,837
Other assets	255	--	--	245,770
Due from other funds	--	2,609	5,330	42,190
Special assessments receivable	--	--	--	--
Notes receivable	4,191,980	--	--	--
Advances to other funds	--	11,666	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 4,370,087</u></u>	<u><u>\$ 145,557</u></u>	<u><u>\$ 3,627,106</u></u>	<u><u>\$ 3,682,210</u></u>
Liabilities				
Accounts payable	\$ --	\$ --	\$ 69,035	\$ 99,987
Salaries and benefits payable	--	--	27,805	44,092
Due to other funds	--	--	1,788	--
Due to other governments	--	731	--	40,842
Unearned revenue	--	--	1,833,866	--
Deposits from others	--	--	--	--
Advances from other funds	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u> </u>	<u> 731</u>	<u> 1,932,494</u>	<u> 184,921</u>
Deferred Inflows of Resources				
Unavailable revenue	--	--	--	--
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund Balances:				
Nonspendable	255	--	--	245,770
Restricted	4,369,832	144,826	1,694,612	3,251,519
Committed	--	--	--	--
Total Fund Balance	<u> 4,370,087</u>	<u> 144,826</u>	<u> 1,694,612</u>	<u> 3,497,289</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 4,370,087</u></u>	<u><u>\$ 145,557</u></u>	<u><u>\$ 3,627,106</u></u>	<u><u>\$ 3,682,210</u></u>

continued

COUNTY OF SHASTA

Combining Balance Sheet (continued)
 Special Revenue Funds
 June 30, 2015

	Inmate Welfare Fund	In-Home Support Services	Lighting Districts
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and investments	\$ 176,247	\$ 145,163	\$ 304,979
Accounts receivable	25,503	6	--
Due from other governments	--	76,182	--
Other assets	--	--	--
Due from other funds	--	1,512	329
Special assessments receivable	--	--	--
Notes receivable	--	--	--
Advances to other funds	--	--	--
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 201,750</u></u>	<u><u>\$ 222,863</u></u>	<u><u>\$ 305,308</u></u>
Liabilities			
Accounts payable	\$ 12,203	\$ 831	\$ --
Salaries and benefits payable	--	10,748	--
Due to other funds	--	3,848	--
Due to other governments	--	73,056	--
Unearned revenue	--	--	--
Deposits from others	3,917	--	--
Advances from other funds	--	--	--
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>16,120</u>	<u>88,483</u>	<u>--</u>
Deferred Inflows of Resources			
Unavailable revenue	--	--	--
	<u> </u>	<u> </u>	<u> </u>
Fund Balances:			
Nonspendable	--	--	--
Restricted	185,630	134,380	305,308
Committed	--	--	--
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>185,630</u>	<u>134,380</u>	<u>305,308</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 201,750</u></u>	<u><u>\$ 222,863</u></u>	<u><u>\$ 305,308</u></u>

continued

COUNTY OF SHASTA

Combining Balance Sheet (continued)
 Special Revenue Funds
 June 30, 2015

	County Service Areas	Permanent Road Divisions	Total
Assets			
Cash and investments	\$ 716,212	\$ 1,719,018	\$ 29,509,557
Accounts receivable	--	--	158,610
Due from other governments	--	--	4,661,374
Other assets	--	--	253,579
Due from other funds	1,732	20,071	326,536
Special assessments receivable	--	485,143	485,143
Notes receivable	--	--	10,428,025
Advances to other funds	--	--	472,926
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 717,944</u>	<u>\$ 2,224,232</u>	<u>\$ 46,295,750</u>
Liabilities			
Accounts payable	\$ --	\$ --	\$ 421,011
Salaries and benefits payable	--	--	937,215
Due to other funds	--	--	332,756
Due to other governments	--	--	209,093
Unearned revenue	--	--	2,809,743
Deposits from others	--	--	3,917
Advances from other funds	--	483,506	483,506
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>--</u>	<u>483,506</u>	<u>5,197,241</u>
Deferred Inflows of Resources			
Unavailable revenue	--	485,134	744,767
	<hr/>	<hr/>	<hr/>
Fund Balances:			
Nonspendable	--	--	253,579
Restricted	717,944	1,255,592	39,610,441
Committed	--	--	489,722
Total Fund Balance	<hr/> <u>717,944</u>	<hr/> <u>1,255,592</u>	<hr/> <u>40,353,742</u>
	<hr/>	<hr/>	<hr/>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 717,944</u>	<u>\$ 2,224,232</u>	<u>\$ 46,295,750</u>

COUNTY OF SHASTA

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Special Revenue Funds
For the Year Ended June 30, 2015

	<u>Mental Health Services</u>	<u>Housing Home IPP</u>	<u>Housing Cal Home</u>	<u>Endangered Species</u>
Revenues				
Taxes	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Fines & forfeitures	--	--	--	--
Use of money and property	48,117	18,587	--	945
Intergovernmental	9,842,325	--	212,628	--
Charges for other services	--	--	--	--
Miscellaneous revenue	443,329	--	--	--
Total Revenues	<u>10,333,771</u>	<u>18,587</u>	<u>212,628</u>	<u>945</u>
Expenditures				
Current				
Public protection	--	--	--	214
Public ways and facilities	--	--	--	--
Health and sanitation	8,671,297	--	--	--
Public assistance	--	242,313	2,577	--
Total Expenditures	<u>8,671,297</u>	<u>242,313</u>	<u>2,577</u>	<u>214</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,662,474</u>	<u>(223,726)</u>	<u>210,051</u>	<u>731</u>
Other Financing Sources (Uses)				
Transfers in	--	--	--	--
Transfers out	(716,968)	--	--	--
Sale of capital assets	--	--	--	--
Total Other Financing Sources (Uses)	<u>(716,968)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net Change in Fund Balances	945,506	(223,726)	210,051	731
Fund Balances - Beginning	<u>8,384,597</u>	<u>5,589,825</u>	<u>788,712</u>	<u>191,497</u>
Fund Balances - Ending	<u>\$ 9,330,103</u>	<u>\$ 5,366,099</u>	<u>\$ 998,763</u>	<u>\$ 192,228</u>

continued

COUNTY OF SHASTA

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Special Revenue Funds
For the Year Ended June 30, 2015

	Road SVAP Fund	Child Support Services	Public Health
Revenues			
Taxes	\$ --	\$ --	\$ --
Licenses and permits	--	--	5,532
Fines & forfeitures	--	--	2,206
Use of money and property	--	17,200	27,599
Intergovernmental	--	7,176,241	14,476,244
Charges for other services	4,000	--	1,030,550
Miscellaneous revenue	--	150,766	522,188
Total Revenues	<u>4,000</u>	<u>7,344,207</u>	<u>16,064,319</u>
Expenditures			
Current			
Public protection	--	7,388,716	--
Public ways and facilities	--	--	--
Health and sanitation	--	--	13,552,145
Public assistance	--	--	--
Total Expenditures	<u>--</u>	<u>7,388,716</u>	<u>13,552,145</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,000</u>	<u>(44,509)</u>	<u>2,512,174</u>
Other Financing Sources (Uses)			
Transfers in	--	17,812	315,220
Transfers out	--	--	(86,055)
Sale of capital assets	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>17,812</u>	<u>229,165</u>
Net Change in Fund Balances	4,000	(26,697)	2,741,339
Fund Balances - Beginning	<u>1,066,689</u>	<u>2,188,503</u>	<u>6,187,047</u>
Fund Balances - Ending	<u><u>\$ 1,070,689</u></u>	<u><u>\$ 2,161,806</u></u>	<u><u>\$ 8,928,386</u></u>

continued

COUNTY OF SHASTA

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Special Revenue Funds
For the Year Ended June 30, 2015

	Shasta Housing Fund	County Water Agency	Air Quality Management	Fire Protection CSA #1
Revenues				
Taxes	\$ --	\$ 157,819	\$ --	\$ 1,801,625
Licenses and permits	--	--	212,556	22,320
Fines & forfeitures	--	--	19,641	--
Use of money and property	13,106	506	13,840	16,239
Intergovernmental	--	3,016	2,206,231	558,857
Charges for other services	--	64,936	55,236	1,308,708
Miscellaneous revenue	--	--	15,092	328,716
Total Revenues	<u>13,106</u>	<u>226,277</u>	<u>2,522,596</u>	<u>4,036,465</u>
Expenditures				
Current				
Public protection	--	--	--	5,328,850
Public ways and facilities	--	227,763	--	--
Health and sanitation	--	--	2,574,631	--
Public assistance	(3,266)	--	--	--
Total Expenditures	<u>(3,266)</u>	<u>227,763</u>	<u>2,574,631</u>	<u>5,328,850</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>16,372</u>	<u>(1,486)</u>	<u>(52,035)</u>	<u>(1,292,385)</u>
Other Financing Sources (Uses)				
Transfers in	--	--	--	2,131,513
Transfers out	--	--	--	--
Sale of capital assets	--	--	4,325	20,957
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>4,325</u>	<u>2,152,470</u>
Net Change in Fund Balances	16,372	(1,486)	(47,710)	860,085
Fund Balances - Beginning	<u>4,353,715</u>	<u>146,312</u>	<u>1,742,322</u>	<u>2,637,204</u>
Fund Balances - Ending	<u>\$ 4,370,087</u>	<u>\$ 144,826</u>	<u>\$ 1,694,612</u>	<u>\$ 3,497,289</u>

continued

COUNTY OF SHASTA

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances (continued)
Special Revenue Funds
For the Year Ended June 30, 2015

	Inmate Welfare Fund	In-Home Support Services	Lighting Districts
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ --	\$ --	\$ 13,136
Licenses and permits	--	--	--
Fines & forfeitures	--	--	--
Use of money and property	129,233	169	1,472
Intergovernmental	--	424,916	315
Charges for other services	--	--	--
Miscellaneous revenue	126,901	--	--
Total Revenues	<u>256,134</u>	<u>425,085</u>	<u>14,923</u>
Expenditures			
Current			
Public protection	203,957	--	--
Public ways and facilities	--	--	8,562
Health and sanitation	--	--	--
Public assistance	--	491,110	--
Total Expenditures	<u>203,957</u>	<u>491,110</u>	<u>8,562</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>52,177</u>	<u>(66,025)</u>	<u>6,361</u>
Other Financing Sources (Uses)			
Transfers in	--	--	800
Transfers out	--	--	--
Sale of capital assets	--	--	--
Total Other Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>800</u>
Net Change in Fund Balances	52,177	(66,025)	7,161
Fund Balances - Beginning	<u>133,453</u>	<u>200,405</u>	<u>298,147</u>
Fund Balances - Ending	<u>\$ 185,630</u>	<u>\$ 134,380</u>	<u>\$ 305,308</u>

continued

COUNTY OF SHASTA

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (continued)
Special Revenue Funds
For the Year Ended June 30, 2015

	<u>County Service Areas</u>	<u>Permanent Road Divisions</u>	<u>Total</u>
Revenues			
Taxes	\$ 95,108	\$ 907	\$ 2,068,595
Licenses and permits	--	--	240,408
Fines & forfeitures	--	--	21,847
Use of money and property	3,375	8,064	298,452
Intergovernmental	1,567	16	34,902,356
Charges for other services	21,674	461,587	2,946,691
Miscellaneous revenue	--	--	1,586,992
Total Revenues	<u>121,724</u>	<u>470,574</u>	<u>42,065,341</u>
Expenditures			
Current			
Public protection	--	--	12,921,737
Public ways and facilities	82,476	375,011	693,812
Health and sanitation	--	--	24,798,073
Public assistance	--	--	732,734
Total Expenditures	<u>82,476</u>	<u>375,011</u>	<u>39,146,356</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>39,248</u>	<u>95,563</u>	<u>2,918,985</u>
Other Financing Sources (Uses)			
Transfers in	--	90	2,465,435
Transfers out	--	--	(803,023)
Sale of capital assets	--	--	25,282
Total Other Financing Sources (Uses)	<u>--</u>	<u>90</u>	<u>1,687,694</u>
Net Change in Fund Balances	39,248	95,653	4,606,679
Fund Balances - Beginning	<u>678,696</u>	<u>1,159,939</u>	<u>35,747,063</u>
Fund Balances - Ending	<u>\$ 717,944</u>	<u>\$ 1,255,592</u>	<u>\$ 40,353,742</u>

COUNTY OF SHASTA

Mental Health Services
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 48,117	\$ 48,117
Intergovernmental	16,063,383	8,278,966	9,842,325	1,563,359
Miscellaneous revenue	347,484	347,484	443,329	95,845
Total Revenues	<u>16,410,867</u>	<u>8,626,450</u>	<u>10,333,771</u>	<u>1,707,321</u>
Expenditures				
Current:				
Health and sanitation	20,321,215	9,931,624	8,671,297	1,260,327
Total Expenditures	<u>20,321,215</u>	<u>9,931,624</u>	<u>8,671,297</u>	<u>1,260,327</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(3,910,348)</u>	<u>(1,305,174)</u>	<u>1,662,474</u>	<u>2,967,648</u>
Other Financing Sources (Uses)				
Transfers out (operating)	(1,300,000)	(1,300,000)	(716,968)	583,032
Net Financing Sources (Uses)	<u>(1,300,000)</u>	<u>(1,300,000)</u>	<u>(716,968)</u>	<u>583,032</u>
Net Change in Fund Balances	(5,210,348)	(2,605,174)	945,506	3,550,680
Fund Balance - Beginning	<u>8,384,597</u>	<u>8,384,597</u>	<u>8,384,597</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 3,174,249</u>	<u>\$ 5,779,423</u>	<u>\$ 9,330,103</u>	<u>\$ 3,550,680</u>

COUNTY OF SHASTA

Housing Home IPP
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ 20,000	\$ 10,000	\$ 18,587	\$ 8,587
Intergovernmental	500,000	250,000	--	(250,000)
Total Revenues	<u>520,000</u>	<u>260,000</u>	<u>18,587</u>	<u>(241,413)</u>
Expenditures				
Current:				
Public assistance	1,000,980	500,490	242,313	258,177
Total Expenditures	<u>1,000,980</u>	<u>500,490</u>	<u>242,313</u>	<u>258,177</u>
Net Change in Fund Balances	(480,980)	(240,490)	(223,726)	16,764
Fund Balance - Beginning	<u>5,589,825</u>	<u>5,589,825</u>	<u>5,589,825</u>	--
Fund Balance - Ending	<u>\$ 5,108,845</u>	<u>\$ 5,349,335</u>	<u>\$ 5,366,099</u>	<u>\$ 16,764</u>

COUNTY OF SHASTA

Housing Cal Home
Budgetary Comparison Schedule
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Intergovernmental	\$ 91,062	\$ 45,531	\$ 212,628	\$ 167,097
Total Revenues	<u>91,062</u>	<u>45,531</u>	<u>212,628</u>	<u>167,097</u>
Expenditures				
Current:				
Public assistance	91,062	45,531	2,577	42,954
Total Expenditures	<u>91,062</u>	<u>45,531</u>	<u>2,577</u>	<u>42,954</u>
Net Change in Fund Balances	--	--	210,051	210,051
Fund Balance - Beginning	<u>788,712</u>	<u>788,712</u>	<u>788,712</u>	--
Fund Balance - Ending	<u>\$ 788,712</u>	<u>\$ 788,712</u>	<u>\$ 998,763</u>	<u>\$ 210,051</u>

COUNTY OF SHASTA

Endangered Species
Budgetary Comparison Schedule
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 945	\$ 945
Total Revenues	<u>--</u>	<u>--</u>	<u>945</u>	<u>945</u>
Expenditures				
Current:				
Public protection	382,428	191,214	214	191,000
Total Expenditures	<u>382,428</u>	<u>191,214</u>	<u>214</u>	<u>191,000</u>
Net Change in Fund Balances	(382,428)	(191,214)	731	191,945
Fund Balance - Beginning	<u>191,497</u>	<u>191,497</u>	<u>191,497</u>	<u>--</u>
Fund Balance - Ending	<u><u>\$ (190,931)</u></u>	<u><u>\$ 283</u></u>	<u><u>\$ 192,228</u></u>	<u><u>\$ 191,945</u></u>

COUNTY OF SHASTA

Roads SVAP Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Charges for other services	\$ 13,000	\$ 5,000	\$ 4,000	\$ (1,000)
Total Revenues	<u>13,000</u>	<u>5,000</u>	<u>4,000</u>	<u>(1,000)</u>
Expenditures				
Current:				
Public ways/ facilities	37,000	17,000	--	17,000
Total Expenditures	<u>37,000</u>	<u>17,000</u>	<u>--</u>	<u>17,000</u>
Net Change in Fund Balances	(24,000)	(12,000)	4,000	16,000
Fund Balance - Beginning	<u>1,066,689</u>	<u>1,066,689</u>	<u>1,066,689</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 1,042,689</u>	<u>\$ 1,054,689</u>	<u>\$ 1,070,689</u>	<u>\$ 16,000</u>

COUNTY OF SHASTA

Child Support Services
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ 10,000	\$ 5,000	\$ 17,200	\$ 12,200
Intergovernmental	15,444,246	7,722,123	7,176,241	(545,882)
Miscellaneous revenue	301,148	150,574	150,766	192
Total Revenues	<u>15,755,394</u>	<u>7,877,697</u>	<u>7,344,207</u>	<u>(533,490)</u>
Expenditures				
Current:				
Public protection	16,585,280	8,292,640	7,388,716	903,924
Total Expenditures	<u>16,585,280</u>	<u>8,292,640</u>	<u>7,388,716</u>	<u>903,924</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(829,886)</u>	<u>(414,943)</u>	<u>(44,509)</u>	<u>370,434</u>
Other Financing Sources (Uses)				
Transfers in	35,624	17,812	17,812	--
Net Financing Sources (Uses)	<u>35,624</u>	<u>17,812</u>	<u>17,812</u>	<u>--</u>
Net Change in Fund Balances	<u>(794,262)</u>	<u>(397,131)</u>	<u>(26,697)</u>	<u>370,434</u>
Fund Balance - Beginning	<u>2,188,503</u>	<u>2,188,503</u>	<u>2,188,503</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 1,394,241</u>	<u>\$ 1,791,372</u>	<u>\$ 2,161,806</u>	<u>\$ 370,434</u>

COUNTY OF SHASTA

Public Health
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Licenses and permits	\$ 10,000	\$ 5,000	\$ 5,532	\$ 532
Fines and forfeitures	3,000	1,500	2,206	706
Use of money and property	3,000	1,500	27,599	26,099
Intergovernmental	28,000,038	14,129,088	14,476,244	347,156
Charges for other services	2,236,028	1,118,014	1,030,550	(87,464)
Miscellaneous revenue	766,176	383,088	522,188	139,100
Total Revenues	<u>31,018,242</u>	<u>15,638,190</u>	<u>16,064,319</u>	<u>426,129</u>
Expenditures				
Current:				
Health and sanitation	33,445,731	16,619,079	13,552,145	3,066,934
Total Expenditures	<u>33,445,731</u>	<u>16,619,079</u>	<u>13,552,145</u>	<u>3,066,934</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(2,427,489)</u>	<u>(980,889)</u>	<u>2,512,174</u>	<u>3,493,063</u>
Other Financing Sources (Uses)				
Transfers in	924,809	315,220	315,220	--
Transfers out	(192,365)	(163,340)	(86,055)	77,285
Net Financing Sources (Uses)	<u>732,444</u>	<u>151,880</u>	<u>229,165</u>	<u>77,285</u>
Net Change in Fund Balances	(1,695,045)	(829,009)	2,741,339	3,570,348
Fund Balance - Beginning	<u>6,187,047</u>	<u>6,187,047</u>	<u>6,187,047</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 4,492,002</u>	<u>\$ 5,358,038</u>	<u>\$ 8,928,386</u>	<u>\$ 3,570,348</u>

COUNTY OF SHASTA

Shasta Housing Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ 10,050	\$ 5,025	\$ 13,106	\$ 8,081
Total Revenues	<u>10,050</u>	<u>5,025</u>	<u>13,106</u>	<u>8,081</u>
Expenditures				
Current:				
Public assistance	25,490	12,745	(3,266)	16,011
Total Expenditures	<u>25,490</u>	<u>12,745</u>	<u>(3,266)</u>	<u>16,011</u>
Net Change in Fund Balances	(15,440)	(7,720)	16,372	24,092
Fund Balance - Beginning	<u>4,353,715</u>	<u>4,353,715</u>	<u>4,353,715</u>	--
Fund Balance - Ending	<u>\$ 4,338,275</u>	<u>\$ 4,345,995</u>	<u>\$ 4,370,087</u>	<u>\$ 24,092</u>

COUNTY OF SHASTA

County Water Agency
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Taxes	\$ 295,000	\$ 147,500	\$ 157,819	\$ 10,319
Use of money and property	400	200	506	306
Intergovernmental	5,000	2,500	3,016	516
Charges for other services	40,000	20,000	64,936	44,936
Total Revenues	<u>340,400</u>	<u>170,200</u>	<u>226,277</u>	<u>56,077</u>
Expenditures				
Current:				
Public ways/ facilities	708,256	354,128	227,763	126,365
Total Expenditures	<u>708,256</u>	<u>354,128</u>	<u>227,763</u>	<u>126,365</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(367,856)</u>	<u>(183,928)</u>	<u>(1,486)</u>	<u>182,442</u>
Other Financing Sources (Uses)				
Transfers out	(80,000)	(40,000)	--	40,000
Net Financing Sources (Uses)	<u>(80,000)</u>	<u>(40,000)</u>	<u>--</u>	<u>40,000</u>
Net Change in Fund Balances	(447,856)	(223,928)	(1,486)	222,442
Fund Balance - Beginning	<u>146,312</u>	<u>146,312</u>	<u>146,312</u>	<u>--</u>
Fund Balance - Ending	<u>\$ (301,544)</u>	<u>\$ (77,616)</u>	<u>\$ 144,826</u>	<u>\$ 222,442</u>

COUNTY OF SHASTA

Air Quality Management
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Licenses and permits	\$ 363,500	\$ 181,750	\$ 212,556	\$ 30,806
Fines and forfeitures	--	--	19,641	19,641
Use of money and property	30,000	15,000	13,840	(1,160)
Intergovernmental	3,113,537	2,316,437	2,206,231	(110,206)
Charges for other services	6,100	3,050	55,236	52,186
Miscellaneous revenue	30,184	15,092	15,092	--
Total Revenues	<u>3,543,321</u>	<u>2,531,329</u>	<u>2,522,596</u>	<u>(8,733)</u>
Expenditures				
Current:				
Health and sanitation	4,286,701	2,898,019	2,574,631	323,388
Total Expenditures	<u>4,286,701</u>	<u>2,898,019</u>	<u>2,574,631</u>	<u>323,388</u>
Other Financing Sources (Uses)				
Sale of fixed assets	--	--	4,325	4,325
Net Financing Sources (Uses)	<u>--</u>	<u>--</u>	<u>4,325</u>	<u>4,325</u>
Net Change in Fund Balances	(743,380)	(366,690)	(47,710)	318,980
Fund Balance - Beginning	<u>1,742,322</u>	<u>1,742,322</u>	<u>1,742,322</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 998,942</u>	<u>\$ 1,375,632</u>	<u>\$ 1,694,612</u>	<u>\$ 318,980</u>

COUNTY OF SHASTA

Fire Protection CSA #1
Budgetary Comparison Schedule
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Taxes	\$ 3,324,400	\$ 1,662,200	\$ 1,801,625	\$ 139,425
Licenses and permits	30,000	15,000	22,320	7,320
Use of money and property	--	--	16,239	16,239
Intergovernmental	652,932	612,932	558,857	(54,075)
Charges for other services	1,521,784	805,117	1,308,708	503,591
Miscellaneous revenue	650,186	325,093	328,716	3,623
Total Revenues	<u>6,179,302</u>	<u>3,420,342</u>	<u>4,036,465</u>	<u>616,123</u>
Expenditures				
Current:				
Public protection	12,874,808	6,512,368	5,328,850	1,183,518
Total Expenditures	<u>12,874,808</u>	<u>6,512,368</u>	<u>5,328,850</u>	<u>1,183,518</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(6,695,506)</u>	<u>(3,092,026)</u>	<u>(1,292,385)</u>	<u>1,799,641</u>
Other Financing Sources (Uses)				
Transfers in	4,270,594	2,189,047	2,131,513	(57,534)
Sale of capital assets	9,000	4,500	20,957	16,457
Net Financing Sources (Uses)	<u>4,279,594</u>	<u>2,193,547</u>	<u>2,152,470</u>	<u>(41,077)</u>
Net Change in Fund Balances	(2,415,912)	(898,479)	860,085	1,758,564
Fund Balance - Beginning	<u>2,637,204</u>	<u>2,637,204</u>	<u>2,637,204</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 221,292</u>	<u>\$ 1,738,725</u>	<u>\$ 3,497,289</u>	<u>\$ 1,758,564</u>

COUNTY OF SHASTA

IHSS Public Authority
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 169	\$ 169
Intergovernmental	935,840	467,920	424,916	(43,004)
Total Revenues	<u>935,840</u>	<u>467,920</u>	<u>425,085</u>	<u>(42,835)</u>
Expenditures				
Current:				
Public assistance	919,500	459,750	491,110	(31,360)
Total Expenditures	<u>919,500</u>	<u>459,750</u>	<u>491,110</u>	<u>(31,360)</u>
Net Change in Fund Balances	16,340	8,170	(66,025)	(74,195)
Fund Balance - Beginning	<u>200,405</u>	<u>200,405</u>	<u>200,405</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 216,745</u>	<u>\$ 208,575</u>	<u>\$ 134,380</u>	<u>\$ (74,195)</u>

COUNTY OF SHASTA

Lighting Districts
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Taxes	\$ 33,616	\$ 16,808	\$ 13,136	\$ (3,672)
Use of money and property	1,620	810	1,472	662
Intergovernmental	600	300	315	15
Total Revenues	<u>35,836</u>	<u>17,918</u>	<u>14,923</u>	<u>(2,995)</u>
Expenditures				
Current:				
Public ways/ facilities	<u>80,598</u>	<u>40,299</u>	<u>8,562</u>	<u>31,737</u>
Total Expenditures	<u>80,598</u>	<u>40,299</u>	<u>8,562</u>	<u>31,737</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(44,762)</u>	<u>(22,381)</u>	<u>6,361</u>	<u>28,742</u>
Other Financing Sources (Uses)				
Transfers in	<u>1,600</u>	<u>800</u>	<u>800</u>	<u>--</u>
Net Financing Sources (Uses)	<u>1,600</u>	<u>800</u>	<u>800</u>	<u>--</u>
Net Change in Fund Balances	(43,162)	(21,581)	7,161	28,742
Fund Balance - Beginning	<u>298,147</u>	<u>298,147</u>	<u>298,147</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 254,985</u>	<u>\$ 276,566</u>	<u>\$ 305,308</u>	<u>\$ 28,742</u>

COUNTY OF SHASTA

Special Revenue County Service Areas
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Taxes	\$ 201,142	\$ 100,571	\$ 95,108	\$ (5,463)
Use of money and property	3,550	1,775	3,375	1,600
Intergovernmental	3,400	1,700	1,567	(133)
Charges for other services	43,398	21,699	21,674	(25)
Total Revenues	<u>251,490</u>	<u>125,745</u>	<u>121,724</u>	<u>(4,021)</u>
Expenditures				
Current:				
Public ways/ facilities	<u>324,200</u>	<u>162,100</u>	<u>82,476</u>	<u>79,624</u>
Total Expenditures	<u>324,200</u>	<u>162,100</u>	<u>82,476</u>	<u>79,624</u>
Net Change in Fund Balances	(72,710)	(36,355)	39,248	75,603
Fund Balance - Beginning	<u>678,696</u>	<u>678,696</u>	<u>678,696</u>	--
Fund Balance - Ending	<u>\$ 605,986</u>	<u>\$ 642,341</u>	<u>\$ 717,944</u>	<u>\$ 75,603</u>

COUNTY OF SHASTA

Permanent Road Divisions
Budgetary Comparison Schedule
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Taxes	\$ 878	\$ 439	\$ 907	\$ 468
Use of money and property	960	480	8,064	7,584
Intergovernmental	32	16	16	--
Charges for other services	913,588	456,794	461,587	4,793
Miscellaneous	--	--	--	--
Total Revenues	<u>915,458</u>	<u>457,729</u>	<u>470,574</u>	<u>12,845</u>
Expenditures				
Current:				
Public ways/ facilities	3,387,604	1,693,802	375,011	1,318,791
Total Expenditures	<u>3,387,604</u>	<u>1,693,802</u>	<u>375,011</u>	<u>1,318,791</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(2,472,146)</u>	<u>(1,236,073)</u>	<u>95,563</u>	<u>1,331,636</u>
Other Financing Sources (Uses)				
Transfers in	200	100	90	(10)
Net Financing Sources (Uses)	<u>200</u>	<u>100</u>	<u>90</u>	<u>(10)</u>
Net Change in Fund Balances	<u>(2,471,946)</u>	<u>(1,235,973)</u>	<u>95,653</u>	<u>1,331,626</u>
Fund Balance - Beginning	<u>1,159,939</u>	<u>1,159,939</u>	<u>1,159,939</u>	<u>--</u>
Fund Balance - Ending	<u>\$ (1,312,007)</u>	<u>\$ (76,034)</u>	<u>\$ 1,255,592</u>	<u>\$ 1,331,626</u>

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CAPITAL PROJECTS FUNDS

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COUNTY OF SHASTA

Combining Balance Sheet
 Non-Major Capital Projects Funds
 June 30, 2015

	<u>Accumulated Capital Outlay</u>	<u>Juvenile Hall</u>	<u>Adult Rehab Center</u>	<u>Total</u>
Assets				
Cash and investments	\$ 3,933,933	\$ 69,555	\$ 1,918,897	\$ 5,922,385
Total Assets	<u>\$ 3,933,933</u>	<u>\$ 69,555</u>	<u>\$ 1,918,897</u>	<u>\$ 5,922,385</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ --	\$ --	\$ 64,915	\$ 64,915
Due to other funds	184,144	--	--	184,144
Total Liabilities	<u>184,144</u>	<u>--</u>	<u>64,915</u>	<u>249,059</u>
Fund Balances:				
Committed	--	--	1,853,982	1,853,982
Assigned	3,749,789	69,555	--	3,819,344
Total Fund Balance	<u>3,749,789</u>	<u>69,555</u>	<u>1,853,982</u>	<u>5,673,326</u>
Total Liabilities and Fund Balances	<u>\$ 3,933,933</u>	<u>\$ 69,555</u>	<u>\$ 1,918,897</u>	<u>\$ 5,922,385</u>

COUNTY OF SHASTA

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Non-Major Capital Projects Funds
For the year ended June 30, 2015

	<u>Accumulated Capital Outlay</u>	<u>Juvenile Hall</u>	<u>Adult Rehab Center</u>	<u>Total</u>
Revenues				
Use of money and property	\$ 21,067	\$ 478	\$ 11,449	\$ 32,994
Total Revenues	<u>21,067</u>	<u>478</u>	<u>11,449</u>	<u>32,994</u>
Expenditures				
Current				
General government	--	--	587,139	587,139
Total Expenditures	<u>--</u>	<u>--</u>	<u>587,139</u>	<u>587,139</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>21,067</u>	<u>478</u>	<u>(575,690)</u>	<u>(554,145)</u>
Other Financing Sources (Uses)				
Transfers out	<u>(2,041,603)</u>	<u>(45,000)</u>	<u>--</u>	<u>(2,086,603)</u>
Total Other Financing Sources (Uses)	<u>(2,041,603)</u>	<u>(45,000)</u>	<u>--</u>	<u>(2,086,603)</u>
Net Change in Fund Balances	<u>(2,020,536)</u>	<u>(44,522)</u>	<u>(575,690)</u>	<u>(2,640,748)</u>
Fund Balances - Beginning	<u>5,770,325</u>	<u>114,077</u>	<u>2,429,672</u>	<u>8,314,074</u>
Fund Balances - Ending	<u><u>\$ 3,749,789</u></u>	<u><u>\$ 69,555</u></u>	<u><u>\$ 1,853,982</u></u>	<u><u>\$ 5,673,326</u></u>

COUNTY OF SHASTA

Capital Projects - Accumulated Capital Outlay
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 21,067	\$ 21,067
Total Revenues	<u>--</u>	<u>--</u>	<u>21,067</u>	<u>21,067</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>21,067</u>	<u>21,067</u>
Other Financing Sources (Uses)				
Transfers out	(3,463,000)	(3,438,000)	(2,041,603)	1,396,397
Net Financing Sources (Uses)	<u>(3,463,000)</u>	<u>(3,438,000)</u>	<u>(2,041,603)</u>	<u>1,396,397</u>
Net Change in Fund Balances	(3,463,000)	(3,438,000)	(2,020,536)	1,417,464
Fund Balance - Beginning	<u>5,770,325</u>	<u>5,770,325</u>	<u>5,770,325</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 2,307,325</u>	<u>\$ 2,332,325</u>	<u>\$ 3,749,789</u>	<u>\$ 1,417,464</u>

COUNTY OF SHASTA

Capital Projects - Juvenile Hall
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 478	\$ 478
Total Revenues	<u>--</u>	<u>--</u>	<u>478</u>	<u>478</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>--</u>	<u>--</u>	<u>478</u>	<u>478</u>
Other Financing Sources (Uses)				
Transfers out	(45,000)	(45,000)	(45,000)	--
Net Financing Sources (Uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>(45,000)</u>	<u>--</u>
Net Change in Fund Balances	(45,000)	(45,000)	(44,522)	478
Fund Balance - Beginning	<u>114,077</u>	<u>114,077</u>	<u>114,077</u>	<u>--</u>
Fund Balance - Ending	<u>\$ 69,077</u>	<u>\$ 69,077</u>	<u>\$ 69,555</u>	<u>\$ 478</u>

COUNTY OF SHASTA

Capital Projects - Adult Rehab Center
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 11,449	\$ 11,449
Total Revenues	<u>--</u>	<u>--</u>	<u>11,449</u>	<u>11,449</u>
Expenditures				
Current:				
General government	4,000,000	2,000,000	587,139	1,412,861
Total Expenditures	<u>4,000,000</u>	<u>2,000,000</u>	<u>587,139</u>	<u>1,412,861</u>
Net Change in Fund Balances	(4,000,000)	(2,000,000)	(575,690)	1,424,310
Fund Balance - Beginning	<u>2,429,672</u>	<u>2,429,672</u>	<u>2,429,672</u>	<u>--</u>
Fund Balance - Ending	<u><u>\$ (1,570,328)</u></u>	<u><u>\$ 429,672</u></u>	<u><u>\$ 1,853,982</u></u>	<u><u>\$ 1,424,310</u></u>

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DEBT SERVICE FUNDS

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COUNTY OF SHASTA

Combining Balance Sheet
 Non-Major Debt Service Funds
 June 30, 2015

	<u>Courthouse Improvement</u>	<u>Justice Center Renovation</u>	<u>Admin Center</u>	<u>Energy Retrofit</u>	<u>Total</u>
Assets					
Cash and investments	\$ 14,214	\$ --	\$ 2,294	\$ 68	\$ 16,576
Cash and investments - restricted	--	--	192	--	192
Total Assets	<u>\$ 14,214</u>	<u>\$ --</u>	<u>\$ 2,486</u>	<u>\$ 68</u>	<u>\$ 16,768</u>
Fund Balances					
Restricted	\$ 14,214	\$ --	\$ 2,486	\$ 68	\$ 16,768
Total Fund Balances	<u>\$ 14,214</u>	<u>\$ --</u>	<u>\$ 2,486</u>	<u>\$ 68</u>	<u>\$ 16,768</u>

COUNTY OF SHASTA

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Non-Major Debt Service Funds
For the Year Ended June 30, 2015

	<u>Courthouse Improvement</u>	<u>Justice Center Renovation</u>	<u>Admin Center</u>	<u>Energy Retrofit</u>	<u>Total</u>
Revenues					
Use of money and property	\$ 98	\$ 17	\$ 133	\$ 15	\$ 263
Total Revenues	<u>98</u>	<u>17</u>	<u>133</u>	<u>15</u>	<u>263</u>
Expenditures					
Debt service:					
Principal	425,000	645,000	1,380,000	175,196	2,625,196
Interest	109,644	13,303	1,000,450	17,223	1,140,620
Fiscal agent fees	--	3,767	1,764	--	5,531
Total Expenditures	<u>534,644</u>	<u>662,070</u>	<u>2,382,214</u>	<u>192,419</u>	<u>3,771,347</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(534,546)</u>	<u>(662,053)</u>	<u>(2,382,081)</u>	<u>(192,404)</u>	<u>(3,771,084)</u>
Other Financing Sources (Uses)					
Transfers in	534,644	90,382	2,298,282	192,419	3,115,727
Transfers out	--	(7)	--	--	(7)
Total Other Financing Sources (Uses)	<u>534,644</u>	<u>90,375</u>	<u>2,298,282</u>	<u>192,419</u>	<u>3,115,720</u>
Net Change in Fund Balances	98	(571,678)	(83,799)	15	(655,364)
Fund Balances - Beginning	<u>14,116</u>	<u>571,678</u>	<u>86,285</u>	<u>53</u>	<u>672,132</u>
Fund Balances - Ending	<u>\$ 14,214</u>	<u>\$ --</u>	<u>\$ 2,486</u>	<u>\$ 68</u>	<u>\$ 16,768</u>

COUNTY OF SHASTA

Budgetary Comparison Schedule
Debt Service - Courthouse Fund
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 98	\$ 98
Total Revenues	<u>--</u>	<u>--</u>	<u>98</u>	<u>98</u>
Expenditures				
Current:				
Debt Service	1,069,288	534,644	534,644	--
Total Expenditures	<u>1,069,288</u>	<u>534,644</u>	<u>534,644</u>	<u>--</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(1,069,288)</u>	<u>(534,644)</u>	<u>(534,546)</u>	<u>98</u>
Other Financing Sources (Uses)				
Transfers in	1,069,288	534,644	534,644	--
Net Financing Sources (Uses)	<u>1,069,288</u>	<u>534,644</u>	<u>534,644</u>	<u>--</u>
Net Change in Fund Balances	--	--	98	98
Fund Balance - Beginning	<u>14,116</u>	<u>14,116</u>	<u>14,116</u>	<u>--</u>
Fund Balance - Ending	<u><u>\$ 14,116</u></u>	<u><u>\$ 14,116</u></u>	<u><u>\$ 14,214</u></u>	<u><u>\$ 98</u></u>

COUNTY OF SHASTA

Budgetary Comparison Schedule
Debt Service - Justice Center Bond
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Fines and forfeitures	\$ 5,000	\$ --	\$ --	\$ --
Use of money and property	--	--	17	17
Total Revenues	<u>5,000</u>	<u>--</u>	<u>17</u>	<u>17</u>
Expenditures				
Current:				
Debt Service	1,330,608	665,304	662,070	3,234
Total Expenditures	<u>1,330,608</u>	<u>665,304</u>	<u>662,070</u>	<u>3,234</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(1,325,608)</u>	<u>(665,304)</u>	<u>(662,053)</u>	<u>3,251</u>
Other Financing Sources (Uses)				
Transfers in	753,936	93,632	90,382	(3,250)
Transfers out	(7)	(7)	(7)	--
Net Financing Sources (Uses)	<u>753,929</u>	<u>93,625</u>	<u>90,375</u>	<u>(3,250)</u>
Net Change in Fund Balances	(571,679)	(571,679)	(571,678)	1
Fund Balance - Beginning	<u>571,678</u>	<u>571,678</u>	<u>571,678</u>	<u>--</u>
Fund Balance - Ending	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ --</u>	<u>\$ 1</u>

COUNTY OF SHASTA

Budgetary Comparison Schedule
Debt Service - Admin Center Bond
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 133	\$ 133
Total Revenues	<u>--</u>	<u>--</u>	<u>133</u>	<u>133</u>
Expenditures				
Current:				
Debt Service	4,765,900	2,382,950	2,382,214	736
Total Expenditures	<u>4,765,900</u>	<u>2,382,950</u>	<u>2,382,214</u>	<u>736</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(4,765,900)</u>	<u>(2,382,950)</u>	<u>(2,382,081)</u>	<u>869</u>
Other Financing Sources (Uses)				
Transfers in	4,765,900	2,382,950	2,298,282	(84,668)
Net Financing Sources (Uses)	<u>4,765,900</u>	<u>2,382,950</u>	<u>2,298,282</u>	<u>(84,668)</u>
Net Change in Fund Balances	--	--	(83,799)	(83,799)
Fund Balance - Beginning	<u>88,139</u>	<u>88,139</u>	<u>86,285</u>	<u>(1,854)</u>
Fund Balance - Ending	<u><u>\$ 88,139</u></u>	<u><u>\$ 88,139</u></u>	<u><u>\$ 2,486</u></u>	<u><u>\$ (85,653)</u></u>

COUNTY OF SHASTA

Budgetary Comparison Schedule
Debt Service - Energy Retrofit
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Revenues				
Use of money and property	\$ --	\$ --	\$ 15	\$ 15
Total Revenues	<u>--</u>	<u>--</u>	<u>15</u>	<u>15</u>
Expenditures				
Current:				
Debt Service	384,842	192,421	192,419	2
Total Expenditures	<u>384,842</u>	<u>192,421</u>	<u>192,419</u>	<u>2</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(384,842)</u>	<u>(192,421)</u>	<u>(192,404)</u>	<u>17</u>
Other Financing Sources (Uses)				
Transfers in	384,842	192,421	192,419	(2)
Net Financing Sources (Uses)	<u>384,842</u>	<u>192,421</u>	<u>192,419</u>	<u>(2)</u>
Net Change in Fund Balances	--	--	15	15
Fund Balance - Beginning	<u>53</u>	<u>53</u>	<u>53</u>	<u>--</u>
Fund Balance - Ending	<u><u>\$ 53</u></u>	<u><u>\$ 53</u></u>	<u><u>\$ 68</u></u>	<u><u>\$ 15</u></u>

NONMAJOR ENTERPRISE FUNDS

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COUNTY OF SHASTA

Combining Statement of Net Position
Non-Major Enterprise Funds
June 30, 2015

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA # 8 Palo Cedro
Assets			
Current assets:			
Cash and investments	\$ 3,492	\$ 70,596	\$ 566,488
Receivables, net	6,689	8,984	29,468
Due from other funds	581	710	2,142
Other assets	--	--	--
Due from other governments	--	--	--
Total current assets	<u>10,762</u>	<u>80,290</u>	<u>598,098</u>
Noncurrent Assets:			
Special assessments receivable	--	164,430	--
Cash and investments - restricted	--	6,211	--
Capital assets, non-depreciable	1,342	19,860	340,835
Capital assets, depreciable -net	32,602	766,665	1,133,370
Total noncurrent assets	<u>33,944</u>	<u>957,166</u>	<u>1,474,205</u>
Total Assets	<u>44,706</u>	<u>1,037,456</u>	<u>2,072,303</u>
Liabilities			
Current liabilities:			
Accounts payable	46	876	5,320
Interest payable	--	2,358	--
Due to other funds	--	--	--
Deposits from others	--	500	500
Unearned revenue	1,933	1,515	3,482
Bonds, notes payable	--	2,500	20,000
Total current liabilities	<u>1,979</u>	<u>7,749</u>	<u>29,302</u>
Noncurrent Liabilities:			
Advances from other funds	--	--	--
Bonds, notes payable	--	169,000	--
Total noncurrent liabilities	<u>--</u>	<u>169,000</u>	<u>--</u>
Total Liabilities	<u>1,979</u>	<u>176,749</u>	<u>29,302</u>
Net Position			
Net investment in capital assets	33,944	615,025	1,454,205
Unrestricted	8,783	245,682	588,796
Total Net Position	<u>\$ 42,727</u>	<u>\$ 860,707</u>	<u>\$ 2,043,001</u>

continued

COUNTY OF SHASTA

Combining Statement of Net Position (continued)
 Non-Major Enterprise Funds
 June 30, 2015

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA # 17 Cotton- wood
	<u> </u>	<u> </u>	<u> </u>
Assets			
Current assets:			
Cash and investments	\$ 184,686	\$ 17,528	\$ 176,841
Receivables, net	19,766	6,922	198,920
Due from other funds	1,482	483	10,165
Other assets	--	--	--
Due from other governments	--	--	--
Total current assets	<u>205,934</u>	<u>24,933</u>	<u>385,926</u>
Noncurrent Assets:			
Special assessments receivable	103,896	--	--
Cash and investments - restricted	--	--	--
Capital assets, non-depreciable	45,928	--	352,773
Capital assets, depreciable -net	782,186	134,337	2,246,349
Total noncurrent assets	<u>932,010</u>	<u>134,337</u>	<u>2,599,122</u>
Total Assets	<u>1,137,944</u>	<u>159,270</u>	<u>2,985,048</u>
Liabilities			
Current liabilities:			
Accounts payable	298	64	30,361
Interest payable	888	--	--
Due to other funds	--	--	--
Deposits from others	--	--	--
Unearned revenue	832	800	7,682
Bonds, notes payable	21,735	--	--
Total current liabilities	<u>23,753</u>	<u>864</u>	<u>38,043</u>
Noncurrent Liabilities:			
Advances from other funds	--	11,667	357,214
Bonds, notes payable	82,161	--	--
Total noncurrent liabilities	<u>82,161</u>	<u>11,667</u>	<u>357,214</u>
Total Liabilities	<u>105,914</u>	<u>12,531</u>	<u>395,257</u>
Net Position			
Net investments in capital assets	724,218	134,337	2,599,122
Unrestricted	307,812	12,402	(9,331)
Total Net Position	<u>\$ 1,032,030</u>	<u>\$ 146,739</u>	<u>\$ 2,589,791</u>

continued

COUNTY OF SHASTA

Combining Statement of Net Position (continued)
 Non-Major Enterprise Funds
 June 30, 2015

	CSA #23 Crag View Water	CSA #25 Keswick Water	Shasta Co Transit	Total
Assets				
Current assets:				
Cash and investments	\$ 29,978	\$ --	\$ 137,326	\$ 1,186,935
Receivables, net	7,031	10,646	--	288,426
Due from other funds	1,182	1,623	--	18,368
Other assets	8,530	--	--	8,530
Due from other governments	--	518,765	337,621	856,386
Total current assets	<u>46,721</u>	<u>531,034</u>	<u>474,947</u>	<u>2,358,645</u>
Noncurrent Assets:				
Special assessments receivable	224,701	--	--	493,027
Cash and investments - restricted	13,728	--	--	19,939
Capital assets, non-depreciable	--	615,520	--	1,376,258
Capital assets, depreciable -net	1,353,760	220,862	--	6,670,131
Total noncurrent assets	<u>1,592,189</u>	<u>836,382</u>	<u>--</u>	<u>8,559,355</u>
Total Assets	<u>1,638,910</u>	<u>1,367,416</u>	<u>474,947</u>	<u>10,918,000</u>
Liabilities				
Current liabilities:				
Accounts payable	873	166,518	31,973	236,329
Interest payable	--	--	--	3,246
Due to other funds	--	373,215	--	373,215
Deposits from others	--	--	--	1,000
Unearned revenue	609	1,824	--	18,677
Bonds, notes payable	13,727	--	--	57,962
Total current liabilities	<u>15,209</u>	<u>541,557</u>	<u>31,973</u>	<u>690,429</u>
Noncurrent Liabilities:				
Advances from other funds	--	--	--	368,881
Bonds, notes payable	247,091	--	--	498,252
Total noncurrent liabilities	<u>247,091</u>	<u>--</u>	<u>--</u>	<u>867,133</u>
Total Liabilities	<u>262,300</u>	<u>541,557</u>	<u>31,973</u>	<u>1,557,562</u>
Net Position				
Net investments in capital assets	1,092,942	836,382	--	7,490,175
Unrestricted	283,668	(10,523)	442,974	1,870,263
Total Net Position	<u>\$ 1,376,610</u>	<u>\$ 825,859</u>	<u>\$ 442,974</u>	<u>\$ 9,360,438</u>

COUNTY OF SHASTA

Combining Statement of Revenues, Expenses and Changes in Net Position
 Non-Major Enterprise Funds
 For the Year Ended June 30, 2015

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA # 8 Palo Cedro
	<u> </u>	<u> </u>	<u> </u>
Operating Revenues			
Charges for services	\$ 35,014	\$ 43,937	\$ 153,179
Total Operating Revenues	<u>35,014</u>	<u>43,937</u>	<u>153,179</u>
 Operating Expenses			
Services and supplies	36,176	49,103	213,682
Central service costs	2,018	2,792	3,341
Depreciation	4,658	41,199	95,778
Total Operating Expenses	<u>42,852</u>	<u>93,094</u>	<u>312,801</u>
 Operating Income (Loss)	<u>(7,838)</u>	<u>(49,157)</u>	<u>(159,622)</u>
 Non-Operating Revenues (Expenses)			
Investment income	39	397	2,956
Property tax revenue	--	--	--
Non-operating grants	--	--	--
Interest expense	--	(7,091)	--
Miscellaneous revenue	--	7,674	111
Total Non-Operating Revenues (Expenses)	<u>39</u>	<u>980</u>	<u>3,067</u>
 Change in Net Position	<u>(7,799)</u>	<u>(48,177)</u>	<u>(156,555)</u>
 Net Position - Beginning	<u>50,526</u>	<u>908,884</u>	<u>2,199,556</u>
 Net Position - Ending	<u>\$ 42,727</u>	<u>\$ 860,707</u>	<u>\$ 2,043,001</u>

COUNTY OF SHASTA

Combining Statement of Revenues, Expenses and Changes in Net Position (continued)
 Non-Major Enterprise Funds
 For the Year Ended June 30, 2015

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA # 17 Cotton- wood
Operating Revenues			
Charges for services	\$ 96,643	\$ 37,293	\$ 654,717
Total Operating Revenues	<u>96,643</u>	<u>37,293</u>	<u>654,717</u>
Operating Expenses			
Services and supplies	44,438	36,772	599,044
Central service costs	2,835	1,851	9,732
Depreciation	43,056	7,070	240,599
Total Operating Expenses	<u>90,329</u>	<u>45,693</u>	<u>849,375</u>
Operating Income (Loss)	<u>6,314</u>	<u>(8,400)</u>	<u>(194,658)</u>
Non-Operating Revenues (Expenses)			
Investment income	804	123	969
Property tax revenue	--	--	--
Non-operating grants	--	--	--
Interest expense	(3,909)	--	(15,123)
Miscellaneous revenue	12	--	72
Total Non-Operating Revenues (Expenses)	<u>(3,093)</u>	<u>123</u>	<u>(14,082)</u>
Change in Net Position	3,221	(8,277)	(208,740)
Net Position - Beginning	<u>1,028,809</u>	<u>155,016</u>	<u>2,798,531</u>
Net Position - Ending	<u>\$ 1,032,030</u>	<u>\$ 146,739</u>	<u>\$ 2,589,791</u>

continued

COUNTY OF SHASTA

Combining Statement of Revenues, Expenses and Changes in Net Position (continued)
 Non-Major Enterprise Funds
 For the Year Ended June 30, 2015

	CSA #23 Crag View Water	CSA #25 Keswick Water	Shasta Co Transit	Total
Operating Revenues				
Charges for services	\$ 38,553	\$ 55,866	\$ 355,558	\$ 1,470,760
Total Operating Revenues	<u>38,553</u>	<u>55,866</u>	<u>355,558</u>	<u>1,470,760</u>
Operating Expenses				
Services and supplies	53,418	122,994	405,304	1,560,931
Central service costs	5,514	2,580	--	30,663
Depreciation	30,976	14,404	--	477,740
Total Operating Expenses	<u>89,908</u>	<u>139,978</u>	<u>405,304</u>	<u>2,069,334</u>
Operating Income (Loss)	<u>(51,355)</u>	<u>(84,112)</u>	<u>(49,746)</u>	<u>(598,574)</u>
Non-Operating Revenues (Expenses)				
Investment income	242	(722)	631	5,439
Property tax revenue	5,072	21,758	--	26,830
Non-operating grants	--	818,170	--	818,170
Interest expense	--	--	--	(26,123)
Miscellaneous revenue	239,792	376	--	248,037
Total Non-Operating Revenues (Expenses)	<u>245,106</u>	<u>839,582</u>	<u>631</u>	<u>1,072,353</u>
Change in Net Position	193,751	755,470	(49,115)	473,779
Net Position - Beginning	<u>1,182,859</u>	<u>70,389</u>	<u>492,089</u>	<u>8,886,659</u>
Net Position - Ending	<u>\$ 1,376,610</u>	<u>\$ 825,859</u>	<u>\$ 442,974</u>	<u>\$ 9,360,438</u>

COUNTY OF SHASTA

Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Fiscal Year Ended June 30, 2015

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA # 8 Palo Cedro
Cash Flows from Operating Activities			
Receipts from customers	\$ 33,660	\$ 45,860	\$ 158,135
Payments to suppliers	(38,318)	(52,007)	(213,377)
Operating subsidies and transfers	--	--	--
Net Cash Provided (Used) by Operating Activities	<u>(4,658)</u>	<u>(6,147)</u>	<u>(55,242)</u>
Cash Flows from Non-Capital Financing Activities:			
Property taxes	--	--	--
Other revenue (expense)	--	127	111
Nonoperating subsidies and transfers	1,418	--	1,051
Net Cash Provided (Used) by Noncapital Financing Activities	<u>1,418</u>	<u>127</u>	<u>1,162</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	--	--	--
Capital improvement fees	--	--	500
Principal payments on capital debt	--	(2,400)	--
Proceeds from capital-type special assessments	--	10,479	--
Capital grants received	--	--	--
Interest payments on capital debt	--	(7,124)	--
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>--</u>	<u>955</u>	<u>500</u>
Cash Flows from Investing Activities			
Income on investments	39	397	3,099
Net Cash Provided (Used) by Investing Activities	<u>39</u>	<u>397</u>	<u>3,099</u>
Net Increase (Decrease) in Cash	(3,201)	(4,668)	(50,481)
Cash and cash equivalents, beginning of year	<u>6,693</u>	<u>81,475</u>	<u>616,969</u>
Cash and cash equivalents, end of year	<u>\$ 3,492</u>	<u>\$ 76,807</u>	<u>\$ 566,488</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (7,838)	\$ (49,157)	\$ (159,622)
Adjustments to reconcile net operating income to net cash provided (used) by operating activities:			
Depreciation expense	4,658	41,199	95,778
Changes in assets and liabilities:			
Receivables, net	(2,559)	1,923	757
Due from other funds	1,205	--	4,199
Due from other governments	--	--	--
Other assets	--	--	--
Accounts payable	(121)	(112)	3,655
Due to other funds	(3)	--	(9)
Due to other governments	--	--	--
Net Cash Provided (Used) by Operating Activities	<u>\$ (4,658)</u>	<u>\$ (6,147)</u>	<u>\$ (55,242)</u>

continued

COUNTY OF SHASTA

Combining Statement of Cash Flows (continued)
 Non-Major Enterprise Funds
 For the Fiscal Year Ended June 30, 2015

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA # 17 Cotton- wood
Cash Flows from Operating Activities			
Receipts from customers	\$ 95,366	\$ 37,388	\$ 625,706
Payments to suppliers	(47,705)	(38,616)	(582,049)
Operating subsidies and transfers	--	--	
Net Cash Provided (Used) by Operating Activities	<u>47,661</u>	<u>(1,228)</u>	<u>43,657</u>
Cash Flows from Non-Capital Financing Activities:			
Property taxes	--	--	--
Other revenue (expense)	12	(461)	(287)
Nonoperating subsidies and transfers	--	(1,666)	(20,868)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>12</u>	<u>(2,127)</u>	<u>(21,155)</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	--	--	--
Capital improvement fees	--	--	--
Principal payments on capital debt	(21,186)	--	--
Proceeds from capital-type special assessments	21,186	--	--
Capital grants received	217	--	--
Interest payments on capital debt	(4,089)	--	(15,123)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,872)</u>	<u>--</u>	<u>(15,123)</u>
Cash Flows from Investing Activities			
Income on investments	804	123	969
Net Cash Provided (Used) by Investing Activities	<u>804</u>	<u>123</u>	<u>969</u>
Net Increase (Decrease) in Cash	44,605	(3,232)	8,348
Cash and cash equivalents, beginning of year	<u>140,081</u>	<u>20,760</u>	<u>168,493</u>
Cash and cash equivalents, end of year	<u>\$ 184,686</u>	<u>\$ 17,528</u>	<u>\$ 176,841</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ 6,314	\$ (8,400)	\$ (194,658)
Adjustments to reconcile net operating income to net cash provided (used) by operating activities:			
Depreciation expense	43,056	7,070	240,599
Changes in assets and liabilities:			
Receivables, net	(3,819)	(473)	(43,232)
Due from other funds	2,542	568	14,221
Due from other governments	--	--	--
Other assets	--	--	--
Accounts payable	(429)	8	26,758
Due to other funds	(3)	(1)	(31)
Due to other governments	--	--	--
Net Cash Provided (Used) by Operating Activities	<u>\$ 47,661</u>	<u>\$ (1,228)</u>	<u>\$ 43,657</u>

continued

COUNTY OF SHASTA

Combining Statement of Cash Flows (continued)
 Non-Major Enterprise Funds
 For the Fiscal Year Ended June 30, 2015

	CSA #23 Crag View Water	CSA #25 Keswick Water	Shasta Co Transit	Total
Cash Flows from Operating Activities				
Receipts from customers	\$ 280,645	\$ (462,399)	\$ 355,558	\$ 1,169,919
Payments to suppliers	(67,455)	216,627	(383,650)	(1,206,550)
Operating subsidies and transfers	(238,826)	--	--	(238,826)
Net Cash Provided (Used) by Operating Activities	<u>(25,636)</u>	<u>(245,772)</u>	<u>(28,092)</u>	<u>(275,457)</u>
Cash Flows from Non-Capital Financing Activities:				
Property taxes	5,072	--	--	5,072
Other revenue (expense)	299	22,134	--	21,935
Nonoperating subsidies and transfers	--	--	--	(20,065)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>5,371</u>	<u>22,134</u>	<u>--</u>	<u>6,942</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition and construction of capital assets	--	(594,214)	--	(594,214)
Capital improvement fees	--	--	--	500
Principal payments on capital debt	(13,728)	--	--	(37,314)
Proceeds from capital-type special assessments	15,005	(1)	--	46,669
Capital grants received	--	818,785	69,409	888,411
Interest payments on capital debt	--	(210)	--	(26,546)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>1,277</u>	<u>224,360</u>	<u>69,409</u>	<u>277,506</u>
Cash Flows from Investing Activities				
Income on investments	242	(722)	631	5,582
Net Cash Provided (Used) by Investing Activities	<u>242</u>	<u>(722)</u>	<u>631</u>	<u>5,582</u>
Net Increase (Decrease) in Cash	(18,746)	--	41,948	14,573
Cash and cash equivalents, beginning of year	<u>62,452</u>	<u>--</u>	<u>95,378</u>	<u>1,192,301</u>
Cash and cash equivalents, end of year	<u>\$ 43,706</u>	<u>\$ --</u>	<u>\$ 137,326</u>	<u>\$ 1,206,874</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (51,355)	\$ (84,112)	\$ (49,746)	\$ (598,574)
Adjustments to reconcile net operating income to net cash provided (used) by operating activities:				
Depreciation expense	30,976	14,404	--	477,740
Changes in assets and liabilities:				
Receivables, net	1,560	131	--	(45,712)
Due from other funds	1,562	2,387	--	26,684
Due from other governments	--	(518,765)	--	(518,765)
Other assets	(8,530)	--	--	(8,530)
Accounts payable	153	139,530	--	169,442
Due to other funds	(2)	200,653	--	200,604
Due to other governments	--	--	21,654	21,654
Net Cash Provided (Used) by Operating Activities	<u>\$ (25,636)</u>	<u>\$ (245,772)</u>	<u>\$ (28,092)</u>	<u>\$ (275,457)</u>

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INTERNAL SERVICE FUNDS

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COUNTY OF SHASTA

Combining Statement of Net Position
Internal Service Funds
June 30, 2015

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Information Systems</u>
Assets			
Current Assets:			
Cash and investments	\$ 4,463,996	\$ 19,198,961	\$ 2,147,764
Receivables, net	221	17,708	215
Due from other governments	--	11,298	6,324
Inventories	45,967	--	--
Due from other funds	253,558	--	5,524
Other assets	39	1,680	110,157
Total current assets	<u>4,763,781</u>	<u>19,229,647</u>	<u>2,269,984</u>
Noncurrent Assets:			
Advances to other funds	--	357,214	--
Capital assets, non-depreciable	55,376	--	--
Capital assets, depreciable -net	1,989,432	--	569,471
Total noncurrent assets	<u>2,044,808</u>	<u>357,214</u>	<u>569,471</u>
Total Assets	<u>6,808,589</u>	<u>19,586,861</u>	<u>2,839,455</u>
Liabilities			
Current Liabilities:			
Accounts payable	38,356	327,750	12,598
Salaries and benefits payable	20,023	36,926	170,954
Due to other governments	--	--	--
Due to other funds	124,726	4,430	12,140
Deposits from others	--	375	--
Claims payable	--	4,004,174	--
Compensated absences payable	8,352	34,226	144,636
Total current liabilities	<u>191,457</u>	<u>4,407,881</u>	<u>340,328</u>
Noncurrent Liabilities:			
Claims payable	--	16,476,826	--
Compensated absences payable	7,215	29,567	124,947
Total noncurrent liabilities	<u>7,215</u>	<u>16,506,393</u>	<u>124,947</u>
Total Liabilities	<u>198,672</u>	<u>20,914,274</u>	<u>465,275</u>
Net Position			
Net investment in capital assets	2,044,808	--	569,471
Unrestricted	4,565,109	(1,327,413)	1,804,709
Total Net Position	<u>\$ 6,609,917</u>	<u>\$ (1,327,413)</u>	<u>\$ 2,374,180</u>

continued

COUNTY OF SHASTA

Combining Statement of Net Position (continued)
Internal Service Funds
June 30, 2015

	<u>Facilities Management</u>	<u>County Utilities</u>	<u>Total</u>
Assets			
Current Assets:			
Cash and investments	\$ 1,066,524	\$ 488,386	\$ 27,365,631
Receivables, net	350	--	18,494
Due from other governments	--	--	17,622
Inventories	46,111	--	92,078
Due from other funds	5,902	214,877	479,861
Other assets	40	--	111,916
Total current assets	<u>1,118,927</u>	<u>703,263</u>	<u>28,085,602</u>
Noncurrent Assets:			
Advances to other funds	--	--	357,214
Capital assets, non-depreciable	--	--	55,376
Capital assets, depreciable -net	164,188	--	2,723,091
Total noncurrent assets	<u>164,188</u>	<u>--</u>	<u>3,135,681</u>
Total Assets	<u>1,283,115</u>	<u>703,263</u>	<u>31,221,283</u>
Liabilities			
Current Liabilities:			
Accounts payable	33,898	7,067	419,669
Salaries and benefits payable	104,636	--	332,539
Due to other governments	2,204	215,171	217,375
Due to other funds	1,899	--	143,195
Deposits from others	--	--	375
Claims payable	--	--	4,004,174
Compensated absences payable	84,369	--	271,583
Total current liabilities	<u>227,006</u>	<u>222,238</u>	<u>5,388,910</u>
Noncurrent Liabilities:			
Claims payable	--	--	16,476,826
Compensated absences payable	72,885	--	234,614
Total noncurrent liabilities	<u>72,885</u>	<u>--</u>	<u>16,711,440</u>
Total Liabilities	<u>299,891</u>	<u>222,238</u>	<u>22,100,350</u>
Net Position			
Net investment in capital assets	164,188	--	2,778,467
Unrestricted	819,036	481,025	6,342,466
Total Net Position	<u>\$ 983,224</u>	<u>\$ 481,025</u>	<u>\$ 9,120,933</u>

COUNTY OF SHASTA

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2015

	Fleet Management	Risk Management	Information Systems
Operating Revenues			
Charges for services	\$ 1,504,947	\$ 5,572,508	\$ 5,561,047
Total Operating Revenues	<u>1,504,947</u>	<u>5,572,508</u>	<u>5,561,047</u>
Operating Expenses			
Salaries and benefits	481,727	896,693	3,893,769
Services and supplies	506,207	1,032,563	1,308,298
Central service costs	72,767	211,158	900,242
Insurance premiums	--	1,686,032	--
Claims expense	--	5,108,026	--
Depreciation	443,984	--	190,117
Total Operating Expenses	<u>1,504,685</u>	<u>8,934,472</u>	<u>6,292,426</u>
Operating Income (Loss)	<u>262</u>	<u>(3,361,964)</u>	<u>(731,379)</u>
Non-Operating Revenues (Expenses)			
Investment income (loss)	21,303	111,817	9,894
Miscellaneous revenue	58,671	2,922,922	57,965
Miscellaneous expense	--	(9,244,725)	--
Gain (loss) on disposition of capital assets	2,151	--	2,235
Total Non-Operating Revenues (Expenses)	<u>82,125</u>	<u>(6,209,986)</u>	<u>70,094</u>
Net Income (Loss) Before Transfers	82,387	(9,571,950)	(661,285)
Transfers in	64,869	--	480,695
Transfers out	--	--	--
Change in Net Position	147,256	(9,571,950)	(180,590)
Net Position - Beginning	<u>6,462,661</u>	<u>8,244,537</u>	<u>2,554,770</u>
Net Position - Ending	<u>\$ 6,609,917</u>	<u>\$ (1,327,413)</u>	<u>\$ 2,374,180</u>

continued

COUNTY OF SHASTA

Combining Statement of Revenues, Expenses and Changes in Fund Net Position (continued)
Internal Service Funds
For the Year Ended June 30, 2015

	Facilities Management	County Utilities	Total
Operating Revenues			
Charges for services	\$ 3,283,894	\$ 1,566,009	\$ 17,488,405
Total Operating Revenues	<u>3,283,894</u>	<u>1,566,009</u>	<u>17,488,405</u>
Operating Expenses			
Salaries and benefits	2,387,738	--	7,659,927
Services and supplies	986,289	1,343,734	5,177,091
Central service costs	140,294	--	1,324,461
Insurance premiums	--	--	1,686,032
Claims expense	--	--	5,108,026
Depreciation	25,410	--	659,511
Total Operating Expenses	<u>3,539,731</u>	<u>1,343,734</u>	<u>21,615,048</u>
Operating Income (Loss)	<u>(255,837)</u>	<u>222,275</u>	<u>(4,126,643)</u>
Non-Operating Revenues (Expenses)			
Investment income (loss)	3,448	1,660	148,122
Miscellaneous revenue	245,892	--	3,285,450
Miscellaneous expense	--	--	(9,244,725)
Gain (loss) on disposition of capital assets	3,826	--	8,212
Total Non-Operating Revenues (Expenses)	<u>253,166</u>	<u>1,660</u>	<u>(5,802,941)</u>
Net Income (Loss) Before Transfers	<u>(2,671)</u>	<u>223,935</u>	<u>(9,929,584)</u>
Transfers in	5,328	--	550,892
Transfers out	(43,728)	(192,419)	(236,147)
Change in Net Position	<u>(41,071)</u>	<u>31,516</u>	<u>(9,614,839)</u>
Net Position - Beginning	<u>1,024,295</u>	<u>449,509</u>	<u>18,735,772</u>
Net Position - Ending	<u>\$ 983,224</u>	<u>\$ 481,025</u>	<u>\$ 9,120,933</u>

COUNTY OF SHASTA

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2015

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Information Systems</u>
Cash Flows from Operating Activities			
Receipts from customers	\$ 1,141,536	\$ 5,268,679	\$ 5,440,688
Receipts from internal customers	60,632	277,669	118,887
Payments to suppliers	(574,405)	(2,946,342)	(2,253,149)
Payments to employees	(482,058)	(891,291)	(3,852,153)
Claims paid	--	(4,970,026)	--
Other revenue	58,672	2,922,921	61,805
Net Cash Provided (Used) by Operating Activities	<u>204,377</u>	<u>(338,390)</u>	<u>(483,922)</u>
Cash Flows from Non-Capital Financing Activities:			
Payment of refund to participants	--	(9,244,724)	--
Operating subsidies and transfers out	64,869	20,943	480,695
Net Cash Provided (Used) by Noncapital Financing Activities	<u>64,869</u>	<u>(9,223,781)</u>	<u>480,695</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	(52,468)	--	(97,280)
Proceeds from sale of capital assets	(569,944)	--	(47,142)
Cash Flows from Capital and Related and Related Financing Activities	<u>(622,412)</u>	<u>--</u>	<u>(144,422)</u>
Cash Flows from Investing Activities			
Income on investments	21,303	111,817	9,894
Net Increase (Decrease) in Cash	(331,863)	(9,450,354)	(137,755)
Cash at Beginning of Year	<u>4,795,859</u>	<u>28,649,315</u>	<u>2,285,519</u>
Cash at End of Year	<u>\$ 4,463,996</u>	<u>\$ 19,198,961</u>	<u>\$ 2,147,764</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ 262	\$ (3,361,964)	\$ (731,379)
Adjustments to reconcile net operating income to net cash provided (used) by operating activities:			
Depreciation expense	443,984	--	190,117
Changes in assets and liabilities:			
Receivables, net	68,019	2,907,912	61,590
Due from other funds	(223,184)	--	(1,893)
Due from other governments	--	(11,151)	636
Inventories	--	--	--
Other assets	--	5,722	29,503
Accounts payable	4,569	(9,600)	(64,334)
Salaries and benefits payable	2,811	3,061	19,327
Due to other funds	(88,942)	(12,711)	(9,778)
Claims payable	--	138,000	--
Due to other governments	--	--	--
Compensated absences payable	(3,142)	2,341	22,289
Net Cash Provided (Used) by Operating Activities	<u>\$ 204,377</u>	<u>\$ (338,390)</u>	<u>\$ (483,922)</u>

continued

COUNTY OF SHASTA

Combining Statement of Cash Flows (continued)

Internal Service Funds

For the Year Ended June 30, 2015

	<u>Facilities Management</u>	<u>Shasta County Utilities</u>	<u>Total</u>
Cash Flows from Operating Activities			
Receipts from customers	\$ 3,328,822	\$ 1,473,005	\$ 16,652,730
Receipts from internal customers	186,609	99,926	743,723
Payments to suppliers	(1,229,699)	(1,336,806)	(8,340,401)
Payments to employees	(2,361,689)	--	(7,587,191)
Claims paid	--	--	(4,970,026)
Other revenue	245,893	--	3,289,291
Net Cash Provided (Used) by Operating Activities	<u>169,936</u>	<u>236,125</u>	<u>(211,874)</u>
Cash Flows from Non-Capital Financing Activities:			
Payment of refund to participants	--	--	(9,244,724)
Operating subsidies and transfers out	(38,400)	(192,419)	335,688
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(38,400)</u>	<u>(192,419)</u>	<u>(8,909,036)</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	(71,411)	--	(221,159)
Proceeds from sale of capital assets	(24,999)	--	(642,085)
Cash Flows from Capital and Related and Related Financing Activities	<u>(96,410)</u>	<u>--</u>	<u>(863,244)</u>
Cash Flows from Investing Activities			
Income on investments	3,448	1,660	148,122
Net Increase (Decrease) in Cash	38,574	45,366	(9,836,032)
Cash at Beginning of Year	<u>1,027,950</u>	<u>443,020</u>	<u>37,201,663</u>
Cash at End of Year	<u>\$ 1,066,524</u>	<u>\$ 488,386</u>	<u>\$ 27,365,631</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (255,837)	\$ 222,275	\$ (4,126,643)
Adjustments to reconcile net operating income to net cash provided (used) by operating activities:			
Depreciation expense	25,410	--	659,511
Changes in assets and liabilities:			
Receivables, net	245,713	693	3,283,927
Due from other funds	231,717	6,229	12,869
Due from other governments	--	--	(10,515)
Inventories	(4,381)	--	(4,381)
Other assets	--	--	35,225
Accounts payable	(95,527)	(10,251)	(175,143)
Salaries and benefits payable	13,593	--	38,792
Due to other funds	1,552	--	(109,879)
Claims payable	--	--	138,000
Due to other governments	(4,760)	17,179	12,419
Compensated absences payable	12,456	--	33,944
Net Cash Provided (Used) by Operating Activities	<u>\$ 169,936</u>	<u>\$ 236,125</u>	<u>\$ (211,874)</u>

TRUST AND AGENCY FUNDS

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COUNTY OF SHASTA

Combining Statement of Fiduciary Net Position
Investment Trust Funds
June 30, 2015

	<u>Schools Districts</u>	<u>Special Districts</u>	<u>Total</u>
Assets			
Cash and investments	\$ 162,523,261	\$ 9,447,825	\$ 171,971,086
Accounts receivable, net	--	33,687	33,687
Due from other governments	--	17,146	17,146
Due from other funds	504,000	216,350	720,350
Total Assets	<u>163,027,261</u>	<u>9,715,008</u>	<u>172,742,269</u>
Liabilities			
Due to other funds	504,000	17,285	521,285
Due to other governments	--	87,300	87,300
Total Liabilities	<u>504,000</u>	<u>104,585</u>	<u>608,585</u>
Net Position			
Net assets held in trust for investment pool participants	162,523,261	9,610,423	172,133,684
Total Net Position	<u>\$ 162,523,261</u>	<u>\$ 9,610,423</u>	<u>\$ 172,133,684</u>

COUNTY OF SHASTA

Combining Statement of Changes in Fiduciary Net Position
Investment Trust Funds
For the year ended June 30, 2015

	<u>Schools Districts</u>	<u>Special Districts</u>	<u>Total</u>
Additions			
Contributions to investment pool	\$ 440,967,152	\$ 13,535,149	\$ 454,502,301
Deductions			
Distributions from investment pool	<u>416,060,734</u>	<u>15,046,932</u>	<u>431,107,666</u>
Change in Net Assets	25,161,608	(1,766,973)	23,394,635
Net Position, Beginning	<u>137,361,653</u>	<u>11,377,396</u>	<u>148,739,049</u>
Net Position, Ending of Year	<u>\$ 162,523,261</u>	<u>\$ 9,610,423</u>	<u>\$ 172,133,684</u>

COUNTY OF SHASTA

Combining Statement of Changes in Assets and Liabilities
 Agency Funds
 For the Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
Clearing and revolving funds				
Assets:				
Cash and cash equivalents	\$ 24,102,588	\$516,840,748	\$511,411,142	\$ 29,532,194
Accounts receivable, net	463,629	610,165	469,744	604,050
Taxes receivable, net	13,991,218	14,045,261	13,991,218	14,045,261
Due from other governments	1,441,372	57,978	1,441,372	57,978
Due from other funds	<u>601,103</u>	<u>556,144</u>	<u>601,104</u>	<u>556,143</u>
Total assets	<u>\$ 40,599,910</u>	<u>\$532,110,296</u>	<u>\$527,914,580</u>	<u>\$ 44,795,626</u>
Liabilities:				
Due to other funds	\$ 3,197,538	\$ 3,776,911	\$ 3,197,539	\$ 3,776,910
Due to other governments	7,422,610	108,510,784	106,984,400	8,948,994
Taxes due to other funds	13,786,826	219,555,064	219,655,183	13,686,707
Agency funds liabilities	<u>16,192,936</u>	<u>200,267,537</u>	<u>198,077,458</u>	<u>18,383,015</u>
Total liabilities	<u>\$ 40,599,910</u>	<u>\$532,110,296</u>	<u>\$527,914,580</u>	<u>\$ 44,795,626</u>

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STATISTICAL SECTION

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COUNTY OF SHASTA

Statistical Section

This part of the County of Shasta’s comprehensive annual financial report represents detailed information as a context for understanding this year’s financial statements, note disclosures, and required supplementary information.

Financial Trends Information

These schedules contain trend information that may assist the County’s current financial performance by placing it in historical perspective..... 165

Revenue Capacity Information

These schedules contain information that may assist the reader in assessing the viability of the County’s two most significant local revenue sources; property taxes and sales taxes 170

Debt Capacity Information

These schedules present information that may assist the reader in analyzing the affordability of the County’s current levels of outstanding debt and the County’s ability to issue additional debt in the future 174

Demographic & Economic Information

These schedules offer economic and demographic indicators that are commonly used for financial analysis and that can enhance a reader’s understanding of the County’s present and ongoing financial status 176

Operating Information

These schedules contain service and infrastructure indicators about how information in the County’s financial statements relates to the services the County provides and the activities it performs 178

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County of Shasta
Net Position by Component
Last Ten Fiscal Years
(in thousands)
(UNAUDITED)

	Fiscal Year									
	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Governmental Activities										
Invested in Capital Assets, net of related debt	68,227	77,297	83,659	78,476	90,282	92,541	95,467	106,550	113,574	116,639
Restricted	45,933	58,777	63,512	61,915	56,759	74,976	74,693	78,246	88,525	96,135
Unrestricted	67,269	62,292	71,133	60,953	64,130	53,116	39,196	28,138	29,212	(141,220)
Total governmental activities net position	181,429	198,365	218,304	201,344	211,171	220,633	209,356	212,934	231,311	71,553
Business-type activities										
Invested in Capital Assets, net of related debt	14,238	23,682	25,841	27,908	26,665	29,658	33,010	35,730	35,823	35,756
Restricted	146	150	70	665	665	2	2	0	0	
Unrestricted	6,162	2,278	2,297	8,658	9,708	9,134	8,281	11,475	11,211	17,945
Total business-type activities net position	20,546	26,110	28,208	37,232	37,039	38,794	41,294	47,205	47,034	53,701
Total Primary Government										
Invested in Capital Assets, net of related debt	82,465	100,979	109,500	106,384	116,947	122,199	128,477	142,279	149,397	152,395
Restricted	46,080	58,927	63,582	62,580	57,425	74,978	74,695	78,246	88,525	96,135
Unrestricted	73,431	64,570	73,430	69,611	73,838	62,250	47,478	39,613	40,422	(123,276)
Total primary government net position	201,976	224,476	246,512	238,575	248,210	259,427	250,650	260,139	278,345	125,254

Notes:

Source - Statement of Net Assets for FY 2005-2006 through 2011-2012
Statement of Net Position beginning in 2012-2013 and ongoing

**County of Shasta
Changes in Net Position
Last Ten Fiscal Years
(in thousands)
(UNAUDITED)**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities										
General government	16,101	19,982	15,036	8,000	8,658	9,194	11,147	13,452	11,213	11,766
Public protection	66,218	74,423	84,215	83,197	77,730	74,255	78,107	85,761	83,041	91,500
Public ways and facilities	13,759	16,385	17,191	17,868	17,705	17,138	18,988	19,421	18,562	20,528
Health and sanitation	51,253	52,807	55,316	54,292	52,409	54,210	51,144	53,094	48,413	52,320
Public assistance	78,965	84,029	89,550	94,472	95,392	95,160	99,455	98,470	99,329	108,537
Education	1,204	1,596	1,725	1,440	1,392	1,421	1,445	1,489	1,571	1,598
Recreation	122	201	245	331	121	118	91	162	140	159
Interest and fiscal charges	2,755	2,807	2,576	2,505	2,429	2,367	2,308	1,927	1,223	1,109
Total Governmental Activities Expense	230,377	252,231	265,853	262,104	255,836	253,863	262,685	273,776	263,493	287,515
Business-type Activities Expenses										
Airport	78	91	99	111	80	78	94	89	98	149
Solid Waste	766	2,561	875	1,470	2,404	804	1,074	1,214	722	(1,840)
Landfill	1,032	994	978	509	522	506	513	1,005	1,926	1,676
County Service Areas	1,600	1,692	1,648	1,760	1,763	1,867	1,830	1,809	2,731	2,227
Shasta County Transit	-	-	-	-	-	-	-	335	420	405
Total Business-type Activities Expenses	3,476	5,338	3,600	3,849	4,768	3,254	3,511	4,451	5,897	2,618
Total Primary Government Expenses	233,853	257,569	269,453	265,953	260,605	257,117	266,196	278,227	269,390	290,133
Program Revenues										
Governmental Activities										
Fees, Fines, Charges for Services										
General government	5,538	5,438	6,636	5,325	5,942	5,610	6,390	5,500	12,574	5,655
Public protection	12,853	14,893	15,318	16,276	17,476	13,455	12,670	13,361	12,733	15,128
Public ways and facilities	1,673	2,048	1,917	1,752	2,201	1,205	1,260	1,278	1,845	1,733
Health and sanitation	3,408	3,637	2,820	3,103	3,269	3,163	3,377	3,287	3,226	3,233
Public assistance	2,303	2,906	3,076	3,070	2,662	2,400	2,392	2,193	2,423	2,366
Education	61	45	33	26	23	22	21	25	28	27
Recreation	3	3	2	3	2	5	4	5	5	8
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions										
General Government	3,837	4,397	1,700	2,051	1,510	2,968	3,767	1,056	1,334	516
Public Protection	31,297	32,558	33,012	28,972	32,968	29,077	30,825	37,760	37,958	37,675
Public ways and facilities	6,430	8,576	12,574	8,884	12,871	11,970	5,066	3,930	4,667	3,731
Health and sanitation	35,252	37,389	36,314	38,039	37,390	43,787	41,654	47,439	45,531	47,881
Public assistance	73,680	76,663	84,322	80,956	84,589	85,246	86,272	91,763	92,408	93,663
Education	511	294	73	6	2	-	-	-	-	-
Recreation	85	1	83	185	-	-	330	-	-	-
Capital Grants and Contributions										
General government	8,131	3,178	548	644	1,750	404	1,577	10,627	2,967	-
Public protection	485	651	578	10,768	12	22	4	80	48	95
Public ways and facilities	2,618	3,885	8,359	1	3,024	2,874	1,787	3,365	6,013	2,940
Health and sanitation	-	-	-	385	0	75	-	-	10	36
Public assistance	1	-	-	-	267	171	84	101	146	10
Recreation	-	-	-	-	7	27	-	-	-	-
Total Governmental Activities	188,166	196,563	207,363	200,446	205,968	202,480	197,150	221,771	223,916	214,698

Source: Statement of Activities

(continued)

County of Shasta
Changes in Net Position
Last Ten Fiscal Years
(in thousands)
(UNAUDITED)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Business-type Activities										
Fees, Fines, Charges for Services										
Airport	167	451	83	95	78	73	61	71	75	58
Solid Waste	1,448	1,066	1,634	1,177	1,242	939	840	1,245	2,147	2,041
Landfill	2,138	2,026	1,937	1,739	1,789	2,054	1,405	2,652	549	955
Shasta County Transit	-	-	-	-	-	-	-	507	22	21
County Service Areas	961	1,018	1,161	1,362	1,154	1,155	1,281	1,392	1,293	1,354
Operating Grants and Contributions										
Airport	805	10	-	10	-	20	10	10	10	10
Solid Waste	-	-	-	-	-	-	-	-	-	-
Landfill	-	-	-	-	-	-	-	-	-	-
Shasta County Transit	-	-	-	-	-	-	-	-	471	335
County Service Areas	1	1	-	-	-	-	-	-	-	524
Capital Grants and Contributions										
Airport	64	5,386	1,627	1,171	148	108	117	375	168	23
County Service Areas	244	166	43	561	66	549	2,202	3,922	389	337
Total Business-type Activities Revenues	5,827	10,124	6,484	6,116	4,477	4,897	5,916	10,174	5,124	5,658
Total Primary Government Revenues	193,992	206,687	213,847	206,562	210,445	207,378	203,066	231,945	229,040	220,356
Net (Expense)/Revenues										
Governmental Activities	(42,211)	(55,668)	(58,489)	(61,658)	(49,869)	(51,383)	(65,535)	(52,005)	(39,577)	(72,817)
Business-Type Activities	2,351	4,786	2,884	2,267	(291)	1,644	2,405	5,723	(773)	3,040
Total Primary Government net expense	(39,861)	(50,882)	(55,605)	(59,391)	(50,160)	(49,739)	(63,130)	(46,281)	(40,349)	(69,777)

General Revenue and Other Changes in Net Position

Governmental Activities										
Taxes:										
Property Taxes	23,094	25,041	26,853	24,583	25,177	22,584	22,568	28,123	26,100	26,176
Sales and use taxes	2,424	2,696	2,512	2,382	2,226	2,515	2,793	3,657	2,833	2,700
Other Taxes	21,900	23,995	24,046	26,598	24,921	28,192	29,512	28,641	30,265	31,013
Motor Vehicles in-lieu	16,372	12,155	12,889	11,349	10,969	9,396	632	637	613	603
Interest and investment income	4,884	6,615	5,974	3,059	1,127	1,199	1,017	523	758	1,535
Miscellaneous	2,224	2,123	3,145	3,659	3,335	4,000	3,802	4,189	3,876	18,630
Transfers	-	-	-	(17,585)	-	-	-	107	100	-
Total Governmental Actives	70,899	72,624	75,420	54,046	67,754	67,885	60,323	65,877	64,545	80,658
Business-type Activities										
Taxes:										
Property Taxes	19	33	-	29	29	23	29	27	27	27
Interest and investment income	668	747	593	358	128	135	112	53	89	112
Miscellaneous	8	1	105	4	5	5	7	31	654	241
Transfers	-	-	-	-	-	-	-	(107)	(100)	-
Change in estimate	-	-	-	6,210	-	-	-	-	-	-
Total Business-type Activities	695	781	698	6,601	162	163	148	3	669	380
Total Primary Government	71,594	73,405	76,118	60,647	67,916	68,048	60,471	65,880	65,214	81,038
Change in Net Position										
Governmental Activities	28,688	16,956	16,930	(7,612)	17,886	16,502	(5,211)	13,873	24,968	7,841
Business-Type Activities	3,046	5,567	3,582	8,868	(129)	1,806	2,553	5,726	(103)	3,421
Total Primary Government	31,733	22,523	20,512	1,256	17,757	18,309	(2,658)	19,599	24,865	11,261

Notes:

Source - Statement of Activities

County of Shasta
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(in thousands)
(UNAUDITED)

	Fiscal Year				
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund					
Reserved	4,222	10,378	11,289	10,383	7,884
Unreserved	53,785	37,022	43,018	42,859	51,011
Total General Fund	<u>58,008</u>	<u>47,400</u>	<u>54,307</u>	<u>53,241</u>	<u>58,895</u>
All Other Governmental Funds					
Reserved	4,489	6,786	11,986	18,726	16,935
Unreserved, reported in:					
Special Revenue Funds	32,579	28,139	32,190	28,345	30,365
Debt Service Funds	120	-	-	6,238	1,617
Capital Project Funds	8,888	15,400	18,232	4,673	5,828
Total all other Governmental Funds	<u>46,077</u>	<u>50,324</u>	<u>62,408</u>	<u>57,982</u>	<u>54,745</u>
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund					
Nonspendable	33	592	44	74	966
Restricted	9,944	12,219	12,785	13,206	13,206
Committed	0	-	-	-	83
Assigned	36,744	6,173	5,176	5,783	33,272
Unassigned	16,965	50,137	56,623	65,154	49,070
Total General Fund	<u>63,686</u>	<u>69,122</u>	<u>74,629</u>	<u>84,218</u>	<u>96,598</u>
All Other Governmental Funds					
Nonspendable	561	601	869	457	648
Restricted	58,604	57,136	63,307	66,395	74,540
Committed	953	842	716	603	2,344
Assigned	4,768	5,426	1,214	8,322	3,825
Unassigned	(135)	-	-	-	-
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>

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)

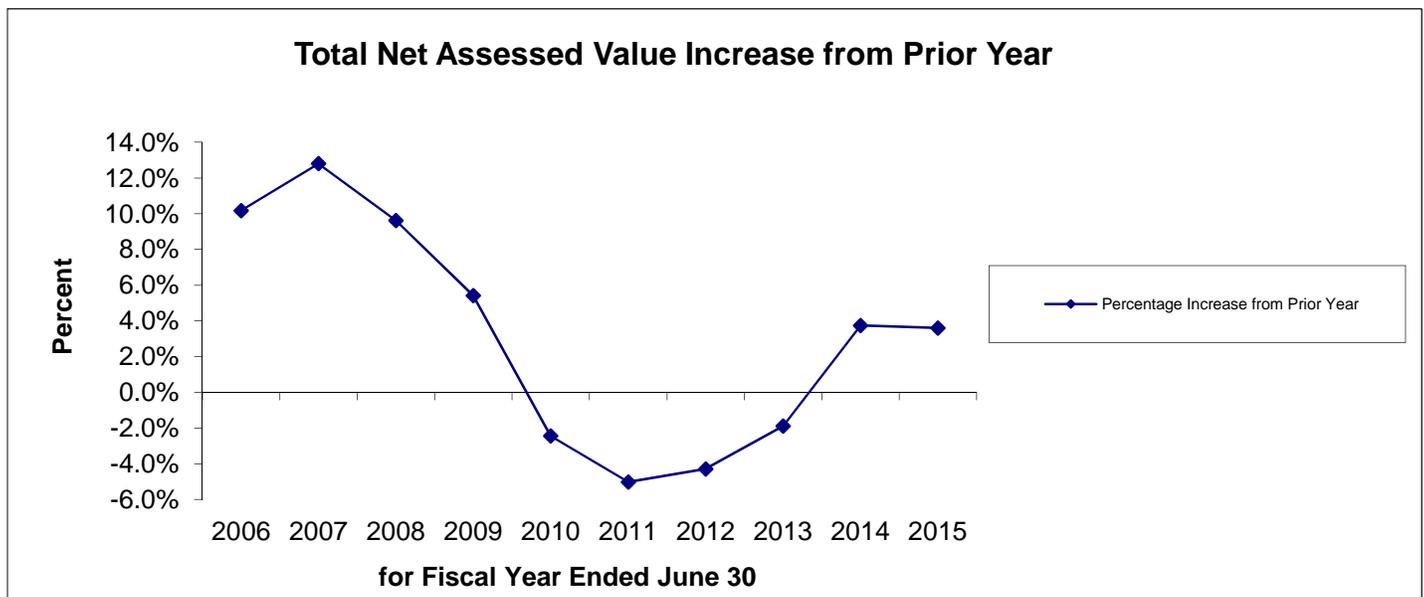
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues										
Taxes	57,565	64,067	65,518	49,009	48,580	47,618	47,161	49,229	49,222	49,250
Licenses and permits	4,338	4,088	3,688	3,293	3,550	3,076	3,061	3,285	3,780	4,063
Fines and forfeitures	4,269	4,774	5,006	4,170	5,324	4,556	3,885	6,011	11,764	7,116
Use of money and property	4,623	5,864	5,228	3,238	1,495	1,458	1,257	1,027	1,071	1,570
Intergovernmental	165,027	155,704	179,178	183,958	184,796	192,500	181,289	203,751	199,302	197,327
Charges for current	17,829	18,628	19,307	21,386	20,232	17,428	17,754	18,049	17,646	18,022
Miscellaneous revenue	6,337	5,338	5,881	5,080	4,714	3,809	4,126	4,700	4,220	18,721
Total revenues	<u>259,989</u>	<u>258,462</u>	<u>283,806</u>	<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>
Expenditures										
Current:										
General government	24,266	20,988	16,577	7,358	11,967	9,572	10,347	22,170	12,071	11,189
Public protection	74,239	80,903	84,572	82,920	80,083	73,930	73,364	81,199	82,144	85,713
Public ways and facilities	81,153	85,486	89,348	29,610	21,317	18,407	18,760	18,398	21,304	18,833
Health and sanitation	17,976	18,872	23,900	53,879	52,097	53,596	49,005	51,568	47,894	50,858
Public assistance	53,995	55,999	55,388	93,471	94,506	94,121	96,330	95,908	98,645	105,840
Education	1,361	1,759	1,770	1,520	1,404	1,413	1,414	1,485	1,585	1,590
Recreation	132	204	246	337	122	121	110	176	161	155
Debt service	1,017	402	281	4,385	4,404	4,396	10,296	41,270	3,899	3,771
Total expenditures	<u>254,137</u>	<u>264,612</u>	<u>272,081</u>	<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>
Excess (deficiency) of revenues over expenditures	<u>5,851</u>	<u>(6,149)</u>	<u>11,725</u>	<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>
Other Financing Sources										
Premium on long term debt issued	-	-	-	-	-	-	-	578	-	-
Long term debt issued	-	-	-	-	-	389	5,458	33,505	-	-
Transfers in	26,553	35,420	28,460	41,508	42,747	30,070	32,281	37,028	40,785	32,844
Transfers out	(27,610)	(35,693)	(29,046)	(42,629)	(43,217)	(30,594)	(32,759)	(37,290)	(40,960)	(33,159)
Sale of capital assets	355	85	82	153	94	45	803	155	132	157
Total other financing sources and uses	<u>(702)</u>	<u>(188)</u>	<u>(504)</u>	<u>(969)</u>	<u>(377)</u>	<u>(90)</u>	<u>5,783</u>	<u>33,398</u>	<u>(42)</u>	<u>(158)</u>
Net change in fund balances	<u>5,150</u>	<u>(6,338)</u>	<u>11,220</u>	<u>(4,314)</u>	<u>2,416</u>	<u>14,798</u>	<u>4,689</u>	<u>7,276</u>	<u>19,259</u>	<u>17,962</u>
Debt Service as a percentage of non-capital expenditures	0.37%	0.15%	0.10%	1.52%	1.58%	1.68%	3.87%	12.62%	1.40%	1.33%

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
2006	11,698,874	650,884	(270,936)	12,078,822	10.2%	1.0000
2007	13,189,773	706,800	(271,096)	13,625,477	12.8%	1.0000
2008	14,438,077	770,976	(273,172)	14,935,881	9.6%	1.0000
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

Source: <http://www.co.shasta.ca.us/docs/Auditor/property-tax-reports/2014-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)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
County Direct Rates										
GENERAL	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Cities, Schools, and Special										
Districts Combined Rates										
MAYERS MEMORIAL HOSPITAL GOB 2010	-	-	-	-	-	-	0.0568	0.0159	0.0372	0.0336
BURNEY WATER BOND	0.0203	0.0175	0.0088	0.0109	0.0136	0.0072	0.0114	-	-	-
CRAGVIEW WATER BOND	0.0983	0.0826	0.0352	0.0435	0.0475	0.0001	0.0477	-	-	-
CENTERVILLE CSD BOND	0.0044	0.0031	0.0036	0.0034	0.0036	0.0040	0.0036	0.0063	0.0043	0.0037
SHASTA DAM (GRUNSKY)	0.0026	0.0010	0.0002	0.0001	0.0001	0.0001	0.0001	0.0001	0.0019	0.0014
SHASTA DAM (CA LOAN)	0.0124	0.0129	0.0033	-	-	-	-	-	-	-
GATEWAY UNIFIED SD G O BOND 2002	0.0329	0.0440	0.0352	0.0343	0.0397	0.0422	0.0604	0.0621	0.0194	0.0680
GATEWAY UNIFIED SD G O BOND 2008	-	-	-	-	0.0101	0.0062	0.0188	0.0141	0.0138	0.0291
ANDERSON UNION HSD G O BOND 1976	0.1288	-	-	-	-	-	-	-	-	-
ANDERSON UNION HSD G O BOND 2012	-	-	-	-	-	-	-	-	0.0185	0.0163
DUNSMUIR JT UNION SSB	0.0478	0.0601	0.0236	-	-	-	-	-	-	-
FALL RIVER MILLS JUSD G O BOND 2004	0.0260	0.0551	0.0340	0.0285	0.0380	0.0376	0.0423	0.0277	0.0319	0.0340
SHASTA UNION HSD G O BOND 2001	0.0202	0.0181	0.0160	0.0171	0.0187	0.0205	0.0289	0.0189	0.0219	0.0235
S T & T JT COMM COLL G O BOND 2002	0.0037	0.0069	0.0118	0.0091	0.0101	0.0095	0.0162	0.0054	0.0088	0.0107
CASCADE ESD G O BOND 2008	-	-	-	-	0.0354	0.0336	0.0230	0.0150	0.0302	0.0262
COLUMBIA ESD G O BOND 1996	0.0427	0.0371	0.0276	0.0342	0.0228	0.0357	0.0407	0.0308	0.0321	0.0404
COTTONWOOD ESD G O BOND 2003	0.0196	0.0186	0.0172	0.0168	0.0197	0.0210	0.0285	0.0233	0.0237	0.0244
ENTERPRISE ESD G O BOND 1990	0.0548	0.0498	0.0367	0.0440	0.0487	0.0731	0.0396	0.0399	0.0472	0.0582
ENTERPRISE ESD G O BOND 2008	-	-	-	0.0223	0.0278	0.0338	0.0608	0.0092	0.0187	0.0229
GRANT ESD G O BOND 2004	0.0290	0.0237	0.0228	0.0215	0.0275	0.0327	0.0411	0.0333	0.0375	0.0277
HAPPY VALLEY ESD SSB BOND	0.0631	0.0613	0.0598	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
JUNCTION SCHOOL SSB BOND	0.0641	0.0644	0.0637	0.0681	0.0774	0.0385	-	-	-	-
NORTH COW CREEK SSB BOND	0.0667	0.0613	0.0619	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
REDDING ESD G O BOND 1991	0.0739	0.0649	0.0564	0.0555	0.0622	0.0574	0.0600	0.0693	0.0615	0.0748
BELLA VISTA WATER (LAND ONLY)	0.3544	0.3332	0.3344	0.3529	0.3700	0.3700	0.3700	0.3700	0.3700	0.3608

Source: <http://www.co.shasta.ca.us/docs/Auditor/property-tax-reports/2014-ad-valorem-rates-by-district.pdf?sfvrsn=4>

**County of Shasta
Principal Property Taxpayers
Current Year and Ten Years Ago
(in Thousands)
(UNAUDITED)**

Taxpayer	Industry	Fiscal Year 2015			Fiscal Year 2006		
		Assessed Value	Rank	Percentage of Total County Assessed Value	Assessed Value	Rank	Percentage of Total County Assessed Value
Pacific Gas and Electric Company	Utility	773,703	1	5.45%	483,873	1	4.41%
Knauf Fiber Glass	Manufacturing	129,229	2	0.91%	141,304	2	1.29%
Sierra Pacific Industries	Lumber	119,559	3	0.84%	63,668	4	0.58%
MPT of Shasta LP	Hospital	65,300	4	0.46%	-	-	-
Lehigh Southwest Cement Co.	Manufacturing	57,273	5	0.40%	-	-	-
Pacific Bell Telephone Company	Telephone	41,201	6	0.29%	-	-	-
Wal-Mart Real Estate Bus Trst	Retail	41,144	7	0.29%	-	-	-
RPI Shasta Mall LP	Retail	34,994	8	0.25%	-	-	-
Wheelabrator	Energy	30,002	9	0.21%	49,708	6	0.45%
McConnell Foundation	Non-Profit	26,615	10	0.19%	-	-	-
Shasta Regional Medical Center	Hospital	-	-	-	74,003	3	0.68%
SBC California	Telephone	-	-	-	54,094	5	0.49%
Calaveras Cement Company	Manufacturing	-	-	-	47,946	7	0.44%
Charter Communications	Utility	-	-	-	32,187	8	0.29%
Safeway Inc	Grocery	-	-	-	29,252	9	0.27%
Mt Shasta Mall LLC Etal	Retail	-	-	0.00%	28,693	10	0.26%
Total		<u>\$ 1,319,020</u>		<u>9.28%</u>	<u>\$ 1,004,728</u>		<u>9.16%</u>
Total County Assessed Value		\$ 14,208,433			\$ 10,963,249		

Source: County Property Tax System

**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			
2008	173,197	167,350	96.62%	5,847	-	0.00%
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%	3,650	316	0.19%
2013	162,662	159,691	98.17%	2,639	332	0.20%
2014	166,263	164,177	98.75%	1,498	588	0.35%
2015	177,904	174,538	98.11%	-	3,366	1.89%

Source: County Property Tax System

* Data not available prior to FY07/08

County of Shasta
Ratios of Total Debt Outstanding
Last Ten Fiscal Years
(in thousands)
(UNAUDITED)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Lease Revenue Bonds	\$53,935	\$52,445	\$50,900	\$49,290	\$47,610	\$45,865	\$43,525	\$39,415	\$37,070	\$34,620
Less deferred amounts:										
For issuance discounts:										
Add deferred amounts:										
For issuance premiums:	1,276	1,225	1,178	1,131	1,084	1,037	990	570	540	510
Notes Payable						389	522	500	463	425
Capital Leases	1,991	1,780	1,559	1,328	1,114	889	651	401	137	-
Total bonds and notes payable	\$55,211	\$53,670	\$52,078	\$50,421	\$48,694	\$47,291	\$45,037	\$40,485	\$38,073	\$35,555
Less resources restricted for principal repayment	120	9,591	-	6,875	5,899	4,828	3,470	673	-	-
Net total bonds and notes payable	\$55,331	\$63,261	\$52,078	\$57,296	\$54,593	\$52,119	\$48,507	\$41,158	\$38,073	\$35,555
Business Type										
Bonds Payable	4,515	3,532	2,826	2,285	1,698	1,029	990	949	912	874
Financing Leases			2,000	1,891	1,779	1,664	1,545	1,423	1,298	1,169
Notes Payable	369	339	307	277	246	314	3,087	4,441	3,799	3,706
Total bonds and notes payable	4,884	3,871	5,133	4,453	3,723	3,007	5,622	6,813	6,009	5,749
Less resources restricted for principal repayment	-	150	70	665	665	2	-	-	-	-
Net total bonds and notes payable	\$4,884	\$4,021	\$5,203	\$5,118	\$4,388	\$3,009	\$5,622	\$6,813	\$6,009	\$5,749
Total Outstanding Debt less restricted resources	\$60,215	\$67,282	\$57,281	\$62,414	\$58,981	\$55,128	\$54,129	\$47,971	\$44,082	\$41,304
Percentage of Personal Income	0.99%	1.09%	0.84%	0.93%	0.88%	0.83%	N/A	N/A	N/A	N/A
Percentage of Assessed Value of Taxable Property*	0.50%	0.49%	0.38%	0.40%	0.38%	0.38%	0.39%	0.35%	0.31%	0.28%
Net outstanding debt Per Capita	\$ 334.04	\$ 371.05	\$ 313.01	\$ 339.34	\$ 332.34	\$ 309.38	N/A	N/A	N/A	N/A

Note:

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assessed Value of Property (a)	12,078,822	13,625,477	14,935,881	15,743,647	15,357,954	14,586,699	13,960,442	13,695,496	14,208,433	14,719,694
Debt Limit, 1.25% of Assessed Value	150,985	170,318	186,699	196,796	191,974	182,334	174,506	171,194	177,605	183,996
<u>Amount of Debt Applicable to Limit</u>										
General Obligation Bonds (b)	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 150,985	\$ 170,318	\$ 186,699	\$ 196,796	\$ 191,974	\$ 182,334	\$ 174,506	\$ 171,194	\$ 177,605	\$ 183,996
Total Debt Applicable as a Percentage of the Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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 Year	Population (1,4,a)	Personal Income		School Enrollment (3,b)	Unemployment Rate (2,a)
		<i>(in billions)</i> (2,a,d)	Per Capita Income (2,a)		
2005	178,724	5.19	29,229	29,455	7.3%
2006	180,265	5.59	31,338	29,357	6.6%
2007	181,328	5.83	32,543	28,908	7.5%
2008	183,001	6.21	34,387	28,438	10.0%
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	N/A	N/A	27,176	10.9%
2014	179,804	N/A	N/A	26,935	9.7%
2015	N/A	N/A	N/A	26,626	7.3%*

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

Notes:

N/A = not available

a. Data for Calendar Years

b. Data includes kindergarten through grade 12

* Unemployment rate as of June 2015

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	241.90	245.00	247.00	247.00	247.00	229.00	230.00	226.00	226.00	228.00
Public Protection	659.25	669.50	683.00	687.00	687.00	582.00	581.00	619.00	622.00	626.00
Public Ways and Facilities	99.00	98.00	100.00	99.00	98.00	98.00	98.00	90.00	90.00	91.00
Health and Sanitation	395.80	387.30	376.50	352.50	346.50	323.00	323.50	329.00	326.00	330.00
Public Assistance	504.00	502.00	513.00	536.00	543.00	536.00	546.00	570.00	632.00	650.00
Education	16.38	16.38	3.50	2.50	2.50	1.50	1.50	2.50	2.50	2.50
Recreation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	1,916.33	1,918.18	1,923.00	1,924.00	1,924.00	1,769.50	1,780.00	1,836.50	1,898.50	1,927.50

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Protection										
Planning and Building										
<i>Total Permits Issued</i>	3,537	3,248	2,568	1,934	1,857	1,717	1,656	1,895	2,416	2,804
Sheriff										
<i>Main Jail</i>										
<i>Jail bookings</i>	12,899	14,052	13,803	12,913	12,603	11,210	11,960	11,741	13,200	11,476
<i>Average daily population</i>	370	355	336	268	226	231	274	332	330	333
Probation										
<i>Juvenile Hall</i>										
<i>Average daily population</i>	53	55	54	41	33	31	29	30	24	23
<i>Crystal Creek Camp</i>										
<i>Average Daily Population</i>	45	45	45	45	45	0	0	0	0	0
	NA	43	35	34	**20	0	0	0	0	0
Health and Sanitation										
Environmental health										
<i>Septic Permits Issued</i>	642	476	349	275	229	182	203	218	266	232
<i>Waivers Issued</i>	180	149	117	71	57	50	42	48	51	67
<i>Wells Permits Issued</i>	429	341	319	315	271	201	337	227	285	254
Health and Sanitation										
<i>Mental Health</i>										
<i>Total number of patient days in State Hospitals</i>										
	227	232	597	503	181	778	513	657	18	0
<i>Day Treatment Days provided to youth in out-of-county group home facilities</i>										
	144	420	280	639	351	1020	1221	403	491	473
<i>Public Health</i>										
<i>Number of Children enrolled in the Healthy Families Program</i>										
	90	96	119	122	127	102	95	98	107	100
<i>Percentage of the State allocated caseload enrolled in the Women, Infants & Children(WIC) Program</i>										
	99%	100%	101%	101%	95%	98%	99%	98%	94%	90%
<i>Percentage of live born infants whose mothers received prenatal care in the first trimester.</i>										
	87%	68%	68%	70%	69%	71%	65%	Not Available	Not Available	Not Available
Solid Waste										
<i>West Central Landfill</i>										
<i>Tonnage per year</i>	152,374	146,792	144,362	126,778	130,060	127,655	126,286	122,847	124,379	124,827
<i>% of Capacity</i>	53%	57%	60%	***40%	42%	45%	47%	49%	51%	53%
Public Assistance										
Social Services										
<i>Rate per 1,000 children entering out-of-home care for the first time (State Rate is 2.8)</i>										
	6.6	6.5	8.1	6.3	6.9	6.6	7.8	6.1	5.6	Not Available
<i>Percentage of child abuse/neglect referrals where a response is required within 10 days that were timely</i>										
	86.0	93.9	92.0	97.3	98.5	98.7	98.1	97.6	93.7	92.4

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

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

***Landfill Capacity increased 58% with Unit 4A addition.

^<http://www.savecaliforniastreet.org/wp-content/uploads/2014/10/2014-Statewide-Report-FINAL-10-28-14.pdf>

County of Shasta
Capital Asset Statistics by Function
Last Ten Fiscal Years
(UNAUDITED)

Function/Program	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Recreation and Cultural Services										
Park acreage	27	27	27	27	27	27	27	27	27	27
Public Protection										
Correction facility capacities:										
Main Jail	342	342	342	^223	223	223	285	342	342	342
Juvenile hall	56	56	56	56	*35	35	35	35	**30	40
Crystal Creek Camp	45	45	45	45	45	***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	1,191	1,191
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

*Juv Hall beds were limited to 35 due to budget controls.

**On January 26, 2014 we moved from the Juvenile Hall to the Juvenile Rehabilitation Facility
 Bed space went from 35 to 90. We have limited the beds to 30 due to staff scheduling.

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

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

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