

COUNTY *of* SHASTA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017

BRIAN MUIR,
AUDITOR-CONTROLLER





County of Shasta, California
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2017

Prepared under the direction of Brian Muir, Auditor-Controller



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INTRODUCTORY SECTION





SHASTA COUNTY

OFFICE OF THE AUDITOR-CONTROLLER

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

BRIAN MUIR
AUDITOR-CONTROLLER

NOLDA SHORT
ASST. AUDITOR-CONTROLLER

December 11, 2017

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, 2017. These statutes require that the County publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The County's employees remain committed to reach and maintain the highest possible standards in financial reporting now and in the future.

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

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

The County's financial statements have been audited by CliftonLarsonAllen LLP, a registered public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2017 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, 2017. The independent auditor's report is presented in the first component of the financial section of this report.

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

Profile of Shasta County

The County of Shasta was established in 1850 as a general law county and was one of the State's original 27 counties. The County is located at the northern end of the Sacramento Valley and covers approximately 3,850 square miles and contains more than 2.46 million acres. The County is the 30th most populous county in the State with a population of approximately 178,600 as of January 1, 2017. The City of Redding is the County seat. The County occupies the northern reaches of the Sacramento Valley, with portions extending into the southern reaches of the Cascade Range. The County was named after Mount Shasta as it was originally within the County, but it is now part of Siskiyou County, to the north. Its 14,179-foot (4,322 m) peak is visible throughout most of Shasta County.

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

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

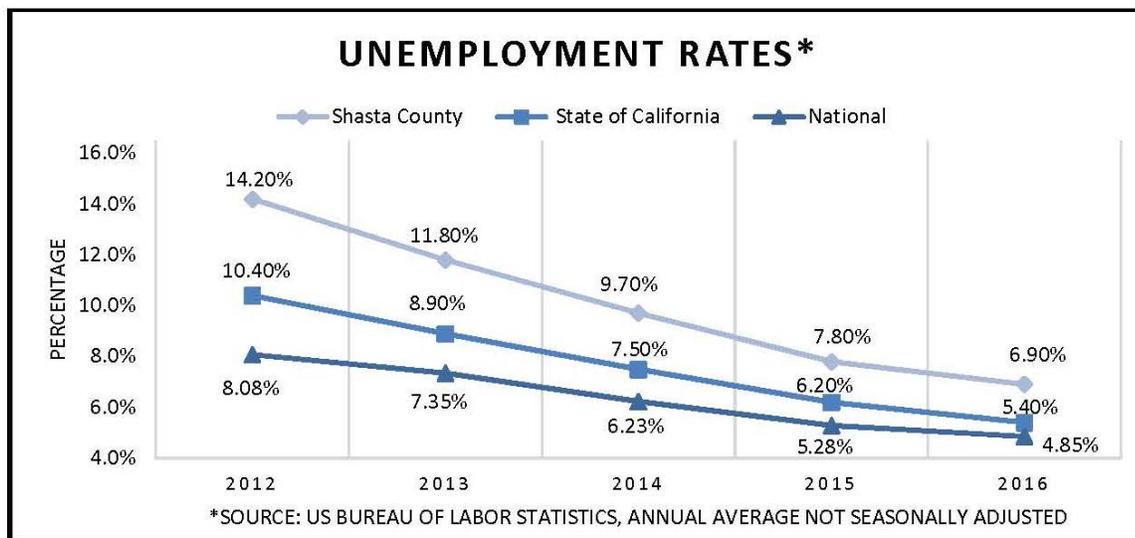
The annual budget serves as the foundation for the County's financial planning and control. The County Budget Act, as presented in California Government Code sections 29000 and 30200, provides the general provisions and requirements for preparing and approving the County budget. All County departments are required to submit budget requests to the County Executive Officer, and then they are compiled into a proposed budget by the Auditor-Controller. The budgets are then submitted for approval by the Board, with a recommendation by the County Executive Officer. Public Hearings are set in June with the Board adopting the adopted budget before the start of the next fiscal year. During the year, department heads may make transfers of appropriations within a division with the approval of the County Executive Officer and Auditor-Controller. Transfers of appropriations between departments or increases in the budget from new revenue sources, reserves and/or contingencies require Board of Supervisors approval.

Economic Overview

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 2017 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:

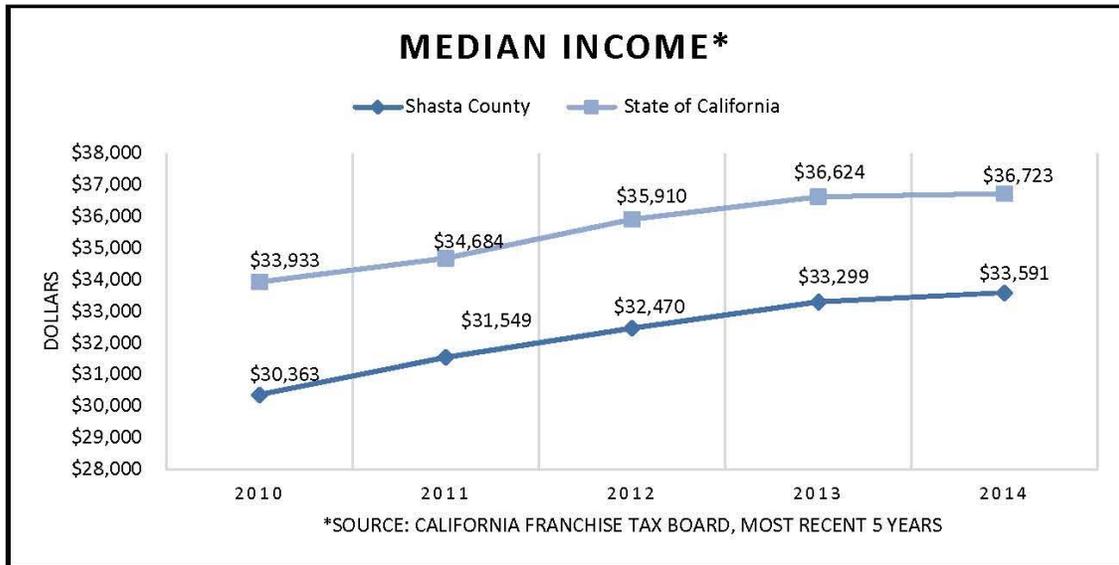
Shasta County's employment has recovered to pre-recession levels. Average unemployment in the County for 2016 was 6.9%, which is higher than the state rate of 5.4%. While Shasta County's unemployment rate is higher than the state average, it is lower than the average for the six adjacent counties (Siskiyou, Trinity, Tehama, Plumas, Lassen, and Modoc) which is 7.7.



Total wage and salary employment is expected to increase an average of 0.7% per year through 2020.

Growth:

Overall economic job growth is predicted to increase 3.5% from 2015-2020, led by retail sales growth of 7.7%. The fastest growing job sector over the same time period is expected to be Information Technology. As a result of the expected growth, the personal income is expected to raise by 8.3%



Income:

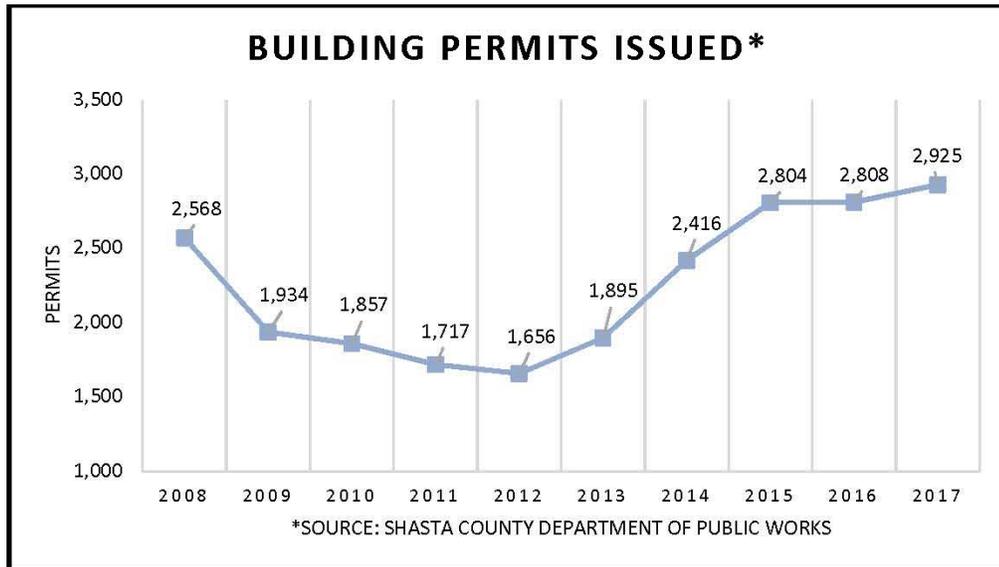
Family median income of \$33,591, as reported to the Franchise Tax Board, increased 0.9% from 2013 to 2014 (the most recent data from FTB) for the residents of Shasta County. Shasta County 2014 median family income was approximately 10% lower than the State median. Shasta County ranked 31st out of 58 counties when comparing annual income in 2014; in 2013 we were ranked 30th, representing a small decline.

Inflation-adjusted salaries are expected to rise slowly, increasing by an average of 0.6% per year through 2020.

Real Estate:

- The national, state, and local economic downturn that resulted in a decline in property values has stabilized. The County has seen an increase in the assessed roll for property tax since 2013 with a 3.82% increase for 2017. Sales tax increased by approximately \$0.9M from 2016 to 2017 signifying more consumer confidence and increased spending. Shasta County discretionary revenue finally began to stabilize in FY 2014-15 after several years of decline. Discretionary property tax revenue receipts were \$27.1M in 2016, compared to \$28.5M in 2017, an increase of 5.16% over the prior year.
- The median home prices increased from \$220,700 to \$236,700 from 2016 to 2017, an increase of 7.2%. County-wide home sales have been assisted by historically low mortgage rates.

- Building permits issued increased 4.17% from 2016 to 2017 with 2,808 and 2,925 issued, respectively. Low interest rates and lack of housing inventory have been contributing factors to the increase in permit issuance.



Tourism:

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

The State weathered five years of severe drought. Water year 2017 for the North State was a good one. Heavy rains since late fall filled Lake Shasta and required spillway releases for the first time in six years. Two consecutive wet winters have provided ample water in Shasta Lake, bolstering houseboat lake activity, helping to increase the transient occupancy tax and sales tax receipts. Lake Shasta, the largest reservoir in the State, is one of the largest tourist attractions within the County.

Long Term Financial Planning:

Even with modest increases in year-to-year property tax receipts (discretionary revenues), the County continues to adhere to conservative spending due to economic uncertainty at the State and Federal level. The most significant uncertainty in future budgets will be the impact of decisions made by the CalPERS board of directors. Decisions by the CalPERS board could require larger retirement contributions from the County. Taking a conservative approach to spending in the past several fiscal years has helped keep the County solvent; but, absent sustained annual revenue growth more reductions may be necessary in the future.

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

Budget Overview:

The FY 2017-18 Recommended Budget totals \$448,437,258, including,

GOVERNMENTAL FUNDS

- \$234,070,604 General Fund
- \$145,547,399 Special Revenue Funds
- \$ 980,082 Capital Project Funds
- \$ 2,965,597 Debt Service Funds
- \$383,563,682 Total Governmental Funds

OTHER FUNDS

- \$ 27,358,727 Internal Service Funds
- \$ 24,092,170 Enterprise Funds
- \$ 13,422,679 Special Districts and Other Agencies
- \$ 64,873,576 Total Other Funds

This represents an increase of \$10.5 million, or 2.3 percent, when compared to the FY 2016-17 Adopted Budget.

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

Relevant Financial Policies:

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

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

Awards and Acknowledgments

Awards:

- In recognition of the professionalism demonstrated by the County in preparing accurate and timely financial reports, the State of California Office of the Controller bestowed Shasta County with their Award for Counties Financial Transactions Reporting for meeting the rigorous criteria of their award program for the year ended June 30, 2016. The County has received this award for 18 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, 2016. This was the third year the County has received this prestigious award. In order to be awarded a Certificate of Achievement the County published an easily readable and efficiently organized CAFR. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements:

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

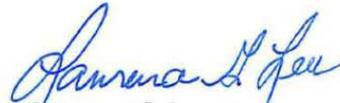
Additionally, we would like to thank the Board of Supervisors, the County Administrator's Office, and the County departments and agencies for their continued efforts in planning and conducting the County's financial operations in a responsible and conservative manner.

Respectfully submitted,



Brian Muir

Auditor-Controller

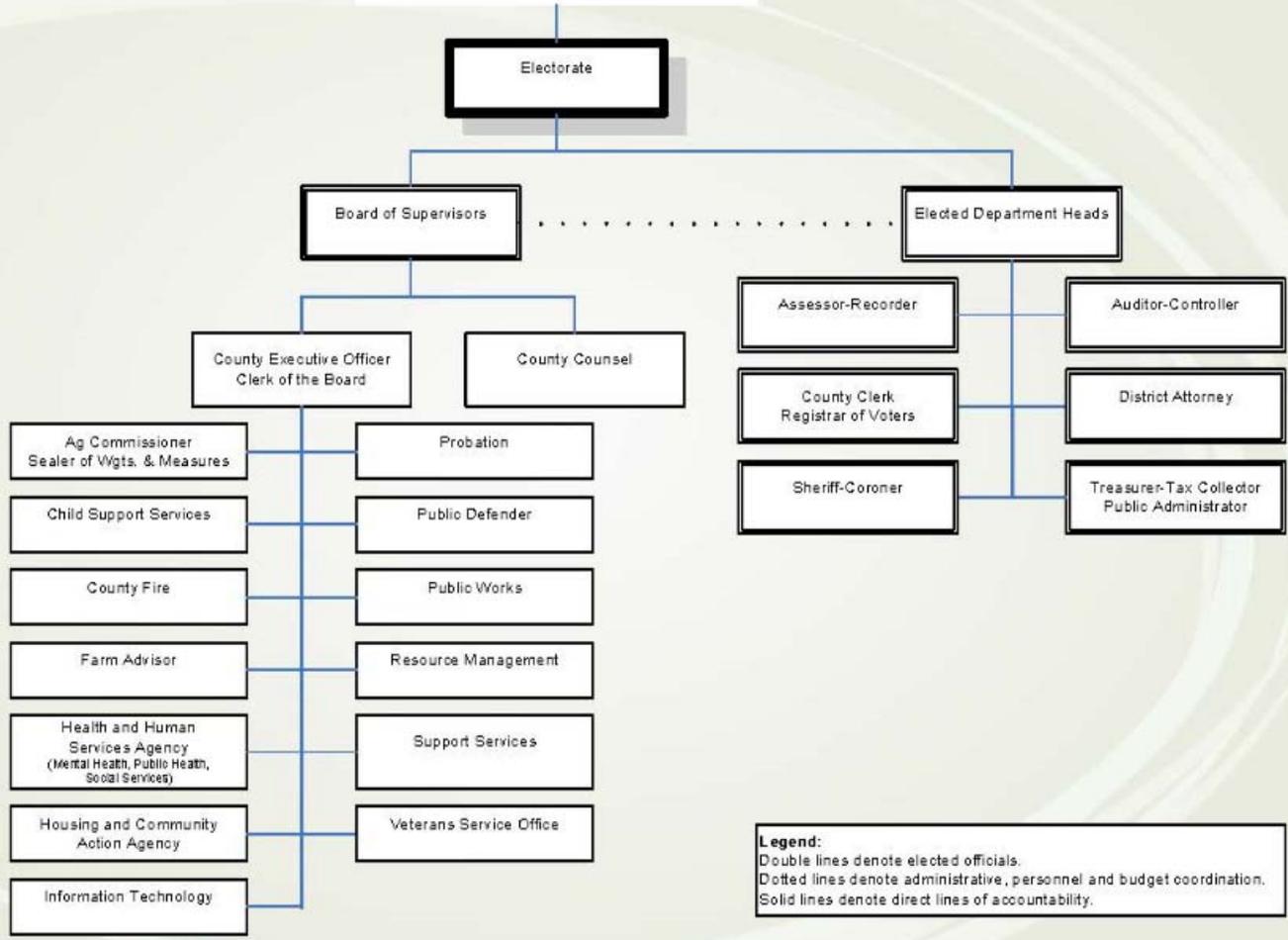


Lawrence G. Lees

County Executive Officer



County of Shasta
Organizational Chart
May 2017



**COUNTY OF SHASTA
COUNTY OFFICIALS
JUNE 30, 2017**

OFFICIALS

David A. Kehoe

Leonard Moty

Mary Rickert

Steve Morgan

Les Baugh

Leslie Morgan

Brian Muir

Cathy Darling Allen

Stephanie A Bridgett

Tom Bosenko

Lori J. Scott

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, 2016

Executive Director/CEO

FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of Shasta
Redding, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Shasta, California (the County), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of County of Shasta, as of June 30, 2017, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net position liability and related ratios 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 11, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Shasta's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
December 11, 2017

MANAGEMENT'S DISCUSSION & ANALYSIS (MD & A)



**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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, 2017. 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 \$133,096,085. Of the net position, \$119,919,101 is restricted for specific purpose (*restricted net position*), and \$165,195,200 is the net investment in capital assets. This leaves an unrestricted net position of \$(152,018,216), compared to an unrestricted net position in the previous year of \$(139,244,247). The government's total net position decreased by \$134,611 in comparison with the prior year.
- The County's net position net investment in capital assets, increased by \$4,131,220.
- The County's governmental funds reported combined fund balances of \$194,588,517 an increase of \$6,038,418 in comparison with the prior year.
- The County's unrestricted fund balance for the governmental funds was \$83,067,785, or 28% 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).

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

Both government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, education, recreation and interest expense. The business-type activities of the County include the Fall River Mills Airport, Solid Waste Disposal, West Central Landfill and County Service Areas that provide water and sewer services. Fiduciary activities are not included in the government-wide statements since these assets are not available to fund County programs.

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

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a county's near-term financing requirements.

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

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

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

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

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

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

The County's Net Position (in thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016
Current and Other Assets	\$ 262,583	\$ 254,132	\$ 28,332	\$ 30,280	\$ 290,915	\$ 284,412
Capital Assets	157,841	158,232	44,053	41,810	201,894	200,042
Total Assets	<u>420,424</u>	<u>412,364</u>	<u>72,385</u>	<u>72,090</u>	<u>492,809</u>	<u>484,454</u>
Deferred Outflows of Resources	50,010	16,761	-	-	50,010	16,761
Current and Other Liabilities	32,183	32,799	1,004	928	33,187	33,728
Long-Term Liabilities	351,808	300,055	17,112	16,753	368,920	316,808
Total Liabilities	<u>383,991</u>	<u>332,854</u>	<u>18,116</u>	<u>17,681</u>	<u>402,107</u>	<u>350,536</u>
Deferred Inflows of Resources	7,616	17,449	-	-	7,616	17,449
Net Investment in Capital Assets	126,176	124,597	39,019	36,467	165,195	161,063
Restricted	119,919	111,411	-	-	119,919	111,411
Unrestricted	(167,268)	(157,186)	15,250	17,942	(152,018)	(139,244)
Total Net Position	<u>\$ 78,827</u>	<u>\$ 78,822</u>	<u>\$ 54,269</u>	<u>\$ 54,408</u>	<u>\$ 133,096</u>	<u>\$ 133,231</u>

A significant portion of the County's net position, \$165.1M, 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, \$119.9M, represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, the County reported positive balances in all three categories of net position, both for the County as well as for its separate governmental activities and business-type activities.

The County's net position decreased by \$135K during the current fiscal year. The decrease in net position represents a variety of activity during the year, comprised mainly of:

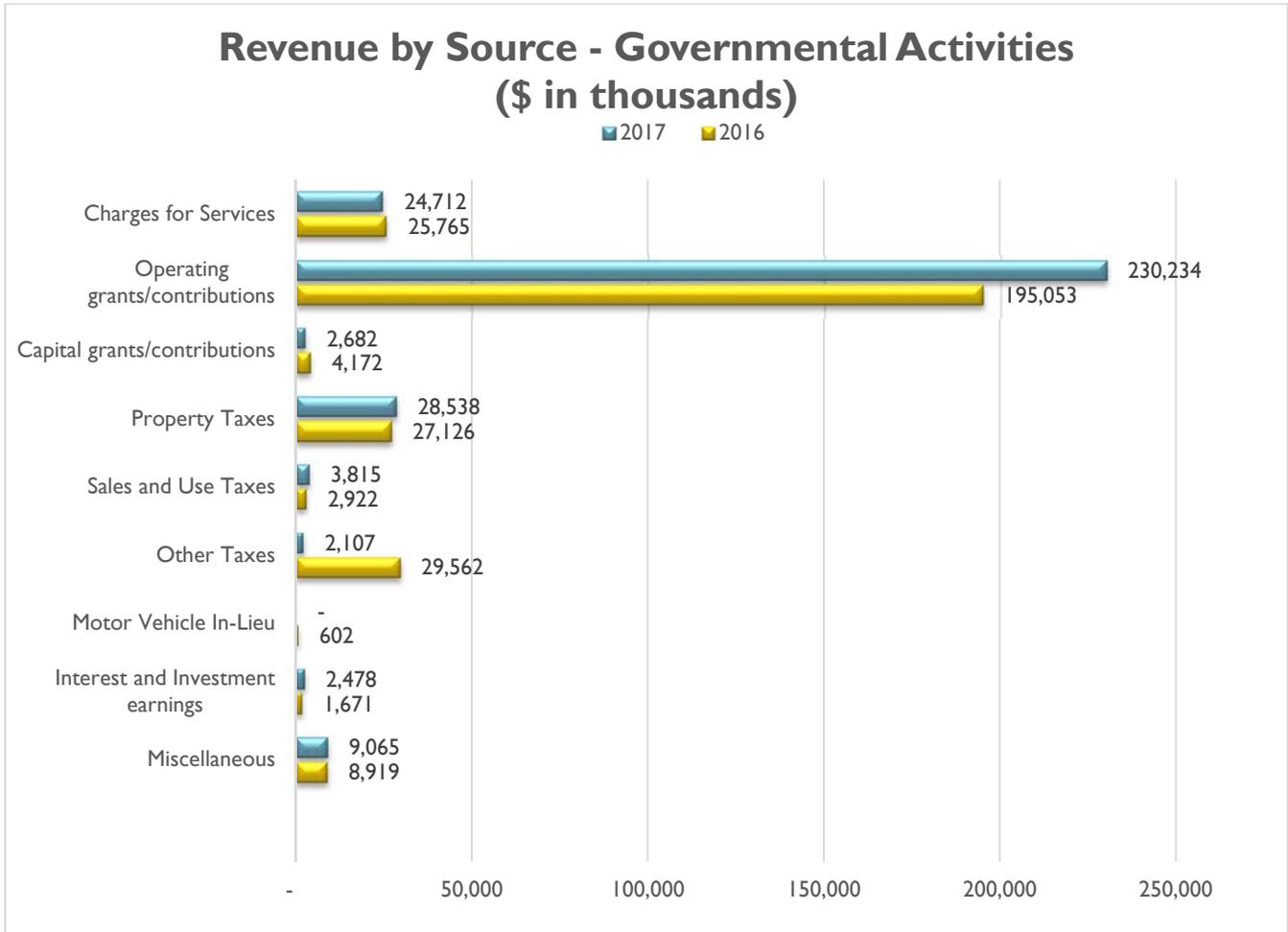
- An increase in long-term liabilities
- An increase in expenditures
- A decrease in revenues in business-type activities

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

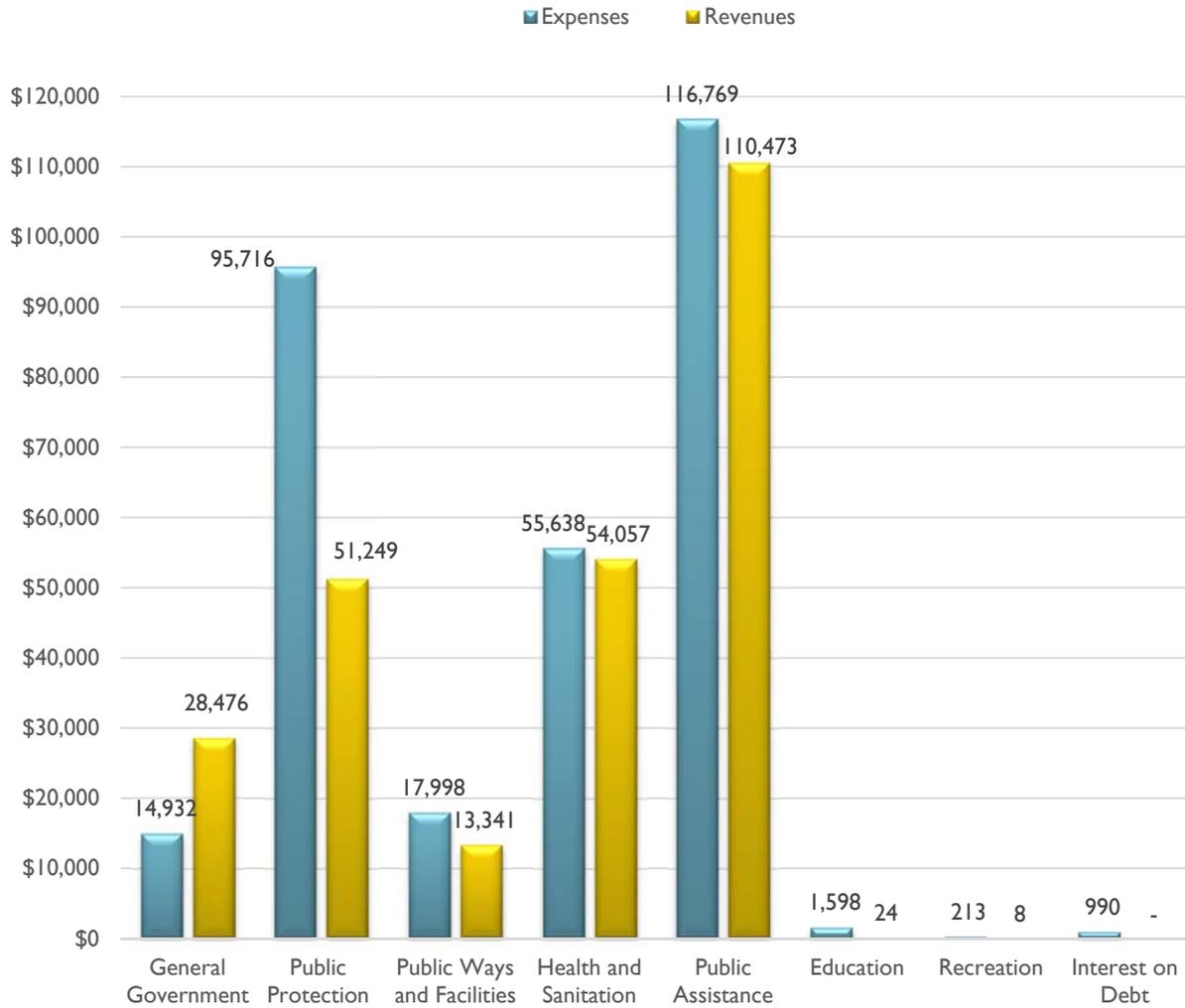
	Governmental Activities		Business-Type Activities		Total Activities	
	FY 2017	FY 2016	FY 2017	FY 2016	FY 2017	FY 2016
Revenues						
Program Revenues:						
Charges for Services	\$ 24,712	\$ 25,765	\$ 4,939	\$ 4,449	\$ 29,651	\$ 30,215
Operating grants/contributions	230,234	195,053	564	1,571	230,798	196,624
Capital grants/contributions	2,682	4,172	132	43	2,814	4,215
General Revenues:						
Property Taxes	28,538	27,126	29	28	28,567	27,154
Sales and Use Taxes	3,815	2,922	-	-	3,815	2,922
Other Taxes	2,107	29,562	-	-	2,107	29,562
Motor Vehicle In-Lieu	-	602	-	-	-	602
Interest and Investment earnings	2,478	1,671	185	114	2,663	1,786
Miscellaneous	9,065	8,919	97	103	9,163	9,023
Total Revenues	303,631	295,792	5,946	6,309	309,578	302,102
Expenses						
General Government	14,932	12,853	-	-	14,932	12,853
Public Protection	95,716	92,417	-	-	95,716	92,417
Public Ways and Facilities	17,998	16,889	-	-	17,998	16,889
Health and Sanitation	55,638	52,386	-	-	55,638	52,386
Public Assistance	116,769	111,239	-	-	116,769	111,239
Education	1,598	1,542	-	-	1,598	1,542
Recreation	213	155	-	-	213	155
Interest on Debt	990	1,042	-	-	990	1,042
Fall River Mills Airport	-	-	324	329	324	329
Solid Waste Disposal	-	-	1,744	1,881	1,744	1,881
West Central Landfill	-	-	653	578	653	578
Shasta County Transit	-	-	674	448	674	448
County Service Areas (Water/Sewer)	-	-	2,462	2,366	2,462	2,366
Total Expenses	303,854	288,523	5,857	5,602	309,711	294,125
Excess/(deficiency) before transfers	(223)	7,269	89	707	(134)	7,977
Transfers	228	-	(228)	-	-	-
Change in Position	5	7,269	(139)	707	(134)	7,977
Net Position - Beginning	78,822	71,553	54,408	53,701	133,231	125,254
Net Position - Ending	\$ 78,827	\$ 78,822	\$ 54,269	\$ 54,408	\$ 133,096	\$ 133,231

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

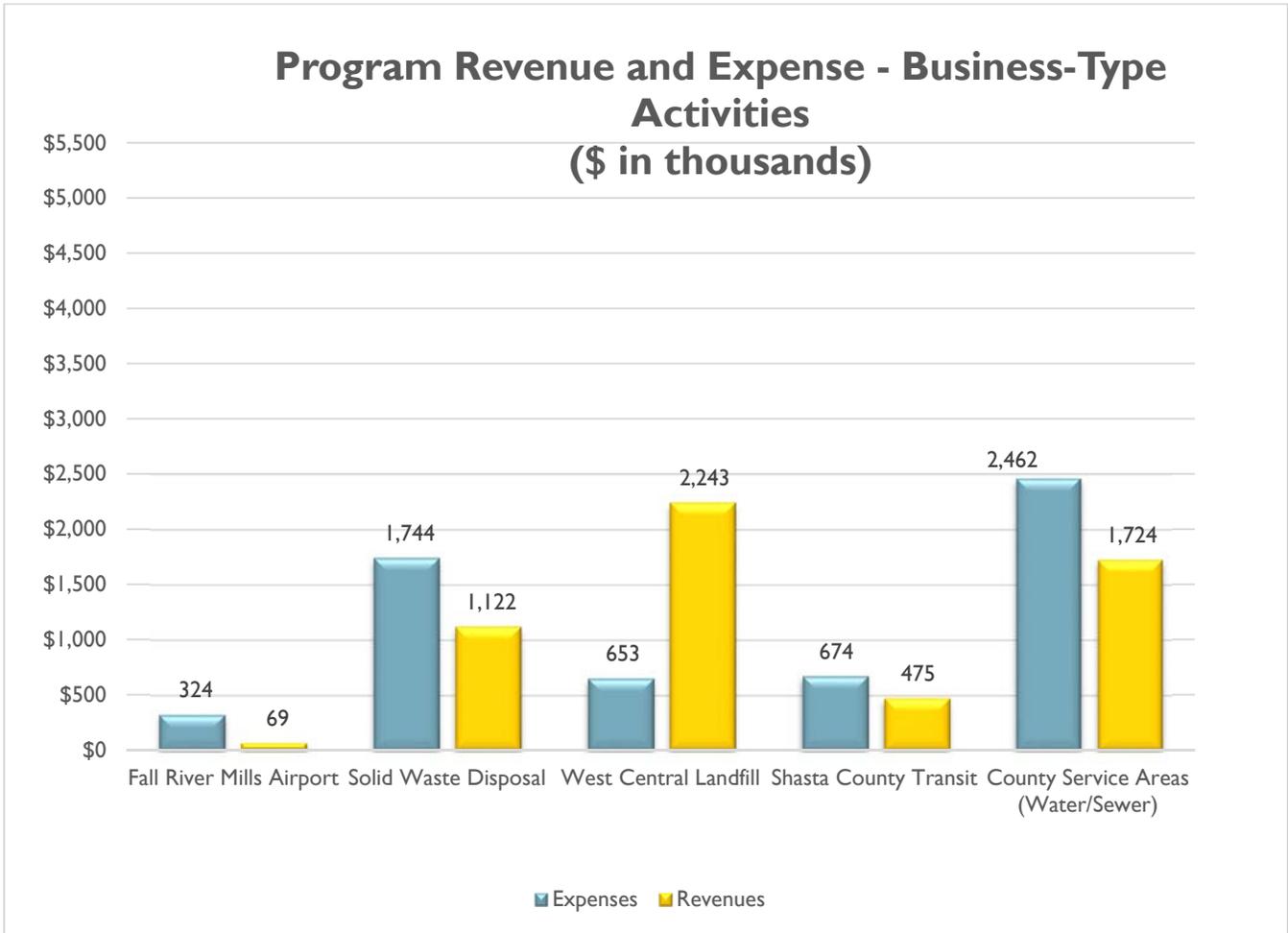


**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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



**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

Net Change in Fund Balance
Governmental Funds

	FY 2017	FY 2016	Net Change	
			Amount	Percent
Fund Balance - Beginning	188,550,099	177,954,992	\$ 10,595,107	5.95%
Revenues	302,555,560	292,855,788	9,699,772	3.31%
Expenditures	(296,939,302)	(282,542,989)	(14,396,313)	5.10%
Other Financing Sources (Uses)	422,160	282,308	139,852	49.54%
Fund Balance - Ending	<u>\$ 194,588,517</u>	<u>\$ 188,550,099</u>	<u>\$ 6,038,418</u>	3.20%

At June, 30, 2017, the County's governmental funds reported combined fund balances of \$194,588,517. Of these combined fund balances, \$83,067,785 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, \$110,004,872, 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, \$1,515,860 is non-spendable 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, 2017, unrestricted General Fund balance was \$74,820,127, while total fund balance was \$95,688,443. 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 53% of total General Fund expenditures, while the total fund balance represents 67% of total General Fund expenditures.

The County's management also assigns (earmarks) unrestricted General Fund balance to a function, project, or activity. Fund balance may also be assigned for purposes beyond the current year. However, assigned fund balance is available for appropriation at any time. Of the \$74,820,127 General Fund unrestricted fund balance, 35% is assigned.

Total governmental funds Fund Balance increased by \$6,038,418, or 3%, in comparison with the prior year. The major governmental funds had changes in fund balance as follows: General Fund increased \$9,992,200, most which was due to an increase in tax revenues and expenditure reductions in General Government. Conversely, Public Safety Fund decreased \$1,627,725 related to increased expenditures and reduced intergovernmental revenues. The Mental Health Fund decreased \$782,034 due mainly to increases in expenditures. The Roads Fund decreased \$2,946,247 reflective of an increase in expenditures (mainly road maintenance projects) and a decrease in intergovernmental revenues. The non-major governmental funds increased by \$1,402,224, due to an increase in intergovernmental revenues.

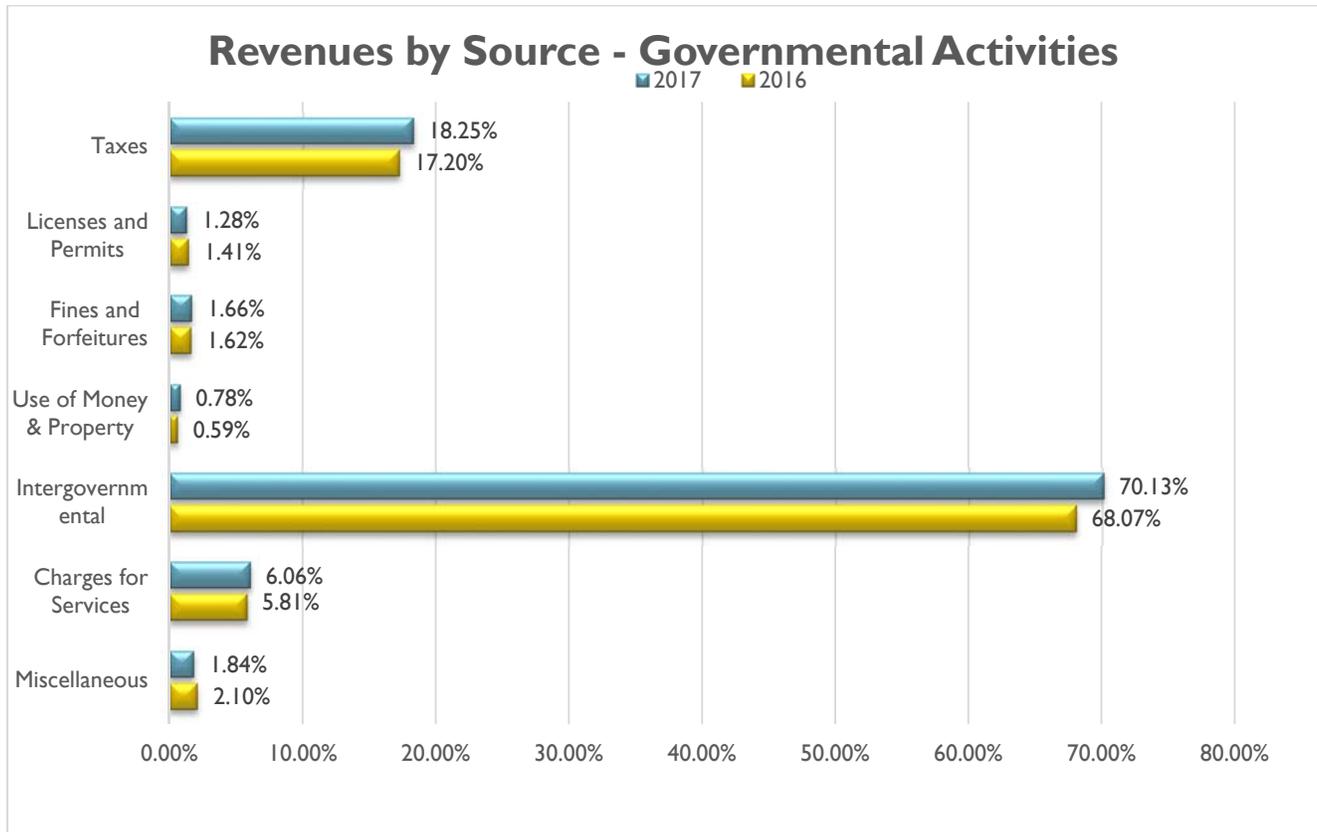
**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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 2017		FY 2016		Increase (Decrease)	
	Amount	Percent of	Amount	Percent of	Amount	Percent of
		Total		Total		Change
Taxes	55,205,021	18.25%	52,042,391	17.20%	3,162,630	6.08%
Licenses and Permits	3,872,144	1.28%	4,258,142	1.41%	(385,998)	-9.06%
Fines and Forfeitures	5,015,597	1.66%	4,893,867	1.62%	121,730	2.49%
Use of Money & Property	2,373,972	0.78%	1,783,923	0.59%	590,049	33.08%
Intergovernmental	212,183,508	70.13%	205,941,958	68.07%	6,241,550	3.03%
Charges for Services	18,338,103	6.06%	17,581,912	5.81%	756,191	4.30%
Miscellaneous	5,567,215	1.84%	6,353,595	2.10%	(786,380)	-12.38%
Total Revenue by Source	302,555,560	100.00%	292,855,788	100.00%	9,699,772	

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



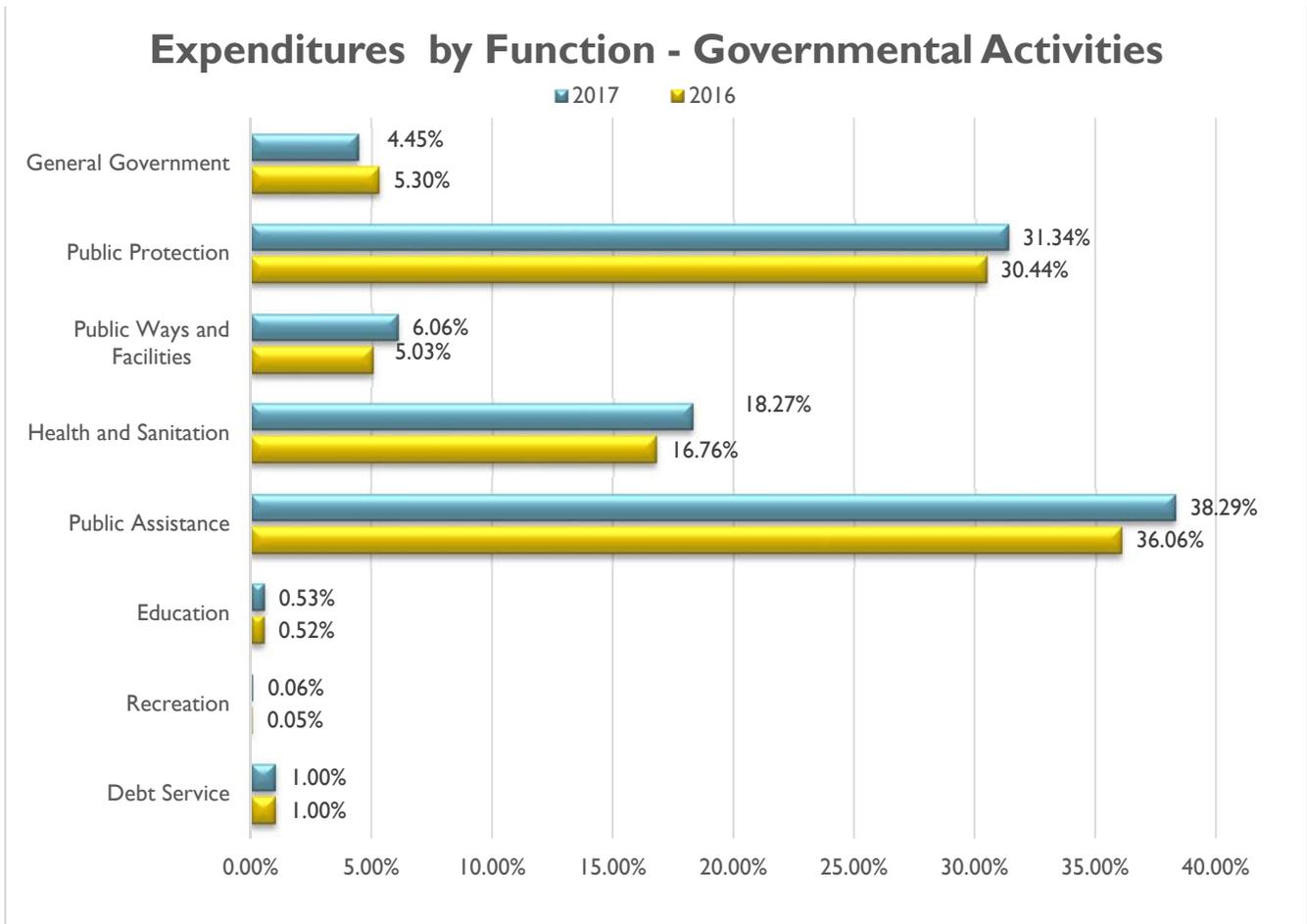
**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

Expenditures Classified by Function
Governmental Funds

	FY 2017		FY 2016		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
General Government	13,215,999	4.45%	15,736,565	5.30%	(2,520,566)	-16.02%
Public Protection	93,073,279	31.34%	90,401,927	30.44%	2,671,352	2.95%
Public Ways and Facilities	17,987,032	6.06%	14,930,497	5.03%	3,056,535	20.47%
Health and Sanitation	54,242,706	18.27%	49,768,415	16.76%	4,474,291	8.99%
Public Assistance	113,684,361	38.29%	107,065,418	36.06%	6,618,943	6.18%
Education	1,583,488	0.53%	1,538,464	0.52%	45,024	2.93%
Recreation	191,465	0.06%	140,753	0.05%	50,712	36.03%
Debt Service	2,960,972	1.00%	2,960,950	1.00%	22	0.00%
Total by Function	\$296,939,302	100.00%	\$ 282,542,989	95.15%	\$ 14,396,313	

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



**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

Other Financing Sources (Uses)		Governmental Funds		Increase (Decrease)	
	FY 2017	FY 2016	Amount	Percent	
Proceeds from Sale of Capital Assets	\$ 127,472	\$ 178,967	\$ (51,495)	-28.77%	
Debt issued	-	-	-	-	
Transfers In	39,672,796	46,759,898	(7,087,102)	-15.16%	
Transfers Out	(39,378,108)	(46,656,557)	7,278,449	-15.60%	
Net financing sources(uses)	<u>\$ 422,160</u>	<u>\$ 282,308</u>	<u>\$ 139,852</u>		

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

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

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

Net Change in Fund Net Position		Enterprise Funds		Net Change	
	FY 2017	FY 2016	Amount	Percent	
Total Net Position - Beginning	54,408,447	53,700,765	707,682	1.32%	
Operating Revenues	4,938,930	4,622,901	316,029	6.84%	
Operating Expenses	(5,569,834)	(5,514,699)	(55,135)	1.00%	
Non-Operating Revenues (Expenses)	587,528	1,599,480	(1,011,952)	-63.27%	
Transfers In (Out) and capital contributions	(96,445)	-	(96,445)	-	
Total Net Position - Ending	<u>\$ 54,268,626</u>	<u>\$ 54,408,447</u>	<u>\$ (139,823)</u>		

Net position restricted for net investment in capital assets at fiscal year-end was \$39,018,423. Unrestricted net position of the enterprise funds at fiscal year-end was \$15,250,203.

The net position of the enterprise funds decreased \$139,821 from prior fiscal year.

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

			Net Change	
			Amount	Percent
Total Net Position - Beginning	FY 2016	FY 2016	1,812,011	19.87%
Operating Revenues	10,932,944	9,120,933	2,395,558	11.05%
Operating Expenses	24,080,144	21,684,586	1,060,973	-5.00%
Non-Operating Revenues (Expenses)	(20,159,668)	(21,220,641)	(1,536,589)	-105.87%
Transfers In (Out) and capital contributions	(85,182)	1,451,407	36,617	-35.43%
Total Net Position - Ending	<u>\$ 14,701,514</u>	<u>\$ 10,932,944</u>	<u>\$ 3,768,570</u>	

Total net position of the internal service funds at fiscal year-end were \$14,701,514 and include \$2,962,830 invested in capital assets.

The net position of the internal service funds increased \$3,768,570 over the prior fiscal year. Most this increase was caused by increases in operating revenues and decreases in claims in the Risk Management Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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	176,732,627	175,692,166	(1,040,461)	-0.59%
Total Expenditures	(163,754,513)	(168,191,897)	(4,437,384)	2.71%
Other Financing Sources (Uses)	(32,451,481)	(27,799,940)	4,651,541	-14.33%
Net Change in Fund Balances	<u>\$ (19,473,367)</u>	<u>\$ (20,299,671)</u>	<u>\$ (826,304)</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	175,692,166	180,547,856	4,855,690	2.76%
Total Expenditures	(168,191,897)	(142,054,622)	26,137,275	-15.54%
Other Financing Sources (Uses)	(27,799,940)	(28,501,034)	(701,094)	2.52%
Net Change in Fund Balances	<u>\$ (20,299,671)</u>	<u>9,992,200</u>	<u>30,291,871</u>	

CAPITAL ASSETS

The County's investment in capital assets for its governmental and business type activities as of June 30, 2017, amounted to \$201,894,291 (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 \$2,006,118.

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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	
	2017	2016	2017	2016	2017	2016
Land and improvements	\$ 3,819,156	\$ 3,819,156	\$ 2,026,076	\$ 2,026,076	\$ 5,845,232	\$ 5,845,232
Structures & Improvements	132,122,007	127,773,221	81,137,902	77,215,895	213,259,909	204,989,116
Leasehold Improvements	693,468	923,068	-	-	693,468	923,068
Equipment	48,365,551	47,396,795	318,301	318,301	48,683,852	47,715,096
Infrastructure	124,055,134	121,418,928	-	-	124,055,134	121,418,928
Construction In Progress	3,328,455	5,953,062	382,937	629,434	3,711,392	6,582,496
Total	312,383,771	307,284,230	83,865,216	80,189,706	396,248,987	387,473,936
Accumulated Depreciation	(154,542,750)	(149,205,703)	(39,811,946)	(38,380,060)	(194,354,696)	(187,585,763)
Net Capital Assets	<u>\$157,841,021</u>	<u>\$ 158,078,528</u>	<u>\$ 44,053,270</u>	<u>\$ 41,809,646</u>	<u>\$ 201,894,291</u>	<u>\$ 199,888,174</u>

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

	Additions	Retirements	Transfers & Adjustments	Depreciation	Net Change
		(Net of Accum. Depreciation)			
General Government	\$ 3,677,274	\$ (1,770,818)	\$ -	\$ (2,569,924)	\$ (663,468)
Public Protection	571,232	-	-	(939,767)	(368,535)
Public Ways & Facilities	2,345,826	-	-	(2,184,190)	161,636
Health & Sanitation	563,518	(4,924)	-	(194,247)	364,347
Public Assistance	257,651	-	-	(190,060)	67,591
Education	-	-	-	(717)	(717)
Internal Service Funds	1,025,654	(52,013)	-	(772,003)	201,639
Enterprise Funds	3,675,511	-	-	(1,431,886)	2,243,625
Totals	<u>\$ 12,116,666</u>	<u>\$ (1,827,755)</u>	<u>\$ -</u>	<u>\$ (8,282,794)</u>	<u>\$ 2,006,118</u>

The significant retirement was the termination of the Adult Rehabilitation Center. On January 28, 2014, the Shasta County Board of Supervisors agreed to accept a funding grant from the California Board of State and Community Corrections. The award was to fund the construction of a 64 bed, medium security rehabilitation facility. The award was for \$20M with \$2.9M County matching funds. After preliminary design and further financial analysis for ongoing costs, the Board of Supervisors deemed that the ongoing costs to operate the facility would create too heavy a financial burden on the County. On January 24, 2017, the Board of Supervisors terminated the project; this created a retirement of \$1.8M.

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

Projects completed in current fiscal year:

	Current Year Costs	Total Costs
Major bridge, road and construction projects:		
Governmental Funds:		
Jail Security System Upgrade	11,336	11,384
Jail HVAC Controls Upgrade	600,867	602,128
MHSA Remodel	958,039	1,998,406
Board of Supervisors Chambers Audio/Video Upgrade	58,068	211,829
2460 Breslauer Remodel	41,525	459,521
2650 Breslauer Roof Replacement	196,953	196,953
2430 Breslauer Shop Remodel	14,940	14,940
1626 Court Street Roof/HVAC	95,125	95,125
4555 Veterans Lane Coroner Addition	644,421	644,421
FRM Vets Hall Roof	26,056	26,056
Cassel-Fall River Road @ Pit River Bridge	473,292	1,271,579
Inwood Road @ South Fork Bear Creek	1,080,288	1,364,625
Major bridge, road and construction projects abandoned during the year:		
1855 Placer 2 HVAC Units	1,375	1,375
Adult Rehab Center	180,079	1,769,443
Total Governmental Funds	<u>4,382,365</u>	<u>8,667,785</u>
Enterprise Funds:		
West Central Landfill Unit 4C	<u>3,508,794</u>	<u>3,922,009</u>
Total Enterprise Funds	<u>3,508,794</u>	<u>3,922,009</u>
Total projects completed in current fiscal year	<u><u>7,891,159</u></u>	<u><u>12,589,794</u></u>

Construction in progress at June 30, 2017:

	Current Year Costs	Cost to Date
Major bridge and road projects:		
Governmental Funds:		
Ash Creek Rd @ Sac. River	31,570	95,037
Gas Point Rd @ No Name Ditch	28,015	94,783
Spring Creek Rd @ Fall River Br	87,705	363,761
Lower Gas Point Rd @ NF Cttwd Creek	58,090	274,178
Old 44 Dr. @ Oak Run Creek	162,495	413,631
Soda Creek Rd @ Soda Creek	105,326	284,569
Fern Road E @ Glendenning	45,308	175,729
Parkville Rd @ Ash Creek	44,760	130,123
Bear Mountain Rd @ Deep Hole Creek Br	45,518	106,589
Total Governmental Funds	<u>608,787</u>	<u>1,938,400</u>
Building, equipment, and software upgrades:		
Governmental Funds:		
2650 Breslauer Remodel	54,376	210,560
2640 Breslauer Roof Replacement	449,050	449,050
2640 Breslauer Basement Remodel	15,447	15,447
1600 Court Street/1815 Yuba Street Roof/HVAC	202,909	202,909
1855 Placer Remodel	88,363	88,363
Trakit Software	423,726	423,726
Total Governmental Funds	<u>1,233,871</u>	<u>1,390,055</u>
Major construction:		
Enterprise Funds:		
CSA #17 Sewer System Upgrade	86,495	302,715
CSA #2 Sugarloaf Water Sytem Upgrade	80,222	80,222
Total Enterprise Funds	<u>166,717</u>	<u>382,937</u>
Total construction in progress at June 30, 2017	<u><u>2,009,376</u></u>	<u><u>3,711,392</u></u>
Summary of construction in progress at June 30, 2017		
Total Governmental Funds	1,842,659	3,328,455
Total Enterprise Funds	166,717	382,937
Total construction in progress	<u>2,009,376</u>	<u>3,711,392</u>

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

Additional information regarding capital assets can be found in note 4 to the financial statements.

DEBT ADMINISTRATION

At the end of the current fiscal year, the County had total debt obligation outstanding of \$36,699,091. Of this amount, \$30,870,000 comprises bonds that are secured by the County's lease rental payments and other dedicated sources of revenue, and \$770,400 of special assessment debt secured by property subject to the assessment. The remainder of the County's debt represents loans secured solely by specified revenue sources.

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

	Long-Term Debt Obligations				Total	
	Governmental Activities		Business-Type Activities			
	2017	2016	2017	2016	2017	2016
Lease Revenue Bonds	\$ 30,870,000	\$ 32,770,000	\$ -	\$ -	\$ 30,870,000	\$ 32,770,000
Special Assessment Bonds	-	-	770,400	813,000	770,400	813,000
Water/Sewer Bonds	-	-	20,000	20,000	20,000	20,000
Capital Lease Obligations	-	-	-	-	-	-
Financing Leases	-	-	900,797	1,036,899	900,797	1,036,899
Notes Payable	345,454	385,956	3,343,650	3,472,882	3,689,104	3,858,838
Debt Obligation	<u>31,215,454</u>	<u>33,155,956</u>	<u>5,034,847</u>	<u>5,342,781</u>	<u>36,250,301</u>	<u>38,498,737</u>
Unamortized Bond Premium	448,790	479,220	-	-	448,790	540,027
Total Debt	<u>31,664,244</u>	<u>33,635,176</u>	<u>5,034,847</u>	<u>5,342,781</u>	<u>36,699,091</u>	<u>39,038,764</u>
Less Current Portion	<u>(2,001,730)</u>	<u>(1,970,932)</u>	<u>(333,858)</u>	<u>(327,934)</u>	<u>(2,335,588)</u>	<u>(2,298,866)</u>
Net Long-Term Debt	<u>\$ 29,662,514</u>	<u>\$ 31,664,244</u>	<u>\$ 4,700,989</u>	<u>\$ 5,014,847</u>	<u>\$ 34,363,503</u>	<u>\$ 36,739,898</u>

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

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET RATES

The County's fiscal 2017-18 budget takes into consideration the overall financial health of the County related impacts of the California State Budget. The County Executive Officer monitors the State's spending plan and keeps the Board of Supervisors apprised of any negative impact on the County's budget and the public we serve. Department heads and their fiscal managers are to be commended for their willingness to manage spending within available resources while continuing to meet the needs of our community.

CALIFORNIA STATE BUDGET

The Governor's "May Revise" Budget was released on May 11, 2017. His focus continues to be on preserving fiscal stability. The Governor pointed out that revenue is slipping and economic indicators point to a slowdown or even a recession. The May Revise proposes a \$1.6 billion deficit in the coming year.

On a positive note, the Governor's May Revise proposes to use \$400 million from State General Fund in FY 2017-18 to defray a large hit to Counties for IHSS. The May Revise redirects CCI, Health, CMSP and Mental Health subaccount revenues to discharge much of what would have otherwise been proposed.

The May Revise focuses on these areas state-wide:

Reducing Pension Liabilities - \$6 billion via a loan from the Surplus Money Investment Fund.

Board of Equalization Miscalculations – The May Revise proposes that any amounts counties may owe the State through FY 2015-16 will not have to be repaid.

Child Care – Restoration of the \$500 million that in January the Governor said should be "paused".

Housing - \$25 million for Supportive Housing

New Tobacco Tax Revenue – The Governor is holding to his January proposal to use some of the new proceeds for Medi-Cal Costs.

Prop 57/Post Release Community Supervision – An increase of \$4.4 million for a total of \$15.4 million

Prop 47 – An increase of \$3.5 million compared to the January estimate for a total of \$45.6 million. Of this amount, just over \$29 million will be available to the counties for Mental Health and Substance Abuse Services.

The CEO will monitor the eventual adoption of a State spending plan for FY 2017-18, and keep the Board apprised of any negative impact on the County budget and the public we serve.

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

LONG-RANGE PLANNING

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

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

SHASTA COUNTY BUDGET PRINCIPLES

On February 28, 2017, the Board of Supervisors received the FY 2016-17 Mid-Year Report, and approved the following principles for the FY 2017-18 Budget:

- Maintain 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.
- The CEO will review all requests for capital assets and computer equipment.
- As a baseline, direct departments to prepare a status quo budget in County Contribution or General Fund Net-County-Cost. As the full impact of the State Budget is realized further cost containment measures may be necessary.
- Realize salary and benefit savings through collaborative bargaining with our labor partners.
- Recommend deleting positions vacant over 18 months.
- Encourage expenditure reductions in the current fiscal year to create carry-over funds for FY 2017-18.
- In accordance with Administrative Policy 2-101, direct department heads to limit expenditures in FY 2016-17 to ensure that their spending remains within each Object Level in the Adopted Budget.
- In accordance with Administrative Policy 2-101, hold department heads responsible for Revenues in the Adopted Budget; direct them to notify the County Executive Officer of any revenue shortfall; and further, direct them to reduce spending as necessary to remain within the Adopted Budget net-county-cost.

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

FINANCING

Department heads have worked diligently to control spending in the current fiscal year to create fund balance carryover for FY 2017-18. General Fund departments are projected to achieve a 10 percent expenditure reduction in the fiscal year ending June 30, 2017, which will result in a fund balance carryover of \$10 million.

The CEO held a kick-off meeting for the FY 2017-18 Budget on February 8, 2017. As a baseline, General Fund departments and departments receiving a General Fund contribution, were directed to submit on a status quo budget. Exceptions to this were made on a case-by-case basis for departments with a MOE. Due to the impact of the increasing costs of health care, retirement, potential changes to Federal funding, and the State of California planning for a recession, departments were asked to monitor expenses on a continued basis during FY 2017-18.

Total funding requirements for the General Fund, which includes the subsidy to non-general fund departments, is \$73.6 million. This will be offset by revenue, \$62.1 million, leaving a structural imbalance of \$11.5 million. 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.

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

DISCRETIONARY REVENUE

The 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.

FY 2017-18 recommended discretionary General Revenue is \$49.9 million, essentially status quo compared to the FY 2016-17 estimated year-end.

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

NON-DISCRETIONARY REVENUE

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

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

1991-92 State-Local Realignment Health Subaccount Redirection (AB85) Under the Affordable Care Act, county costs and responsibilities for indigent health care are decreasing as more individuals gain access to federal health care coverage. The State-based Medi-Cal expansion has resulted in indigent care costs previously paid by counties shifting to the State, helping to fund significant increases in State costs.

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

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

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

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

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

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

APPROPRIATIONS

The Recommended FY 2017-18 General Fund Budget is \$73.6 million, which is \$3.8 million less than the FY 2016-17 Adjusted Budget.

The Auditor-Controller calculates the County's Maintenance of Effort (MOE) for public safety. The most recent calculation is FY 2016-17. The FY 2016-17 Adopted Budget for all the public safety departments exceeded the adjusted MOE Base by \$30.1 million. The County subsidy to the combined health and human services programs has been held static over the last several years.

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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

The **General Reserve** is approximately \$10.6 million. This is less than three percent of total Governmental Funds appropriations (\$383.5 million). The Board established a policy for budgetary reserves in December 2007. The goal is to attain a Reserve of five percent (5%) of estimated financing uses, less designations for reserves and capital projects, but no less than \$10 million.

YEAR-TO-YEAR COMPARISON

Departments were directed to submit a status quo budget. For the fiscal year ending June 30, 2017, the General Fund is projected to realize a 10 percent reduction in expenditures (\$9 million), and a reduction to the net-county-cost (down from \$14.4 million to \$4.3 million).

In the aggregate, the FY 2017-18 Recommended Budget for *select* budget units, excluding special districts, totals \$434 million, which when compared to the FY 2016-17 Adjusted Budget, is an increase of \$5 million or an increase of .70 percent.

COUNTY WORKFORCE

The Recommended Budget provides for a workforce of 2,007 full-time-equivalents (FTE's). This includes a net decrease of 8.5 FTE's. The sunset date for one position will be extended through June 30, 2018.

As of February 7, 2017, total vacancies were 266, or 13.0 percent. The CEO confers with Support Services to review all requests to fill positions. This is in part to reduce expenditures, but also to preserve positions for employees facing a layoff situation.

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

APPROPRIATIONS

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**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

COUNTY WORKFORCE

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EMPLOYEE BENEFITS

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

The County's share of CalPERS ("PERS") retirement in FY 2016-17 is 18.0 percent for Miscellaneous, and 46.18 percent for Safety. By FY 2021-22, PERS estimates these rates will be 21.5 percent for Miscellaneous, and 53.0 percent for Safety. 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.

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

years of the 20-year amortization period. The County will continue to monitor these changes and analyze the effects on the overall County budget.

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

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

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, 2015, is approximately \$205 million.

Although GASB does not require governmental agencies to pre-fund their OPEB liability, Shasta County is taking positive steps towards addressing OPEB. The County established two irrevocable OPEB Trusts with initial funding of \$6 million each; and implemented a charge, as a percent of payroll, effective July 1, 2008. This percentage increased to 3 percent effective July 1, 2015. Additionally, one-time additions to the OPEB-Trusts are made when funding is available. The combined assets of the two OPEB-Trusts are \$49.8 million as of June 30, 2017.

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

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

**COUNTY OF SHASTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

BONDED INDEBTEDNESS

As of June 30, 2017, the County's total outstanding debt obligation was \$36.7 million. Of this amount, \$30.9 million comprises bonds that are secured by the County's lease rental payments and other dedicated sources of revenue and \$770,400 of special assessment debt secured by property subject to the assessment. The remainder of the County's debt represents loans secured solely by specified revenue sources.

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

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

Both rating agencies praised the County's ability to grow and sustain a healthy fund balance, currently \$31 million. With economic signs pointing to another recession, a strong fund balance will enable the County to weather the downturn.

REQUEST FOR INFORMATION

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

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





**COUNTY OF SHASTA
STATEMENT OF NET POSITION
JUNE 30, 2017**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	
ASSETS				
Cash and Investments	\$ 206,052,490	\$ 22,565,144	\$ 228,617,634	\$ 2,493,714
Receivables, Net	10,968,341	765,195	11,733,536	-
Due from Other Governments	30,037,799	1,280,490	31,318,289	697,707
Inventories	444,439	20,877	465,316	-
Other Assets	1,273,702	64,616	1,338,318	-
Internal Balances	403,340	(403,340)	-	-
Due from External Parties	2,797,235	-	2,797,235	-
Special Assessments Receivable	389,088	3,904,377	4,293,465	-
Notes Receivable	10,035,386	-	10,035,386	-
Deferred Insurance Costs	180,850	-	180,850	-
Cash and Investments - Restricted	324	134,262	134,586	-
Capital Assets:				
Nondepreciable	7,147,611	2,409,013	9,556,624	99,162
Depreciable, Net	150,693,410	41,644,257	192,337,667	467,570
Total Assets	<u>420,424,015</u>	<u>72,384,891</u>	<u>492,808,906</u>	<u>3,758,153</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pensions	50,009,765	-	50,009,765	-
Total Deferred Outflows of Resources	<u>50,009,765</u>	<u>-</u>	<u>50,009,765</u>	<u>-</u>
LIABILITIES				
Accounts Payable	5,104,612	140,696	5,245,308	68,460
Retention Payable	8,902	-	8,902	-
Salaries and Benefits Payable	9,056,929	25,238	9,082,167	14,709
Interest Payable	224,958	22,425	247,383	-
Due to Other Governments	1,601,060	290,920	1,891,980	306,296
Deposits from Others	8,409	1,100	9,509	-
Unearned Revenue	6,833,360	166,253	6,999,613	154,904
Long-Term Liabilities:				
Due Within One Year:				
Claims Payable	2,575,152	-	2,575,152	-
Compensated Absences	4,767,560	23,599	4,791,159	17,036
Long-Term Debt	2,001,730	333,858	2,335,588	-
Due Beyond One Year:				
Claims Payable	17,133,848	-	17,133,848	-
Landfill Closure/Postclosure	-	12,391,205	12,391,205	-
Compensated Absences	4,036,893	19,982	4,056,875	-
Long-Term Debt	29,662,514	4,700,989	34,363,503	-
Net OPEB Obligation	92,479,000	-	92,479,000	-
Net Pension Liability	208,495,608	-	208,495,608	-
Total Liabilities	<u>383,990,535</u>	<u>18,116,265</u>	<u>402,106,800</u>	<u>561,405</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pensions	7,615,786	-	7,615,786	-
Total Deferred Inflows of Resources	<u>7,615,786</u>	<u>-</u>	<u>7,615,786</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	126,176,777	39,018,423	165,195,200	566,732
Restricted For:				
Special Revenue	58,044,470	-	58,044,470	2,630,016
Public Safety	25,243,719	-	25,243,719	-
Roads Administration	7,602,968	-	7,602,968	-
Capital Projects	7,997,622	-	7,997,622	-
Debt Service	11,303	-	11,303	-
General Fund Reserved Fund Balance	21,019,019	-	21,019,019	-
Unrestricted	<u>(167,268,419)</u>	<u>15,250,203</u>	<u>(152,018,216)</u>	<u>-</u>
Total Net Position	<u>\$ 78,827,459</u>	<u>\$ 54,268,626</u>	<u>\$ 133,096,085</u>	<u>\$ 3,196,748</u>

See accompanying Notes to Financial Statements.

**COUNTY OF SHASTA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017**

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	\$ 14,594,231	\$ 337,929	\$ 5,691,228	\$ 22,785,204	\$ -
Public Protection	93,304,149	2,411,627	12,116,243	39,061,307	71,863
Public Ways and Facilities	17,479,793	518,225	1,359,803	9,371,502	2,610,133
Health and Sanitation	54,714,550	923,069	2,849,692	51,206,838	-
Public Assistance	114,688,138	2,081,547	2,662,880	107,809,362	317
Education	1,565,596	32,470	24,220	-	-
Recreation	199,640	13,360	7,913	-	-
Debt Service:					
Interest Expense	990,411	-	-	-	-
Total Governmental Activities	<u>297,536,508</u>	<u>6,318,227</u>	<u>24,711,979</u>	<u>230,234,213</u>	<u>2,682,313</u>
BUSINESS-TYPE ACTIVITIES					
Fall River Mills Airport	320,416	3,323	54,032	14,966	-
West Central Landfill	652,842	-	2,243,129	-	-
Solid Waste Disposal	1,735,003	8,590	1,121,925	-	-
Shasta County Transit	669,488	4,522	25,237	450,085	-
County Service Areas	2,391,109	71,307	1,494,607	98,044	131,519
Total Business-Type Activities	<u>5,768,858</u>	<u>87,742</u>	<u>4,938,930</u>	<u>563,095</u>	<u>131,519</u>
 Total Primary Government	<u>\$ 303,305,366</u>	<u>\$ 6,405,969</u>	<u>\$ 29,650,909</u>	<u>\$ 230,797,308</u>	<u>\$ 2,813,832</u>
COMPONENT UNITS					
Children and Families First	2,092,665	-	-	2,216,015	-
Total Component Units	<u>\$ 2,092,665</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,216,015</u>	<u>\$ -</u>

General Revenues:
Taxes:
 Property Taxes
 Sales and Use Taxes
 Other Taxes
Interest and Investment Earnings
Miscellaneous
Transfers
 Total General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

Changes in Net Position

Governmental Activities	Business-Type Activities	Total Primary Government	Component Unit
\$ 13,544,272	\$ -	\$ 13,544,272	\$ -
(44,466,363)	-	(44,466,363)	-
(4,656,580)	-	(4,656,580)	-
(1,581,089)	-	(1,581,089)	-
(6,297,126)	-	(6,297,126)	-
(1,573,846)	-	(1,573,846)	-
(205,087)	-	(205,087)	-
<u>(990,411)</u>	<u>-</u>	<u>(990,411)</u>	<u>-</u>
(46,226,230)	-	(46,226,230)	-
-	(254,741)	(254,741)	-
-	1,590,287	1,590,287	-
-	(621,668)	(621,668)	-
-	(198,688)	(198,688)	-
<u>-</u>	<u>(738,246)</u>	<u>(738,246)</u>	<u>-</u>
<u>-</u>	<u>(223,056)</u>	<u>(223,056)</u>	<u>-</u>
(46,226,230)	(223,056)	(46,449,286)	-
-	-	-	123,350
<u>-</u>	<u>-</u>	<u>-</u>	<u>123,350</u>
28,537,930	28,991	28,566,921	-
3,815,455	-	3,815,455	-
2,107,104	-	2,107,104	-
2,477,605	184,693	2,662,298	11,489
9,065,382	97,515	9,162,897	-
227,964	(227,964)	-	-
<u>46,231,440</u>	<u>83,235</u>	<u>46,314,675</u>	<u>11,489</u>
5,210	(139,821)	(134,611)	134,839
<u>78,822,249</u>	<u>54,408,447</u>	<u>133,230,696</u>	<u>3,061,909</u>
<u>\$ 78,827,459</u>	<u>\$ 54,268,626</u>	<u>\$ 133,096,085</u>	<u>\$ 3,196,748</u>

See accompanying Notes to Financial Statements.

**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**

**COUNTY OF SHASTA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	General Fund	Mental Health Fund	Roads Administration Fund
ASSETS			
Cash and Investments	\$ 90,058,128	\$ 12,223,234	\$ 6,864,862
Accounts Receivable	6,974,638	111,904	63,945
Due from Other Governments	13,090,900	4,689,628	1,633,852
Inventories	-	-	343,201
Other Assets	1,044,332	2,573	460
Due from Other Funds	3,427,908	369,818	113,966
Special Assessments Receivable	-	-	-
Notes Receivable	-	-	-
Advances to Other Funds	-	-	13,348
Cash and Investments - Restricted	-	-	-
	<u>\$ 114,595,906</u>	<u>\$ 17,397,157</u>	<u>\$ 9,033,634</u>
LIABILITIES			
Accounts Payable	\$ 702,797	\$ 2,265,833	\$ 288,459
Retention Payable	200	-	8,702
Salaries and Benefits Payable	4,055,846	516,781	508,058
Due to Other Funds	828,806	1,973,846	1,233
Due to Other Governments	536,842	16,023	535,402
Deposits from Others	819	-	-
Unearned Revenue	4,123,635	-	88,812
Advances from Other Funds	-	-	-
Total Liabilities	<u>10,248,945</u>	<u>4,772,483</u>	<u>1,430,666</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	8,658,518	87,364	-
FUND BALANCES			
Nonspendable	1,044,332	2,573	343,661
Restricted	19,823,984	12,534,737	7,259,307
Committed	150,703	-	-
Assigned	26,347,583	-	-
Unassigned	48,321,841	-	-
Total Fund Balances	<u>95,688,443</u>	<u>12,537,310</u>	<u>7,602,968</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 114,595,906</u>	<u>\$ 17,397,157</u>	<u>\$ 9,033,634</u>

See accompanying Notes to Financial Statements.

Public Safety Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 21,850,136	\$ 42,452,189	\$ 173,448,549
3,744,740	62,143	10,957,370
6,200,250	4,402,319	30,016,949
-	-	343,201
109,958	15,336	1,172,659
435,863	2,003,986	6,351,541
-	389,088	389,088
-	10,035,386	10,035,386
-	368,124	381,472
-	324	324
<u>\$ 32,340,947</u>	<u>\$ 59,728,895</u>	<u>\$ 233,096,539</u>
\$ 437,573	\$ 771,202	\$ 4,465,864
-	-	8,902
2,213,952	1,270,518	8,565,155
148,342	522,921	3,475,148
319,430	164,876	1,572,573
-	7,390	8,209
251,212	2,369,699	6,833,358
-	371,472	371,472
<u>3,370,509</u>	<u>5,478,078</u>	<u>25,300,681</u>
3,726,721	734,738	13,207,341
109,958	15,336	1,515,860
25,133,759	45,253,085	110,004,872
-	929,967	1,080,670
-	7,317,691	33,665,274
-	-	48,321,841
<u>25,243,717</u>	<u>53,516,079</u>	<u>194,588,517</u>
<u>\$ 32,340,947</u>	<u>\$ 59,728,895</u>	<u>\$ 233,096,539</u>

See accompanying Notes to Financial Statements.

**COUNTY OF SHASTA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2017**

Total Fund Balances - Governmental Funds	\$ 194,588,517
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.	154,878,191
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	
Unavailable Revenues	13,207,339
Other Postemployment Benefits Obligation	(92,479,000)
Long-Term Debt that has not been included in the governmental fund activity.	(31,664,244)
Interest on outstanding debt not due and payable in the current period is not accrued in the governmental funds.	(224,958)
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.	180,850
Compensated absences are not accrued in the governmental funds.	(8,259,121)
Internal service funds assets and liabilities are included in governmental activities in the statement of net position	14,701,514
Net pension liability	(208,495,608)
Deferred outflows of resources related to the net pension liability	50,009,765
Deferred inflows of resources related to the net pension liability	<u>(7,615,786)</u>
Net Position of Governmental Activities	<u><u>\$ 78,827,459</u></u>

See accompanying Notes to Financial Statements.

**COUNTY OF SHASTA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2017**

	General Fund	Mental Health Fund	Roads Administration Fund
REVENUES			
Taxes	\$ 50,329,065	\$ -	\$ 2,513,905
Licenses and Permits	3,432,730	-	44,477
Fines and Forfeitures	3,712,218	20,971	-
Use of Money and Property	1,499,631	89,887	61,181
Intergovernmental	106,090,052	25,549,441	9,462,370
Charges for Other Services	11,350,332	356,127	792,855
Miscellaneous Revenue	4,133,828	143,174	91,122
Total Revenues	<u>180,547,856</u>	<u>26,159,600</u>	<u>12,965,910</u>
EXPENDITURES			
Current:			
General Government	13,031,459	-	-
Public Protection	17,648,971	-	-
Public Ways and Facilities	-	-	17,166,753
Health and Sanitation	2,003,010	24,937,413	-
Public Assistance	107,596,229	-	-
Education	1,583,488	-	-
Recreation	191,465	-	-
Debt Service	-	-	-
Total Expenditures	<u>142,054,622</u>	<u>24,937,413</u>	<u>17,166,753</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	38,493,234	1,222,187	(4,200,843)
OTHER FINANCING SOURCES (USES)			
Transfers In	4,552,946	294,990	1,228,471
Transfers Out	(33,079,731)	(2,299,662)	(2,048)
Sale of Capital Assets	25,751	451	28,173
Total Other Financing Sources (Uses)	<u>(28,501,034)</u>	<u>(2,004,221)</u>	<u>1,254,596</u>
NET CHANGE IN FUND BALANCES	9,992,200	(782,034)	(2,946,247)
Fund Balances - Beginning	<u>85,696,243</u>	<u>13,319,344</u>	<u>10,549,215</u>
FUND BALANCES - ENDING	<u>\$ 95,688,443</u>	<u>\$ 12,537,310</u>	<u>\$ 7,602,968</u>

See accompanying Notes to Financial Statements.

Public Safety Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 69,844	\$ 2,292,207	\$ 55,205,021
144,004	250,933	3,872,144
1,273,834	8,574	5,015,597
207,951	515,322	2,373,972
29,826,347	41,255,298	212,183,508
3,548,917	2,289,872	18,338,103
613,418	585,673	5,567,215
<u>35,684,315</u>	<u>47,197,879</u>	<u>302,555,560</u>
-	184,540	13,215,999
62,701,590	12,722,718	93,073,279
-	820,279	17,987,032
-	27,302,283	54,242,706
-	6,088,132	113,684,361
-	-	1,583,488
-	-	191,465
-	2,960,972	2,960,972
<u>62,701,590</u>	<u>50,078,924</u>	<u>296,939,302</u>
(27,017,275)	(2,881,045)	5,616,258
26,676,069	6,920,320	39,672,796
(1,355,519)	(2,641,148)	(39,378,108)
69,000	4,097	127,472
<u>25,389,550</u>	<u>4,283,269</u>	<u>422,160</u>
(1,627,725)	1,402,224	6,038,418
<u>26,871,442</u>	<u>52,113,855</u>	<u>188,550,099</u>
<u>\$ 25,243,717</u>	<u>\$ 53,516,079</u>	<u>\$ 194,588,517</u>

See accompanying Notes to 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
YEAR ENDED JUNE 30, 2017**

Net Change in Fund Balances - Total Governmental Funds	\$ 6,038,418
Amounts reported for governmental activities in the statement of net activities are different because:	
Governmental funds report capital outlays as expenditures.	5,644,685
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.	(6,078,909)
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.	(6,094)
Revenues that do not provide current financial resources are not reported as revenues in the funds.	705,541
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.	1,940,505
Interest on outstanding debt is reported as an expenditure when due in the Governmental funds, but is accrued in the statement of activities.	42,317
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.	(12,261)
Compensated absences in the statement of activities is reported as an expense, but is not reported in the governmental funds.	(347,873)
Other postemployment benefits are reported as an expense when contributions are made in the governmental funds, but are accrued in the statement of activities.	(10,613,000)
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.	3,768,570
Pension expense is reported as an expense but is not reported in the governmental funds	<u>(1,076,689)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 5,210</u></u>

See accompanying Notes to Financial Statements.



**COUNTY OF SHASTA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017**

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
ASSETS			
Current Assets:			
Cash and Investments	\$ 4,097,919	\$ 17,371,840	\$ 1,154
Receivables, Net	466,456	-	685
Due from Other Governments	39,258	774,771	3,990
Inventories	-	-	20,877
Due from Other Funds	106,954	-	-
Other Assets	-	-	-
Total Current Assets	<u>4,710,587</u>	<u>18,146,611</u>	<u>26,706</u>
Noncurrent Assets:			
Special Assessments Receivable	-	-	-
Advances to Other Funds	-	-	-
Cash and Investments - Restricted	-	-	-
Capital Assets, Nondepreciable	1,100,708	-	110,000
Capital Assets, Depreciable - Net	13,279,093	-	11,702,031
Total Noncurrent Assets	<u>14,379,801</u>	<u>-</u>	<u>11,812,031</u>
 Total Assets	 19,090,388	 18,146,611	 11,838,737
LIABILITIES			
Current Liabilities:			
Accounts Payable	31,410	-	5,416
Salaries and Benefits Payable	25,238	-	-
Interest Payable	10,547	-	-
Due to Other Governments	-	-	-
Due to Other Funds	26,441	106,923	190
Deposits from Others	-	-	100
Unearned Revenue	-	-	-
Claims Payable	-	-	-
Compensated Absences Payable	43,581	-	-
Bonds, Notes Payable	139,927	-	-
Total Current Liabilities	<u>277,144</u>	<u>106,923</u>	<u>5,706</u>
Noncurrent Liabilities:			
Claims Payable	-	-	-
Advances from Other Funds	-	-	-
Compensated Absences Payable	-	-	-
Bonds, Notes Payable	760,870	-	-
Landfill Closure/Postclosure Care Costs	-	12,391,205	-
Total Noncurrent Liabilities	<u>760,870</u>	<u>12,391,205</u>	<u>-</u>
 Total Liabilities	 1,038,014	 12,498,128	 5,706
NET POSITION			
Net Investment in Capital Assets	13,479,004	-	11,812,031
Restricted for Debt Service	-	-	-
Unrestricted	4,573,370	5,648,483	21,000
 Total Net Position	 <u>\$ 18,052,374</u>	 <u>\$ 5,648,483</u>	 <u>\$ 11,833,031</u>

See accompanying Notes to Financial Statements.

Business-Type Activities

CSA #6 Jones Valley Water	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 120,743	\$ 973,488	\$ 22,565,144	\$ 32,603,941
39,879	258,175	765,195	10,971
2,048	460,423	1,280,490	20,850
-	-	20,877	101,238
20,103	21,730	148,787	45,796
57,752	6,864	64,616	101,043
<u>240,525</u>	<u>1,720,680</u>	<u>24,845,109</u>	<u>32,883,839</u>
3,547,800	356,577	3,904,377	-
-	-	-	312,941
112,393	21,869	134,262	-
54,400	1,143,905	2,409,013	55,375
9,326,914	7,336,219	41,644,257	2,907,455
<u>13,041,507</u>	<u>8,858,570</u>	<u>48,091,909</u>	<u>3,275,771</u>
13,282,032	10,579,250	72,937,018	36,159,610
4,325	99,545	140,696	638,748
-	-	25,238	491,774
9,590	2,288	22,425	-
-	290,920	290,920	28,487
13,899	81,733	229,186	44,555
500	500	1,100	200
4,285	161,968	166,253	-
-	-	-	2,575,152
-	-	43,581	295,294
157,504	36,427	333,858	-
<u>190,103</u>	<u>673,381</u>	<u>1,253,257</u>	<u>4,074,210</u>
-	-	-	17,133,848
-	322,941	322,941	-
-	-	-	250,038
3,556,782	383,337	4,700,989	-
-	-	12,391,205	-
<u>3,556,782</u>	<u>706,278</u>	<u>17,415,135</u>	<u>17,383,886</u>
<u>3,746,885</u>	<u>1,379,659</u>	<u>18,668,392</u>	<u>21,458,096</u>
5,667,028	8,060,360	39,018,423	2,962,830
-	-	-	-
<u>3,868,119</u>	<u>1,139,231</u>	<u>15,250,203</u>	<u>11,738,684</u>
<u>\$ 9,535,147</u>	<u>\$ 9,199,591</u>	<u>\$ 54,268,626</u>	<u>\$ 14,701,514</u>

See accompanying Notes to Financial Statements.

COUNTY OF SHASTA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
OPERATING REVENUES			
Charges for Services	\$ 1,121,925	\$ 2,243,129	\$ 54,032
OPERATING EXPENSES			
Salaries and Benefits	506,389	-	-
Services and Supplies	814,308	-	66,342
Central Service Costs	8,590	-	3,323
Insurance Premiums	-	-	-
Claims Expense	-	-	-
Depreciation	380,456	-	254,074
Landfill Closure/Postclosure Care Costs	-	652,842	-
Total Operating Expenses	<u>1,709,743</u>	<u>652,842</u>	<u>323,739</u>
OPERATING INCOME (LOSS)	(587,818)	1,590,287	(269,707)
NONOPERATING REVENUES (EXPENSES)			
Investment Income (Loss)	31,026	143,540	53
Property Tax Revenue	-	-	-
Nonoperating Grants	-	-	14,566
Miscellaneous Revenue	286	90,193	400
Miscellaneous Expense	(8,219)	-	-
Interest Expense	(25,631)	-	-
Gain (Loss) on Sale of Capital Assets	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(2,538)</u>	<u>233,733</u>	<u>15,019</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(590,356)	1,824,020	(254,688)
Capital Improvement Fees	-	-	-
Transfers In	3,682,438	-	-
Transfers Out	<u>(227,964)</u>	<u>(3,682,438)</u>	<u>-</u>
CHANGE IN NET POSITION	2,864,118	(1,858,418)	(254,688)
Net Position - Beginning	<u>15,188,256</u>	<u>7,506,901</u>	<u>12,087,719</u>
NET POSITION - ENDING	<u>\$ 18,052,374</u>	<u>\$ 5,648,483</u>	<u>\$ 11,833,031</u>

See accompanying Notes to Financial Statements.

Business-Type Activities			
CSA #6 Jones Valley Water	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 235,020	\$ 1,284,824	\$ 4,938,930	\$ 24,080,144
-	-	506,389	8,269,634
280,971	1,729,356	2,890,977	6,265,058
7,689	68,140	87,742	578,529
-	-	-	1,956,257
-	-	-	2,318,187
277,857	519,497	1,431,884	772,003
-	-	652,842	-
<u>566,517</u>	<u>2,316,993</u>	<u>5,569,834</u>	<u>20,159,668</u>
(331,497)	(1,032,169)	(630,904)	3,920,476
1,740	8,334	184,693	246,477
-	28,991	28,991	-
-	548,129	562,695	-
700	6,336	97,915	545,354
-	(202,650)	(210,869)	(888,688)
(29,964)	(20,302)	(75,897)	-
-	-	-	11,675
<u>(27,524)</u>	<u>368,838</u>	<u>587,528</u>	<u>(85,182)</u>
(359,021)	(663,331)	(43,376)	3,835,294
2,320	129,199	131,519	-
-	-	3,682,438	24,752
-	-	(3,910,402)	(91,476)
<u>(356,701)</u>	<u>(534,132)</u>	<u>(139,821)</u>	<u>3,768,570</u>
<u>9,891,848</u>	<u>9,733,723</u>	<u>54,408,447</u>	<u>10,932,944</u>
<u>\$ 9,535,147</u>	<u>\$ 9,199,591</u>	<u>\$ 54,268,626</u>	<u>\$ 14,701,514</u>

See accompanying Notes to Financial Statements.

**COUNTY OF SHASTA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017**

	Business-Type Activities		
	Solid Waste Disposal	West Central Landfill	Fall River Mills Airport
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 1,766,942	\$ 2,197,986	\$ 53,553
Receipts from Internal Customers	-	-	-
Payments to Suppliers	(1,227,713)	-	(73,463)
Payments to Employees	(464,012)	-	-
Operating Subsidies and Transfers	-	-	(3,990)
Other Receipts	286	90,193	400
Other Payments	(8,219)	-	-
Claims Paid	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>67,284</u>	<u>2,288,179</u>	<u>(23,500)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property Taxes	-	-	-
Nonoperating Subsidies and Transfers In	3,454,474	-	14,566
Nonoperating Subsidies and Transfers Out	-	(4,357,043)	(1,655)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>3,454,474</u>	<u>(4,357,043)</u>	<u>12,911</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(3,510,054)	-	-
Capital Improvement Fees	-	-	-
Principal Payments on Debt	(136,102)	-	-
Proceeds from Capital-Type Special Assessments	-	-	-
Capital Grants Received	-	-	-
Interest Payments on Debt	(27,224)	-	-
Net Cash Used by Capital and Related Financing Activities	<u>(3,673,380)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Income on Investments	<u>31,026</u>	<u>143,541</u>	<u>53</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(120,596)</u>	<u>(1,925,323)</u>	<u>(10,536)</u>
Cash and Cash Equivalents - Beginning of Year	<u>4,218,515</u>	<u>19,297,163</u>	<u>11,690</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 4,097,919</u></u>	<u><u>\$ 17,371,840</u></u>	<u><u>\$ 1,154</u></u>

See accompanying Notes to Financial Statements.

Business-Type Activities			
CSA #6 Jones Valley Water	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 232,960	\$ 1,540,079	\$ 5,791,520	\$ 23,898,282
-	-	-	894,762
(233,459)	(1,726,408)	(3,261,043)	(8,809,201)
-	-	(464,012)	(8,153,622)
-	2,812	(1,178)	-
700	6,389	97,968	545,355
-	(4,921)	(13,140)	(734,927)
-	-	-	(2,933,700)
201	(182,049)	2,150,115	4,706,949
-	28,992	28,992	-
-	-	3,469,040	47,523
-	28,202	(4,330,496)	(91,476)
-	57,194	(832,464)	(43,953)
-	(166,718)	(3,676,772)	(1,019,654)
2,320	129,199	131,519	-
(155,504)	(19,027)	(310,633)	-
113,021	31,600	144,621	56,511
-	292,523	292,523	-
(32,560)	(17,638)	(77,422)	-
(72,723)	249,939	(3,496,164)	(963,143)
1,741	8,438	184,799	246,476
(70,781)	133,522	(1,993,714)	3,946,329
303,917	861,835	24,693,120	28,657,612
<u>\$ 233,136</u>	<u>\$ 995,357</u>	<u>\$ 22,699,406</u>	<u>\$ 32,603,941</u>

See accompanying Notes to Financial Statements.

**COUNTY OF SHASTA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017**

	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)	\$ (587,818)	\$ 1,590,287	\$ (269,707)
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:			
Other Non-Operating Receipts	286	90,193	400
Other Non-Operating Payments	(8,219)	-	-
Depreciation Expense	380,456	-	254,074
Changes in Assets and Liabilities:			
Receivables, Net	(45,740)	-	(579)
Due from Other Funds	677,786	-	-
Due from Other Governments	(8,036)	(45,143)	(3,990)
Inventories	-	-	(9,033)
Other Assets	-	-	-
Accounts Payable	(404,815)	-	5,106
Salaries and Benefits Payable	42,377	-	-
Claims Liability	-	-	-
Other Liabilities	-	-	100
Due to Other Funds	21,007	-	-
Due to Other Governments	-	-	129
Compensated Absences Payable	-	-	-
Landfill Closure/Postclosure Care Costs	-	652,842	-
Net Cash Provided (Used) by Operating Activities	\$ 67,284	\$ 2,288,179	\$ (23,500)

See accompanying Notes to Financial Statements.

Business-Type Activities			
CSA #6 Jones Valley Water	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ (331,497)	\$ (1,032,169)	\$ (630,904)	\$ 3,920,476
700	5,889	97,468	545,356
-	(11,738)	(19,957)	(734,927)
277,857	519,497	1,431,884	772,003
(1,133)	(6,074)	(53,526)	8,043
343	123,299	801,428	567,610
-	157,111	99,942	(14,503)
-	-	(9,033)	(2,258)
57,752	(874)	56,878	51,411
(1,162)	76,305	(324,566)	220,749
-	-	42,377	85,807
-	-	-	(644,000)
(927)	(703)	(1,530)	-
(1,732)	(246,222)	(226,947)	4,075
-	233,630	233,759	(103,098)
-	-	-	30,205
-	-	652,842	-
<u>\$ 201</u>	<u>\$ (182,049)</u>	<u>\$ 2,150,115</u>	<u>\$ 4,706,949</u>

See accompanying Notes to Financial Statements.



**COUNTY OF SHASTA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017**

	Investment Trust Funds	Agency Funds
ASSETS		
Cash and Investments	\$ 203,898,294	\$ 19,013,950
Accounts Receivable, Net	12,542	770,647
Taxes Receivable, Net	-	13,237,752
Due from Other Governments	70,882	198,513
Due from Other Funds	775,007	510,340
Totals Assets	204,756,725	33,731,202
LIABILITIES		
Due to Other Funds	585,056	3,497,526
Due to Other Governments	151,525	-
Taxes Due to Other Funds	-	-
Agency Obligations	-	30,233,676
Total Liabilities	736,581	\$ 33,731,202
NET POSITION		
Net Position Held in Trust for Investment Pool Participants	\$ 204,020,144	

See accompanying Notes to Financial Statements.

**COUNTY OF SHASTA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
INVESTMENT TRUST FUNDS
YEAR ENDED JUNE 30, 2017**

ADDITIONS

Contributions to Investment Pool \$ 503,020,378

DEDUCTIONS

Distributions from Investment Pool 480,717,685

CHANGE IN NET POSITION

22,302,693

Net Position - Beginning

181,717,451

NET POSITION - ENDING

\$ 204,020,144

See accompanying Notes to Financial Statements.



NOTES TO THE FINANCIAL STATEMENTS



**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

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

The Reporting Entity

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

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

A. Component Units

The governmental reporting entity consists of the County (primary government) and its component units. Component units are legally separate organizations for which the board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability exists if a primary government appoints a voting majority of an organization's governing board *and* is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the primary government.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government for purposes of reporting in the accompanying basic financial statements. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize its legal separation from the County.

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

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

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

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

A. Component Units (Continued)

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

- Aegean Way PRD
- Aiden Park PRD
- Alpine Way PRD
- Amber Lane PRD
- Amber Ridge PRD
- Amesbury Village PRD
- Beagle Street PRD
- Blackstone Estates PRD
- Buckshot Lane EFER PRD
- Butterfield Lane EFER PRD
- Canto Del Lupine PRD
- China Gulch PRD
- Clover Road PRD
- Coloma Drive PRD
- Cottonwood Creek PRD
- County Fields Estates PRD
- Craig Lane PRD
- # 1 Crowley Creek Ranchettes PRD
- # 2 Crowley Creek Ranchettes PRD
- 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
- Irish Creek Road PRD
- Jennifer Drive EFER PRD
- Jordan Manor PRD
- L & R Estates PRD
- Lake Drive PRD
- Laurel Glen Estates PRD
- Laverne Lane PRD
- Lark Court PRD
- 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
- 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

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**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

A. Component Units (Continued)

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

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

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

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

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

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

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

A. **Component Units** (Continued)

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

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

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

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:

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

B. Related Organizations (Continued)

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

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

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

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

C. Basis of Presentation

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities report information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Internal balances in the Statement of Net Position have been eliminated, with the exception of those representing balances between the governmental activities and the business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses, indirect expenses, and program revenues for each function of the County's governmental activities and for each segment of the business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function or segment. Indirect expenses for centralized services and administrative overhead are allocated based on the annual 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.

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

C. Basis of Presentation (Continued)

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 Public Safety Fund is funded by the general fund and a combination of state and federal grants.
- The *Roads Administrative Fund* is used to account for the activities associated with road maintenance and bridge construction. The Roads Administration Fund is funded by state and federal grants.
- The *Mental Health Fund* is used to account for the activities of Mental Health departments. The primary revenue sources are federal and state grants with mandated County matching funds.

The County reports the following major proprietary funds:

- The *Solid Waste Fund* accounts for the activities of solid waste collection and disposal and septage disposal.
- The *County Service Area #6 (Jones Valley) Fund* is used to account for the activity associated with the Jones Valley Water District and their water systems.
- The *West Central Landfill Fund* is used to account for the activity associated with improvement and closure of the County's landfill.
- The *Fall River Mills Airport Fund* is used to account for the activity associated with the airport, including 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, facilities management, and County utilities that provide services to other departments or agencies of the County, or to other governments, on a cost reimbursement basis.
- The *Investment Trust Fund* accounts for the external portion of the County Treasurer's investment pool, which commingles resources of legally separate local governments within the County in an investment portfolio for the benefit of all participants.
- *Agency Funds* are custodial in nature and do not involve measurement of results of operations. Since they are custodial in nature, they do not have equity accounts since all assets are due to individuals or entities at some future time. These funds include; Clearing and Revolving Funds; Deposit Funds; Other Agency Funds; State, City, and Special District Revenue Funds; and Tax Collection Funds.

COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

D. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues available if they are collected within one hundred eighty (180) days of the end of the current fiscal period. 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 Administrative Center, as a component unit of the General Fund; the Housing Authority of Shasta County, as a component unit of Special Revenue Funds; and the Housing Authority Trust Fund Account, as a component unit of Agency Funds. Some cash and investments of the Shasta Joint Powers Financing Authority, a component unit of the General Fund, are accounted for in Debt Service Funds.

For purposes of the accompanying statement of cash flows, the Enterprise and Internal Service Funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool, to be cash equivalents.

F. Receivables and Payables

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

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

F. Receivables and Payables (Continued)

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

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

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

G. Inventories and Other Assets

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

H. Capital Assets

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

Acquisitions of capital assets are recorded as expenditures in the governmental fund types at the time of purchase and are recorded in the Capital Asset Accounting System. Capital assets in the proprietary funds are capitalized in the fund(s) in which they are utilized.

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

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

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	3 - 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 1% of its assessed value unless voters have approved an additional amount for the general obligation debt. Assessed value is calculated at 100% of market value, as defined by Article XIII A, and may not be adjusted by more than 2% per year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% 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 FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

I. Property Tax Levy, Collection and Maximum Rates (Continued)

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

J. Lease Obligations

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

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

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

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

L. Employee Compensated Absences

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

M. Fund Equity

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

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

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

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

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 1: **Summary of Significant Accounting Policies** (Continued)

M. Fund Equity (Continued)

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

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

N. Use of Estimates

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

O. Pensions

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

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

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 42% of the total treasury investment pool (including County Operational funds). Special districts and various trust funds approximate 2% of the investment pool and the extent of involuntary participation cannot be determined at this time. County operational funds comprise the remaining 56% of the investment pool.

At June 30, 2017, total County cash and investments were as follows:

<i>Cash:</i>	
Cash on hand and imprest cash	\$ 43,414
Deposits	14,561,340
Total cash and deposits	<u>14,604,754</u>
<i>Investments:</i>	
In Treasurer's pool	449,045,276
External to the Treasurer's pool	382,110
Total investments	<u>449,427,386</u>
<i>In-transit items:</i>	
Outstanding checks	(9,470,625)
Electronic funds transfers	(403,330)
	<u>(9,873,955)</u>
Total cash and investments	<u>\$ 454,158,185</u>

Total cash and investments at June 30, 2017 were presented on the County's financial statements as follows:

Primary government	\$ 228,617,641
Primary government - restricted cash	134,586
Component units	2,493,714
Investment trust fund	203,898,294
Agency funds	19,013,950
Total cash and investments	<u>\$ 454,158,185</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 2: **Cash in Treasury** (Continued)

A. **Cash Management** (Continued)

Investments

At June 30, 2017, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	WAM (Years)
Investments in Investment Pool					
Local Agency Investment Fund	0.78%	7/3/2017	\$ 40,000,000	\$ 40,000,000	0.01
Repo Agreement	1.02%	7/3/2017	30,000,000	30,000,000	0.00
LIR Treasury Fund - Mutual Fund	0.78%	7/3/2017	-	-	0.00
U.S. Treasury Note	1.00%	5/31/2018	5,000,000	5,000,000	0.93
Medium Term Notes	1.60% - 2.20%	11/20/17 - 4/17/20	25,000,000	25,021,750	1.69
Commercial Paper	0.80% - 1.41%	7/12/17 - 2/13/18	75,000,000	74,349,692	0.27
Federal Farm Credit	0.84% - 1.87%	12/13/17 - 12/14/20	70,000,000	69,991,000	2.03
Federal Home Loan Bank	0.84% - 2.05%	12/28/17 - 12/06/21	65,000,000	64,996,329	1.73
Federal National Mortgage	0.75% - 1.88%	9/20/17 - 7/28/20	75,000,000	74,948,667	1.75
Federal Home Loan Mortgage Corporation	0.75% - 2.00%	7/14/17 - 10/20/21	64,776,830	64,737,838	1.47
Governmental National Mortgage Association	9.50%	8/15/2017	2	-	0.00
			<u>\$ 449,776,832</u>	<u>\$ 449,045,276</u>	
Investments Outside Investment Pool					
Shasta Lake Local Agency Investment Fund	0.92%	6/30/2017	\$ 255,639	\$ 255,639	0.00
Investments with fiscal agent	0.01% - 1.00%	6/30/2017	126,471	126,471	0.00
			<u>\$ 382,110</u>	<u>\$ 382,110</u>	

Interest Rate Risk

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 1095 days or less in accordance with its investment policy.

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 FINANCIAL STATEMENTS
JUNE 30, 2017**

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, 2017.

Investments in Investment Pool	<u>Moody's</u>	<u>S&P</u>	<u>% of Portfolio</u>
Local Agency Investment Fund	Unrated	Unrated	8.91%
Repo Agreement	Unrated	Unrated	6.69%
LIR Treasury Fund - Mutual Fund	Unrated	Unrated	0.00%
U.S. Treasury Note	Unrated	Unrated	1.12%
Certificate of Deposit			0.00%
Medium Term Notes	A1 - Aa3	A+ - AA+	5.59%
Commercial Paper	P-1	A-1+	16.66%
Federal Farm Credits	Aaa	AA+	15.53%
Federal Home Loan Bank	Aaa	AA+	14.46%
Federal National Mortgage	Aaa	AA+	16.65%
Federal Home Loan Mortgage Corp.	Aaa	AA+	14.39%
Government National Mortgage Association	Aaa		0.00%

At June 30, 2017 the County had the following investments in any one issuer that represent 5% or more of the total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded because they are not a concentration of credit risk.

	<u>Portfolio</u>	<u>Amount</u>
Local Agency Investment Fund	8.91%	\$ 39,957,627
Federal Farm Credit	15.53%	69,615,850
Federal Home Loan Bank	14.46%	64,827,950
Federal National Mortgage	16.65%	74,648,350
Federal Home Loan Mortgage Corp.	14.39%	64,513,208

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 FINANCIAL STATEMENTS
JUNE 30, 2017**

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, 2017, the County's investment position in the state of California Local Agency Investment Fund (LAIF) was \$40,000,000 (fair value of \$39,957,627) and is the same as value of the pool shares. The total amount invested by all public agencies in LAIF on that day was \$77,621,442,814; 100% of which was invested in other nonderivative financial products.

County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the Treasurer's investment pool as of June 30, 2017:

Statement of Net Position

Assets:

Investments	\$ 449,045,276
Other deposits	11,580,218
Cash	30,269
Total assets	<u>460,655,763</u>

In-transit items:

Outstanding checks and warrants payable	9,470,625
Electronic funds transfers	403,330
Total in-transit items	<u>9,873,955</u>

Net Position:

Equity of internal pool participants	246,761,663
Equity of external pool participants	204,020,144
Total net position	<u>\$ 450,781,807</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 2: **Cash in Treasury** (Continued)

A. **Cash Management** (Continued)

Statement of Changes in Net Position

Investment earnings	\$	4,062,388
Investment expenses		(690,296)
Net contribution to pool participants		19,572,379
Increase in Net Position		22,944,471
Net position at July 1, 2016		427,837,336
Net position at June 30, 2017	\$	450,781,807

B. **Allocations of Investment Income Among Funds**

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

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

C. **Authorized Investments**

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
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 FINANCIAL STATEMENTS
JUNE 30, 2017**

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 when they are deemed to be immaterial to the financial statements as a whole.

E. Methods and Assumptions Used to Estimate Fair Value

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

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

All investments in the pool as of the year ended June 30, 2017, were considered to be Level 1 assets. The County's investment custodian provides market values on each investment instrument on a monthly basis. The investments held by the County are widely traded and trading values are readily available from numerous published sources.

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

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 3: Notes Receivable

Notes receivables at year-end in the amount of \$10,035,386, as reported in the governmental nonmajor funds, include \$3,106,873 in loans to individuals for housing rehabilitation, and \$6,063,956 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%.

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 FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 4: Capital Assets

Capital asset activity for the fiscal year ended June 30, 2017, was as follows:

	<u>Balance June 30, 2016</u>	<u>Additions</u>	<u>Transfers</u>	<u>Retirements</u>	<u>Balance June 30, 2017</u>
<u>Governmental Activities</u>					
Capital assets not being depreciated:					
Land	3,819,156	-	-	-	3,819,156
Construction in Progress	6,106,823	6,131,202	(6,984,990)	(1,924,580)	3,328,455
Total Capital Assets Not Being Depreciated	<u>9,925,979</u>	<u>6,131,202</u>	<u>(6,984,990)</u>	<u>(1,924,580)</u>	<u>7,147,611</u>
Capital Assets being depreciated:					
Structures and improvements	127,773,221	-	4,348,786	-	132,122,007
Long-term leasehold improvements	923,068	-	-	(229,600)	693,468
Equipment	47,396,795	2,309,956	-	(1,341,200)	48,365,551
Infrastructure	121,418,930	-	2,636,204	-	124,055,134
Total Capital Assets Being Depreciated	<u>297,512,014</u>	<u>2,309,956</u>	<u>6,984,990</u>	<u>(1,570,800)</u>	<u>305,236,160</u>
Less Accumulated Depreciation					
Structures and improvements	(43,600,523)	(2,497,241)	-	-	(46,097,764)
Long-term leasehold improvements	(853,953)	(13,347)	-	229,599	(637,701)
Equipment	(34,456,757)	(2,922,070)	-	1,284,262	(36,094,565)
Infrastructure	(70,294,469)	(1,418,250)	-	-	(71,712,719)
Total Accumulated Depreciation	<u>(149,205,702)</u>	<u>(6,850,908)</u>	<u>-</u>	<u>1,513,861</u>	<u>(154,542,750)</u>
Total Capital Assets Being Depreciated, Net	<u>148,306,312</u>	<u>(4,540,952)</u>	<u>6,984,990</u>	<u>(56,939)</u>	<u>150,693,410</u>
Governmental Activities Capital Assets, Net	<u>158,078,528</u>	<u>1,590,250</u>	<u>-</u>	<u>(1,981,519)</u>	<u>157,841,021</u>
<u>Business-Type Activities</u>					
Capital assets not being depreciated:					
Land and improvements	2,026,076	-	-	-	2,026,076
Construction in Progress	629,434	3,675,512	(3,922,009)	-	382,937
Total Capital Assets Not Being Depreciated	<u>2,655,510</u>	<u>3,675,512</u>	<u>(3,922,009)</u>	<u>-</u>	<u>2,409,013</u>
Capital Assets being depreciated					
Structures and improvements	77,215,893	-	3,922,009	-	81,137,902
Equipment	318,301	-	-	-	318,301
Total Capital Assets Being Depreciated	<u>77,534,194</u>	<u>-</u>	<u>3,922,009</u>	<u>-</u>	<u>81,456,203</u>
Less Accumulated Depreciation					
Structures and improvements	(38,137,258)	(1,419,550)	-	-	(39,556,808)
Equipment	(242,802)	(12,336)	-	-	(255,138)
Total Accumulated Depreciation	<u>(38,380,060)</u>	<u>(1,431,886)</u>	<u>-</u>	<u>-</u>	<u>(39,811,946)</u>
Total Capital Assets Being Depreciated, Net	<u>39,154,134</u>	<u>(1,431,886)</u>	<u>3,922,009</u>	<u>-</u>	<u>41,644,257</u>
Business-Type Activities Capital Assets, Net	<u>41,809,644</u>	<u>2,243,626</u>	<u>-</u>	<u>-</u>	<u>44,053,270</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 4: **Capital Assets** (Continued)

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

Governmental Activities

General government	\$	2,569,924
Public protection		939,767
Public ways		2,184,190
Health and sanitation		194,247
Public assistance		190,060
Education		717

Capital assets held by the County's internal service funds are charged to the various functions based on the usage of the assets.		772,003
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Total Depreciation Expenses Governmental Activities	\$	6,850,908
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Business-Type Activities

Airport	\$	254,074
Solid Waste		380,456
County Service Areas		797,356

Total Depreciation Expenses Business-Type Activities	\$	1,431,886
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**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 5: Interfund Transactions

Interfund Receivables/Payables

Due to/from Other Funds:

Interfund receivable and payable balances at June 30, 2017, between major and nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and fiduciary funds are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Roads Administration Fund	1,233
	Public Safety Fund	32,258
	Mental Health Fund	421,137
	Capital Projects Funds	21,687
	Nonmajor Government Funds	211,948
	Internal Service Funds	10,760
	CSA #6 Jones Valley Water Funds	9,007
	Nonmajor Enterprise Funds	70,595
	Agency Funds	2,649,224
	Investment Trust Funds	59
		<u>3,427,908</u>
Roads Administration Fund	General Fund	20,032
	Public Safety Fund	2,774
	Mental Health Fund	20,332
	Nonmajor Government Funds	30,292
	Internal Service Funds	10,911
	CSA #6 Jones Valley Water Funds	1,041
	Solid Waste Disposal Fund	26,441
	Nonmajor Enterprise Funds	2,143
		<u>113,966</u>
Public Safety Fund	General Fund	369,818
	Mental Health Fund	11,499
	Nonmajor Government Funds	883
	Agency Funds	53,663
		<u>435,863</u>
Mental Health Fund	General Fund	249,593
	Public Safety Fund	93,498
	Nonmajor Government Funds	21,737
	Agency Funds	4,990
		<u>369,818</u>
Nonmajor government Funds	General Fund	154,756
	Public Safety Fund	16,949
	Mental Health Fund	1,520,878
	Nonmajor Government Funds	235,774
	CSA #6 Jones Valley Water Funds	3,851
	Agency Funds	9,184
	Investment Trust Funds	62,594
		<u>2,003,986</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 5: **Interfund Transactions** (Continued)

Interfund Receivables/Payables (continued)

Due to/from Other Funds: (continued)

Receivable Fund	Payable Fund	Amount
Internal Service Funds	General Fund	\$ 19,271
	Public Safety Fund	2,863
	Nonmajor Government Funds	600
	Internal Service Funds	22,862
	Agency Funds	200
		<u>45,796</u>
Solid Waste Disposal Fund	General Fund	31
	West Central Landfill Fund	106,923
		<u>106,954</u>
CSA #6 Jones Valley Water Funds	General Fund	2,534
	Agency Funds	17,569
		<u>20,103</u>
Nonmajor Enterprise Funds	General Fund	11,855
	Agency Funds	9,875
		<u>21,730</u>
Agency Funds	General Fund	916
	Internal Service Funds	22
	Agency Funds	509,402
		<u>510,340</u>
Investment Trust Funds	Agency Funds	243,419
	Fall River Mills Airport	190
	Nonmajor Enterprise Funds	8,995
	Investment Trust Funds	522,403
		<u>775,007</u>
		<u>\$ 7,831,471</u>

Advances:

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

Receivable fund	Payable Fund	Amount
Roads Administration Fund	Nonmajor Government Funds	\$ 13,348
Nonmajor Government Funds	Nonmajor Government Funds	358,124
	Nonmajor Enterprise Funds	10,000
		<u>368,124</u>
Internal Service Funds	Nonmajor Enterprise Funds	<u>312,941</u>
		<u>\$ 694,413</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 5: **Interfund Transactions** (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, 2017, consisted of the following:

<u>Transfer From Fund</u>	<u>Transfer To Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Public Safety Fund	\$ 25,932,829	Funding of operational expenditures
	Roads Administration Fund	1,000,000	Funding of operational expenditures
	Nonmajor Government Funds	5,851,912	Funding of operational expenditures
	Mental Health Fund	294,990	
		<u>33,079,731</u>	
Roads Administration Fund	General Fund	1,375	Funding of capital improvement projects
	Nonmajor Government Funds	673	Funding of operational expenditures
		<u>2,048</u>	
Public Safety Fund	General Fund	1,355,519	Funding of capital improvement projects
		<u>1,355,519</u>	
Mental Health Fund	General Fund	1,317,018	Funding of capital improvement projects
	Nonmajor Government Funds	982,644	
		<u>2,299,662</u>	
Nonmajor Government Funds	General Fund	1,864,094	Funding of capital improvement projects
	Public Safety Fund	743,240	Funding of operational expenditures
	Roads Administration Fund	507	Funding of operational expenditures
	Nonmajor Government Funds	33,307	Funding of operational expenditures
		<u>2,641,148</u>	
Internal Service Funds	General Fund	14,940	Funding of operational expenditures
	Nonmajor Government Funds	51,784	Funding of operational expenditures
	Internal Service Funds	24,752	Funding of operational expenditures
		<u>91,476</u>	
Solid Waste Disposal Fund	Roads Administration Fund	227,964	Funding of operational expenditures
		<u>227,964</u>	
West Central Landfill Fund	Solid Waste Disposal Fund	3,682,438	Funding of capital improvement projects
		<u>3,682,438</u>	
		<u>\$ 43,379,986</u>	

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

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, 2016	Additions	Retirements	Adjustments	Balance June 30, 2017	Amounts Due Within One Year
Governmental Activities						
Bonds Payable:						
Lease revenue bonds	\$ 32,770,000	\$ --	\$ 1,900,000	\$ --	\$ 30,870,000	\$ 1,960,000
Unamortized bond premium	479,217	--	30,427	--	448,790	--
Total Bonds Payable	33,249,217	--	1,930,427	--	31,318,790	1,960,000
Notes payable	385,959	--	40,505	--	345,454	41,730
Claims liability	20,353,000	2,318,187	2,962,187	--	19,709,000	2,575,152
Capital lease obligations	--	--	--	--	--	--
Compensated absences	8,426,375	10,782,787	10,404,709	--	8,804,453	4,767,560
Governmental Activities Long-Term Liabilities	\$ 62,414,551	\$ 13,100,974	\$ 15,337,828	\$ --	\$ 60,177,497	\$ 9,344,442
Business-Type Activities						
Bonds payable	\$ 833,000	\$ --	\$ 42,600	\$ --	\$ 790,400	\$ 64,700
Financing Leases	1,036,899	--	136,102	--	900,797	139,927
Notes payable	3,472,882	--	129,232	--	3,343,650	129,231
Compensated Absences	--	88,375	44,794	--	43,581	23,599
Liability for landfill closure/ Postclosure care cost	11,738,363	652,842	--	--	12,391,205	--
Business-Type Activity Long-Term Liabilities	\$ 17,081,144	\$ 741,217	\$ 352,728	\$ --	\$ 17,469,633	\$ 357,457

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 6: **Long-Term Liabilities** (Continued)

B. Summary of Long-Term Obligations

	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2017</u>
<u>Governmental Activities</u>						
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	\$ 2,940,000
2013 Refunding Lease Revenue Bonds – Administration Center	2013	2032	2.50-4.00%	\$1,325,000 - \$2,295,000	\$ 33,505,000	<u>27,930,000</u>
Total Governmental Bonds Payable						<u>30,870,000</u>
Notes Payable						
State of California, Energy Resources Conservation and Development Commission	2011	2024	3.00%	\$21,721 - \$49,888	\$ 522,171	<u>345,454</u>
						<u>\$ 30,215,454</u>
<u>Business-Type Activities</u>						
Bonds Payable:						
CSA No. 3 (Castella) Limited Obligation Improvement Bond	2009	2047	4.125%	\$2,000 - \$9,200	184,700	166,400
CSA No. 6 (Jones Valley) 1980 Revenue Bonds	1980	2020	5.00%	\$1,000 - \$30,000	537,000	87,000
CSA No. 6 (Jones Valley) Limited Obligation Bonds	1998	2038	4.75%	\$6,357 - \$38,000	802,789	517,000
CSA No. 8 (Palo Cedro) Sewer Bonds	1990	2001	6.00-9.20%	\$20,000	857,466	<u>20,000</u>
						<u>790,400</u>
Financing Lease:						
Solid Waste – California Infrastructure and Economic Bank	2007	2022	2.81%	\$109,039 - \$160,723	2,000,000	<u>900,797</u>
Notes Payable:						
CSA No. 6 (Jones Valley) Note Payable	2011	2042	0.00%	\$3,334	100,000	81,667
CSA No. 6 (Jones Valley) Note Payable	2011	2044	0.00%	\$112,171	3,365,133	3,028,619
CSA No. 23 (Crag View) Note Payable	2011	2034	0.00%	\$13,727	274,546	<u>233,364</u>
						<u>3,343,650</u>
						<u>\$ 5,034,847</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 6: **Long-Term Liabilities** (Continued)

B. Summary of Long-Term Obligations (Continued)

As of June 30, 2017, annual debt service requirements of governmental activities to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Lease Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2018	\$ 1,960,000	\$ 947,813
2019	2,020,000	890,556
2020	2,080,000	831,469
2021	2,135,000	770,766
2022	2,200,000	708,316
2023-2027	9,730,000	2,684,535
2028-2032	<u>10,745,000</u>	<u>1,137,488</u>
	<u>\$ 30,870,000</u>	<u>\$ 7,970,942</u>

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2018	\$ 41,730	\$ 10,054
2019	42,991	8,793
2020	44,271	7,513
2021	45,628	6,155
2022	47,007	4,776
2023-2025	<u>123,824</u>	<u>5,635</u>
	<u>\$ 345,451</u>	<u>\$ 42,926</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 6: **Long-Term Liabilities** (Continued)

B. Summary of Long-Term Obligations (Continued)

<u>Year Ending June 30,</u>	<u>Business-Type Activities</u>	
	<u>Bonds Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2018	\$ 64,700	\$ 35,383
2019	46,900	33,179
2020	49,000	30,871
2021	20,100	28,462
2022	20,200	27,524
2023 - 2027	118,300	122,047
2028 - 2032	147,300	91,149
2033 - 2037	176,300	53,047
2038 - 2042	97,500	16,982
2043 - 2047	40,900	6,260
2048	<u>9,200</u>	<u>190</u>
	<u>\$ 790,400</u>	<u>\$ 445,094</u>

<u>Year Ending June 30,</u>	<u>Business-Type Activities</u>	
	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2018	\$ 129,231	\$ --
2019	129,232	--
2020	129,232	--
2021	129,232	--
2022	129,232	--
2023 - 2027	646,158	--
2028 - 2032	646,158	--
2033 - 2037	604,976	--
2038 - 2042	575,855	--
2043 - 2044	<u>224,344</u>	<u>--</u>
	<u>\$ 3,343,650</u>	<u>\$ --</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 6: **Long-Term Liabilities** (Continued)

B. Summary of Long-Term Obligations (Continued)

<u>Year Ending June 30,</u>	<u>Business-Type Activities</u>	
	<u>Financing Lease</u>	
	<u>Principal</u>	<u>Interest</u>
2018	\$ 139,927	\$ 23,346
2019	143,859	19,359
2020	147,901	15,260
2021	152,057	11,046
2022	156,330	6,713
2023	160,723	2,258
	<u>\$ 900,797</u>	<u>\$ 77,982</u>

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

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

C. Compensated Absences/Sick Time

Accumulated vacation, compensated time, administrative leave, unused holiday time, and a percentage of the accumulated sick pay (the percentage varies based on length of employment and whether management or nonmanagement 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	\$ 5,707,319
Sick leave	1,889,058
Compensated time-off	446,703
Administrative leave	490,645
Holiday credit	314,309
Total	<u>\$ 8,848,034</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 7: 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 \$21,510,785 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, 2017 the estimated percentage usage (filled) of the landfill site was 57.6% and the County has recognized an estimated liability of \$12,391,205 for the County landfill site for closure and postclosure maintenance costs. It is estimated that an additional \$9,119,579 liability will be recognized as closure and postclosure costs between the date of the balance sheet and the date the landfill is expected to be filled to capacity.

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

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

The landfill is technically not in compliance with the terms of its operating permit under Subtitle D of the Environmental Protection Agency. While the landfill is currently not meeting Gas Monitoring and Control compliance requirements, a plan is in place to bring the Landfill into compliance. The County has a deadline of August 2017 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. In September 2017, the County applied for a seventh extension to satisfy the requirements set forth in California Code of Regulations (CCR) Title 27, Section 20921-20939. The extension will allow time to install additional monitoring wells to meet compliance objectives.

As stated above, the estimated liability of the County landfill site closure and postclosure maintenance cost was \$12,391,205 and as of June 30, 2017, the County has set aside \$14,143,549, resulting in an overfunding of the liability by \$1,752,343.

NOTE 8: Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2017 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.

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 8: Fund Balances (Continued)

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.

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.

The following is a summary of Fund Balances at June 30, 2017:

	General Fund	Roads Administration	Mental Health Fund	Public Safety Fund	Other Governmental Funds
Nonspendable					
Inventory	\$ -	\$ 343,201	\$ -	\$ -	\$ -
Prepaid Expenses	1,044,332	460	2,573	109,958	15,336
Total Nonspendable	1,044,332	343,661	2,573	109,958	15,336
Restricted for:					
Impact Fees	2,137,696	-	-	-	-
General Reserves	10,761,845	-	-	-	-
Recorder Fees	319,906	-	-	-	-
Public Protection State Realignment	231,616	-	-	8,835,021	-
Agricultural Commissioner	53,036	-	-	-	-
Vital Statistics	2,221	-	-	-	-
General Plan Maintenance Prog	216,067	-	-	-	-
Surface Mining/Reclamation	39,847	-	-	-	-
Public Safety General	-	-	-	5,402,939	-
Photo Lab	-	-	-	13,149	-
Asset Forfeiture	-	-	-	727,063	-
Prop 172 Sales Tax	-	-	-	7,541,616	-
CCIPF Community Corrections	-	-	-	483,045	-
SAFE Grant	-	-	-	554,298	-
CALMMET Grant	-	-	-	74,104	-
Consumer Protection	-	-	-	1,465,314	-
Real Estate Fraud	-	-	-	37,210	-
Fire	-	-	-	-	3,702,279
Detention Facility Inmate	-	-	-	-	234,812
Endangered Species	-	-	-	-	194,591
Child Support Services	-	-	-	-	1,955,522
Shasta Co Water Agency	-	-	-	-	49,025
Public Works Divisions	-	-	-	-	334,239
County Service Areas (CSA)	-	-	-	-	772,598
Permanent Road Divisions (PRD)	-	-	-	-	1,718,671
Dust Mitigation	-	-	-	-	1,082,689
Roads General	-	6,227,416	-	-	-
ZOB Traffic Impact	-	583,110	-	-	-
Anderson Solid Waste	-	427,293	-	-	-
Illegal Dumping	-	21,488	-	-	-
Solid Waste	849,119	-	-	-	-
Hazardous Materials Prog	201,012	-	-	-	-
Hlth and Sanitation State Realignment	-	-	104,378	-	-
Alcohol Educ/Prevention Programs	-	-	203,782	-	-
Safe Drinking Water	258,102	-	-	-	-
Air Quality	-	-	-	-	1,430,437

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 8: Fund Balances (Continued)

	General Fund	Roads Administration	Mental Health Fund	Public Safety Fund	Other Governmental Funds
Mental Health Services	-	-	-	-	-
Mental Health Services Act	-	-	-	-	9,459,520
Public Health Services	-	-	-	-	13,455,684
Whole Person Care Program	-	-	1,807,764	-	-
HHSA IGT	-	-	1,680,768	-	-
HHSA 1991/2011 State Realignment	-	-	8,738,045	-	-
Public Assistance State Realignment	4,752,651	-	-	-	-
CPS Donations	866	-	-	-	-
PHA Housing Assist	-	-	-	-	91,694
Housing Home IPP	-	-	-	-	5,074,556
Shasta Housing Rehab	-	-	-	-	4,418,894
Housing Cal Home	-	-	-	-	1,087,935
IHSS Public Authority	-	-	-	-	178,636
Courthouse Bond	-	-	-	-	10,384
Admin Center Bond	-	-	-	-	828
Energy Retrofit	-	-	-	-	91
Total Restricted	19,823,984	7,259,307	12,534,737	25,133,759	45,253,085
Committed to:					
Secure Rural Schools Title III	150,703	-	-	-	-
Capital Project - Adult Detention	-	-	-	-	679,931
Child Support Lease Agreement	-	-	-	-	133,334
Communication System	-	-	-	-	116,702
Total Committed	150,703	-	-	-	929,967
Assigned to:					
Capital Projects:					
Accum Capital Outlay	-	-	-	-	7,311,159
Juvenile Hall Bldg	-	-	-	-	6,532
General	27,676	-	-	-	-
General - Imprest Cash	3,200	-	-	-	-
General Government	21,870,855	-	-	-	-
General Debt Services	3,122,871	-	-	-	-
Agricultural Commissioner Equipment	5,710	-	-	-	-
Victim Witness SRMC SART	17,108	-	-	-	-
Hatchet Ridge Community Benefit	1,299,938	-	-	-	-
Health and Sanitation - Imprest Cash	125	-	-	-	-
Public assistance - Imprest Cash	100	-	-	-	-
Total Assigned	26,347,583	-	-	-	7,317,691
General Government	34,402,943	-	-	-	-
Secure Rural Schools Title III	140,477	-	-	-	-
General Promotion - Intermtn Fair	37,917	-	-	-	-
Wildlife	28,513	-	-	-	-
Resource Management	1,692,321	-	-	-	-
Public Assistance - OC	1,619,993	-	-	-	-
Public Assistance - Social Svs	10,399,677	-	-	-	-
Total Unassigned	48,321,841	-	-	-	-
Total Fund Balance	\$ 95,688,443	\$ 7,602,968	\$ 12,537,310	\$ 25,243,717	\$ 53,516,079

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 8: Fund Balances (Continued)

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 20% of the average final budgeted General Fund appropriations for the preceding three fiscal years, with an upper goal of 50%. 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 5% of unrestricted General Fund resources. In years where the General Reserve is less than the target balance, the County Executive Officer may recommend increases to the reserve from unanticipated one-time resources. Once the target balance is achieved, the General Reserve shall be maintained at a minimum balance of ten million dollars and can be spent down a maximum of two million dollars per fiscal year. Reductions or increases to the General Reserve, except in cases of a legally declared emergency, may only be made at the time of adopting the budget and require a four-fifths vote by the board of supervisors. The General Reserve shall be the last resort in balancing the County budget. The General Reserve may be used as a resource for "dry-period" financing for special districts under the board of supervisors, as well as select districts and/or agencies in the county at any time upon written request. Requests for loans for "dry-period financing" for special districts under the board of supervisors as well as select districts and agencies in the county shall be reviewed by the County Executive Officer and approval requires a four-fifths vote of the board of supervisors.

NOTE 9: Risk Management

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

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

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

The actuarially determined outstanding claims liability including incurred but not reported claims and expense liability adjustment as of June 30, 2017, were as follows:

General liability	\$ 1,490,000
Workers' compensation	<u>18,219,000</u>
Total	<u>\$ 19,709,000</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 9: **Risk Management** (Continued)

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.

As discussed above, the County of Shasta established a liability for both reported and unreported insured events, which included estimates of both future payments and losses and related claim adjustment expenses. The following represents changes in those aggregate liabilities for the fund at June 30, 2017 and 2016:

	<u>2017</u>		<u>2016</u>
Balance, Beginning of Year claims liability	\$ 20,353,000		\$ 20,481,000
Current year claims and changes in estimates	2,318,187		4,387,810
Claim payments	<u>(2,962,187)</u>		<u>(4,515,810)</u>
Balance, End of Year	<u>\$ 19,709,000</u>		<u>\$ 20,353,000</u>

NOTE 10: **Other Postemployment Benefits**

From an accrual accounting perspective, the cost of postemployment 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 postemployment 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, 2015 (the valuation date on the most recent actuarial valuation performed), plan membership consisted of 1,706 active participants and 1,367 retirees and beneficiaries.

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 10: Other Postemployment Benefits (Continued)

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.

The required contribution is based on pay-as-you-go financing requirements to the CalPERS OPEB trust (CERBT) and PARS OPEB trust. The County is making an annual contribution of 3% of annual payroll. The contribution is divided evenly between the CERBT and PARS trusts. For the year ended June 30, 2017, the County contributed \$10,760,080, including \$8,057,859 in benefit payments and \$2,702,221 deposited to CERBT and PARS.

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, 2015, 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	\$18,639	\$5,412	\$24,051
Interest on net OPEB obligation	3,200	591	3,791
Adjustment to annual required contribution	<u>(5,461)</u>	<u>(1,008)</u>	<u>(6,469)</u>
Annual OPEB cost (expense)	16,378	4,995	21,373
Contributions (benefit payments)	<u>(9,153)</u>	<u>(1,607)</u>	<u>(10,760)</u>
Increase in net OPEB obligation	7,225	3,388	10,613
Net OPEB obligation – beginning of year	<u>58,959</u>	<u>22,907</u>	<u>81,866</u>
Net OPEB obligation – end of year	<u>\$66,184</u>	<u>\$26,295</u>	<u>\$92,479</u>

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 10: **Other Postemployment Benefits** (Continued)

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

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, 2014 through 2016 are as follows (dollar amounts in thousands):

Miscellaneous			
<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2015	14,357	78.88%	51,194
June 30, 2016	15,976	51.39%	58,959
June 30, 2017	16,378	55.89%	66,184

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, 2015	4,567	42.52%	19,582
June 30, 2016	4,811	30.89%	22,907
June 30, 2017	4,995	32.17%	26,295

D. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2015, 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>Unfunded Entry Age Actuarial Liability</u>	<u>Actuarial Accrued Liability (Excess Assets)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
6/30/15	\$ 29,215	\$ 184,110	\$ 154,895	15.86%	\$ 76,051	203.7%

Safety						
<u>Valuation Date</u>	<u>Entry Age Actuarial Value of Assets</u>	<u>Unfunded Entry Age Actuarial Liability</u>	<u>Actuarial Accrued Liability (Excess Assets)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
6/30/15	\$ 8,797	\$ 58,856	\$ 50,059	14.94%	\$ 14,032	356.7%

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 10: **Other Postemployment Benefits** (Continued)

D. Funded Status and Funding Progress (Continued)

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.

For the June 30, 2015, 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 2014/15, 4.80% for 2015/16 through 2026/27, 4.70% for 2027/28 through 2038/39, and 6.75% for 2039/40 and years thereafter. The average return on the combined CERBT trust and PARS trust is represented by the blended discount rate of 6.13%; (b) 3.25% annual aggregate payroll increase rate and (c) estimated healthcare costs based on actual premiums for 2015 through 2017, with projected healthcare cost increases of 6.7% for 2018 and decreasing to 5.0% after 4 years (the non-Medicare medical cost trend starts 0.2% lower for 2018). Both (a) and (b) include an inflation component of 3.0%.

Beginning with the most recent Actuarial Valuation, an implied subsidy for all union healthcare plans has been included in the calculations based on estimated PERS Choice Premium. All participants are assumed to be Medicare Part B eligible (and elect coverage). This implied subsidy has increased the unfunded actuarial accrued liability (UAAL) by \$19.7 million.

Additionally, in prior years the actuary assumed a steady increase in the fee charged to employees for retiree health care. Beginning with the most recent Actuarial Valuation, this anticipated increase was removed, resulting in an increase in the UAAL of \$24 million.

A 401 (a) plan has been put in place to start January 1, 2017, which is expected to reduce the OPEB unfunded liability to zero in approximately 23 years.

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.

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11: Pension Plans

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

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

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty 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, 2017, are summarized as follows:

Employees Covered – At June 30, 2017, the following employees were covered by the benefit terms for each Plan:

	<u>MISCELLANEOUS</u>		
	Prior to 05/08/11	05/09/11 to 12/31/12	On or after 01/01/13
Hire Date			
Benefit Formula	2% @ 55	2% @ 60	2% @ 62
Benefit Vesting Schedule	5 yrs of service	5 yrs of service	5 yrs of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50-55	50-67	52-67
Monthly Benefits, as a % of Eligible Compensation	1.4% to 2.4%	1.0% to 2.4%	1.0% to 2.5%
Required Employee Contribution Rates	7.000%	6.500%	6.500%
Required Employer Contribution Rates	16.975%	16.975%	16.975%

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11: **Pension Plans** (Continued)

A. General Information about the Pension Plans

SAFETY

	<u>Tier 1</u>	<u>Tier 1</u>
Hire Date	Prior to 05/08/11	Prior to 10/21/12
Benefit Formula	3% @ 50	2% @ 50
Benefit Vesting Schedule	5 yrs of service	5 yrs of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	50	50
Monthly Benefits, as a % of Eligible Compensation	3.0%	2.0% to 2.7%
Required Employee Contribution Rates	9.000%	9.000%
Required Employer Contribution Rates	43.833%	43.833%

	<u>Tier 1 and 2</u>	<u>Tier 2</u>
Hire Date	05/09/11 to 12/31/12	10/22/12 to 12/31/12
Benefit Formula	3% @ 55	2% @ 55
Benefit Vesting Schedule	5 yrs of service	5 yrs of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	50-55	50-55
Monthly Benefits, as a % of Eligible Compensation	2.4% to 3.0%	1.4% to 2.0%
Required Employee Contribution Rates	9.000%	7.000%
Required Employer Contribution Rates	43.833%	43.833%

	<u>Tier 3</u>	<u>Tier 3</u>
Hire Date	On or after 01/01/13	On or after 01/01/13
Benefit Formula	2.7% @ 57	2.7% @ 57
Benefit Vesting Schedule	5 yrs of service	5 yrs of service
Benefit Payments	Monthly for life	Monthly for life
Retirement Age	50-57	50-57
Monthly Benefits, as a % of Eligible Compensation	2.0% to 2.7%	2.0% to 2.7%
Required Employee Contribution Rates	9.250%	13.500%
Required Employer Contribution Rates	43.833%	43.833%

EMPLOYEES COVERED

	<u>Miscellaneous</u>	<u>Safety</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	2,121	372
Inactive Employees Entitled to but not yet Receiving Benefits	1,308	173
Active Employees	1,663	261
Total	<u>5,092</u>	<u>806</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.

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11: **Pension Plans** (Continued)

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, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below. Actuarial Assumptions – The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

ACTUARIAL ASSUMPTIONS

	Miscellaneous	Safety
Valuation Date	June 30, 2015	June 30, 2015
Measurement Date	June 30, 2016	June 30, 2016
Actuarial Cost Method	Entry-Age Normal	Entry-Age Normal
Actuarial Assumptions:		
Discount Rate	7.65%	7.65%
Inflation	2.75%	2.75%
Payroll Growth	3.0%	3.0%
Projected Salary Increase	3.2% - 12.2% (1)	3.7% - 15.0% (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, 2015 valuation were based on the results of a January 2010 actuarial experience study for the period 1997 to 2007. Further details of the Experience Study can found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.65% 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 7.65% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11: **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)
Balances at June 30, 2015	\$ 524,002,513	\$ 417,303,187	\$ 106,699,326
Changes in the year:			
Service Cost	11,336,015	-	11,336,015
Interest on the Total Pension Liability	39,638,310	-	39,638,310
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	961,367	-	961,367
Plan to Plan Resource Movement	-	10,730	(10,730)
Contributions - Employer	-	11,780,259	(11,780,259)
Contributions - Employee (Paid by Employer)	-	5,211,139	(5,211,139)
Net Investment Income	-	2,224,200	(2,224,200)
Administrative Expense	-	(255,240)	255,240
Benefit Payments, Including Refunds of Employee Contributions	(28,742,124)	(28,742,124)	-
Other changes	1,887,006	1,502,766	384,240
Net changes	25,080,574	(8,268,270)	33,348,844
Balances at June 30, 2016	\$ 549,083,087	\$ 409,034,917	\$ 140,048,170

**COUNTY OF SHASTA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11: **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)
Balances at June 30, 2015	\$ 210,516,866	\$ 151,250,113	\$ 59,266,753
Changes in the year:			
Service Cost	3,763,000	-	3,763,000
Interest on the Total Pension Liability	15,347,870	-	15,347,870
Differences between Expected and Actual Experience	(676,577)	-	(676,577)
Changes in Assumptions	-	-	-
Contributions - Employer	-	5,701,397	(5,701,397)
Contributions - Employee (Paid by Employer)	-	1,379,624	(1,379,624)
Net Investment Income	-	764,617	(764,617)
Administrative Expense	-	(89,832)	89,832
Plan to Plan Resource Movement	-	(11,130)	11,130
Benefit Payments, Including Refunds of Employee Contributions	(11,472,553)	(11,472,553)	-
Other changes	(5,359,759)	(3,850,827)	(1,508,932)
Net changes	<u>1,601,981</u>	<u>(7,578,704)</u>	<u>9,180,685</u>
Balances at June 30, 2016	<u>\$ 212,118,847</u>	<u>\$ 143,671,409</u>	<u>\$ 68,447,438</u>

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

1% Decrease	6.65%	6.65%
Net Position Liability	\$208,038,178	\$96,097,003
Current Discount Rate	7.65%	7.65%
Net Position Liability	\$140,048,170	\$68,447,438
1% Increase	8.65%	8.65%
Net Pension Liability	\$82,662,559	\$45,473,658

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 FINANCIAL STATEMENTS
JUNE 30, 2017**

NOTE 11: **Pension Plans** (Continued)

C. Changes in the Net Pension Liability (Continued)

For the year ended June 30, 2017, the County recognized net pension expense of \$19,909,426. At June 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plan:	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to Measurement Date	\$ 10,266,238	\$ --
Changes of Assumptions	-	(3,465,646)
Differences between Expected and Actual Experiences	660,939	(1,118,500)
Net Differences Between Projected and Actual Earnings on Plan Investments	22,190,054	--
Total	\$ 33,117,231	\$ (4,584,146)

Safety Plan:	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to MD	\$ 9,070,693	\$ --
Changes of Assumptions	-	(1,798,199)
Differences between Expected and Actual Experiences	-	(1,233,441)
Net Differences Between Projected and Actual Earnings on Plan Investments	7,821,839	--
Total	\$ 16,892,532	\$ (3,031,640)

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

\$19,336,931 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, 2018. 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
2017	(194,053)	(368,586)	(562,639)
2018	2,274,334	(368,583)	1,905,751
2019	10,334,743	3,465,993	13,800,736
2020	5,851,824	2,061,375	7,913,199
2021	-	-	-
Total	\$ 18,266,848	\$ 4,790,200	\$ 23,057,048

REQUIRED SUPPLEMENTARY INFORMATION



**COUNTY OF SHASTA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017**

Schedule of Changes in the Net Pension Liability and Related Ratios – Miscellaneous Plan

Last 10 Fiscal Years#	6/30/2014	6/30/2015	6/30/2016
Total Pension Liability			
Service Cost	\$ 12,224,611	\$ 11,189,724	\$ 11,336,015
Interest on total pension liability	38,794,592	37,802,914	39,638,310
Changes of Assumptions	--	(8,765,842)	--
Other Changes *			1,887,006
Difference between Expected and Actual Experience	--	(2,829,081)	961,367
Benefit payments, including refunds of employee contributions	(26,781,207)	(27,101,991)	(28,742,124)
Net change in total pension liability	24,237,996	10,295,724	25,080,574
Total pension liability - beginning	524,539,518	513,706,789	524,002,513
Total pension liability - ending	\$ 548,777,514	\$ 524,002,513	\$ 549,083,087
Plan fiduciary net position			
Contributions- employer	\$ 10,613,414	\$ 10,692,497	\$ 11,780,259
Contributions- employee	5,477,531	5,160,718	5,211,139
Net investment income	67,399,594	9,505,657	2,224,200
Benefit payments	(26,781,207)	(27,101,991)	(28,742,124)
Other Changes			1,502,766
Plan to Plan Resource Movement	--	(57,721)	10,730
Administrative Expense	--	(513,496)	(255,240)
Net change in plan fiduciary net position	56,709,332	(2,314,336)	(8,268,270)
Plan fiduciary net position - beginning	391,555,449	* 419,617,523	417,303,187
Plan fiduciary net position - ending	\$ 448,264,781	\$ 417,303,187	\$ 409,034,917
 Net pension liability - ending	 \$ 100,512,733	 \$ 106,699,326	 \$ 140,048,170
 Plan fiduciary net position as a percentage of the total pension liability	 81.68%	 79.64%	 74.49%
 Covered payroll	 \$ 76,720,293	 \$ 78,482,344	 \$ 80,496,804
 Net pension liability as a percentage of covered payroll	 131.01%	 135.95%	 173.98%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

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

Changes of Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent.

Additional years will be presented as available.

* Beginning balance adjusted for Court share of liability.

**COUNTY OF SHASTA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017**

Schedule of Changes in the Net Pension Liability and Related Ratios – Safety Plan

Last 10 Fiscal Years#	6/30/2014	6/30/2015	6/30/2016
Total Pension Liability			
Service Cost	\$ 3,807,373	\$ 3,842,207	\$ 3,763,000
Interest on total pension liability	14,739,557	15,218,951	15,347,870
Differences between expected and actual experience	--	--	(676,577)
Changes of Benefit Terms	--	(3,690,353)	--
Changes of Assumptions	--	(1,498,854)	--
Other Changes			(5,359,759)
Benefit payments, including refunds of employee contributions	(10,796,627)	(11,127,454)	(11,472,553)
Net change in total pension liability	<u>7,750,303</u>	<u>2,744,497</u>	<u>1,601,981</u>
Total pension liability - beginning	200,022,066	207,772,369	210,516,866
Total pension liability - ending	<u><u>\$ 207,772,369</u></u>	<u><u>\$ 210,516,866</u></u>	<u><u>\$ 212,118,847</u></u>
 Plan fiduciary net position			
Contributions- employer	\$ 5,136,760	\$ 5,584,150	\$ 5,701,397
Contributions- employee	1,297,697	1,357,254	1,379,624
Net investment income	22,915,469	3,427,674	764,617
Benefit payments, Including Refunds of Employee Contributions	(10,796,627)	(11,127,454)	(11,472,553)
Other Changes *			(3,850,827)
Plan to Plan Resource Movement	--	18,160	(11,130)
Administrative Expense	--	(170,257)	(89,832)
Net change in plan fiduciary net position	<u>18,553,299</u>	<u>(910,473)</u>	<u>(7,578,704)</u>
Plan fiduciary net position - beginning	133,607,287	152,160,586	151,250,113
Plan fiduciary net position - ending	<u><u>\$ 152,160,586</u></u>	<u><u>\$ 151,250,113</u></u>	<u><u>\$ 143,671,409</u></u>
 Net pension liability - ending	<u><u>\$ 55,611,783</u></u>	<u><u>\$ 59,266,753</u></u>	<u><u>\$ 68,447,438</u></u>
 Plan fiduciary net percentage as a percentage of the total pension liability	73.23%	71.85%	67.72%
 Covered payroll	\$ 13,750,488	\$ 14,550,508	\$ 14,812,446
 Net pension liability as a percentage of covered payroll	404.43%	407.32%	461.28%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent.

Additional years will be presented as available.

* Beginning balance adjusted for Court share of liability.

**COUNTY OF SHASTA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017**

Schedule of Contributions

Last 10 Fiscal Years*

	6/30/2014	6/30/2015	6/30/2016
<u>Miscellaneous Plan</u>			
Actuarially determined contribution	\$ 10,613,414	\$ 11,422,473	\$ 12,539,340
Contributions related to the actuarially determined contribution	(10,613,414)	(11,422,473)	(12,539,340)
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's covered-employee payroll	\$ 76,720,293	\$ 78,482,344	\$ 80,496,804
Contributions as a percentage of covered-employee payroll	13.83%	14.55%	15.58%
<u>Safety Plan</u>			
Actuarially determined contribution	\$ 5,136,760	\$ 5,584,150	\$ 5,850,347
Contributions related to the actuarially determined contribution	(5,136,760)	(5,584,150)	(5,850,347)
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's covered-employee payroll	\$ 13,750,488	\$ 14,550,508	\$ 14,812,446
Contributions as a percentage of covered-employee payroll	37.36%	38.38%	39.50%

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

Notes to schedule

Valuation date:	6/30/2014	6/30/2015	6/30/2016
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Methods and assumptions used to determine contribution rates:

Single and Agent Employers	Entry Age Normal
Amortization method/Period	For details, see CalPERS June 30, 2012 Funding Valuation Report.
Asset valuation method	Actuarial Value of Assets.
Inflation	2.75%
Salary increases	3%
Investment rate of return	7.5%, net of pension plan investment and admin expenses, including inflation
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.

**COUNTY OF SHASTA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017**

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
06/30/11	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%
06/30/15	29,215	184,110	154,895	18.86%	73,467	210.88%

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
06/30/11	\$ 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%
06/30/15	\$ 8,797	\$ 58,856	\$ 50,059	17.57%	\$ 13,272	377.28%

**COUNTY OF SHASTA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ 45,773,500	\$ 45,773,500	\$ 50,329,065	\$ 4,555,565
Licenses, Permits, and Franchises	3,573,567	3,607,567	3,432,730	(174,837)
Fines, Forfeitures, and Penalties	2,491,500	2,491,500	3,712,218	1,220,718
Use of Money and Property	774,415	774,415	1,499,631	725,216
Intergovernmental	111,723,610	110,652,641	106,090,052	(4,562,589)
Charges for Services	10,052,469	10,048,977	11,350,332	1,301,355
Miscellaneous Revenue	2,343,566	2,343,566	4,133,828	1,790,262
Total Revenues	176,732,627	175,692,166	180,547,856	4,855,690
EXPENDITURES				
General Government:				
Nonprog Rev/Trans Out:				
Other Charges	71,108	71,108	70,972	(136)
Services and Supplies	240,000	240,000	64,233	(175,767)
Board of Supervisors:				
Other Charges	40,155	40,155	40,142	(13)
Salaries and Benefits	414,000	414,000	394,895	(19,105)
Services and Supplies	122,497	122,497	89,253	(33,244)
County Administrative Office:				
Other Charges	50	50	27	(23)
Reimbursements	(1,095,025)	(1,095,025)	(1,095,025)	-
Salaries and Benefits	1,167,266	1,167,266	1,045,007	(122,259)
Services and Supplies	144,118	144,118	130,918	(13,200)
Clerk of the Board:				
Other Charges	69,786	69,786	69,780	(6)
Salaries and Benefits	176,902	176,902	164,800	(12,102)
Services and Supplies	95,099	95,099	80,763	(14,336)
Auditor-Controller:				
Other Charges	45	9,045	6,969	(2,076)
Reimbursements	(2,419,069)	(2,419,069)	(2,419,068)	1
Salaries and Benefits	2,158,290	2,158,290	2,111,923	(46,367)
Services and Supplies	1,089,577	1,080,577	843,882	(236,695)
Treasurer Tax Collector:				
Capital Assets	51,405	51,405	49,829	(1,576)
Other Charges	50	50	38	(12)
Reimbursements	(9,307)	(9,307)	(5,080)	4,227
Salaries and Benefits	1,061,051	1,061,051	969,413	(91,638)
Services and Supplies	748,053	748,053	621,862	(126,191)
Assessor:				
Other Charges	158,693	158,693	158,665	(28)
Reimbursements	(181,141)	(181,141)	(174,314)	6,827
Salaries and Benefits	3,577,620	3,577,620	3,219,826	(357,794)
Services and Supplies	635,520	635,520	578,466	(57,054)

**COUNTY OF SHASTA
GENERAL FUND (CONTINUED)
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
General Government (Continued):				
Purchasing:				
Other Charges	\$ 14	\$ 14	\$ 12	\$ (2)
Reimbursements	(212,934)	(212,934)	(212,934)	-
Salaries and Benefits	187,746	187,746	176,528	(11,218)
Services and Supplies	47,495	47,495	34,951	(12,544)
County Counsel:				
Other Charges	28	28	26	(2)
Reimbursements	(1,809,115)	(1,809,115)	(1,804,495)	4,620
Salaries and Benefits	1,707,610	1,707,610	1,645,301	(62,309)
Services and Supplies	339,340	339,340	195,516	(143,824)
Personnel:				
Other Charges	30	30	26	(4)
Reimbursements	(1,257,480)	(1,257,480)	(1,126,157)	131,323
Salaries and Benefits	1,155,107	1,155,107	1,114,195	(40,912)
Services and Supplies	709,213	709,213	461,458	(247,755)
Election Admin and Registration:				
Other Charges	40,566	40,566	40,566	-
Salaries and Benefits	839,318	814,318	761,921	(52,397)
Services and Supplies	850,522	850,522	795,708	(54,814)
Impact Fee Admin:				
Services and Supplies	7,000	7,000	6,599	(401)
Intermountain Fair:				
Salaries and Benefits	5,332	5,332	5,332	-
Services and Supplies	15,545	15,545	13,142	(2,403)
Economic Development:				
Services and Supplies	70,500	70,500	69,227	(1,273)
Land, Buildings, and Improvements:				
Capital Assets	5,910,904	6,255,904	3,389,650	(2,866,254)
Other Charges	14,609	14,609	14,609	-
Reimbursements	(5,910,904)	(425,000)	-	425,000
Services and Supplies	81,689	81,689	74,194	(7,495)
Surveyor:				
Other Charges	321	321	321	-
Services and Supplies	26,000	26,000	17,382	(8,618)
Miscellaneous General:				
Other Charges	335,000	335,000	62,000	(273,000)
Reimbursements	(77,565)	(77,565)	(77,565)	-
Salaries and Benefits	500,000	500,000	-	(500,000)
Services and Supplies	527,359	527,359	382,442	(144,917)
Tobacco Settlement Grants:				
Services and Supplies	200,000	200,000	157,105	(42,895)
CSA Admin:				
Other Charges	9,479	9,479	9,479	-
Salaries and Benefits	674,228	674,228	696,009	21,781
Services and Supplies	140,136	140,136	131,736	(8,400)

**COUNTY OF SHASTA
GENERAL FUND (CONTINUED)
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
General Government (Continued):				
Title III Projects:				
Services and Supplies	\$ 18,000	\$ 30,500	\$ 25,424	\$ (5,076)
Central Service Cost:				
Reimbursements	(1,046,427)	(1,046,427)	(1,046,425)	2
Reserves for Contingencies:				
Approp for Contingency	6,000,000	6,000,000	-	(6,000,000)
Total General Government	18,415,409	24,233,813	13,031,459	(11,202,354)
Public Protection:				
Trial Courts:				
Other Charges	1,487,935	1,487,935	1,347,238	(140,697)
Salaries and Benefits	20,684	20,684	20,684	-
Services and Supplies	758,135	758,135	592,037	(166,098)
Conflict Public Defender:				
Approp for Contingency	250,000	250,000	-	(250,000)
Other Charges	45,986	45,986	45,986	-
Services and Supplies	2,391,696	2,391,696	2,192,550	(199,146)
Public Defender:				
Capital Assets	267,732	-	-	-
Other Charges	73,452	73,452	73,407	(45)
Salaries and Benefits	3,285,638	3,285,638	3,065,016	(220,622)
Services and Supplies	451,797	451,797	461,465	9,668
Grand Jury:				
Other Charges	30,535	30,535	30,535	-
Services and Supplies	82,774	82,774	68,277	(14,497)
County Clerk:				
Other Charges	19,117	19,117	19,117	-
Salaries and Benefits	291,410	293,410	280,030	(13,380)
Services and Supplies	83,286	87,286	79,313	(7,973)
Sheriff Civil Unit:				
Other Charges	9,956	9,956	9,956	-
Salaries and Benefits	474,598	474,598	462,588	(12,010)
Services and Supplies	101,676	109,184	93,667	(15,517)
Victim Witness Assistance:				
Other Charges	64,037	69,037	62,867	(6,170)
Salaries and Benefits	855,941	855,941	760,670	(95,271)
Services and Supplies	154,508	183,144	143,122	(40,022)
Ag Comm and Sealer of Weights:				
Capital Assets	-	7,627	7,526	(101)
Other Charges	47,010	47,010	47,010	-
Salaries and Benefits	1,221,734	1,221,734	1,158,308	(63,426)
Services and Supplies	358,154	363,027	345,638	(17,389)

**COUNTY OF SHASTA
GENERAL FUND (CONTINUED)
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Public Protection (Continued):				
Building Inspection:				
Capital Assets	\$ 30,000	\$ 30,000	\$ 105,931	\$ 75,931
Other Charges	196,188	196,188	196,163	(25)
Reimbursements	(79,602)	(79,602)	-	79,602
Salaries and Benefits	1,576,421	1,576,421	1,142,088	(434,333)
Services and Supplies	751,293	751,293	572,826	(178,467)
Planning:				
Capital Assets	-	-	105,931	105,931
Other Charges	114,837	114,837	114,805	(32)
Reimbursements	(134,672)	(134,672)	(100,136)	34,536
Salaries and Benefits	1,293,159	1,293,159	1,166,404	(126,755)
Services and Supplies	831,691	831,691	412,823	(418,868)
Recorder:				
Other Charges	71,249	71,249	71,242	(7)
Salaries and Benefits	582,545	582,545	443,642	(138,903)
Services and Supplies	486,971	486,971	441,993	(44,978)
Public Guardian:				
Other Charges	133,193	133,193	133,193	-
Reimbursements	(90,218)	(90,218)	(90,218)	-
Services and Supplies	833,493	833,493	833,492	(1)
Wildlife Control:				
Other Charges	177	177	177	-
Services and Supplies	250	250	-	(250)
Animal Control:				
Other Charges	36,934	36,934	36,904	(30)
Salaries and Benefits	332,957	332,957	298,603	(34,354)
Services and Supplies	216,255	216,255	193,316	(22,939)
Public Administrator:				
Capital Assets	-	28,967	28,959	(8)
Other Charges	(5,928)	(5,928)	(5,928)	-
Salaries and Benefits	164,489	164,489	148,875	(15,614)
Services and Supplies	87,702	58,735	30,879	(27,856)
Total Public Protection	20,257,175	20,049,087	17,648,971	(2,400,116)
Health and Sanitation:				
Environmental Health:				
Capital Assets	30,000	72,000	163,073	91,073
Other Charges	35,487	35,487	35,465	(22)
Reimbursements	(194,448)	(194,448)	(186,430)	8,018
Salaries and Benefits	2,038,038	2,038,038	1,703,757	(334,281)
Services and Supplies	739,692	763,672	287,145	(476,527)
Total Health and Sanitation	2,648,769	2,714,749	2,003,010	(711,739)

**COUNTY OF SHASTA
GENERAL FUND (CONTINUED)
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
Public Assistance:				
Social Services Administration:				
Capital Assets	\$ 1,365,950	\$ 376,950	\$ 257,651	\$ (119,299)
Other Charges	8,241,169	8,241,169	6,654,203	(1,586,966)
Reimbursements	(1,254,357)	(1,254,357)	(1,712,446)	(458,089)
Salaries and Benefits	36,487,237	36,640,631	31,986,077	(4,654,554)
Services and Supplies	20,598,550	20,638,378	17,189,395	(3,448,983)
Health and Human Services Agency:				
Other Charges	720,947	720,947	720,947	-
Salaries and Benefits	8,995,018	9,142,419	8,199,009	(943,410)
Services and Supplies	1,874,234	1,877,020	1,318,535	(558,485)
Reimbursements	(11,576,890)	(11,727,077)	(10,170,771)	1,556,306
Opportunity Center:				
Capital Assets	-	30,000	-	(30,000)
Other Charges	1,410,434	1,676,348	1,620,310	(56,038)
Salaries and Benefits	3,133,496	3,205,004	2,822,455	(382,549)
Services and Supplies	1,852,686	1,828,052	1,759,044	(69,008)
Reimbursements	(1,354,856)	(1,354,856)	(1,426,052)	(71,196)
Welfare Cash Aid Payments:				
Other Charges	46,108,091	46,067,064	45,897,332	(169,732)
County Indigent Cases - Gen Fund:				
Other Charges	1,603,870	1,603,870	1,175,003	(428,867)
Services and Supplies	496,165	496,165	343,617	(152,548)
Housing Authority:				
Other Charges	124,346	104,346	104,342	(4)
Reimbursements	(2,400)	(773,825)	(744,600)	29,225
Salaries and Benefits	534,502	556,032	549,479	(6,553)
Services and Supplies	188,096	214,096	187,014	(27,082)
Veterans Services Office:				
Other Charges	32,115	32,115	32,111	(4)
Reimbursements	(2,000)	(2,000)	(6,590)	(4,590)
Salaries and Benefits	332,959	332,959	282,313	(50,646)
Services and Supplies	78,777	78,777	84,716	5,939
Community Action Agency:				
Other Charges	106,477	106,477	99,672	(6,805)
Reimbursements	(4,750)	(4,750)	(3,309)	1,441
Salaries and Benefits	303,744	313,744	305,127	(8,617)
Services and Supplies	114,076	104,076	71,645	(32,431)
Total Public Assistance	120,507,686	119,269,774	107,596,229	(11,673,545)

**COUNTY OF SHASTA
GENERAL FUND (CONTINUED)
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
EXPENDITURES (CONTINUED)				
Education:				
Library Admin:				
Other Charges	\$ 1,290,509	\$ 1,290,509	\$ 1,289,754	\$ (755)
Salaries and Benefits	59	59	59	-
Services and Supplies	128,742	128,742	40,513	(88,229)
Agric Ext Service Farm Advisor:				
Other Charges	11,740	11,740	11,725	(15)
Salaries and Benefits	122,558	122,558	111,959	(10,599)
Services and Supplies	82,449	110,449	80,064	(30,385)
Farm Advisor JT Lassen Shasta:				
Other Charges	1,418	1,418	1,418	-
Salaries and Benefits	37,475	43,475	36,307	(7,168)
Services and Supplies	14,606	14,606	11,689	(2,917)
Total Education	<u>1,689,556</u>	<u>1,723,556</u>	<u>1,583,488</u>	<u>(140,068)</u>
Recreation:				
Recreation and Parks Development:				
Other Charges	376	376	350	(26)
Services and Supplies	46,202	46,202	32,039	(14,163)
Veterans Hall:				
Other Charges	14,233	14,475	14,476	1
Services and Supplies	175,107	139,865	144,600	4,735
Total Recreation	<u>235,918</u>	<u>200,918</u>	<u>191,465</u>	<u>(9,453)</u>
Total Expenditures	<u>163,754,513</u>	<u>168,191,897</u>	<u>142,054,622</u>	<u>(26,137,275)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	12,978,114	7,500,269	38,493,234	30,992,965
OTHER FINANCING SOURCES (USES)				
Transfers In	6,756,570	12,615,474	4,552,946	(8,062,528)
Transfers Out	(39,216,551)	(40,423,914)	(33,079,731)	7,344,183
Sale of Capital Assets	8,500	8,500	25,751	17,251
Net Financing Sources (Uses)	<u>(32,451,481)</u>	<u>(27,799,940)</u>	<u>(28,501,034)</u>	<u>(701,094)</u>
NET CHANGE IN FUND BALANCES	(19,473,367)	(20,299,671)	9,992,200	30,291,871
Fund Balance - Beginning	<u>85,696,243</u>	<u>85,696,243</u>	<u>85,696,243</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 66,222,876</u>	<u>\$ 65,396,572</u>	<u>\$ 95,688,443</u>	<u>\$ 30,291,871</u>

**COUNTY OF SHASTA
MENTAL HEALTH FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Fines and Forfeitures	20,150	20,150	20,971	821
Use of Money and Property	-	-	89,887	89,887
Intergovernmental	23,905,994	26,829,946	25,549,441	(1,280,505)
Charges for Other Services	419,200	419,200	356,127	(63,073)
Miscellaneous Revenue	405	405	143,174	142,769
Total Revenues	<u>24,345,749</u>	<u>27,269,701</u>	<u>26,159,600</u>	<u>(1,110,101)</u>
EXPENDITURES				
Current:				
Health and Sanitation	29,625,785	30,437,439	24,937,413	5,500,026
Total Expenditures	<u>29,625,785</u>	<u>30,437,439</u>	<u>24,937,413</u>	<u>5,500,026</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,280,036)	(3,167,738)	1,222,187	4,389,925
OTHER FINANCING SOURCES (USES)				
Transfers In	694,990	694,990	294,990	(400,000)
Transfers Out	-	(1,401,196)	(2,299,662)	(898,466)
Sale of Capital Assets	-	-	451	451
Net Financing Sources (Uses)	<u>694,990</u>	<u>(706,206)</u>	<u>(2,004,221)</u>	<u>(1,298,015)</u>
NET CHANGE IN FUND BALANCE	(4,585,046)	(3,873,944)	(782,034)	3,091,910
Fund Balance - Beginning	<u>13,319,344</u>	<u>13,319,344</u>	<u>13,319,344</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 8,734,298</u>	<u>\$ 9,445,400</u>	<u>\$ 12,537,310</u>	<u>\$ 3,091,910</u>

**COUNTY OF SHASTA
ROADS ADMINISTRATION FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ 2,279,779	\$ 2,279,779	\$ 2,513,905	\$ 234,126
Licenses and Permits	10,000	10,000	44,477	34,477
Use of Money and Property	20,000	20,000	61,181	41,181
Intergovernmental	10,264,616	9,364,616	9,462,370	97,754
Charges for Other Services	737,000	737,000	792,855	55,855
Miscellaneous Revenue	-	-	91,122	91,122
Total Revenues	<u>13,311,395</u>	<u>12,411,395</u>	<u>12,965,910</u>	<u>554,515</u>
EXPENDITURES				
Current:				
Public Ways and Facilities	<u>20,369,887</u>	<u>20,279,887</u>	<u>17,166,753</u>	<u>3,113,134</u>
Total Expenditures	<u>20,369,887</u>	<u>20,279,887</u>	<u>17,166,753</u>	<u>3,113,134</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,058,492)	(7,868,492)	(4,200,843)	3,667,649
OTHER FINANCING SOURCES (USES)				
Transfers In	2,000,507	1,500,507	1,228,471	(272,036)
Transfers Out	(674)	(90,674)	(2,048)	88,626
Sale of Capital Assets	-	-	28,173	28,173
Net Financing Sources (Uses)	<u>1,999,833</u>	<u>1,409,833</u>	<u>1,254,596</u>	<u>(155,237)</u>
NET CHANGE IN FUND BALANCE	(5,058,659)	(6,458,659)	(2,946,247)	3,512,412
Fund Balance - Beginning	<u>10,549,215</u>	<u>10,549,215</u>	<u>10,549,215</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 5,490,556</u>	<u>\$ 4,090,556</u>	<u>\$ 7,602,968</u>	<u>\$ 3,512,412</u>

**COUNTY OF SHASTA
PUBLIC SAFETY FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ 78,737	\$ 78,737	\$ 69,844	\$ (8,893)
Licenses and Permits	116,800	116,800	144,004	27,204
Fines and Forfeitures	1,045,324	1,045,324	1,273,834	228,510
Use of Money and Property	76,227	77,039	207,951	130,912
Intergovernmental	28,330,790	28,708,577	29,826,347	1,117,770
Charges for Other Services	3,439,084	3,459,187	3,548,917	89,730
Miscellaneous Revenue	467,100	653,272	613,418	(39,854)
Total Revenues	<u>33,554,062</u>	<u>34,138,936</u>	<u>35,684,315</u>	<u>1,545,379</u>
EXPENDITURES				
Current:				
Public Protection	69,603,987	68,893,167	62,701,590	6,191,577
Total Expenditures	<u>69,603,987</u>	<u>68,893,167</u>	<u>62,701,590</u>	<u>6,191,577</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(36,049,925)	(34,754,231)	(27,017,275)	7,736,956
OTHER FINANCING SOURCES (USES)				
Transfers In	27,375,396	27,765,677	26,676,069	(1,089,608)
Transfers Out	(291,523)	(2,365,499)	(1,355,519)	1,009,980
Sale of Capital Assets	9,100	47,167	69,000	21,833
Net Financing Sources (Uses)	<u>27,092,973</u>	<u>25,447,345</u>	<u>25,389,550</u>	<u>(57,795)</u>
NET CHANGE IN FUND BALANCE	(8,956,952)	(9,306,886)	(1,627,725)	7,679,161
Fund Balance - Beginning	<u>26,871,442</u>	<u>26,871,442</u>	<u>26,871,442</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 17,914,490</u>	<u>\$ 17,564,556</u>	<u>\$ 25,243,717</u>	<u>\$ 7,679,161</u>

**COUNTY OF SHASTA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017**

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 to GAAP. The Inmate Welfare Fund is not required to submit a budget to the County and as such, budgetary information for that fund is not available.



SUPPLEMENTARY INFORMATION



**COMBINING FINANCIAL STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS**



**COUNTY OF SHASTA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
ASSETS				
Cash and Investments	\$ 34,421,901	\$ 8,019,309	\$ 10,979	\$ 42,452,189
Accounts Receivable	62,143	-	-	62,143
Due from Other Governments	4,402,319	-	-	4,402,319
Other Assets	15,336	-	-	15,336
Due from Other Funds	2,003,986	-	-	2,003,986
Special Assessments Receivable	389,088	-	-	389,088
Notes Receivable	10,035,386	-	-	10,035,386
Advances to Other Funds	368,124	-	-	368,124
Cash and Investments - Restricted	-	-	324	324
Total Assets	<u>\$ 51,698,283</u>	<u>\$ 8,019,309</u>	<u>\$ 11,303</u>	<u>\$ 59,728,895</u>
LIABILITIES				
Accounts Payable	\$ 771,202	\$ -	\$ -	\$ 771,202
Salaries and Benefits Payable	1,270,518	-	-	1,270,518
Due to Other Funds	501,234	21,687	-	522,921
Due to Other Governments	164,876	-	-	164,876
Advances from Other Funds	371,472	-	-	371,472
Deposits from Others	7,390	-	-	7,390
Unearned Revenue	2,369,699	-	-	2,369,699
Total Liabilities	<u>5,456,391</u>	<u>21,687</u>	<u>-</u>	<u>5,478,078</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	734,738	-	-	734,738
FUND BALANCES				
Nonspendable	15,336	-	-	15,336
Restricted	45,241,782	-	11,303	45,253,085
Committed	250,036	679,931	-	929,967
Assigned	-	7,317,691	-	7,317,691
Total Fund Balance	<u>45,507,154</u>	<u>7,997,622</u>	<u>11,303</u>	<u>53,516,079</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 51,698,283</u>	<u>\$ 8,019,309</u>	<u>\$ 11,303</u>	<u>\$ 59,728,895</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total
REVENUES				
Taxes	\$ 2,292,207	\$ -	\$ -	\$ 2,292,207
Licenses and Permits	250,933	-	-	250,933
Fines and Forfeitures	8,574	-	-	8,574
Use of Money and Property	435,144	79,735	443	515,322
Intergovernmental	41,255,298	-	-	41,255,298
Charges for Other Services	2,289,872	-	-	2,289,872
Miscellaneous Revenue	585,673	-	-	585,673
Total Revenues	<u>47,117,701</u>	<u>79,735</u>	<u>443</u>	<u>47,197,879</u>
EXPENDITURES				
Current:				
General Government	-	184,540	-	184,540
Public Protection	12,722,718	-	-	12,722,718
Public Ways and Facilities	820,279	-	-	820,279
Health and Sanitation	27,302,283	-	-	27,302,283
Public Assistance	6,088,132	-	-	6,088,132
Debt Service:				
Principal	-	-	1,940,505	1,940,505
Interest	-	-	1,014,666	1,014,666
Fiscal Agent Fees	-	-	5,801	5,801
Total Expenditures	<u>46,933,412</u>	<u>184,540</u>	<u>2,960,972</u>	<u>50,078,924</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	184,289	(104,805)	(2,960,529)	(2,881,045)
OTHER FINANCING SOURCES (USES)				
Transfers In	3,963,359	-	2,956,961	6,920,320
Transfers Out	(700,141)	(1,941,007)	-	(2,641,148)
Sale of Capital Assets	4,097	-	-	4,097
Total Other Financing Sources (Uses)	<u>3,267,315</u>	<u>(1,941,007)</u>	<u>2,956,961</u>	<u>4,283,269</u>
NET CHANGE IN FUND BALANCES	3,451,604	(2,045,812)	(3,568)	1,402,224
Fund Balances - Beginning	<u>42,055,550</u>	<u>10,043,434</u>	<u>14,871</u>	<u>52,113,855</u>
FUND BALANCES - ENDING	<u>\$ 45,507,154</u>	<u>\$ 7,997,622</u>	<u>\$ 11,303</u>	<u>\$ 53,516,079</u>

SPECIAL REVENUE FUNDS



**COUNTY OF SHASTA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 2017**

	Mental Health Services Act	PHA Housing Assistance	Housing Home IPP	Housing Cal Home
ASSETS				
Cash and Investments	\$ 8,283,526	\$ 120,245	\$ -	\$ 22,330
Accounts Receivable	-	663	332	-
Due from Other Governments	931,643	3,600	76,138	-
Other Assets	651	-	-	-
Due from Other Funds	986,090	-	-	81
Special Assessments Receivable	-	-	-	-
Notes Receivable	-	-	4,998,432	1,065,524
Advances to Other Funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 10,201,910</u>	<u>\$ 124,508</u>	<u>\$ 5,074,902</u>	<u>\$ 1,087,935</u>
LIABILITIES				
Accounts Payable	\$ 403,873	\$ 658	\$ -	\$ -
Salaries and Benefits Payable	230,282	-	-	-
Due to Other Funds	93,685	32,156	347	-
Due to Other Governments	13,900	-	-	-
Unearned Revenue	-	-	-	-
Deposits from Others	-	-	-	-
Advances from Other Funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	741,740	32,814	347	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
FUND BALANCES				
Nonspendable	651	-	-	-
Restricted	9,459,519	91,694	5,074,555	1,087,935
Committed	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	9,460,170	91,694	5,074,555	1,087,935
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,201,910</u>	<u>\$ 124,508</u>	<u>\$ 5,074,902</u>	<u>\$ 1,087,935</u>

**COUNTY OF SHASTA
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE FUNDS
JUNE 30, 2017**

	Endangered Species	Roads SVAP Fund	Child Support Services	Public Health
ASSETS				
Cash and Investments	\$ 194,591	\$ 724,565	\$ 3,283,885	\$ 11,092,006
Accounts Receivable	-	-	121	48,821
Due from Other Governments	-	-	24	3,086,560
Other Assets	-	-	4,472	7,927
Due from Other Funds	-	-	-	942,185
Special Assessments Receivable	-	-	-	-
Notes Receivable	-	-	-	-
Advances to Other Funds	-	358,124	-	-
	<u>194,591</u>	<u>1,082,689</u>	<u>3,288,502</u>	<u>15,177,499</u>
Total Assets	<u>\$ 194,591</u>	<u>\$ 1,082,689</u>	<u>\$ 3,288,502</u>	<u>\$ 15,177,499</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 9,802	\$ 254,673
Salaries and Benefits Payable	-	-	312,895	647,138
Due to Other Funds	-	-	367	340,644
Due to Other Governments	-	-	-	16,358
Unearned Revenue	-	-	872,112	38,992
Deposits from Others	-	-	-	3
Advances from Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,195,176</u>	<u>1,297,808</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,195,176</u>	<u>1,297,808</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	299,377
FUND BALANCES				
Nonspendable	-	-	4,472	7,927
Restricted	194,591	1,082,689	1,955,520	13,455,685
Committed	-	-	133,334	116,702
	<u>194,591</u>	<u>1,082,689</u>	<u>2,093,326</u>	<u>13,580,314</u>
Total Fund Balances	<u>194,591</u>	<u>1,082,689</u>	<u>2,093,326</u>	<u>13,580,314</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 194,591</u>	<u>\$ 1,082,689</u>	<u>\$ 3,288,502</u>	<u>\$ 15,177,499</u>

**COUNTY OF SHASTA
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE FUNDS
JUNE 30, 2017**

	Shasta Housing Fund	County Water Agency	Air Quality Management	Fire Protection CSA #1
ASSETS				
Cash and Investments	\$ 449,247	\$ 48,592	\$ 2,804,955	\$ 3,817,868
Accounts Receivable	-	387	3,651	4
Due from Other Governments	16	5,331	134,533	79,097
Other Assets	255	-	-	2,031
Due from Other Funds	-	15,401	-	41,297
Special Assessments Receivable	-	-	-	-
Notes Receivable	3,971,430	-	-	-
Advances to Other Funds	-	10,000	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 4,420,948</u>	<u>\$ 79,711</u>	<u>\$ 2,943,139</u>	<u>\$ 3,940,297</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 4,244	\$ 28,862	\$ 46,482
Salaries and Benefits Payable	1,038	-	25,200	41,903
Due to Other Funds	-	26,442	45	-
Due to Other Governments	-	-	-	99,313
Unearned Revenue	-	-	1,458,595	-
Deposits from Others	762	-	-	2,000
Advances from Other Funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	1,800	30,686	1,512,702	189,698
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	46,282
FUND BALANCES				
Nonspendable	255	-	-	2,031
Restricted	4,418,893	49,025	1,430,437	3,702,286
Committed	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	4,419,148	49,025	1,430,437	3,704,317
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,420,948</u>	<u>\$ 79,711</u>	<u>\$ 2,943,139</u>	<u>\$ 3,940,297</u>

**COUNTY OF SHASTA
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE FUNDS
JUNE 30, 2017**

	Inmate Welfare Fund	In-Home Support Services	Lighting Districts
ASSETS			
Cash and Investments	\$ 279,568	\$ 118,635	\$ 333,938
Accounts Receivable	8,164	-	-
Due from Other Governments	-	85,377	-
Other Assets	-	-	-
Due from Other Funds	-	-	301
Special Assessments Receivable	-	-	-
Notes Receivable	-	-	-
Advances to Other Funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 287,732</u>	<u>\$ 204,012</u>	<u>\$ 334,239</u>
LIABILITIES			
Accounts Payable	\$ 11,821	\$ 10,787	\$ -
Salaries and Benefits Payable	-	12,062	-
Due to Other Funds	1,170	2,527	-
Due to Other Governments	35,305	-	-
Unearned Revenue	-	-	-
Deposits from Others	4,625	-	-
Advances from Other Funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	52,921	25,376	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
FUND BALANCES			
Nonspendable	-	-	-
Restricted	234,811	178,636	334,239
Committed	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	234,811	178,636	334,239
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 287,732</u>	<u>\$ 204,012</u>	<u>\$ 334,239</u>

**COUNTY OF SHASTA
COMBINING BALANCE SHEET (CONTINUED)
SPECIAL REVENUE FUNDS
JUNE 30, 2017**

	County Service Areas	Permanent Road Divisions	Total
ASSETS			
Cash and Investments	\$ 772,365	\$ 2,075,585	\$ 34,421,901
Accounts Receivable	-	-	62,143
Due from Other Governments	-	-	4,402,319
Other Assets	-	-	15,336
Due from Other Funds	1,580	17,051	2,003,986
Special Assessments Receivable	-	389,088	389,088
Notes Receivable	-	-	10,035,386
Advances to Other Funds	-	-	368,124
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 773,945</u>	<u>\$ 2,481,724</u>	<u>\$ 51,698,283</u>
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ 771,202
Salaries and Benefits Payable	-	-	1,270,518
Due to Other Funds	1,348	2,503	501,234
Due to Other Governments	-	-	164,876
Unearned Revenue	-	-	2,369,699
Deposits from Others	-	-	7,390
Advances from Other Funds	-	371,472	371,472
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	1,348	373,975	5,456,391
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	389,079	734,738
FUND BALANCES			
Nonspendable	-	-	15,336
Restricted	772,597	1,718,670	45,241,782
Committed	-	-	250,036
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	772,597	1,718,670	45,507,154
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 773,945</u>	<u>\$ 2,481,724</u>	<u>\$ 51,698,283</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2017**

	Mental Health Services Act	PHA Housing Assistance	Housing Home IPP	Housing Cal Home
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Fines and Forfeitures	-	-	-	-
Use of Money and Property	79,147	1,495	19,189	-
Intergovernmental	10,388,964	5,182,343	351,856	36,504
Charges for Other Services	-	-	-	-
Miscellaneous Revenue	12,662	31,962	-	-
Total Revenues	<u>10,480,773</u>	<u>5,215,800</u>	<u>371,045</u>	<u>36,504</u>
EXPENDITURES				
Current:				
Public Protection	-	-	-	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	10,459,070	-	-	-
Public Assistance	-	5,124,106	471,476	1,357
Total Expenditures	<u>10,459,070</u>	<u>5,124,106</u>	<u>471,476</u>	<u>1,357</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	21,703	91,694	(100,431)	35,147
OTHER FINANCING SOURCES (USES)				
Transfers In	416,749	-	16,542	-
Transfers Out	(408,425)	-	-	-
Sale of Capital Assets	3,086	-	-	-
Total Other Financing Sources (Uses)	<u>11,410</u>	<u>-</u>	<u>16,542</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	33,113	91,694	(83,889)	35,147
Fund Balances - Beginning	<u>9,427,057</u>	<u>-</u>	<u>5,158,444</u>	<u>1,052,788</u>
FUND BALANCES - ENDING	<u>\$ 9,460,170</u>	<u>\$ 91,694</u>	<u>\$ 5,074,555</u>	<u>\$ 1,087,935</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2017**

	Endangered Species	Road SVAP Fund	Child Support Services	Public Health
REVENUES				-
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	6,211
Fines and Forfeitures	-	-	-	2,599
Use of Money and Property	1,556	-	92,850	76,449
Intergovernmental	-	-	7,108,768	15,803,444
Charges for Other Services	-	5,600	-	603,729
Miscellaneous Revenue	-	-	21,051	234,497
Total Revenues	<u>1,556</u>	<u>5,600</u>	<u>7,222,669</u>	<u>16,726,929</u>
EXPENDITURES				
Current:				
Public Protection	(69)	-	7,234,873	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	-	-	14,531,685
Public Assistance	-	-	-	-
Total Expenditures	<u>(69)</u>	<u>-</u>	<u>7,234,873</u>	<u>14,531,685</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,625	5,600	(12,204)	2,195,244
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	1,035,572
Transfers Out	-	-	-	(291,209)
Sale of Capital Assets	-	-	-	1,011
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>745,374</u>
NET CHANGE IN FUND BALANCES	1,625	5,600	(12,204)	2,940,618
Fund Balances - Beginning	<u>192,966</u>	<u>1,077,089</u>	<u>2,105,530</u>	<u>10,639,696</u>
FUND BALANCES - ENDING	<u>\$ 194,591</u>	<u>\$ 1,082,689</u>	<u>\$ 2,093,326</u>	<u>\$ 13,580,314</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2017**

	Shasta Housing Fund	County Water Agency	Air Quality Management	Fire Protection CSA #1
REVENUES				
Taxes	\$ -	\$ 175,017	\$ -	\$ 1,993,136
Licenses and Permits	-	-	221,436	23,286
Fines and Forfeitures	-	-	5,975	-
Use of Money and Property	63,076	829	25,388	27,504
Intergovernmental	-	8,027	1,792,973	73,533
Charges for Other Services	-	25,674	61,895	1,079,743
Miscellaneous Revenue	-	69,466	75,073	466
Total Revenues	<u>63,076</u>	<u>279,013</u>	<u>2,182,740</u>	<u>3,197,668</u>
EXPENDITURES				
Current:				
Public Protection	-	-	-	5,251,540
Public Ways and Facilities	-	323,337	-	-
Health and Sanitation	-	-	2,311,528	-
Public Assistance	17,287	-	-	-
Total Expenditures	<u>17,287</u>	<u>323,337</u>	<u>2,311,528</u>	<u>5,251,540</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	45,789	(44,324)	(128,788)	(2,053,872)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	2,493,822
Transfers Out	-	-	-	-
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,493,822</u>
NET CHANGE IN FUND BALANCES	45,789	(44,324)	(128,788)	439,950
Fund Balances - Beginning	<u>4,373,359</u>	<u>93,349</u>	<u>1,559,225</u>	<u>3,264,367</u>
FUND BALANCES - ENDING	<u>\$ 4,419,148</u>	<u>\$ 49,025</u>	<u>\$ 1,430,437</u>	<u>\$ 3,704,317</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2017**

	Inmate Welfare Fund	In-Home Support Services	Lighting Districts
REVENUES			
Taxes	\$ -	\$ -	\$ 19,877
Licenses and Permits	-	-	-
Fines and Forfeitures	-	-	-
Use of Money and Property	22,338	425	2,611
Intergovernmental	-	507,024	309
Charges for Other Services	-	-	-
Miscellaneous Revenue	138,481	2,015	-
Total Revenues	<u>160,819</u>	<u>509,464</u>	<u>22,797</u>
EXPENDITURES			
Current:			
Public Protection	236,374	-	-
Public Ways and Facilities	-	-	8,450
Health and Sanitation	-	-	-
Public Assistance	-	473,906	-
Total Expenditures	<u>236,374</u>	<u>473,906</u>	<u>8,450</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(75,555)	35,558	14,347
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	600
Transfers Out	-	-	-
Sale of Capital Assets	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>600</u>
NET CHANGE IN FUND BALANCES	(75,555)	35,558	14,947
Fund Balances - Beginning	<u>310,366</u>	<u>143,078</u>	<u>319,292</u>
FUND BALANCES - ENDING	<u>\$ 234,811</u>	<u>\$ 178,636</u>	<u>\$ 334,239</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2017**

	County Service Areas	Permanent Road Divisions	Total
REVENUES			
Taxes	\$ 103,186	\$ 991	\$ 2,292,207
Licenses and Permits	-	-	250,933
Fines and Forfeitures	-	-	8,574
Use of Money and Property	6,088	16,199	435,144
Intergovernmental	1,538	15	41,255,298
Charges for Other Services	21,567	491,664	2,289,872
Miscellaneous Revenue	-	-	585,673
Total Revenues	<u>132,379</u>	<u>508,869</u>	<u>47,117,701</u>
EXPENDITURES			
Current:			
Public Protection	-	-	12,722,718
Public Ways and Facilities	109,808	378,684	820,279
Health and Sanitation	-	-	27,302,283
Public Assistance	-	-	6,088,132
Total Expenditures	<u>109,808</u>	<u>378,684</u>	<u>46,933,412</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	22,571	130,185	184,289
OTHER FINANCING SOURCES (USES)			
Transfers In	-	74	3,963,359
Transfers Out	-	(507)	(700,141)
Sale of Capital Assets	-	-	4,097
Total Other Financing Sources (Uses)	<u>-</u>	<u>(433)</u>	<u>3,267,315</u>
NET CHANGE IN FUND BALANCES	22,571	129,752	3,451,604
Fund Balances - Beginning	<u>750,026</u>	<u>1,588,918</u>	<u>42,055,550</u>
FUND BALANCES - ENDING	<u>\$ 772,597</u>	<u>\$ 1,718,670</u>	<u>\$ 45,507,154</u>

**COUNTY OF SHASTA
MENTAL HEALTH SERVICES
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 79,147	\$ 79,147
Intergovernmental	9,698,340	9,698,340	10,388,964	690,624
Miscellaneous Revenue	-	-	12,662	12,662
Total Revenues	<u>9,698,340</u>	<u>9,698,340</u>	<u>10,480,773</u>	<u>782,433</u>
EXPENDITURES				
Current:				
Health and Sanitation	<u>12,837,097</u>	<u>12,837,864</u>	<u>10,459,070</u>	<u>2,378,794</u>
Total Expenditures	<u>12,837,097</u>	<u>12,837,864</u>	<u>10,459,070</u>	<u>2,378,794</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(3,138,757)	(3,139,524)	21,703	3,161,227
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	416,749	416,749
Transfers Out	-	(528,000)	(408,425)	119,575
Sale of Capital Assets	-	-	3,086	3,086
Net Financing Sources (Uses)	<u>-</u>	<u>(528,000)</u>	<u>11,410</u>	<u>539,410</u>
NET CHANGE IN FUND BALANCES	(3,138,757)	(3,667,524)	33,113	3,700,637
Fund Balance - Beginning	<u>9,427,057</u>	<u>9,427,057</u>	<u>9,427,057</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ 6,288,300</u></u>	<u><u>\$ 5,759,533</u></u>	<u><u>\$ 9,460,170</u></u>	<u><u>\$ 3,700,637</u></u>

**COUNTY OF SHASTA
PHA HOUSING ASSISTANCE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ -	\$ 200	\$ 1,495	\$ 1,295
Intergovernmental	-	5,178,511	5,182,343	3,832
Miscellaneous Revenues	-	408,000	31,962	(376,038)
Total Revenues	-	5,586,711	5,215,800	(370,911)
EXPENDITURES				
Current:				
Public Assistance	-	5,268,406	5,124,106	144,300
Total Expenditures	-	5,268,406	5,124,106	144,300
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	-	318,305	91,694	(226,611)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Net Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	-	318,305	91,694	(226,611)
Fund Balance - Beginning	-	-	-	-
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ 318,305</u>	<u>\$ 91,694</u>	<u>\$ (226,611)</u>

**COUNTY OF SHASTA
HOUSING HOME IPP
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ 10,050	\$ 10,050	\$ 19,189	\$ 9,139
Intergovernmental	452,450	452,450	351,856	(100,594)
Total Revenues	<u>462,500</u>	<u>462,500</u>	<u>371,045</u>	<u>(91,455)</u>
EXPENDITURES				
Current:				
Public Assistance	629,042	629,042	471,476	157,566
Total Expenditures	<u>629,042</u>	<u>629,042</u>	<u>471,476</u>	<u>157,566</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(166,542)	(166,542)	(100,431)	66,111
OTHER FINANCING SOURCES (USES)				
Transfers in	16,542	16,542	16,542	-
Net Financing Sources (Uses)	<u>16,542</u>	<u>16,542</u>	<u>16,542</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(150,000)	(150,000)	(83,889)	66,111
Fund Balance - Beginning	<u>5,158,444</u>	<u>5,158,444</u>	<u>5,158,444</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 5,008,444</u>	<u>\$ 5,008,444</u>	<u>\$ 5,074,555</u>	<u>\$ 66,111</u>

**COUNTY OF SHASTA
HOUSING CAL HOME
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Intergovernmental	\$ 6,185	\$ 6,185	\$ 36,504	\$ 30,319
Miscellaneous Revenue	-	-	-	-
Total Revenues	<u>6,185</u>	<u>6,185</u>	<u>36,504</u>	<u>30,319</u>
EXPENDITURES				
Current:				
Public Assistance	6,185	6,185	1,357	4,828
Total Expenditures	<u>6,185</u>	<u>6,185</u>	<u>1,357</u>	<u>4,828</u>
NET CHANGE IN FUND BALANCES	-	-	35,147	35,147
Fund Balance - Beginning	<u>1,052,788</u>	<u>1,052,788</u>	<u>1,052,788</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ 1,052,788</u></u>	<u><u>\$ 1,052,788</u></u>	<u><u>\$ 1,087,935</u></u>	<u><u>\$ 35,147</u></u>

**COUNTY OF SHASTA
ENDANGERED SPECIES
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ 500	\$ 500	\$ 1,556	\$ 1,056
Total Revenues	<u>500</u>	<u>500</u>	<u>1,556</u>	<u>1,056</u>
EXPENDITURES				
Current:				
Public Protection	191,931	191,931	(69)	192,000
Total Expenditures	<u>191,931</u>	<u>191,931</u>	<u>(69)</u>	<u>192,000</u>
NET CHANGE IN FUND BALANCES	(191,431)	(191,431)	1,625	193,056
Fund Balance - Beginning	<u>192,966</u>	<u>192,966</u>	<u>192,966</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 1,535</u>	<u>\$ 1,535</u>	<u>\$ 194,591</u>	<u>\$ 193,056</u>

**COUNTY OF SHASTA
ROADS SVAP FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Charges for Other Services	\$ 5,500	\$ 5,500	\$ 5,600	\$ 100
Total Revenues	<u>5,500</u>	<u>5,500</u>	<u>5,600</u>	<u>100</u>
EXPENDITURES				
Current:				
Public Ways/Facilities	20,000	20,000	-	20,000
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
NET CHANGE IN FUND BALANCES	(14,500)	(14,500)	5,600	20,100
Fund Balance - Beginning	<u>1,077,089</u>	<u>1,077,089</u>	<u>1,077,089</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 1,062,589</u>	<u>\$ 1,062,589</u>	<u>\$ 1,082,689</u>	<u>\$ 20,100</u>

**COUNTY OF SHASTA
CHILD SUPPORT SERVICES
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ 74,773	\$ 74,773	\$ 92,850	\$ 18,077
Intergovernmental	7,921,697	7,921,697	7,108,768	(812,929)
Miscellaneous Revenue	-	-	21,051	21,051
Total Revenues	<u>7,996,470</u>	<u>7,996,470</u>	<u>7,222,669</u>	<u>(773,801)</u>
EXPENDITURES				
Current:				
Public Protection	<u>8,230,673</u>	<u>8,230,673</u>	<u>7,234,873</u>	<u>995,800</u>
Total Expenditures	<u>8,230,673</u>	<u>8,230,673</u>	<u>7,234,873</u>	<u>995,800</u>
NET CHANGE IN FUND BALANCES	(234,203)	(234,203)	(12,204)	221,999
Fund Balance - Beginning	<u>2,105,530</u>	<u>2,105,530</u>	<u>2,105,530</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 1,871,327</u>	<u>\$ 1,871,327</u>	<u>\$ 2,093,326</u>	<u>\$ 221,999</u>

**COUNTY OF SHASTA
PUBLIC HEALTH
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Licenses and Permits	\$ 5,000	\$ 5,000	\$ 6,211	\$ 1,211
Fines and Forfeitures	2,100	2,100	2,599	499
Use of Money and Property	-	-	76,449	76,449
Intergovernmental	15,377,050	15,841,389	15,803,444	(37,945)
Charges for Other Services	764,689	764,689	603,729	(160,960)
Miscellaneous Revenue	164,083	164,083	234,497	70,414
Total Revenues	<u>16,312,922</u>	<u>16,777,261</u>	<u>16,726,929</u>	<u>(50,332)</u>
EXPENDITURES				
Current:				
Health and Sanitation	18,973,342	18,444,891	14,531,685	3,913,206
Total Expenditures	<u>18,973,342</u>	<u>18,444,891</u>	<u>14,531,685</u>	<u>3,913,206</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(2,660,420)	(1,667,630)	2,195,244	3,862,874
OTHER FINANCING SOURCES (USES)				
Transfers In	617,577	323,208	1,035,572	712,364
Transfers Out	(238,810)	(902,091)	(291,209)	610,882
Sale of Capital Assets	-	-	1,011	1,011
Net Financing Sources (Uses)	<u>378,767</u>	<u>(578,883)</u>	<u>745,374</u>	<u>1,324,257</u>
NET CHANGE IN FUND BALANCES	(2,281,653)	(2,246,513)	2,940,618	5,187,131
Fund Balance - Beginning	<u>10,639,696</u>	<u>10,639,696</u>	<u>10,639,696</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 8,358,043</u>	<u>\$ 8,393,183</u>	<u>\$ 13,580,314</u>	<u>\$ 5,187,131</u>

**COUNTY OF SHASTA
SHASTA HOUSING FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ 2,050	\$ 2,050	\$ 63,076	\$ 61,026
Intergovernmental	35,000	35,000	-	(35,000)
Total Revenues	<u>37,050</u>	<u>37,050</u>	<u>63,076</u>	<u>26,026</u>
EXPENDITURES				
Current:				
Public Assistance	46,671	46,671	17,287	29,384
Total Expenditures	<u>46,671</u>	<u>46,671</u>	<u>17,287</u>	<u>29,384</u>
NET CHANGE IN FUND BALANCES	(9,621)	(9,621)	45,789	55,410
Fund Balance - Beginning	<u>4,373,359</u>	<u>4,373,359</u>	<u>4,373,359</u>	-
FUND BALANCE - ENDING	<u><u>\$ 4,363,738</u></u>	<u><u>\$ 4,363,738</u></u>	<u><u>\$ 4,419,148</u></u>	<u><u>\$ 55,410</u></u>

**COUNTY OF SHASTA
COUNTY WATER AGENCY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ 153,286	\$ 153,286	\$ 175,017	\$ 21,731
Use of Money and Property	90	90	829	739
Intergovernmental	2,850	2,850	8,027	5,177
Charges for Other Services	54,500	54,500	25,674	(28,826)
Miscellaneous Revenue	-	-	69,466	69,466
Total Revenues	<u>210,726</u>	<u>210,726</u>	<u>279,013</u>	<u>68,287</u>
EXPENDITURES				
Current:				
Public Ways/Facilities	267,034	267,034	323,337	(56,303)
Total Expenditures	<u>267,034</u>	<u>267,034</u>	<u>323,337</u>	<u>(56,303)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(56,308)	(56,308)	(44,324)	11,984
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Net Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(56,308)	(56,308)	(44,324)	11,984
Fund Balance - Beginning	<u>93,349</u>	<u>93,349</u>	<u>93,349</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 37,041</u>	<u>\$ 37,041</u>	<u>\$ 49,025</u>	<u>\$ 11,984</u>

**COUNTY OF SHASTA
AIR QUALITY MANAGEMENT
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Licenses and Permits	\$ 196,750	\$ 196,750	\$ 221,436	\$ 24,686
Fines and Forfeitures	-	-	5,975	5,975
Use of Money and Property	14,000	14,000	25,388	11,388
Intergovernmental	1,312,100	1,812,100	1,792,973	(19,127)
Charges for Other Services	51,050	51,050	61,895	10,845
Miscellaneous Revenue	-	-	75,073	75,073
Total Revenues	<u>1,573,900</u>	<u>2,073,900</u>	<u>2,182,740</u>	<u>108,840</u>
EXPENDITURES				
Current:				
Health and Sanitation	2,125,764	2,625,764	2,311,528	314,236
Total Expenditures	<u>2,125,764</u>	<u>2,625,764</u>	<u>2,311,528</u>	<u>314,236</u>
OTHER FINANCING SOURCES (USES)				
Sale of Fixed Assets	-	-	-	-
Net Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(551,864)	(551,864)	(128,788)	423,076
Fund Balance - Beginning	<u>1,559,225</u>	<u>1,559,225</u>	<u>1,559,225</u>	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ 1,007,361</u></u>	<u><u>\$ 1,007,361</u></u>	<u><u>\$ 1,430,437</u></u>	<u><u>\$ 423,076</u></u>

**COUNTY OF SHASTA
FIRE PROTECTION CSA #1
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ 1,911,575	\$ 1,911,575	\$ 1,993,136	\$ 81,561
Licenses and Permits	23,000	23,000	23,286	286
Use of Money and Property	12,000	12,000	27,504	15,504
Intergovernmental	84,000	84,000	73,533	(10,467)
Charges for Other Services	730,167	730,167	1,079,743	349,576
Miscellaneous Revenue	100	100	466	366
Total Revenues	<u>2,760,842</u>	<u>2,760,842</u>	<u>3,197,668</u>	<u>436,826</u>
EXPENDITURES				
Current:				
Public Protection	7,241,496	7,326,496	5,251,540	2,074,956
Total Expenditures	<u>7,241,496</u>	<u>7,326,496</u>	<u>5,251,540</u>	<u>2,074,956</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(4,480,654)	(4,565,654)	(2,053,872)	2,511,782
OTHER FINANCING SOURCES (USES)				
Transfers In	2,571,430	2,656,430	2,493,822	(162,608)
Sale of Capital Assets	10,000	10,000	-	(10,000)
Net Financing Sources (Uses)	<u>2,581,430</u>	<u>2,666,430</u>	<u>2,493,822</u>	<u>(172,608)</u>
NET CHANGE IN FUND BALANCES	(1,899,224)	(1,899,224)	439,950	2,339,174
Fund Balance - Beginning	<u>3,264,367</u>	<u>3,264,367</u>	<u>3,264,367</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 1,365,143</u>	<u>\$ 1,365,143</u>	<u>\$ 3,704,317</u>	<u>\$ 2,339,174</u>

**COUNTY OF SHASTA
IHSS PUBLIC AUTHORITY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 425	\$ 425
Intergovernmental	517,888	552,380	507,024	(45,356)
Miscellaneous Revenues	-	-	2,015	2,015
Total Revenues	<u>517,888</u>	<u>552,380</u>	<u>509,464</u>	<u>(42,916)</u>
EXPENDITURES				
Current:				
Public Assistance	<u>514,252</u>	<u>548,744</u>	<u>473,906</u>	<u>74,838</u>
Total Expenditures	<u>514,252</u>	<u>548,744</u>	<u>473,906</u>	<u>74,838</u>
NET CHANGE IN FUND BALANCES	3,636	3,636	35,558	31,922
Fund Balance - Beginning	<u>143,078</u>	<u>143,078</u>	<u>143,078</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 146,714</u>	<u>\$ 146,714</u>	<u>\$ 178,636</u>	<u>\$ 31,922</u>

**COUNTY OF SHASTA
LIGHTING DISTRICTS
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ 16,631	\$ 16,631	\$ 19,877	\$ 3,246
Use of Money and Property	780	780	2,611	1,831
Intergovernmental	308	308	309	1
Total Revenues	<u>17,719</u>	<u>17,719</u>	<u>22,797</u>	<u>5,078</u>
EXPENDITURES				
Current:				
Public Ways/Facilities	<u>39,308</u>	<u>39,308</u>	<u>8,450</u>	<u>30,858</u>
Total Expenditures	<u>39,308</u>	<u>39,308</u>	<u>8,450</u>	<u>30,858</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(21,589)	(21,589)	14,347	35,936
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>600</u>	<u>600</u>	<u>600</u>	<u>-</u>
Net Financing Sources (Uses)	<u>600</u>	<u>600</u>	<u>600</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(20,989)	(20,989)	14,947	35,936
Fund Balance - Beginning	<u>319,292</u>	<u>319,292</u>	<u>319,292</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 298,303</u>	<u>\$ 298,303</u>	<u>\$ 334,239</u>	<u>\$ 35,936</u>

**COUNTY OF SHASTA
SPECIAL REVENUE COUNTY SERVICE AREAS
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ 103,006	\$ 103,006	\$ 103,186	\$ 180
Use of Money and Property	2,480	2,480	6,088	3,608
Intergovernmental	1,600	1,600	1,538	(62)
Charges for Other Services	21,711	21,711	21,567	(144)
Total Revenues	<u>128,797</u>	<u>128,797</u>	<u>132,379</u>	<u>3,582</u>
EXPENDITURES				
Current:				
Public Ways/Facilities	231,650	231,650	109,808	121,842
Total Expenditures	<u>231,650</u>	<u>231,650</u>	<u>109,808</u>	<u>121,842</u>
NET CHANGE IN FUND BALANCES	(102,853)	(102,853)	22,571	125,424
Fund Balance - Beginning	<u>750,026</u>	<u>750,026</u>	<u>750,026</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 647,173</u>	<u>\$ 647,173</u>	<u>\$ 772,597</u>	<u>\$ 125,424</u>

**COUNTY OF SHASTA
PERMANENT ROAD DIVISIONS
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Taxes	\$ 450	\$ 450	\$ 991	\$ 541
Use of Money and Property	1,542	1,542	16,199	14,657
Intergovernmental	16	16	15	(1)
Charges for Other Services	470,776	470,776	491,664	20,888
Miscellaneous	-	-	-	-
Total Revenues	<u>472,784</u>	<u>472,784</u>	<u>508,869</u>	<u>36,085</u>
EXPENDITURES				
Current:				
Public Ways/Facilities	1,973,516	1,979,016	378,684	1,600,332
Total Expenditures	<u>1,973,516</u>	<u>1,979,016</u>	<u>378,684</u>	<u>1,600,332</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(1,500,732)	(1,506,232)	130,185	1,636,417
OTHER FINANCING SOURCES (USES)				
Transfers In	74	74	74	-
Transfers Out	(507)	(507)	(507)	-
Net Financing Sources (Uses)	<u>(433)</u>	<u>(433)</u>	<u>(433)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(1,501,165)	(1,506,665)	129,752	1,636,417
Fund Balance - Beginning	<u>1,588,918</u>	<u>1,588,918</u>	<u>1,588,918</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 87,753</u>	<u>\$ 82,253</u>	<u>\$ 1,718,670</u>	<u>\$ 1,636,417</u>



CAPITAL PROJECT FUNDS



**COUNTY OF SHASTA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2017**

	Accumulated Capital Outlay	Juvenile Hall	Adult Rehab Center	Total
ASSETS				
Cash and Investments	\$ 7,332,846	\$ 6,532	\$ 679,931	\$ 8,019,309
Total Assets	\$ 7,332,846	\$ 6,532	\$ 679,931	\$ 8,019,309
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	21,687	-	-	21,687
Total Liabilities	21,687	-	-	21,687
FUND BALANCES				
Committed	-	-	679,931	679,931
Assigned	7,311,159	6,532	-	7,317,691
Total Fund Balance	7,311,159	6,532	679,931	7,997,622
Total Liabilities and Fund Balances	\$ 7,332,846	\$ 6,532	\$ 679,931	\$ 8,019,309

COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2017

	Accumulated Capital Outlay	Juvenile Hall	Adult Rehab Center	Total
REVENUES				
Use Of Money And Property	\$ 73,472	\$ 25	\$ 6,238	\$ 79,735
Intergovernmental	-	-	-	-
Total Revenues	<u>73,472</u>	<u>25</u>	<u>6,238</u>	<u>79,735</u>
EXPENDITURES				
Current:				
General Government	-	287	184,253	184,540
Total Expenditures	<u>-</u>	<u>287</u>	<u>184,253</u>	<u>184,540</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	73,472	(262)	(178,015)	(104,805)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(1,941,007)	-	-	(1,941,007)
Total Other Financing Sources (Uses)	<u>(1,941,007)</u>	<u>-</u>	<u>-</u>	<u>(1,941,007)</u>
NET CHANGE IN FUND BALANCES	(1,867,535)	(262)	(178,015)	(2,045,812)
Fund Balances - Beginning	<u>9,178,694</u>	<u>6,794</u>	<u>857,946</u>	<u>10,043,434</u>
FUND BALANCES - ENDING	<u>\$ 7,311,159</u>	<u>\$ 6,532</u>	<u>\$ 679,931</u>	<u>\$ 7,997,622</u>

**COUNTY OF SHASTA
CAPITAL PROJECTS - ACCUMULATED CAPITAL OUTLAY
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ 25,000	\$ 25,000	\$ 73,472	\$ 48,472
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>73,472</u>	<u>48,472</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	25,000	25,000	73,472	48,472
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(2,191,009)	(2,219,009)	(1,941,007)	278,002
Net Financing Sources (Uses)	<u>(2,191,009)</u>	<u>(2,219,009)</u>	<u>(1,941,007)</u>	<u>278,002</u>
NET CHANGE IN FUND BALANCES	(2,166,009)	(2,194,009)	(1,867,535)	326,474
Fund Balance - Beginning	<u>9,178,694</u>	<u>9,178,694</u>	<u>9,178,694</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 7,012,685</u>	<u>\$ 6,984,685</u>	<u>\$ 7,311,159</u>	<u>\$ 326,474</u>

**COUNTY OF SHASTA
CAPITAL PROJECTS - JUVENILE HALL
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ 300	\$ 300	\$ 25	\$ (275)
Intergovernmental	-	-	-	-
Total Revenues	<u>300</u>	<u>300</u>	<u>25</u>	<u>(275)</u>
EXPENDITURES				
Current:				
General Government	<u>287</u>	<u>287</u>	<u>287</u>	-
Total Expenditures	<u>287</u>	<u>287</u>	<u>287</u>	-
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	13	13	(262)	(275)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	-	-
Net Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	13	13	(262)	(275)
Fund Balance - Beginning	<u>6,794</u>	<u>6,794</u>	<u>6,794</u>	-
FUND BALANCE - ENDING	<u>\$ 6,807</u>	<u>\$ 6,807</u>	<u>\$ 6,532</u>	<u>\$ (275)</u>

**COUNTY OF SHASTA
CAPITAL PROJECTS - ADULT REHAB CENTER
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ 4,000	\$ 4,000	\$ 6,238	\$ 2,238
Intergovernmental Revenue	2,000,000	2,000,000	-	(2,000,000)
Total Revenues	<u>2,004,000</u>	<u>2,004,000</u>	<u>6,238</u>	<u>(1,997,762)</u>
EXPENDITURES				
Current:				
General Government	3,004,173	3,004,173	184,253	2,819,920
Total Expenditures	<u>3,004,173</u>	<u>3,004,173</u>	<u>184,253</u>	<u>2,819,920</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(1,000,173)	(1,000,173)	(178,015)	822,158
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Net Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(1,000,173)	(1,000,173)	(178,015)	822,158
Fund Balance - Beginning	<u>857,946</u>	<u>857,946</u>	<u>857,946</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ (142,227)</u>	<u>\$ (142,227)</u>	<u>\$ 679,931</u>	<u>\$ 822,158</u>



DEBT SERVICE FUNDS



**COUNTY OF SHASTA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2017**

	<u>Courthouse Improvement</u>	<u>Admin Center</u>	<u>Energy Retrofit</u>	<u>Total</u>
ASSETS				
Cash and Investments	\$ 10,384	\$ 504	\$ 91	\$ 10,979
Cash and Investments - Restricted	<u>-</u>	<u>324</u>	<u>-</u>	<u>324</u>
Total Assets	<u>\$ 10,384</u>	<u>\$ 828</u>	<u>\$ 91</u>	<u>\$ 11,303</u>
FUND BALANCES				
Restricted	<u>\$ 10,384</u>	<u>\$ 828</u>	<u>\$ 91</u>	<u>\$ 11,303</u>
Total Fund Balances	<u>\$ 10,384</u>	<u>\$ 828</u>	<u>\$ 91</u>	<u>\$ 11,303</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2017**

	<u>Courthouse Improvement</u>	<u>Admin Center</u>	<u>Energy Retrofit</u>	<u>Total</u>
REVENUES				
Use of Money and Property	\$ 101	\$ 328	\$ 14	\$ 443
Total Revenues	<u>101</u>	<u>328</u>	<u>14</u>	<u>443</u>
EXPENDITURES				
Debt Service:				
Principal	445,000	1,455,000	40,505	1,940,505
Interest	86,788	916,600	11,278	1,014,666
Fiscal Agent Fees	4,000	1,801	-	5,801
Total Expenditures	<u>535,788</u>	<u>2,373,401</u>	<u>51,783</u>	<u>2,960,972</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(535,687)	(2,373,073)	(51,769)	(2,960,529)
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>531,788</u>	<u>2,373,389</u>	<u>51,784</u>	<u>2,956,961</u>
Total Other Financing Sources (Uses)	<u>531,788</u>	<u>2,373,389</u>	<u>51,784</u>	<u>2,956,961</u>
NET CHANGE IN FUND BALANCES	(3,899)	316	15	(3,568)
Fund Balances - Beginning	<u>14,283</u>	<u>512</u>	<u>76</u>	<u>14,871</u>
FUND BALANCES - ENDING	<u>\$ 10,384</u>	<u>\$ 828</u>	<u>\$ 91</u>	<u>\$ 11,303</u>

**COUNTY OF SHASTA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE - COURTHOUSE FUND
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 101	\$ 101
Total Revenues	-	-	101	101
EXPENDITURES				
Current:				
Debt Service	531,788	535,788	535,788	-
Total Expenditures	531,788	535,788	535,788	-
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(531,788)	(535,788)	(535,687)	101
OTHER FINANCING SOURCES (USES)				
Transfers In	531,788	531,788	531,788	-
Net Financing Sources (Uses)	531,788	531,788	531,788	-
NET CHANGE IN FUND BALANCES	-	(4,000)	(3,899)	101
Fund Balance - Beginning	14,283	14,283	14,283	-
FUND BALANCE - ENDING	<u>\$ 14,283</u>	<u>\$ 10,283</u>	<u>\$ 10,384</u>	<u>\$ 101</u>

**COUNTY OF SHASTA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE - ADMIN CENTER BOND
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 328	\$ 328
Total Revenues	<u>-</u>	<u>-</u>	<u>328</u>	<u>328</u>
EXPENDITURES				
Current:				
Debt Service	2,373,600	2,373,600	2,373,401	199
Total Expenditures	<u>2,373,600</u>	<u>2,373,600</u>	<u>2,373,401</u>	<u>199</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(2,373,600)	(2,373,600)	(2,373,073)	527
OTHER FINANCING SOURCES (USES)				
Transfers In	2,373,600	2,373,600	2,373,389	(211)
Net Financing Sources (Uses)	<u>2,373,600</u>	<u>2,373,600</u>	<u>2,373,389</u>	<u>(211)</u>
NET CHANGE IN FUND BALANCES	-	-	316	316
Fund Balance - Beginning	<u>512</u>	<u>512</u>	<u>512</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 512</u>	<u>\$ 512</u>	<u>\$ 828</u>	<u>\$ 316</u>

**COUNTY OF SHASTA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE - ENERGY RETROFIT
YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variances
	Original	Final		Final to Actual
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 14	\$ 14
Total Revenues	-	-	14	14
EXPENDITURES				
Current:				
Debt Service	51,784	51,784	51,783	1
Total Expenditures	51,784	51,784	51,783	1
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(51,784)	(51,784)	(51,769)	15
OTHER FINANCING SOURCES (USES)				
Transfers In	51,784	51,784	51,784	-
Net Financing Sources (Uses)	51,784	51,784	51,784	-
NET CHANGE IN FUND BALANCES	-	-	15	15
Fund Balance - Beginning	76	76	76	-
FUND BALANCE - ENDING	<u>\$ 76</u>	<u>\$ 76</u>	<u>\$ 91</u>	<u>\$ 15</u>



NONMAJOR ENTERPRISE FUNDS



**COUNTY OF SHASTA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2017**

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA # 8 Palo Cedro
ASSETS			
Current Assets:			
Cash and Investments	\$ -	\$ 39,170	\$ 371,595
Receivables, Net	7,390	8,398	27,993
Due from Other Governments	967	416	-
Due from Other Funds	661	1,237	3,019
Other Assets	-	-	-
Total Current Assets	<u>9,018</u>	<u>49,221</u>	<u>402,607</u>
Noncurrent Assets:			
Special Assessments Receivable	-	159,330	-
Cash And Investments - Restricted	-	8,115	-
Capital Assets, Nondepreciable	81,564	19,860	340,835
Capital Assets, Depreciable - Net	23,287	684,266	941,813
Total Noncurrent Assets	<u>104,851</u>	<u>871,571</u>	<u>1,282,648</u>
Total Assets	113,869	920,792	1,685,255
LIABILITIES			
Current Liabilities:			
Accounts Payable	83,593	864	478
Interest Payable	-	2,288	-
Due to Other Governments	-	-	-
Due to Other Funds	22,612	2,225	11,174
Deposits from Others	-	-	-
Unearned Revenue	1,639	1,334	2,122
Bonds, Notes Payable	-	2,700	20,000
Total Current Liabilities	<u>107,844</u>	<u>9,411</u>	<u>33,774</u>
Noncurrent Liabilities:			
Advances from Other Funds	-	-	-
Bonds, Notes Payable	-	163,700	-
Total Noncurrent Liabilities	<u>-</u>	<u>163,700</u>	<u>-</u>
Total Liabilities	<u>107,844</u>	<u>173,111</u>	<u>33,774</u>
NET POSITION			
Net Investment in Capital Assets	104,851	537,726	1,262,648
Unrestricted	<u>(98,826)</u>	<u>209,955</u>	<u>388,833</u>
Total Net Position	<u>\$ 6,025</u>	<u>\$ 747,681</u>	<u>\$ 1,651,481</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2017**

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA # 17 Cotton- wood
ASSETS			
Current Assets:			
Cash and Investments	\$ 142,178	\$ 135	\$ 365,106
Receivables, Net	14,020	6,388	171,307
Due from Other Governments	371	-	57,786
Due from Other Funds	1,780	484	11,453
Other Assets	-	-	-
Total Current Assets	<u>158,349</u>	<u>7,007</u>	<u>605,652</u>
Noncurrent Assets:			
Special Assessments Receivable	-	-	-
Cash and Investments - Restricted	-	-	-
Capital Assets, Nondepreciable	45,928	-	655,488
Capital Assets, Depreciable - Net	696,074	120,196	1,765,150
Total Noncurrent Assets	<u>742,002</u>	<u>120,196</u>	<u>2,420,638</u>
Total Assets	900,351	127,203	3,026,290
LIABILITIES			
Current Liabilities:			
Accounts Payable	279	125	9,502
Interest Payable	-	-	-
Due to Other Governments	100	-	-
Due to Other Funds	3,034	3,665	17,673
Deposits from Others	-	500	-
Unearned Revenue	972	1,105	8,079
Bonds, Notes Payable	-	-	-
Total Current Liabilities	<u>4,385</u>	<u>5,395</u>	<u>35,254</u>
Noncurrent Liabilities:			
Advances from Other Funds	-	10,000	312,941
Bonds, Notes Payable	-	-	-
Total Noncurrent Liabilities	<u>-</u>	<u>10,000</u>	<u>312,941</u>
Total Liabilities	<u>4,385</u>	<u>15,395</u>	<u>348,195</u>
NET POSITION			
Net Investment in Capital Assets	742,002	120,196	2,420,638
Unrestricted	<u>153,964</u>	<u>(8,388)</u>	<u>257,457</u>
Total Net Position	<u>\$ 895,966</u>	<u>\$ 111,808</u>	<u>\$ 2,678,095</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2017**

	CSA #23 Crag View Water	CSA #25 Keswick Water	Shasta Co Transit	Total
ASSETS				
Current Assets:				
Cash and Investments	\$ 17,222	\$ 2,068	\$ 36,014	\$ 973,488
Receivables, Net	9,479	13,200	-	258,175
Due from Other Governments	292	898	399,693	460,423
Due from Other Funds	1,277	1,819	-	21,730
Other Assets	6,864	-	-	6,864
Total Current Assets	<u>35,134</u>	<u>17,985</u>	<u>435,707</u>	<u>1,720,680</u>
Noncurrent Assets:				
Special Assessments Receivable	197,247	-	-	356,577
Cash and Investments - Restricted	13,754	-	-	21,869
Capital Assets, Nondepreciable	-	230	-	1,143,905
Capital Assets, Depreciable - Net	1,291,808	1,813,625	-	7,336,219
Total Noncurrent Assets	<u>1,502,809</u>	<u>1,813,855</u>	<u>-</u>	<u>8,858,570</u>
Total Assets	1,537,943	1,831,840	435,707	10,579,250
LIABILITIES				
Current Liabilities:				
Accounts Payable	689	4,015	-	99,545
Interest Payable	-	-	-	2,288
Due to Other Governments	-	-	290,820	290,920
Due to Other Funds	8,061	13,289	-	81,733
Deposits from Others	-	-	-	500
Unearned Revenue	395	1,435	144,887	161,968
Bonds, Notes Payable	13,727	-	-	36,427
Total Current Liabilities	<u>22,872</u>	<u>18,739</u>	<u>435,707</u>	<u>673,381</u>
Noncurrent Liabilities:				
Advances from Other Funds	-	-	-	322,941
Bonds, Notes Payable	219,637	-	-	383,337
Total Noncurrent Liabilities	<u>219,637</u>	<u>-</u>	<u>-</u>	<u>706,278</u>
Total Liabilities	<u>242,509</u>	<u>18,739</u>	<u>435,707</u>	<u>1,379,659</u>
NET POSITION				
Net Investment in Capital Assets	1,058,444	1,813,855	-	8,060,360
Unrestricted	236,990	(754)	-	1,139,231
Total Net Position	<u>\$ 1,295,434</u>	<u>\$ 1,813,101</u>	<u>\$ -</u>	<u>\$ 9,199,591</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2017**

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA # 8 Palo Cedro
OPERATING REVENUES			
Charges for Services	\$ 44,636	\$ 51,881	\$ 159,736
Total Operating Revenues	<u>44,636</u>	<u>51,881</u>	<u>159,736</u>
OPERATING EXPENSES			
Services and Supplies	66,898	43,497	267,320
Central Service Costs	2,996	4,535	8,586
Depreciation	4,658	41,199	95,778
Total Operating Expenses	<u>74,552</u>	<u>89,231</u>	<u>371,684</u>
OPERATING INCOME (LOSS)	(29,916)	(37,350)	(211,948)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	32	395	3,558
Property Tax Revenue	-	-	-
Nonoperating Grants	-	-	-
Interest Expense	-	(6,882)	-
Miscellaneous Revenue	-	500	150
Miscellaneous Expense	-	-	-
Total Nonoperating Revenues (Expenses)	<u>32</u>	<u>(5,987)</u>	<u>3,708</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	(29,884)	(43,337)	(208,240)
Capital Improvement Fees	-	-	-
CHANGE IN NET POSITION	(29,884)	(43,337)	(208,240)
Net Position - Beginning	<u>35,909</u>	<u>791,018</u>	<u>1,859,721</u>
NET POSITION - ENDING	<u>\$ 6,025</u>	<u>\$ 747,681</u>	<u>\$ 1,651,481</u>

COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2017

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA # 17 Cotton- wood
OPERATING REVENUES			
Charges for Services	\$ 94,155	\$ 37,163	\$ 751,870
Total Operating Revenues	<u>94,155</u>	<u>37,163</u>	<u>751,870</u>
OPERATING EXPENSES			
Services and Supplies	66,370	42,516	602,764
Central Service Costs	5,074	2,979	21,193
Depreciation	43,056	7,070	240,599
Total Operating Expenses	<u>114,500</u>	<u>52,565</u>	<u>864,556</u>
OPERATING INCOME (LOSS)	(20,345)	(15,402)	(112,686)
NONOPERATING REVENUES (EXPENSES)			
Investment Income	1,020	52	2,145
Property Tax Revenue	-	-	-
Nonoperating Grants	-	-	98,044
Interest Expense	-	-	(13,420)
Miscellaneous Revenue	-	222	300
Miscellaneous Expense	-	(4,699)	-
Total Nonoperating Revenues (Expenses)	<u>1,020</u>	<u>(4,425)</u>	<u>87,069</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	(19,325)	(19,827)	(25,617)
Capital Improvement Fees	-	-	129,199
CHANGE IN NET POSITION	(19,325)	(19,827)	103,582
Net Position - Beginning	<u>915,291</u>	<u>131,635</u>	<u>2,574,513</u>
NET POSITION - ENDING	<u>\$ 895,966</u>	<u>\$ 111,808</u>	<u>\$ 2,678,095</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2017**

	CSA #23 Crag View Water	CSA #25 Keswick Water	Shasta Co Transit	Total
OPERATING REVENUES				
Charges for Services	\$ 53,414	\$ 66,732	\$ 25,237	\$ 1,284,824
Total Operating Revenues	<u>53,414</u>	<u>66,732</u>	<u>25,237</u>	<u>1,284,824</u>
OPERATING EXPENSES				
Services and Supplies	47,605	120,627	471,759	1,729,356
Central Service Costs	4,475	13,780	4,522	68,140
Depreciation	30,976	56,161	-	519,497
Total Operating Expenses	<u>83,056</u>	<u>190,568</u>	<u>476,281</u>	<u>2,316,993</u>
			-	
OPERATING INCOME (LOSS)	(29,642)	(123,836)	(451,044)	(1,032,169)
NONOPERATING REVENUES (EXPENSES)				
Investment Income	139	33	960	8,334
Property Tax Revenue	5,521	23,470	-	28,991
Nonoperating Grants	-	-	450,085	548,129
Interest Expense	-	-	-	(20,302)
Miscellaneous Revenue	85	5,079	-	6,336
Miscellaneous Expense	-	(222)	(197,729)	(202,650)
Total Nonoperating Revenues (Expenses)	<u>5,745</u>	<u>28,360</u>	<u>253,316</u>	<u>368,838</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	(23,897)	(95,476)	(197,728)	(663,331)
Capital Improvement Fees	-	-	-	129,199
CHANGE IN NET POSITION	(23,897)	(95,476)	(197,728)	(534,132)
Net Position - Beginning	<u>1,319,331</u>	<u>1,908,577</u>	<u>197,728</u>	<u>9,733,723</u>
NET POSITION - ENDING	<u>\$ 1,295,434</u>	<u>\$ 1,813,101</u>	<u>\$ -</u>	<u>\$ 9,199,591</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2017**

	CSA #2 Sugarloaf Water	CSA #3 Castella Water	CSA # 8 Palo Cedro
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 48,779	\$ 44,282	\$ 186,434
Payments to Suppliers	19,595	(48,796)	(290,847)
Operating Subsidies and Transfers	-	-	-
Other Receipts	-	500	150
Other Payments	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>68,374</u>	<u>(4,014)</u>	<u>(104,263)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property Taxes	-	-	-
Nonoperating Subsidies and Transfers	7,460	(916)	(1,915)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>7,460</u>	<u>(916)</u>	<u>(1,915)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(80,221)	-	-
Capital Improvement Fees	-	-	-
Principal Payments on Capital Debt	-	(5,300)	-
Proceeds from Capital-Type Special Assessments	-	16,493	-
Capital Grants Received	-	-	-
Interest Payments on Capital Debt	-	(4,218)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(80,221)</u>	<u>6,975</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Income on Investments	33	396	3,559
Net Cash Provided (Used) by Investing Activities	<u>33</u>	<u>396</u>	<u>3,559</u>
NET INCREASE (DECREASE) IN CASH	(4,354)	2,441	(102,619)
Cash and Cash Equivalents - Beginning of Year	4,354	44,844	474,214
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ -</u>	<u>\$ 47,285</u>	<u>\$ 371,595</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (29,916)	\$ (37,350)	\$ (211,948)
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:			
Other Non-Operating Receipts	-	-	150
Other Non-Operating Payments	-	(6,817)	-
Depreciation Expense	4,658	41,199	95,778
Changes in Assets and Liabilities:			
Receivables, Net	(661)	(803)	187
Due from Other Funds	4,805	-	26,511
Due from Other Governments	(967)	-	-
Other Assets	-	-	-
Accounts Payable	83,206	30	(1,985)
Other Liabilities	(666)	522	-
Due to Other Funds	7,915	(795)	(12,956)
Due to Other Governments	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 68,374</u>	<u>\$ (4,014)</u>	<u>\$ (104,263)</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2017**

	CSA #11 French Gulch	CSA #13 Alpine Meadows	CSA # 17 Cotton- wood
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 112,749	\$ 41,473	\$ 804,516
Payments to Suppliers	(74,111)	(54,371)	(741,089)
Operating Subsidies and Transfers	-	-	-
Other Receipts	53	222	300
Other Payments	-	(4,699)	-
Net Cash Provided (Used) by Operating Activities	<u>38,691</u>	<u>(17,375)</u>	<u>63,727</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Property Taxes	-	-	-
Nonoperating Subsidies and Transfers	-	-	(22,571)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>(22,571)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	-	-	(86,497)
Capital Improvement Fees	-	-	129,199
Principal Payments on Capital Debt	-	-	-
Proceeds from Capital-Type Special Assessments	-	-	-
Capital Grants Received	-	-	292,523
Interest Payments on Capital Debt	-	-	(13,420)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>321,805</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Income on Investments	<u>1,121</u>	<u>52</u>	<u>2,145</u>
Net Cash Provided (Used) by Investing Activities	<u>1,121</u>	<u>52</u>	<u>2,145</u>
NET INCREASE (DECREASE) IN CASH	<u>39,812</u>	<u>(17,323)</u>	<u>365,106</u>
Cash and Cash Equivalents - Beginning of Year	<u>102,366</u>	<u>17,458</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 142,178</u></u>	<u><u>\$ 135</u></u>	<u><u>\$ 365,106</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (20,345)	\$ (15,402)	\$ (112,686)
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:			
Other Non-Operating Receipts	53	222	300
Other Non-Operating Payments	-	(4,699)	-
Depreciation Expense	43,056	7,070	240,599
Changes in Assets and Liabilities:			
Receivables, Net	7,160	(225)	(10,172)
Due from Other Funds	11,435	3,903	62,943
Due from Other Governments	-	-	-
Other Assets	-	633	(125)
Accounts Payable	174	(9,099)	1,469
Other Liabilities	-	-	-
Due to Other Funds	(2,842)	222	(118,601)
Due to Other Governments	-	-	-
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 38,691</u></u>	<u><u>\$ (17,375)</u></u>	<u><u>\$ 63,727</u></u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2017**

	CSA #23 Crag View Water	CSA #25 Keswick Water	Shasta Co Transit	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 52,628	\$ 223,982	\$ 25,236	\$ 1,540,079
Payments to Suppliers	(45,729)	(250,274)	(240,786)	(1,726,408)
Operating Subsidies and Transfers	2,812	-	-	2,812
Other Receipts	85	5,079	-	6,389
Other Payments	-	(222)	-	(4,921)
Net Cash Provided (Used) by Operating Activities	9,796	(21,435)	(215,550)	(182,049)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Property Taxes	5,522	23,470	-	28,992
Nonoperating Subsidies and Transfers	-	-	46,144	28,202
Net Cash Provided (Used) by Noncapital Financing Activities	5,522	23,470	46,144	57,194
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	-	-	-	(166,718)
Capital Improvement Fees	-	-	-	129,199
Principal Payments on Capital Debt	(13,727)	-	-	(19,027)
Proceeds from Capital-Type Special Assessments	15,107	-	-	31,600
Capital Grants Received	-	-	-	292,523
Interest Payments on Capital Debt	-	-	-	(17,638)
Net Cash Provided (Used) by Capital and Related Financing Activities	1,380	-	-	249,939
CASH FLOWS FROM INVESTING ACTIVITIES				
Income on Investments	139	33	960	8,438
Net Cash Provided (Used) by Investing Activities	139	33	960	8,438
NET INCREASE (DECREASE) IN CASH	16,837	2,068	(168,446)	133,522
Cash and Cash Equivalents - Beginning of Year	14,139	-	204,460	861,835
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 30,976</u>	<u>\$ 2,068</u>	<u>\$ 36,014</u>	<u>\$ 995,357</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (29,642)	\$ (123,836)	\$ (451,044)	\$ (1,032,169)
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:				
Other Non-Operating Receipts	85	5,079	-	5,889
Other Non-Operating Payments	-	(222)	-	(11,738)
Depreciation Expense	30,976	56,161	-	519,497
Changes in Assets and Liabilities:				
Receivables, Net	(889)	(671)	-	(6,074)
Due from Other Funds	7,177	6,525	-	123,299
Due from Other Governments	-	158,078	-	157,111
Other Assets	(1,382)	-	-	(874)
Accounts Payable	556	1,954	-	76,305
Other Liabilities	(402)	(157)	-	(703)
Due to Other Funds	3,317	(122,482)	-	(246,222)
Due to Other Governments	-	(1,864)	235,494	233,630
Net Cash Provided (Used) by Operating Activities	<u>\$ 9,796</u>	<u>\$ (21,435)</u>	<u>\$ (215,550)</u>	<u>\$ (182,049)</u>



INTERNAL SERVICE FUNDS



**COUNTY OF SHASTA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2017**

	<u>Fleet Management</u>	<u>Risk Management</u>	<u>Information Systems</u>
ASSETS			
Current Assets:			
Cash and Investments	\$ 4,763,256	\$ 25,340,283	\$ 1,576,305
Receivables, Net	4,458	4,519	1,022
Due from Other Governments	14,041	-	6,809
Inventories	54,821	-	-
Due from Other Funds	31,344	200	-
Other Assets	39	670	100,334
Total Current Assets	<u>4,867,959</u>	<u>25,345,672</u>	<u>1,684,470</u>
Noncurrent Assets:			
Advances to Other Funds	-	312,941	-
Capital Assets, Nondepreciable	55,375	-	-
Capital Assets, Depreciable - Net	2,224,697	-	464,475
Total Noncurrent Assets	<u>2,280,072</u>	<u>312,941</u>	<u>464,475</u>
 Total Assets	 7,148,031	 25,658,613	 2,148,945
LIABILITIES			
Current Liabilities:			
Accounts Payable	104,785	339,022	12,559
Salaries and Benefits Payable	26,197	50,488	269,536
Due to Other Governments	-	28,487	-
Due to Other Funds	357	23,058	343
Deposits from Others	-	200	-
Claims Payable	-	2,575,152	-
Compensated Absences Payable	9,274	47,751	155,546
Total Current Liabilities	<u>140,613</u>	<u>3,064,158</u>	<u>437,984</u>
Noncurrent Liabilities:			
Claims Payable	-	17,133,848	-
Compensated Absences Payable	7,853	40,433	131,707
Total Noncurrent Liabilities	<u>7,853</u>	<u>17,174,281</u>	<u>131,707</u>
 Total Liabilities	 <u>148,466</u>	 <u>20,238,439</u>	 <u>569,691</u>
NET POSITION			
Net Investment in Capital Assets	2,280,072	-	464,475
Unrestricted	4,719,493	5,420,174	1,114,779
 Total Net Position	 <u>\$ 6,999,565</u>	 <u>\$ 5,420,174</u>	 <u>\$ 1,579,254</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
JUNE 30, 2017**

	Facilities Management	County Utilities	Total
ASSETS			
Current Assets:			
Cash and Investments	\$ 645,519	\$ 278,578	\$ 32,603,941
Receivables, Net	972	-	10,971
Due from Other Governments	-	-	20,850
Inventories	46,417	-	101,238
Due from Other Funds	14,252	-	45,796
Other Assets	-	-	101,043
Total Current Assets	<u>707,160</u>	<u>278,578</u>	<u>32,883,839</u>
Noncurrent Assets:			
Advances to Other Funds	-	-	312,941
Capital Assets, Nondepreciable	-	-	55,375
Capital Assets, Depreciable - Net	218,283	-	2,907,455
Total Noncurrent Assets	<u>218,283</u>	<u>-</u>	<u>3,275,771</u>
Total Assets	925,443	278,578	36,159,610
LIABILITIES			
Current Liabilities:			
Accounts Payable	182,260	122	638,748
Salaries and Benefits Payable	145,553	-	491,774
Due to Other Governments	-	-	28,487
Due to Other Funds	20,797	-	44,555
Deposits from Others	-	-	200
Claims Payable	-	-	2,575,152
Compensated Absences Payable	82,723	-	295,294
Total Current Liabilities	<u>431,333</u>	<u>122</u>	<u>4,074,210</u>
Noncurrent Liabilities:			
Claims Payable	-	-	17,133,848
Compensated Absences Payable	70,045	-	250,038
Total Noncurrent Liabilities	<u>70,045</u>	<u>-</u>	<u>17,383,886</u>
Total Liabilities	<u>501,378</u>	<u>122</u>	<u>21,458,096</u>
NET POSITION			
Net Investment in Capital Assets	218,283	-	2,962,830
Unrestricted	205,782	278,456	11,738,684
Total Net Position	<u>\$ 424,065</u>	<u>\$ 278,456</u>	<u>\$ 14,701,514</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017**

	Fleet Management	Risk Management	Information Systems
OPERATING REVENUES			
Charges for Services	\$ 1,774,384	\$ 10,430,910	\$ 6,298,752
Total Operating Revenues	<u>1,774,384</u>	<u>10,430,910</u>	<u>6,298,752</u>
OPERATING EXPENSES			
Salaries and Benefits	477,310	943,628	4,211,990
Services and Supplies	565,627	993,379	1,629,275
Central Service Costs	79,396	214,439	178,254
Insurance Premiums	-	1,956,257	-
Claims Expense	-	2,318,187	-
Depreciation	567,644	-	167,380
Total Operating Expenses	<u>1,689,977</u>	<u>6,425,890</u>	<u>6,186,899</u>
OPERATING INCOME (LOSS)	84,407	4,005,020	111,853
NONOPERATING REVENUES (EXPENSES)			
Investment Income (Loss)	37,808	191,761	13,962
Miscellaneous Revenue	32,446	504,060	756
Miscellaneous Expense	-	(13,176)	(875,512)
Gain (Loss) on Disposition of Capital Assets	(11,437)	-	13,029
Total Nonoperating Revenues (Expenses)	<u>58,817</u>	<u>682,645</u>	<u>(847,765)</u>
NET INCOME (LOSS) BEFORE TRANSFERS	143,224	4,687,665	(735,912)
Transfers In	24,752	-	-
Transfers Out	-	-	(24,752)
CHANGE IN NET POSITION	167,976	4,687,665	(760,664)
Net Position - Beginning	<u>6,831,589</u>	<u>732,509</u>	<u>2,339,918</u>
NET POSITION - ENDING	<u>\$ 6,999,565</u>	<u>\$ 5,420,174</u>	<u>\$ 1,579,254</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017**

	Facilities Management	County Utilities	Total
OPERATING REVENUES			
Charges for Services	\$ 4,056,586	\$ 1,519,512	\$ 24,080,144
Total Operating Revenues	<u>4,056,586</u>	<u>1,519,512</u>	<u>24,080,144</u>
OPERATING EXPENSES			
Salaries and Benefits	2,636,706	-	8,269,634
Services and Supplies	1,613,722	1,463,055	6,265,058
Central Service Costs	106,440	-	578,529
Insurance Premiums	-	-	1,956,257
Claims Expense	-	-	2,318,187
Depreciation	36,979	-	772,003
Total Operating Expenses	<u>4,393,847</u>	<u>1,463,055</u>	<u>20,159,668</u>
OPERATING INCOME (LOSS)	(337,261)	56,457	3,920,476
NONOPERATING REVENUES (EXPENSES)			
Investment Income (Loss)	2,005	941	246,477
Miscellaneous Revenue	6,651	1,441	545,354
Miscellaneous Expense	-	-	(888,688)
Gain (Loss) on Disposition of Capital Assets	10,083	-	11,675
Total Nonoperating Revenues (Expenses)	<u>18,739</u>	<u>2,382</u>	<u>(85,182)</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(318,522)	58,839	3,835,294
Transfers In	-	-	24,752
Transfers Out	(14,940)	(51,784)	(91,476)
CHANGE IN NET POSITION	(333,462)	7,055	3,768,570
Net Position - Beginning	<u>757,527</u>	<u>271,401</u>	<u>10,932,944</u>
NET POSITION - ENDING	<u>\$ 424,065</u>	<u>\$ 278,456</u>	<u>\$ 14,701,514</u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017**

	Fleet Management	Risk Management	Information Systems
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 1,645,392	\$ 10,024,596	\$ 6,330,310
Receipts from Internal Customers	99,906	407,713	126,839
Payments to Suppliers	(577,250)	(3,004,792)	(2,047,244)
Payments to Employees	(481,656)	(923,720)	(4,124,208)
Other Receipts	32,446	504,060	756
Other Payments	-	(13,176)	(721,751)
Claims Paid	-	(2,933,700)	-
Net Cash Provided (Used) by Operating Activities	<u>718,838</u>	<u>4,060,981</u>	<u>(435,298)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Other Revenue	-	-	-
Payment of Refund to Participants	-	-	-
Operating Subsidies and Transfers In	24,752	22,771	-
Operating Subsidies and Transfers Out	-	-	(24,752)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>24,752</u>	<u>22,771</u>	<u>(24,752)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(789,595)	-	(165,063)
Proceeds from Sale of Capital Assets	33,399	-	13,029
Cash Flows from Capital and Related Financing Activities	<u>(756,196)</u>	<u>-</u>	<u>(152,034)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	37,808	191,760	13,962
NET INCREASE (DECREASE) IN CASH	<u>25,202</u>	<u>4,275,512</u>	<u>(598,122)</u>
Cash - Beginning of Year	<u>4,738,054</u>	<u>21,064,771</u>	<u>2,174,427</u>
CASH - END OF YEAR	<u><u>\$ 4,763,256</u></u>	<u><u>\$ 25,340,283</u></u>	<u><u>\$ 1,576,305</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 84,407	\$ 4,005,020	\$ 111,853
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:			
Other Non-Operating Receipts	32,447	504,060	756
Other Non-Operating Payments	-	(13,176)	(721,751)
Depreciation Expense	567,644	-	167,380
Changes in Assets and Liabilities:			
Receivables, Net	2,841	1,686	4,488
Due from Other Funds	(15,875)	(26)	349
Due from Other Governments	(14,041)	(261)	(201)
Inventories	-	-	-
Other Assets	-	850	50,561
Accounts Payable	67,772	150,087	(114,818)
Salaries and Benefits Payable	1,554	6,853	63,210
Due to Other Funds	(2,011)	8,346	(21,697)
Claims Payable	-	(644,000)	-
Due to Other Governments	-	28,487	-
Compensated Absences Payable	(5,900)	13,055	24,572
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 718,838</u></u>	<u><u>\$ 4,060,981</u></u>	<u><u>\$ (435,298)</u></u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017**

	Facilities Management	Shasta County Utilities	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 4,259,761	\$ 1,638,223	\$ 23,898,282
Receipts from Internal Customers	147,912	112,392	894,762
Payments to Suppliers	(1,586,374)	(1,593,541)	(8,809,201)
Payments to Employees	(2,624,038)	-	(8,153,622)
Other Receipts	6,652	1,441	545,355
Other Payments	-	-	(734,927)
Claims Paid	-	-	(2,933,700)
Net Cash Provided (Used) by Operating Activities	<u>203,913</u>	<u>158,515</u>	<u>4,706,949</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Other Revenue	-	-	-
Payment of Refund to Participants	-	-	-
Operating Subsidies and Transfers	-	-	47,523
Operating Subsidies and Transfers	(14,940)	(51,784)	(91,476)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(14,940)</u>	<u>(51,784)</u>	<u>(43,953)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(64,996)	-	(1,019,654)
Proceeds from Sale of Capital Assets	10,083	-	56,511
Cash Flows from Capital and Related Financing Activities	<u>(54,913)</u>	<u>-</u>	<u>(963,143)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	2,005	941	246,476
NET INCREASE (DECREASE) IN CASH	<u>136,065</u>	<u>107,672</u>	<u>3,946,329</u>
Cash - Beginning of Year	<u>509,454</u>	<u>170,906</u>	<u>28,657,612</u>
CASH - END OF YEAR	<u><u>\$ 645,519</u></u>	<u><u>\$ 278,578</u></u>	<u><u>\$ 32,603,941</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (337,261)	\$ 56,457	\$ 3,920,476
Adjustments to Reconcile Net Operating Income to Net Cash Provided (Used) by Operating Activities:			
Other Non-Operating Receipts	6,652	1,441	545,356
Other Non-Operating Payments	-	-	(734,927)
Depreciation Expense	36,979	-	772,003
Changes in Assets and Liabilities:			
Receivables, Net	(972)	-	8,043
Due from Other Funds	352,059	231,103	567,610
Due from Other Governments	-	-	(14,503)
Inventories	(2,258)	-	(2,258)
Other Assets	-	-	51,411
Accounts Payable	117,901	(193)	220,749
Salaries and Benefits Payable	14,190	-	85,807
Due to Other Funds	19,437	-	4,075
Claims Payable	-	-	(644,000)
Due to Other Governments	(1,292)	(130,293)	(103,098)
Compensated Absences Payable	(1,522)	-	30,205
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 203,913</u></u>	<u><u>\$ 158,515</u></u>	<u><u>\$ 4,706,949</u></u>

TRUST AND AGENCY FUNDS



**COUNTY OF SHASTA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
INVESTMENT TRUST FUNDS
JUNE 30, 2017**

	Schools Districts	Special Districts	Total
ASSETS			
Cash and Investments	\$ 193,683,325	\$ 10,214,969	\$ 203,898,294
Accounts Receivable, Net	-	12,542	12,542
Due from Other Governments	-	70,882	70,882
Due from Other Funds	585,000	190,007	775,007
Total Assets	194,268,325	10,488,400	204,756,725
LIABILITIES			
Due to Other Funds	585,000	56	585,056
Due to Other Governments	-	151,525	151,525
Total Liabilities	585,000	151,581	736,581
NET POSITION			
Net Position Held in Trust for Investment Pool Participants	193,683,325	10,336,819	204,020,144
Total Net Position	\$ 193,683,325	\$ 10,336,819	\$ 204,020,144

**COUNTY OF SHASTA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 INVESTMENT TRUST FUNDS
 YEAR ENDED JUNE 30, 2017**

	<u>Schools Districts</u>	<u>Special Districts</u>	<u>Total</u>
ADDITIONS			
Contributions to Investment Pool	\$ 486,309,079	\$ 16,711,299	\$ 503,020,378
DEDUCTIONS			
Distributions from Investment Pool	<u>464,051,504</u>	<u>16,666,181</u>	<u>480,717,685</u>
CHANGE IN NET POSITION	22,257,575	45,118	22,302,693
Net Position - Beginning	<u>171,425,750</u>	<u>10,291,701</u>	<u>181,717,451</u>
NET POSITION - ENDING	<u><u>\$ 193,683,325</u></u>	<u><u>\$ 10,336,819</u></u>	<u><u>\$ 204,020,144</u></u>

**COUNTY OF SHASTA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2017**

<u>Clearing and Revolving Funds</u>	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
ASSETS				
Cash and Cash Equivalents	\$ 30,097,221	\$ 530,177,764	\$ 541,261,035	\$ 19,013,950
Accounts Receivable, Net	779,163	772,272	780,788	770,647
Taxes Receivable, Net	13,282,569	13,237,752	13,282,569	13,237,752
Due from Other Governments	22,850	198,513	22,850	198,513
Due from Other Funds	<u>518,211</u>	<u>510,339</u>	<u>518,210</u>	<u>510,340</u>
Total Assets	<u>\$ 44,700,014</u>	<u>\$ 544,896,640</u>	<u>\$ 555,865,452</u>	<u>\$ 33,731,202</u>
LIABILITIES				
Due to Other Funds	\$ 3,753,960	\$ 3,497,526	\$ 3,753,960	\$ 3,497,526
Agency Obligations	<u>40,946,054</u>	<u>706,886,797</u>	<u>717,599,175</u>	<u>30,233,676</u>
Total Liabilities	<u>\$ 44,700,014</u>	<u>\$ 710,384,323</u>	<u>\$ 721,353,135</u>	<u>\$ 33,731,202</u>



STATISTICAL SECTION

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

	Fiscal Year									
	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Governmental Activities										
Invested in Capital Assets, net of related debt	83,659	78,476	90,282	92,541	95,467	106,550	113,574	116,639	124,443	126,177
Restricted	63,512	61,915	56,759	74,976	74,693	78,246	88,525	96,135	111,411	119,919
Unrestricted	71,133	60,953	64,130	53,116	39,196	28,138	29,212	(145,460)	(157,186)	(167,268)
Total governmental activities net position	218,304	201,344	211,171	220,633	209,356	212,934	231,311	67,313	78,668	78,827
Business-type activities										
Invested in Capital Assets, net of related debt	25,841	27,908	26,665	29,658	33,010	35,730	35,823	35,756	36,467	39,018
Restricted	70	665	665	2	2	0	0	0	0	0
Unrestricted	2,297	8,658	9,708	9,134	8,281	11,475	11,211	17,945	17,942	15,250
Total business-type activities net position	28,208	37,232	37,039	38,794	41,294	47,205	47,034	53,701	54,408	54,269
Total Primary Government										
Invested in Capital Assets, net of related debt	109,500	106,384	116,947	122,199	128,477	142,279	149,397	152,395	160,910	165,195
Restricted	63,582	62,580	57,425	74,978	74,695	78,246	88,525	96,135	111,411	119,919
Unrestricted	73,430	69,611	73,838	62,250	47,478	39,613	40,422	(127,516)	(139,244)	(152,018)
Total primary government net position	246,512	238,575	248,210	259,427	250,650	260,139	278,345	121,014	133,077	133,096

Notes:

Source - Statement of Net Assets for FY 2006-2007 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)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities										
General government	15,036	8,000	8,658	9,194	11,147	13,452	11,213	11,766	12,995	14,932
Public protection	84,215	83,197	77,730	74,255	78,107	85,761	83,041	91,500	92,417	95,716
Public ways and facilities	17,191	17,868	17,705	17,138	18,988	19,421	18,562	20,528	16,889	17,998
Health and sanitation	55,316	54,292	52,409	54,210	51,144	53,094	48,413	52,320	52,386	55,638
Public assistance	89,550	94,472	95,392	95,160	99,455	98,470	99,329	108,537	111,239	116,770
Education	1,725	1,440	1,392	1,421	1,445	1,489	1,571	1,598	1,542	1,598
Recreation	245	331	121	118	91	162	140	159	155	213
Interest and fiscal charges	2,576	2,505	2,429	2,367	2,308	1,927	1,223	1,109	1,042	990
Total Governmental Activities Expenses	265,853	262,104	255,836	253,863	262,685	273,776	263,493	287,515	288,665	303,855
Business-type Activities Expenses										
Airport	99	111	80	78	94	89	98	149	329	324
Solid Waste	875	1,470	2,404	804	1,074	1,005	1,926	1,676	1,881	1,744
Landfill	978	509	522	506	513	1,214	722	(1,840)	578	653
County Service Areas	1,648	1,760	1,763	1,867	1,830	1,809	2,731	2,227	2,365	2,462
Shasta County Transit	0	0	0	0	0	335	420	405	448	674
Total Business-type Activities Expenses	3,600	3,849	4,768	3,254	3,511	4,451	5,897	2,618	5,602	5,857
Total Primary Government Expenses	269,453	265,953	260,605	257,117	266,196	278,227	269,390	290,133	294,268	309,711
Program Revenues										
Governmental Activities										
Fees, Fines, Charges for Services										
General government	6,636	5,325	5,942	5,610	6,390	5,500	12,574	5,655	5,033	5,691
Public protection	15,318	16,276	17,476	13,455	12,670	13,361	12,733	15,128	13,933	12,116
Public ways and facilities	1,917	1,752	2,201	1,205	1,260	1,278	1,845	1,733	1,317	1,360
Health and sanitation	2,820	3,103	3,269	3,163	3,377	3,287	3,226	3,233	2,974	2,850
Public assistance	3,076	3,070	2,662	2,400	2,392	2,193	2,423	2,366	2,476	2,663
Education	33	26	23	22	21	25	28	27	26	24
Recreation	2	3	2	5	4	5	5	8	6	8
Interest and fiscal charges	0	0	0	0	0	0	0	0	0	0
Operating Grants and Contributions										
General Government	1,700	2,051	1,510	2,968	3,767	1,056	1,334	516	1,441	22,785
Public Protection	33,012	28,972	32,968	29,077	30,825	37,760	37,958	37,675	40,440	39,061
Public ways and facilities	12,574	8,884	12,871	11,970	5,066	3,930	4,667	3,731	6,526	9,372
Health and sanitation	36,314	38,039	37,390	43,787	41,654	47,439	45,531	47,881	48,365	51,207
Public assistance	84,322	80,956	84,589	85,246	86,272	91,763	92,408	93,663	98,280	107,809
Education	73	6	2	0	0	0	0	0	0	0
Recreation	83	185	0	0	0	0	0	0	0	0
Capital Grants and Contributions										
General government	548	644	1,750	404	1,577	10,627	2,967	0	2,122	0
Public protection	578	10,768	12	22	4	80	48	95	16	72
Public ways and facilities	8,359	1	3,024	2,874	1,787	3,365	6,013	2,940	1,993	2,610
Health and sanitation	0	385	0	75	0	0	10	36	0	0
Public assistance	0	0	267	171	84	101	146	10	41	0
Recreation	0	0	7	27	0	0	0	0	0	0
Total Governmental Activities	207,363	200,446	205,968	202,480	197,150	221,771	223,916	214,698	224,990	257,629
Business-type Activities										
Fees, Fines, Charges for Services										
Airport	83	95	78	73	61	71	75	58	52	54
Solid Waste	1,634	1,177	1,242	939	840	1,245	2,147	2,041	1,066	1,122
Landfill	1,937	1,739	1,789	2,054	1,405	2,652	549	955	2,113	2,243
Shasta County Transit	0	0	0	0	0	507	22	21	23	25
County Service Areas	1,161	1,362	1,154	1,155	1,281	1,392	1,293	1,354	1,195	1,495
Operating Grants and Contributions										
Airport	0	10	0	20	10	10	10	10	10	15
Solid Waste	0	0	0	0	0	0	0	0	8	0
Landfill	0	0	0	0	0	0	0	0	0	0
Shasta County Transit	0	0	0	0	0	0	471	335	170	450
County Service Areas	0	0	0	0	0	0	0	524	1,383	98
Capital Grants and Contributions										
Airport	1,627	1,171	148	108	117	375	168	23	0	0
County Service Areas	43	561	66	549	2,202	3,922	389	337	43	132
Total Business-type Activities Revenues	6,484	6,116	4,477	4,897	5,916	10,174	5,124	5,658	6,063	5,634
Total Primary Government Revenues	213,847	206,562	210,445	207,378	203,066	231,945	229,040	220,356	231,053	263,262
Net (Expense)/Revenues										
Governmental Activities	(58,489)	(61,658)	(49,869)	(51,383)	(65,535)	(52,005)	(39,577)	(72,817)	(63,675)	(46,226)
Business-Type Activities	2,884	2,267	(291)	1,644	2,405	5,723	(773)	3,040	461	(223)
Total Primary Government net expense	(55,605)	(59,391)	(50,160)	(49,739)	(63,130)	(46,281)	(40,349)	(69,777)	(63,214)	(46,449)

Source: Statement of Activities

(continued)

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Revenue and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property Taxes	26,853	24,583	25,177	22,584	22,568	28,123	26,100	26,176	27,126	28,538
Sales and use taxes	2,512	2,382	2,226	2,515	2,793	3,657	2,833	2,700	2,922	3,815
Other Taxes	24,046	26,598	24,921	28,192	29,512	28,641	30,265	31,013	29,562	2,107
Motor Vehicles in-lieu	12,889	11,349	10,969	9,396	632	637	613	603	602	0
Interest and investment income	5,974	3,059	1,127	1,199	1,017	523	758	1,535	1,671	2,478
Miscellaneous	3,145	3,659	3,335	4,000	3,802	4,189	3,876	18,630	8,919	9,065
Transfers	0	(17,585)	0	0	0	107	100	0	0	228
Total Governmental Actives	<u>75,420</u>	<u>54,046</u>	<u>67,754</u>	<u>67,885</u>	<u>60,323</u>	<u>65,877</u>	<u>64,545</u>	<u>80,658</u>	<u>70,802</u>	<u>46,231</u>
Business-type Activities										
Taxes:										
Property Taxes	0	29	29	23	29	27	27	27	28	29
Interest and investment income	593	358	128	135	112	53	89	112	114	185
Miscellaneous	105	4	5	5	7	31	654	3,489	104	98
Transfers	0	0	0	0	0	(107)	(100)	0	0	(228)
Change in estimate	0	6,210	0	0	0	0	0	0	0	0
Total Business-type Activities	<u>698</u>	<u>6,601</u>	<u>162</u>	<u>163</u>	<u>148</u>	<u>3</u>	<u>669</u>	<u>3,627</u>	<u>247</u>	<u>83</u>
Total Primary Government	<u>76,118</u>	<u>60,647</u>	<u>67,916</u>	<u>68,048</u>	<u>60,471</u>	<u>65,880</u>	<u>65,214</u>	<u>84,285</u>	<u>71,049</u>	<u>46,315</u>
Change in Net Position										
Governmental Activities	16,930	(7,612)	17,886	16,502	(5,211)	13,873	24,968	7,841	7,127	5
Business-Type Activities	<u>3,582</u>	<u>8,868</u>	<u>(129)</u>	<u>1,806</u>	<u>2,553</u>	<u>5,726</u>	<u>(103)</u>	<u>6,667</u>	<u>708</u>	<u>(140)</u>
Total Primary Government	<u>20,512</u>	<u>1,256</u>	<u>17,757</u>	<u>18,309</u>	<u>(2,658)</u>	<u>19,599</u>	<u>24,865</u>	<u>14,508</u>	<u>7,834</u>	<u>(135)</u>

Notes:

Source - Statement of Activities

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

	Fiscal Year		
	2008	2009	2010
General Fund			
Reserved	11,289	10,383	7,884
Unreserved	43,018	42,859	51,011
Total General Fund	54,307	53,241	58,895

All Other Governmental Funds			
Reserved	11,986	18,726	16,935
Unreserved, reported in:			
Special Revenue Funds	32,190	28,345	30,365
Debt Service Funds	0	6,238	1,617
Capital Project Funds	18,232	4,673	5,828
Total all other Governmental Funds	62,408	57,982	54,745

	2011	2012	2013	2014	2015	2016	2017
General Fund							
Nonspendable	33	592	44	74	966	1,107	1,044
Restricted	9,944	12,219	12,785	13,206	17,714	20,640	19,824
Committed	0	0	0	0	83	130	151
Assigned	36,744	6,173	5,176	5,783	23,627	20,773	26,348
Unassigned	16,965	50,137	56,623	65,154	54,207	56,366	48,322
Total General Fund	63,686	69,122	74,629	84,218	96,598	99,016	95,688

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

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)

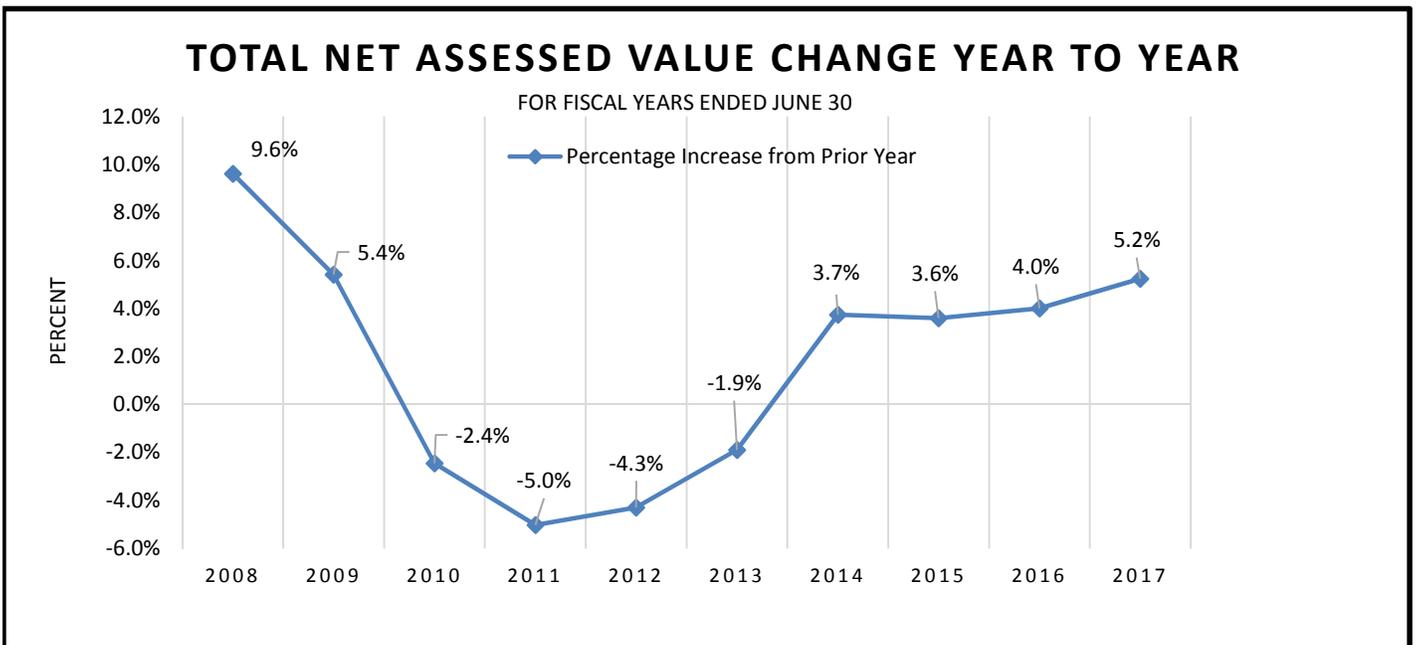
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues										
Taxes	65,518	49,009	48,580	47,618	47,161	49,229	49,222	49,250	52,042	55,205
Licenses and permits	3,688	3,293	3,550	3,076	3,061	3,285	3,780	4,063	4,258	3,872
Fines and forfeitures	5,006	4,170	5,324	4,556	3,885	6,011	11,764	7,116	4,894	5,016
Use of money and property	5,228	3,238	1,495	1,458	1,257	1,027	1,071	1,570	1,784	2,374
Intergovernmental	179,178	183,958	184,796	192,500	181,289	203,751	199,302	197,327	205,942	212,184
Charges for current	19,307	21,386	20,232	17,428	17,754	18,049	17,646	18,022	17,582	18,338
Miscellaneous revenue	5,881	5,080	4,714	3,809	4,126	4,700	4,220	18,721	6,354	5,567
Total revenues	<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>	<u>292,856</u>	<u>302,556</u>
Expenditures										
Current:										
General government	16,577	7,358	11,967	9,572	10,347	22,170	12,071	11,189	15,737	13,216
Public protection	84,572	82,920	80,083	73,930	73,364	81,199	82,144	85,713	90,402	93,073
Public ways and facilities	89,348	29,610	21,317	18,407	18,760	18,398	21,304	18,833	14,930	17,987
Health and sanitation	23,900	53,879	52,097	53,596	49,005	51,568	47,894	50,858	49,768	54,243
Public assistance	55,388	93,471	94,506	94,121	96,330	95,908	98,645	105,840	107,065	113,684
Education	1,770	1,520	1,404	1,413	1,414	1,485	1,585	1,590	1,538	1,583
Recreation	246	337	122	121	110	176	161	155	141	191
Debt service										
Principal	193	1,813	1,894	1,971	7,903	37,887	2,646	2,625	1,889	1,941
Interest	88	2,572	2,498	2,417	2,269	2,375	1,245	1,141	1,070	1,015
Admin Fees		0	12	8	124	1,008	8	6	2	6
Total expenditures	<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>	<u>282,543</u>	<u>296,939</u>
Excess (deficiency) of revenues over expenditures	<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>	<u>10,313</u>	<u>5,616</u>
Other Financing Sources										
Premium on long term debt issued	-	-	-	-	-	578	-	-	-	-
Long term debt issued	-	-	-	389	5,458	33,505	-	-	-	-
Transfers in	28,460	41,508	42,747	30,070	32,281	37,028	40,785	32,844	46,760	39,673
Transfers out	(29,046)	(42,629)	(43,217)	(30,594)	(32,759)	(37,290)	(40,960)	(33,159)	(46,657)	(39,378)
Sale of capital assets	82	153	94	45	803	155	132	157	179	127
Total other financing sources and uses	<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>	<u>282</u>	<u>422</u>
Net change in fund balances	11,220	(4,314)	2,416	14,798	4,689	7,276	19,259	17,962	10,595	6,038
Debt Service as a percentage of non-capital expenditures	0.11%	1.70%	1.74%	1.76%	4.02%	13.55%	1.51%	1.39%	1.09%	1.01%

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
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
2016	14,749,949	816,097	(256,160)	15,309,886	4.0%	1.0000
2017	15,547,340	817,953	(253,750)	16,111,543	5.2%	1.0000

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



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

County of Shasta
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(per \$100 of assessed values)
(UNAUDITED)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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	0.0330	0.0407
BURNEY WATER BOND	0.0088	0.0109	0.0136	0.0072	0.0114	-	-	-	-	-
CRAGVIEW WATER BOND	0.0352	0.0435	0.0475	0.0001	0.0477	-	-	-	-	-
CENTERVILLE CSD BOND	0.0036	0.0034	0.0036	0.0040	0.0036	0.0063	0.0043	0.0037	0.0034	0.0031
SHASTA DAM (GRUNSKY)	0.0002	0.0001	0.0001	0.0001	0.0001	0.0001	0.0019	0.0014	0.0001	0.0003
SHASTA DAM (CA LOAN)	0.0033	-	-	-	-	-	-	-	-	-
GATEWAY UNIFIED SD G O BOND 2002	0.0352	0.0343	0.0397	0.0422	0.0604	0.0621	0.0194	0.0680	0.0463	0.0450
GATEWAY UNIFIED SD G O BOND 2008	-	-	0.0101	0.0062	0.0188	0.0141	0.0138	0.0291	0.0265	0.0278
ANDERSON UNION HSD G O BOND 2012	-	-	-	-	-	-	0.0185	0.0163	0.0270	0.0057
DUNSMUIR JT UNION SSB	0.0236	-	-	-	-	-	-	-	-	-
FALL RIVER MILLS JUSD G O BOND 2004	0.0340	0.0285	0.0380	0.0376	0.0423	0.0277	0.0319	0.0340	0.0314	0.0287
SHASTA UNION HSD G O BOND 2001	0.0160	0.0171	0.0187	0.0205	0.0289	0.0189	0.0219	0.0235	0.0213	0.0202
S T & T JT COMM COLL G O BOND 2002	0.0118	0.0091	0.0101	0.0095	0.0162	0.0054	0.0088	0.0107	0.0051	0.0057
BLACK BUTTE ESD GOB 2016	-	-	-	-	-	-	-	-	-	0.0300
CASCADE ESD G O BOND 2008	-	-	0.0354	0.0336	0.0230	0.0150	0.0302	0.0262	0.0267	0.0282
COLUMBIA ESD G O BOND 1996	0.0276	0.0342	0.0228	0.0357	0.0407	0.0308	0.0321	0.0404	0.0297	0.0266
COLUMBIA ESD GO BOND 2014	-	-	-	-	-	-	-	-	0.0252	0.0294
COTTONWOOD ESD G O BOND 2003	0.0172	0.0168	0.0197	0.0210	0.0285	0.0233	0.0237	0.0244	0.0233	0.0218
ENTERPRISE ESD G O BOND 1990	0.0367	0.0440	0.0487	0.0731	0.0396	0.0399	0.0472	0.0582	0.0450	0.0416
ENTERPRISE ESD G O BOND 2008	-	0.0223	0.0278	0.0338	0.0608	0.0092	0.0187	0.0229	0.0297	0.0260
GRANT ESD G O BOND 2004	0.0228	0.0215	0.0275	0.0327	0.0411	0.0333	0.0375	0.0277	0.0289	0.0297
HAPPY VALLEY ESD SSB BOND	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	0.0408	0.0417
HAPPY VALLEY ESD G O BOND 2014	-	-	-	-	-	-	-	0.0288	0.0272	0.0271
JUNCTION SCHOOL SSB BOND	0.0637	0.0681	0.0774	0.0385	-	-	-	-	-	-
JUNCTION ESD GOB 2016	-	-	-	-	-	-	-	-	-	0.0300
NORTH COW CREEK SSB BOND	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	0.0221	0.0279
REDDING ESD G O BOND 1991	0.0564	0.0555	0.0622	0.0574	0.0600	0.0693	0.0615	0.0748	0.0680	0.0660
BELLA VISTA WATER (LAND ONLY)	0.3344	0.3529	0.3700	0.3700	0.3700	0.3700	0.3700	0.3608	0.3700	0.3700

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

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

Taxpayer	Industry	Fiscal Year 2017			Fiscal Year 2008		
		Assessed Value	Rank	Percentage of Total County Assessed Value	Assessed Value	Rank	Percentage of Total County Assessed Value
Pacific Gas and Electric Company	Utility	790,291	1	4.91%	575,468	1	3.85%
Sierra Pacific Industries	Lumber	134,122	2	0.83%			
Knauf Fiber Glass	Manufacturing	126,422	3	0.78%			
Lehigh Southwest Cement Co.	Manufacturing	68,586	4	0.43%			
MPT of Shasta LP	Hospital	66,275	5	0.41%	59,860	2	0.40%
RPI Shasta Mall LP	Retail	50,903	6	0.32%			
Wal-Mart Real Estate Bus Trst	Retail	41,859	7	0.26%			
RPI Shasta Mall LP	Retail	36,771	8	0.23%			
Pacific Bell Telephone Company	Telephone	27,552	9	0.17%	56,044	3	0.38%
McConnell Foundation	Non-Profit	30,219	10	0.19%			
Mt Shasta Mall LLC Etal	Retail	-	-	-	31,885	4	0.21%
Lowes HIW Inc	Retail				21,854	5	0.15%
State Compensation Ins					20,967	6	0.14%
Winco Foods LLC	Retail				19,527	7	0.13%
Cobblestone Owner					17,672	8	0.12%
CA Physicians Service		-	-	-	17,099	9	0.11%
WRI Golden State LLC		-	-	-	15,430	10	0.10%
Total		\$ 1,373,000		8.52%	\$ 835,806		4.84%
Total County Assessed Value		\$ 16,111,543			\$ 14,935,881		

Source: County Property Tax System: Megabyte

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%	3,966	-	0.00%
2013	162,662	159,691	98.17%	2,971	-	0.00%
2014	166,263	164,177	98.75%	2,086	-	0.00%
2015	177,904	174,538	98.11%	2,414	952	0.54%
2016	184,246	181,149	98.32%	1,595	1,502	0.82%
2017	190,999	187,992	98.43%	-	3,007	1.57%

Source: County Property Tax System: Megabyte

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
Lease Revenue Bonds	\$50,900	\$49,290	\$47,610	\$45,865	\$43,525	\$39,415	\$37,070	\$34,620	\$32,770	\$30,870
Add deferred amounts:										
For issuance premiums:	1,178	1,131	1,084	1,037	990	570	540	510	479	449
Notes Payable				389	522	500	463	425	386	345
Capital Leases	1,559	1,328	1,114	889	651	401	137	-	-	-
Total bonds and notes payable	\$52,078	\$50,421	\$48,694	\$47,291	\$45,037	\$40,485	\$38,073	\$35,555	\$33,635	\$31,664
Less resources restricted for principal repayment	-	6,875	5,899	4,828	3,470	673	-	-	-	-
Net total bonds and notes payable	\$52,078	\$57,296	\$54,593	\$52,119	\$48,507	\$41,158	\$38,073	\$35,555	\$33,635	\$31,664
Business Type										
Bonds Payable	2,826	2,285	1,698	1,029	990	949	912	874	833	790
Financing Leases	2,000	1,891	1,779	1,664	1,545	1,423	1,298	1,169	1,037	901
Notes Payable	307	277	246	314	3,087	4,441	3,799	3,706	3,473	3,344
Total bonds and notes payable	5,133	4,453	3,723	3,007	5,622	6,813	6,009	5,749	5,343	5,035
Less resources restricted for principal repayment	70	665	665	2	-	-	-	-	-	-
Net total bonds and notes payable	\$5,203	\$5,118	\$4,388	\$3,009	\$5,622	\$6,813	\$6,009	\$5,749	\$5,343	\$5,035
Total Outstanding Debt less restricted resources	\$57,281	\$62,414	\$58,981	\$55,128	\$54,129	\$47,971	\$44,082	\$41,304	\$38,978	\$36,699
Percentage of Personal Income	0.84%	0.93%	0.88%	0.83%	0.75%	0.59%	0.52%	N/A	N/A	N/A
Percentage of Assessed Value of Taxable Property*	0.38%	0.40%	0.38%	0.38%	0.39%	0.35%	0.31%	0.28%	0.25%	0.23%
Net outstanding debt Per Capita	\$ 313.01	\$ 339.34	\$ 332.34	\$ 309.38	\$ 303.28	\$ 268.02	\$ 245.17	\$ 230.06	\$ 216.99	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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assessed Value of Property (a)	14,935,881	15,743,647	15,357,954	14,586,699	13,960,442	13,695,496	14,208,433	14,719,694	15,309,886	16,111,543
Debt Limit, 1.25% of Assessed Value	186,699	196,796	191,974	182,334	174,506	171,194	177,605	183,996	191,374	201,394
<i><u>Amount of Debt Applicable to Limit</u></i>										
General Obligation Bonds (b)	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 186,699	\$ 196,796	\$ 191,974	\$ 182,334	\$ 174,506	\$ 171,194	\$ 177,605	\$ 183,996	\$ 191,374	\$ 201,394
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 (in billions) (2,a,d)	Per Capita Income (2,a)	School Enrollment (3,b)	Unemployment Rate (2,a)
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	6.96	39,016	27,176	10.9%
2014	179,804	7.30	40,900	26,935	9.7%
2015	179,533	7.34	41,997	26,626	7.8%
2016	179,631	7.68	43,079	26,315	6.9%
2017	N/A	N/A	N/A	26,419	6.1% *

Sources:

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

Notes:

N/A = not available

a. Data for Calendar Years

b. Data includes kindergarten through grade 12

* Unemployment rate as of June 2017

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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government	247.00	247.00	247.00	229.00	230.00	226.00	226.00	228.00	234.00	234.00
Public Protection	683.00	687.00	687.00	582.00	581.00	619.00	622.00	626.00	605.00	606.50
Public Ways and Facilities	100.00	99.00	98.00	98.00	98.00	90.00	90.00	91.00	85.00	88.00
Health and Sanitation	376.50	352.50	346.50	323.00	323.50	329.00	326.00	330.00	324.50	346.00
Public Assistance	513.00	536.00	543.00	536.00	546.00	570.00	632.00	650.00	693.00	709.50
Education	3.50	2.50	2.50	1.50	1.50	2.50	2.50	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	1,923.00	1,924.00	1,924.00	1,769.50	1,780.00	1,836.50	1,898.50	1,927.50	1,944.00	1,986.50

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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Protection										
Planning and Building										
<i>Total Permits Issued</i>	2,568	1,934	1,857	1,717	1,656	1,895	2,416	2,804	2867	2925
Sheriff										
<i>Main Jail</i>										
<i>Jail bookings</i>	13,803	12,913	12,603	11,210	11,960	11,741	13,200	11,476	12169	11358
<i>Average daily population</i>	336	268	226	231	274	332	330	333	331	339
Probation										
<i>Juvenile Hall</i>										
<i>Average daily population</i>	54	41	33	31	29	30	24	23	15	21
Crystal Creek Camp	45	45	45	0	0	0	0	0	0	0
<i>Average Daily Population</i>	35	34	**20	0	0	0	0	0	0	0
Health and Sanitation										
Environmental health										
<i>Septic Permits Issued</i>	349	275	229	182	203	218	266	232	224	305
<i>Waivers Issued</i>	117	71	57	50	42	48	51	67	55	68
<i>Wells Permits Issued</i>	319	315	271	201	337	227	285	254	201	182
Health and Sanitation										
<i>Mental Health</i>										
<i>Total number of patient days in State Hospitals</i>										
	597	503	181	778	513	657	18	0	0	0
<i>Day Treatment Days provided to youth in out-of-county group home facilities</i>										
	280	639	351	1020	1221	403	491	473	47	0
<i>Public Health</i>										
<i>Number of Children enrolled in the Healthy Families Program</i>										
	119	122	127	102	95	98	107	100	111	118
<i>Percentage of the State allocated caseload enrolled in the Women, Infants & Children(WIC) Program</i>										
	101%	101%	95%	98%	99%	98%	94%	90%	97%	81%
<i>Percentage of live born infants whose mothers received prenatal care in the first trimester.</i>										
	68%	70%	69%	71%	65%	67%	72%	73%	Not Available	Not Available
Solid Waste										
<i>West Central Landfill</i>										
<i>Tonnage per year</i>	144,362	126,778	130,060	127,655	126,286	122,847	124,379	124,827	129,603	137,256
<i>% of Capacity</i>	60%	***40%	42%	45%	47%	49%	51%	53%	55%	58%

County of Shasta
Operating Indicators by Function
Last Ten Fiscal Years
(UNAUDITED)

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>	8.1	6.3	6.9	6.6	7.8	6.1	5.6	6.0	Not Available	Not Available
<i>Percentage of child abuse/neglect referrals where a response is required within 10 days that were timely</i>	92.0	97.3	98.5	98.7	98.1	98.0	97.5	92.4	90.4	96.0

*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.

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

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Recreation and Cultural Services										
Park acreage	27	27	27	27	27	27	27	27	27	27
Public Protection										
Correction facility capacities:										
Main Jail	342	^223	223	223	285	342	342	342	342	342
Juvenile hall	56	56	*35	*35	*35	*35	**30	40	40	40
Crystal Creek Camp***	45	45	45	0	0	0	0	0	0	0
Public Ways and Facilities										
Miles of county roads	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	1,191	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. Beds were temporarily limited 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

