

**COUNTY OF AMADOR,
CALIFORNIA**

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
JUNE 30, 2018**

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COUNTY OF AMADOR
Annual Financial Report
For the Year Ended June 30, 2018

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INTRODUCTORY SECTION

- **County Officials**

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COUNTY OF AMADOR
County Officials
For the Year Ended June 30, 2018

ELECTED OFFICIALS

Supervisor, District 1..... Patrick Crew
Supervisor, District 2..... Richard Forster
Supervisor, District 3..... Lynn A. Morgan
Supervisor, District 4..... Frank Axe
Supervisor, District 5..... Brian Oneto

Assessor..... James Rooney
Auditor-Controller..... Tacy Oneto Rouen
District Attorney..... Todd Riebe
Sheriff/Coroner..... Martin A. Ryan
Treasurer/Tax Collector..... Michael E. Ryan
Clerk/Recorder..... Kimberly L. Grady

DEPARTMENT DIRECTORS/ADMINISTRATORS

Administrative Officer..... Chuck Iley
Agricultural Commissioner..... Eric Mayberry
Chief Probation Officer..... Mark Bonini
UC Cooperative Extension..... Scott Oneto
County Counsel..... Gregory Gillott
Environmental Health..... Mike Israel
Facilities..... Jon Hopkins
Fire Chief..... Dave Bellerive
Human Resources Director..... Judy Dias
Public Health/Mental Health/Social Services..... James Foley
Public Works..... Jered Reinking
Records Manager..... Teresa Guidi
Risk Manager..... Lisa Hopkins
Surveying..... Steven Zanetta
Veterans Service Officer..... Terry Sanders

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FINANCIAL SECTION

- **Independent Auditor's Report**
- **Management's Discussion and Analysis**
- **Basic Financial Statements**
- **Required Supplementary Information**
- **Combining Nonmajor Fund Statements**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors and Grand Jury
County of Amador
Jackson, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

To the Board of Supervisors and Grand Jury
County of Amador
Jackson, California

Opinions

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

Change in Accounting Principle

As discussed in Note 1T to the financial statements, in 2017-18, the County adopted new accounting guidance, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, County Pension Plan - Schedule of Changes in Net Pension Liability and Related Ratios, County Pension Plan - Schedule of Proportionate Share of the Net Pension Liability, County Pension Plan - Schedule of Contributions, Notes to County Pension Plan, County OPEB Plan - Schedule of Changes in Net OPEB Liability and Related Ratios, County OPEB Plan - Schedule of Contributions, Notes to County OPEB Plan 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 and combining nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.


To the Board of Supervisors and Grand Jury
County of Amador
Jackson, California

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

The introductory section has 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 14, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.



Smith & Newell CPAs
Yuba City, California
March 14, 2019

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**Management's Discussion and Analysis
(Unaudited)**

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COUNTY OF AMADOR
Management's Discussion and Analysis
June 30, 2018

Management's Discussion and Analysis

This section of the Amador County's annual financial report presents our discussion and analysis of the County's activities of the County of Amador for fiscal year ended June 30, 2018. Please read it in conjunction with the County's basic financial statements following this section.

Financial Highlights

- The assets and deferred outflows of the County exceeded liabilities and deferred inflows at the close of the 2017-2018 fiscal year by \$24,188,118 (net position). Of this amount, \$(29,694,550) (unrestricted net position) is not available to be used to meet the government's ongoing obligations to citizens and creditors, \$11,865,681 is restricted for specific purpose (restricted net position), and \$42,016,987 is invested in capital assets, net of related debt.
- The County of Amador's total net position increased by \$473,362.
- As of June 30, 2018, the County of Amador's governmental funds reported combined fund balances of \$36,528,230, an increase of \$3,841,843. Approximately 32% of the combined fund balances, \$11,714,304 is available to meet the County's current and future needs (unassigned and assigned fund balance).
- At the end of the fiscal year, available fund balance for the General fund was \$11,340,794 or 30% of total General fund expenditures. All of the remaining available fund balance will be budgeted in the subsequent fiscal year.
- The County's total long-term debt increased by \$11,173,846 from the prior year. The increase is primarily due to the increase in the County's Net Pension Liability and Net OPEB Liability at June 30, 2018.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County of Amador's basic financial statements. The County of Amador's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. Required supplementary information is included in addition to the basic financial statements. Government-wide financial statements are designed to provide readers with a broad overview of the County of Amador's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County of Amador's 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 of Amador is improving or deteriorating.

The statement of activities presents information showing how the government's 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 only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

COUNTY OF AMADOR
Management's Discussion and Analysis
June 30, 2018

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

The government-wide financial statements include the following blended component units: the Amador Fire Protection District, Amador County Public Facilities Financing Authority, Victory Lighting, CSA's 5, 6, and 8, and the Amador IHSS Public Authority. These seven blended component units have the same board as the County.

The government-wide financial statements can be found on pages 12-14 of this report.

Fund Financial Statements are a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The County of Amador, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County of Amador 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 fund financial statements focus on how cash and other financial assets can readily be converted to available resources and the balances left at year-end that is available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the County's 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 financial statements. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County of Amador maintains several 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, Social Service fund, Mental Health fund, Road fund, AB 118 County Local Revenue fund, County Improvement fund and Water Development Sinking fund, which are considered to be major funds. Data from other governmental funds are combined to a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental funds financial statements can be found on pages 15-18 of this report.

COUNTY OF AMADOR
Management's Discussion and Analysis
June 30, 2018

Proprietary Funds are maintained two ways. First, enterprise funds are used to report the same functions presented as business-type activities in the government-wide statements. In the past, the County of Amador used enterprise funds to account for the Landfill and Airport, both were considered major funds. However, in 2017, the Board of Supervisors dissolved the Waste Management Enterprise fund and the General fund absorbed the fund's revenues and expenses under a new Department. Data from nonmajor enterprise funds are combined into a single, aggregate presentation.

Second, internal service funds are an accounting device used to accumulate funds to account for self-insurance, fleet maintenance and replacement, purchasing, and communications. Because the 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. Proprietary fund financial statements provide separate information for the Airport. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds and internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary funds financial statements can be found on pages 19-23 of this report.

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 of Amador's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary funds financial statements can be found on pages 24-25 of this report.

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.

The notes can be found on pages 26-63 of this report.

Required supplementary information is presented concerning the County of Amador's progress funding its obligation to provide pension benefits and other postemployment benefits to its employees. Required supplementary information also includes Budgetary Comparison Schedules of Revenues, Expenditures and Changes in Fund Balance for the General fund, Social Service fund, Mental Health fund, Road fund and AB 118 County Local Revenue fund.

Required supplementary information can be found on pages 64-77 of this report.

The supplementary information is the combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds.

Supplementary information can be found on pages 78-96 of this report.

COUNTY OF AMADOR
Management's Discussion and Analysis
June 30, 2018

Government-Wide Financial Analysis

The County has provided prior year's information for a comparative analysis of government-wide data.

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Assets:						
Current and other assets	\$ 52,810,656	\$ 49,672,513	\$ 1,458,402	\$ 1,351,283	\$ 54,269,058	\$ 51,023,796
Capital assets	44,910,313	42,689,434	2,616,845	2,725,289	47,527,158	45,414,723
Total Assets	97,720,969	92,361,947	4,075,247	4,076,572	101,796,216	96,438,519
Deferred Outflows of Resources:						
Deferred pension	15,041,938	14,184,033	54,331	48,317	15,096,269	14,232,350
Deferred OPEB	224,356	-	17	-	224,373	-
Total Deferred Outflows of Resources	15,266,294	14,184,033	54,348	48,317	15,320,642	14,232,350
Liabilities:						
Current and other liabilities	11,049,028	11,566,641	20,851	6,354	11,069,879	11,572,995
Long-term liabilities	80,485,787	69,336,816	215,405	190,530	80,701,192	69,527,346
Total Liabilities	91,534,815	80,903,457	236,256	196,884	91,771,071	81,100,341
Deferred Inflows of Resources:						
Deferred housing	350,000	450,000	-	-	350,000	450,000
Deferred pension	459,651	1,890,701	10,075	10,734	469,726	1,901,435
Deferred OPEB	337,917	-	26	-	337,943	-
Total Deferred Inflows of Resources	1,147,568	2,340,701	10,101	10,734	1,157,669	2,351,435
Net Position:						
Net investment in capital assets	39,400,142	36,513,031	2,616,845	2,725,289	42,016,987	39,238,320
Restricted net position	11,865,681	15,535,715	-	-	11,865,681	15,535,715
Unrestricted net position	(30,960,943)	(28,746,924)	1,266,393	1,191,982	(29,694,550)	(27,554,942)
Total Net Position	\$ 20,304,880	\$ 23,301,822	\$ 3,883,238	\$ 3,917,271	\$ 24,188,118	\$ 27,219,093

Analysis of Net Position

Assets and deferred outflows exceeded liabilities and deferred inflows by \$24,188,118 at the close of the 2017-18 fiscal year. Increases or decreases in net position may over time serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Of this amount, \$(29,694,550) (unrestricted net position), may not be used to meet the government's ongoing obligations to the citizens and creditors.

\$11,865,681 (restricted net position) is restricted for a specific purpose. The remaining portion and largest, \$42,016,987, is the County's investment in capital assets (e.g. land, building, machinery, and equipment), less any related debt. These assets are used to provide services to its citizens and are not available for future spending.

As stated earlier, overall net position increased by \$473,362. Governmental activities were responsible for an increase of \$507,395, and business-type activities were responsible for a decrease of \$34,033.

COUNTY OF AMADOR
Management's Discussion and Analysis
June 30, 2018

Statement of Activities

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Program revenues:						
Fees, fines and charges for services	\$ 14,651,012	\$ 14,268,345	\$ 325,027	\$ 305,727	\$ 14,976,039	\$ 14,574,072
Operating grants	39,901,344	31,441,754	84,689	11,139	39,986,033	31,452,893
Capital grants	2,149,095	3,576,356	-	-	2,149,095	3,576,356
General revenues:						
Property taxes	20,950,000	20,102,663	-	-	20,950,000	20,102,663
Sales and use taxes	3,193,741	3,574,172	-	-	3,193,741	3,574,172
Other taxes and fees	595,292	516,365	-	-	595,292	516,365
Unrestricted interest and investment earnings	578,106	378,797	(1,231)	22,650	576,875	401,447
Other revenue	1,315,507	2,322,011	155,367	160,006	1,470,874	2,482,017
Total Revenues	83,334,097	76,180,463	563,852	499,522	83,897,949	76,679,985
Expenses:						
General government	8,086,087	7,617,839	-	-	8,086,087	7,617,839
Public protection	42,386,099	37,824,443	-	-	42,386,099	37,824,443
Public ways and facilities	7,017,091	7,367,136	-	-	7,017,091	7,367,136
Health and welfare	10,934,945	9,689,002	-	-	10,934,945	9,689,002
Public assistance	12,419,244	11,013,521	-	-	12,419,244	11,013,521
Education	1,597,142	1,164,878	-	-	1,597,142	1,164,878
Culture and recreation	252,529	325,209	-	-	252,529	325,209
Interest and fiscal charges	133,565	150,669	-	-	133,565	150,669
Waste management	-	-	-	-	-	-
Airport	-	-	582,795	451,903	582,795	451,903
County service areas	-	-	15,090	13,831	15,090	13,831
Total Expenses	82,826,702	75,152,697	597,885	465,734	83,424,587	75,618,431
Change in net position before transfers	507,395	1,027,766	(34,033)	33,788	473,362	1,061,554
Transfers	-	(3,512,584)	-	3,512,584	-	-
Change in Net Position	507,395	(2,484,818)	(34,033)	3,546,372	473,362	1,061,554
Net Position, Beginning	23,301,822	25,786,640	3,917,271	108,798	27,219,093	25,895,438
Prior period adjustment	606,028	-	-	262,101	606,028	262,101
Effect of cumulative change in accounting principle	(4,110,365)	-	-	-	(4,110,365)	-
Net Position, Beginning (Restated)	19,797,485	25,786,640	3,917,271	370,899	23,714,756	26,157,539
Net Position, Ending	\$ 20,304,880	\$ 23,301,822	\$ 3,883,238	\$ 3,917,271	\$ 24,188,118	\$ 27,219,093

Governmental activities increased the County's net position by \$507,395. The increase in net position was due to the following:

- \$3,841,843 net increase in governmental funds due to revenues in excess of expenditures,
- \$1,692,779 net increase due to expenditures for general capital assets, infrastructure, and other related capital assets adjustments less current year depreciation,
- \$9,770 decrease due to loss on disposal of capital asset,
- \$392,817 decrease due to revenue which was unavailable on the fund statements, change in unavailable revenue,
- \$666,230 increase due to repayment of debt principal which reduces long-term liabilities in the statement of net assets,
- \$1,940,059 increase due to the net change in deferred outflows and deferred inflows related to long-term liabilities,
- \$7,326,479 decrease due to increases in liability from closure/post-closure liability, net pension liability, net OPEB obligations, and accrued interest on long-term debt, and decreases in liability compensated absences,
- \$95,550 increase due to internal service funds activities reported as governmental activities.

COUNTY OF AMADOR
Management's Discussion and Analysis
June 30, 2018

Business-type activities decreased the County's net position by \$34,033. The decrease to net position was due to the following:

- \$179,549 decrease due to airport activities
- \$145,516 increase due to County Service Areas 5, 6, and 8 activities.

Financial analysis of the Governmental Funds

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

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

As of June 30, 2018, the County of Amador's governmental funds reported combined ending fund balances of \$36,528,230 an increase of \$3,841,843 in comparison with the prior year. Approximately 32% of the combined fund balance, \$11,714,304, constitutes available fund balance (assigned and unassigned combined), which is available to meet the County's current and future needs.

The remainder of the funds, \$24,813,926, is not available for new spending because it has been committed, restricted or is not spendable as follows:

1. Nonspendable	\$1,532,216
2. Restricted	\$17,479,728
3. Committed	\$5,801,982

The General fund is the chief operating fund of the County. At June 30, 2018, available fund balance of the General fund was \$11,340,794, while total fund balance reached \$15,682,486. As a measure of the General fund's liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures. Available fund balance represents 30% of total General fund expenditures, while total fund balance represents approximately 42% of total General fund expenditures. The fund balance for the County's General fund increased by \$260,978 during the current fiscal year.

In addition to the General fund, the County maintains six major government funds: the Social Services fund, Mental Health fund, Road fund, AB 118 County Local Revenue fund, County Improvement fund and the Water Development Sinking fund. The Social Services fund is used to administer the County's social services programs that promote job-readiness and self-sufficiency of individuals and families. The Social Service fund recorded \$11.6 million in revenues in 2018 as compared to \$10.3 million in revenues in 2017. Expenditures increased from \$10.7 million in 2017 to \$11.7 million in 2018.

Mental Health fund provides services to County residents with serious mental disabilities and/or emotional disturbances. Revenues in 2018 were \$7.2 million compared to \$6.2 million in 2017. Expenditures in 2018 were \$6.5 million compared to \$6.4 million in 2017.

The Road fund is used for planning, design, construction, maintenance and administration of the County's roads and infrastructure. The Road fund reported \$6.9 million in revenues for 2018 compared to \$5 million last year. Expenditures were \$6.8 million in 2018 compared to \$8.2 million in 2017.

COUNTY OF AMADOR
Management's Discussion and Analysis
June 30, 2018

The AB 118 County Local Revenue fund is used to account for public safety services, as defined by AB 118. Revenues in 2018 were \$6.6 million compared to \$6.7 million in 2017. Expenditures in 2018 were \$5.4 million compared to \$6.2 million in 2017.

The County Improvement fund is used for capital improvements with the County. Revenues in 2018 were \$420,000 compared to \$143,000 in 2017. Expenditures in 2018 were \$1.2 million compared to \$1 million in 2017.

The Water Development Sinking fund is used for the development of new or additional water for the County. Revenues in 2018 were \$1.5 million compared to \$33,870 in 2017 due to grant funds received. Expenditures in 2018 were \$275,000 compared to \$1.1 million in 2017.

Proprietary Funds. The County of Amador's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The net position of the enterprise funds decreased by \$34,033 to \$3,883,238. The net position of the internal services funds increased by \$95,550 to \$3,353,461.

General Fund Budgetary Highlights

Differences between the original budget expenditures and the final amended budget expenditures can be briefly summarized as follows:

- \$1,000,364 decrease in the general governmental budget
- \$897,951 increase in the public protection budget
- 93,792 increase in the health and welfare budget
- \$1,834 increase in the public assistance budget
- \$43,314 increase in the education budget
- \$1,889 decrease in the recreation and cultural services budget
- \$518,861 increase in the capital outlay budget
- \$99,600 decrease in the contingency budget

Capital Asset and Debt Administration

Capital assets. The County of Amador's investment in capital assets for its governmental and business-type activities as of June 30, 2018, amount to \$47,527,158 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. Additional information on the County's capital assets can be found in Note 4 of the Notes to the Basic Financial Statements.

Debt Administration. At the end of the current fiscal year, the County had total long-term obligations outstanding of \$80,701,192. The long-term obligations are as follows:

- \$2,268,485 compensated absences
- \$4,901,208 bonds payable and certificates of participation
- \$4,166,243 landfill closure/post-closure
- \$608,963 capital leases
- \$63,603,210 net pension liability
- \$5,153,083 net liability for other post-employment benefits

Additional information on the County's long-term obligations can be found in Notes 7, 8, 9, 12 and 13 of the Notes to the Basic Financial Statements.

COUNTY OF AMADOR
Management's Discussion and Analysis
June 30, 2018

Economic Factors Affecting Amador County Budget Fiscal Year 17/18

PERS Increases

PERS decreased the discount rate starting in fiscal year 18/19, which will result in an increase in employer normal cost rates and unfunded liability amounts over the next five years. PERS normal costs are expected to increase by 16% over the next 5 years, while our unfunded liability payments are expected to increase 100%. Estimated costs of 5 year increases to our County based on our FY18/19 actuarial are \$4.1 million.

Additionally, PERS changed their actuarial assumptions, which will affect employer contributions starting in fiscal year 19/20. The range of potential impacts is very broad and it is uncertain how great of an impact that will be to our County. Budgeted PERS costs increased 9.6% in FY 17/18 over FY 16/17, a dollar amount of \$550,000, or .6% of our total County budget.

IHSS

The State eliminated the maintenance of effort for In Home Support Services costs to Counties. Up until fiscal year 17/18, the State had picked up all In Home Support Services costs above our required maintenance of effort. The State contributed additional general fund dollars and moved some of our other funding to minimize the impacts of the increases to Social Services and Public Authority for FY 17/18 & FY 18/19. However, they have told us that in 19/20 we will see a large increase in those costs to the County, which will severely impact Social Services and Public Authority.

1991 Realignment

As a result of the IHSS increases, the State shifted all sales tax growth in Health and Behavioral Health 1991 realignment revenue over the next three years to Social Services, and then afterwards will get half the normal amount for two years after that. This means there will not be any increases in Health or Behavioral Health realignment revenue for those County funds, which will limit their ability to pay for employee wage and salary increases and other departmental increases for those activities not Grant reimbursable.

Tree Mortality

Amador County continues to cut down dead and dying trees from drought and bark beetle that are threatening our infrastructure. The cost of this is being covered 100% by the State - 75% from a CDAA Grant from Cal OES, and CAL FIRE has a Grant for the remaining 25% of the eligible costs.

Jail Expansion

Amador County is in the process of expanding our current jail. While we have been approved funding through a lease-revenue bond-financing program, we will not see the reimbursement until we start construction, which will be two to three years in the future. We are currently using our general fund reserves to pay for part of the design costs.

Request for Information

This financial report is designed to provide a general overview of the County of Amador's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Amador County Auditor-Controller, 810 Court Street, Jackson, CA 95642.

Basic Financial Statements

- **Government-Wide Financial Statements**

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COUNTY OF AMADOR
Statement of Net Position
June 30, 2018

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and investments	\$42,063,517	\$ 1,468,358	\$43,531,875
Receivables:			
Accounts	409,435	9,579	419,014
Interest	95,312	4,065	99,377
Taxes	603,848	-	603,848
Intergovernmental	5,264,638	-	5,264,638
Internal balances	23,600	(23,600)	-
Inventory	24,616	-	24,616
Loans receivable	3,880,866	-	3,880,866
Restricted cash and investments	444,824	-	444,824
Capital assets:			
Non depreciable	13,218,703	1,500,853	14,719,556
Depreciable, net	31,691,610	1,115,992	32,807,602
Total capital assets	<u>44,910,313</u>	<u>2,616,845</u>	<u>47,527,158</u>
Total Assets	<u>97,720,969</u>	<u>4,075,247</u>	<u>101,796,216</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	15,041,938	54,331	15,096,269
Deferred OPEB adjustments	224,356	17	224,373
Total Deferred Outflows of Resources	<u>15,266,294</u>	<u>54,348</u>	<u>15,320,642</u>
LIABILITIES			
Accounts payable	2,424,471	20,851	2,445,322
Salaries and benefits payable	59,956	-	59,956
Deposits payable	430,530	-	430,530
Unearned revenue	8,031,592	-	8,031,592
Accrued interest payable	22,479	-	22,479
Accrued claims liability	80,000	-	80,000
Long-term liabilities:			
Due within one year	1,810,139	7,099	1,817,238
Due in more than one year	10,120,561	7,100	10,127,661
Net pension liability	63,402,405	200,805	63,603,210
Net OPEB liability	5,152,682	401	5,153,083
Total Liabilities	<u>91,534,815</u>	<u>236,256</u>	<u>91,771,071</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred pension adjustments	459,651	10,075	469,726
Deferred OPEB adjustments	337,917	26	337,943
Deferred housing loan payments	350,000	-	350,000
Total Deferred Inflows of Resources	<u>1,147,568</u>	<u>10,101</u>	<u>1,157,669</u>

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

Continued (Page 1 of 2)

COUNTY OF AMADOR
Statement of Net Position
June 30, 2018

	Governmental Activities	Business-Type Activities	Totals
NET POSITION			
Net investment in capital assets	39,400,142	2,616,845	42,016,987
Restricted for:			
General government	1,594,355	-	1,594,355
Public protection	1,222,295	-	1,222,295
Health and welfare	1,753,860	-	1,753,860
Public assistance	543,769	-	543,769
Education	408,378	-	408,378
Culture and recreation	485	-	485
Public ways and facilities	215,159	-	215,159
Capital projects	6,045,957	-	6,045,957
Debt service	81,423	-	81,423
Unrestricted	(30,960,943)	1,266,393	(29,694,550)
Total Net Position	\$20,304,880	\$ 3,883,238	\$24,188,118

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

Continued (Page 2 of 2)

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COUNTY OF AMADOR
Statement of Activities
For the Year Ended June 30, 2018

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 8,086,087	\$ 1,726,323	\$ 1,440,213	\$ -
Public protection	42,386,099	9,162,762	13,861,444	-
Health and welfare	10,934,945	1,501,182	10,407,571	-
Public assistance	12,419,244	1,864,740	9,877,495	-
Education	1,597,142	30,480	30,755	-
Culture and recreation	252,529	146,207	-	-
Public ways and facilities	7,017,091	219,318	4,283,866	2,149,095
Interest on long-term debt	133,565	-	-	-
Total Governmental Activities	82,826,702	14,651,012	39,901,344	2,149,095
Business-type activities:				
Airport	582,795	184,354	84,689	-
County service areas	15,090	140,673	-	-
Total Business-Type Activities	597,885	325,027	84,689	-
Total	\$83,424,587	\$14,976,039	\$39,986,033	\$ 2,149,095

General revenues:

Taxes:
 Property taxes
 Sales and use taxes
 Property transfer taxes
 Transient occupancy taxes
Franchise fees
Tobacco settlement
Interest and investment earnings
Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning

Prior period adjustment
Cumulative effect of a change in accounting principle

Net Position - Beginning, Restated

Net Position - Ending

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

**Net (Expense) Revenue and
Changes in Net Position**

Governmental Activities	Business- Type Activities	Totals
\$ (4,919,551)	\$ -	\$ (4,919,551)
(19,361,893)	-	(19,361,893)
973,808	-	973,808
(677,009)	-	(677,009)
(1,535,907)	-	(1,535,907)
(106,322)	-	(106,322)
(364,812)	-	(364,812)
(133,565)	-	(133,565)
<u>(26,125,251)</u>	<u>-</u>	<u>(26,125,251)</u>
-	(313,752)	(313,752)
-	125,583	125,583
-	(188,169)	(188,169)
<u>(26,125,251)</u>	<u>(188,169)</u>	<u>(26,313,420)</u>
20,950,000	-	20,950,000
3,193,741	-	3,193,741
343,696	-	343,696
266,247	-	266,247
(14,651)	-	(14,651)
337,671	-	337,671
578,106	(1,231)	576,875
977,836	155,367	1,133,203
<u>26,632,646</u>	<u>154,136</u>	<u>26,786,782</u>
507,395	(34,033)	473,362
23,301,822	3,917,271	27,219,093
606,028	-	606,028
(4,110,365)	-	(4,110,365)
<u>19,797,485</u>	<u>3,917,271</u>	<u>23,714,756</u>
<u>\$20,304,880</u>	<u>\$ 3,883,238</u>	<u>\$24,188,118</u>

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Basic Financial Statements

- **Fund Financial Statements**

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COUNTY OF AMADOR
Balance Sheet
Governmental Funds
June 30, 2018

	General Fund	Social Services	Mental Health	Road
ASSETS				
Cash and investments	\$ 17,734,442	\$ 290,329	\$ 3,345,822	\$ 694,550
Receivables:				
Accounts	285,714	884	-	-
Interest	29,407	-	8,962	2,495
Taxes	603,848	-	-	-
Intergovernmental	1,017,622	429,865	832,674	1,684,734
Due from other funds	328,147	-	-	-
Inventory	-	-	-	24,616
Advances to other funds	1,507,600	-	-	-
Restricted cash and investments	444,824	-	-	-
Loans receivable	350,000	-	-	-
Total Assets	\$22,301,604	\$ 721,078	\$ 4,187,458	\$ 2,406,395
LIABILITIES				
Accounts payable	\$ 780,528	\$ 52,062	\$ 241,540	\$ 705,908
Salaries and benefits payable	-	-	-	-
Deposits payable	430,530	-	-	-
Due to other funds	-	-	-	328,147
Unearned revenues	4,552,022	-	3,336,990	-
Accrued interest payable	-	294	-	-
Advances from other funds	-	200,000	-	75,000
Total Liabilities	5,763,080	252,356	3,578,530	1,109,055
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	506,038	70,458	24,712	1,099,177
Deferred housing loan payments	350,000	-	-	-
Total Deferred Inflows of Resources	856,038	70,458	24,712	1,099,177
FUND BALANCES				
Nonspendable	1,507,600	-	-	24,616
Restricted	2,662,977	398,264	584,216	173,547
Committed	171,115	-	-	-
Assigned	6,908,855	-	-	-
Unassigned	4,431,939	-	-	-
Total Fund Balances	15,682,486	398,264	584,216	198,163
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$22,301,604	\$ 721,078	\$ 4,187,458	\$ 2,406,395

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

AB 118 County Local Revenue	County Improvement	Water Development Sinking	Other Governmental Funds	Totals
\$ 6,782,284	\$ 1,873,321	\$ 2,091,230	\$ 6,216,330	\$39,028,308
-	-	-	116,351	402,949
18,595	6,541	8,771	13,546	88,317
-	-	-	-	603,848
915,601	-	-	384,142	5,264,638
-	-	-	-	328,147
-	-	-	-	24,616
-	-	-	-	1,507,600
-	-	-	-	444,824
-	-	3,530,866	-	3,880,866
<u>\$ 7,716,480</u>	<u>\$ 1,879,862</u>	<u>\$ 5,630,867</u>	<u>\$ 6,730,369</u>	<u>\$51,574,113</u>
\$ 37,347	\$ 236,195	\$ -	\$ 249,000	\$ 2,302,580
-	-	-	59,956	59,956
-	-	-	-	430,530
-	-	-	-	328,147
-	142,580	-	-	8,031,592
-	-	-	7	301
-	1,209,000	-	-	1,484,000
<u>37,347</u>	<u>1,587,775</u>	<u>-</u>	<u>308,963</u>	<u>12,637,106</u>
155,758	-	-	202,634	2,058,777
-	-	-	-	350,000
<u>155,758</u>	<u>-</u>	<u>-</u>	<u>202,634</u>	<u>2,408,777</u>
-	-	-	-	1,532,216
7,523,375	-	-	6,137,349	17,479,728
-	-	5,630,867	-	5,801,982
-	292,087	-	81,423	7,282,365
-	-	-	-	4,431,939
<u>7,523,375</u>	<u>292,087</u>	<u>5,630,867</u>	<u>6,218,772</u>	<u>36,528,230</u>
<u>\$ 7,716,480</u>	<u>\$ 1,879,862</u>	<u>\$ 5,630,867</u>	<u>\$ 6,730,369</u>	<u>\$51,574,113</u>

COUNTY OF AMADOR
Reconciliation of the Governmental Funds Balance
Sheet to the Government-Wide Statement of
Net Position - Governmental Activities
June 30, 2018

Total Fund Balance - Total Governmental Funds	\$ 36,528,230
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 balance sheet.	44,218,961
Other long term assets are not available to pay for current period expenditures and therefore, are reported as unavailable revenues in the governmental funds.	2,058,777
Interest payable on long-term debt does not require the use of current financial resources and therefore, is not accrued as a liability in the governmental funds balance sheet.	(22,178)
Deferred outflows of resources related to pension and OPEB are not reported in the governmental funds.	15,008,963
Deferred inflows of resources related to pension and OPEB are not reported in the governmental funds	(810,528)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.	
Certificates of participation	(4,640,000)
Bonds payable	(261,208)
Capital leases	(608,963)
Compensated absences	(2,161,828)
Closure/post-closure liability	(4,166,243)
Net pension liability	(63,043,590)
Net OPEB liability	(5,148,974)
Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.	<u>3,353,461</u>
Net Position of Governmental Activities	<u>\$ 20,304,880</u>

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

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COUNTY OF AMADOR
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2018

	<u>General Fund</u>	<u>Social Services</u>	<u>Mental Health</u>	<u>Road</u>
REVENUES				
Taxes and assessments	\$25,233,347	\$ -	\$ -	\$ 280,000
Licenses, permits, and franchises	493,323	-	-	32,303
Fines and forfeitures	778,950	-	-	21,288
Intergovernmental	5,835,325	9,753,459	6,549,737	6,465,539
Use of money and property	271,543	2,639	9,259	6,118
Charges for services	7,716,967	1,864,701	705,710	116,154
Other revenues	117,896	-	1,899	16,709
Total Revenues	<u>40,447,351</u>	<u>11,620,799</u>	<u>7,266,605</u>	<u>6,938,111</u>
EXPENDITURES				
Current:				
General government	6,238,811	-	-	-
Public protection	28,745,312	-	-	-
Health and welfare	16,707	-	6,560,855	-
Public assistance	169,674	11,644,155	-	-
Education	1,514,356	-	-	-
Culture and recreation	246,250	-	-	-
Public ways and facilities	-	-	-	5,370,503
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	835,158	35,129	23,826	1,472,151
Total Expenditures	<u>37,766,268</u>	<u>11,679,284</u>	<u>6,584,681</u>	<u>6,842,654</u>
Excess of Revenues Over (Under) Expenditures	<u>2,681,083</u>	<u>(58,485)</u>	<u>681,924</u>	<u>95,457</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	221,240	-	870,012
Transfers out	(2,420,105)	-	-	-
Total Other Financing Sources (Uses)	<u>(2,420,105)</u>	<u>221,240</u>	<u>-</u>	<u>870,012</u>
Net Change in Fund Balances	260,978	162,755	681,924	965,469
Fund Balances (Deficits) - Beginning	<u>15,421,508</u>	<u>235,509</u>	<u>(97,708)</u>	<u>(767,306)</u>
Fund Balances - Ending	<u>\$15,682,486</u>	<u>\$ 398,264</u>	<u>\$ 584,216</u>	<u>\$ 198,163</u>

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

AB 118 County Local Revenue	County Improvement	Water Development Sinking	Other Governmental Funds	Totals
\$ -	\$ -	\$ -	\$ 22,096	\$25,535,443
-	230,947	-	146,200	902,773
-	-	-	732	800,970
6,538,789	127,008	1,454,600	5,743,033	42,467,490
60,401	23,192	134,887	48,929	556,968
-	9,821	-	2,050,943	12,464,296
-	29,506	-	818,692	984,702
<u>6,599,190</u>	<u>420,474</u>	<u>1,589,487</u>	<u>8,830,625</u>	<u>83,712,642</u>
-	398,019	4,312	201,002	6,842,144
5,453,037	-	271,022	4,772,474	39,241,845
-	-	-	3,645,384	10,222,946
-	-	-	-	11,813,829
-	-	-	-	1,514,356
-	-	-	-	246,250
-	-	-	-	5,370,503
-	-	-	666,230	666,230
-	-	-	149,811	149,811
-	785,442	-	300,379	3,452,085
<u>5,453,037</u>	<u>1,183,461</u>	<u>275,334</u>	<u>9,735,280</u>	<u>79,519,999</u>
<u>1,146,153</u>	<u>(762,987)</u>	<u>1,314,153</u>	<u>(904,655)</u>	<u>4,192,643</u>
-	-	-	1,006,960	2,098,212
-	-	-	(28,907)	(2,449,012)
-	-	-	978,053	(350,800)
1,146,153	(762,987)	1,314,153	73,398	3,841,843
6,377,222	1,055,074	4,316,714	6,145,374	32,686,387
<u>\$ 7,523,375</u>	<u>\$ 292,087</u>	<u>\$ 5,630,867</u>	<u>\$ 6,218,772</u>	<u>\$36,528,230</u>

COUNTY OF AMADOR
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities - Governmental Activities
For the Year Ended June 30, 2018

Net Change in Fund Balances - Total Governmental Funds \$ 3,841,843

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital outlay	3,452,085
Less current year depreciation	(1,766,974)
Various adjustments	7,668

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the net cost of the capital assets disposed. There were no significant proceeds from the sale of capital assets.

(9,770)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal retirements	666,230
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Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore, are not reported as revenues in the governmental funds.

Change in unavailable revenue	(392,817)
-------------------------------	-----------

Certain changes in deferred outflows and deferred inflows of resources reported in the statement of activities relate to long-term liabilities and are not reported in the governmental funds.

Change in deferred outflows of resources related to pension	2,135,179
Change in deferred inflows of resources related to pension	119,793
Change in deferred outflows of resources related to OPEB	22,762
Change in deferred inflows of resources related to OPEB	(337,675)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences	(174,805)
Change in closure/post-closure liability	104,269
Change in net pension liability	(7,306,454)
Change in net OPEB obligation	34,265
Change in accrued interest on long-term debt	16,246

Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.

95,550

Change in Net Position of Governmental Activities **\$ 507,395**

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

COUNTY OF AMADOR
Statement of Net Position
Proprietary Funds
June 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities</u>
	<u>Airport</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>	<u>Internal Service Funds</u>
ASSETS				
Current Assets:				
Cash and investments	\$ 5,673	\$ 1,462,685	\$ 1,468,358	\$ 3,035,209
Receivables:				
Accounts	9,579	-	9,579	6,486
Interest	107	3,958	4,065	6,995
Total Current Assets	<u>15,359</u>	<u>1,466,643</u>	<u>1,482,002</u>	<u>3,048,690</u>
Noncurrent Assets:				
Capital Assets :				
Non depreciable	1,500,853	-	1,500,853	15,000
Depreciable, net	1,115,992	-	1,115,992	676,352
Total Noncurrent Assets	<u>2,616,845</u>	<u>-</u>	<u>2,616,845</u>	<u>691,352</u>
Total Assets	<u>2,632,204</u>	<u>1,466,643</u>	<u>4,098,847</u>	<u>3,740,042</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension adjustments	54,331	-	54,331	257,169
Deferred OPEB adjustments	17	-	17	162
Total Deferred Outflows of Resources	<u>54,348</u>	<u>-</u>	<u>54,348</u>	<u>257,331</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	20,851	-	20,851	121,891
Compensated absences payable	7,099	-	7,099	46,229
Claims payable	-	-	-	80,000
Total Current Liabilities	<u>27,950</u>	<u>-</u>	<u>27,950</u>	<u>248,120</u>
Noncurrent Liabilities:				
Advances from other funds	23,600	-	23,600	-
Compensated absences payable	7,100	-	7,100	46,229
Net pension liability	200,805	-	200,805	358,815
Net OPEB liability	401	-	401	3,708
Total Noncurrent Liabilities	<u>231,906</u>	<u>-</u>	<u>231,906</u>	<u>408,752</u>
Total Liabilities	<u>259,856</u>	<u>-</u>	<u>259,856</u>	<u>656,872</u>

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

Continued (Page 1 of 2)

COUNTY OF AMADOR
Statement of Net Position
Proprietary Funds
June 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Airport</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>	<u>Internal Service Funds</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred pension adjustments	10,075	-	10,075	(13,202)
Deferred OPEB adjustments	26	-	26	242
Total Deferred Inflows of Resources	<u>10,101</u>	<u>-</u>	<u>10,101</u>	<u>(12,960)</u>
NET POSITION				
Investment in capital assets	2,616,845	-	2,616,845	691,352
Unrestricted	(200,250)	1,466,643	1,266,393	2,662,109
Total Net Position	<u>\$ 2,416,595</u>	<u>\$ 1,466,643</u>	<u>\$ 3,883,238</u>	<u>\$ 3,353,461</u>

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

Continued (Page 2 of 2)

COUNTY OF AMADOR
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Airport</u>	<u>Other</u>		<u>Activities</u>
		<u>Enterprise</u>		<u>Internal</u>
		<u>Funds</u>	<u>Totals</u>	<u>Service</u>
				<u>Funds</u>
OPERATING REVENUES				
Charges for services	\$ 184,354	\$ 140,673	\$ 325,027	\$ 2,683,302
Total Operating Revenues	<u>184,354</u>	<u>140,673</u>	<u>325,027</u>	<u>2,683,302</u>
OPERATING EXPENSES				
Salaries and benefits	158,889	-	158,889	748,711
Services and supplies	315,462	15,090	330,552	2,341,484
Depreciation	108,444	-	108,444	251,220
Total Operating Expenses	<u>582,795</u>	<u>15,090</u>	<u>597,885</u>	<u>3,341,415</u>
Operating Income (Loss)	<u>(398,441)</u>	<u>125,583</u>	<u>(272,858)</u>	<u>(658,113)</u>
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental	84,689	-	84,689	-
Interest income	(14,300)	13,069	(1,231)	21,138
Other revenues	148,503	6,864	155,367	386,489
Gain (loss) on disposal of capital assets	-	-	-	(4,764)
Total Non-Operating Revenues (Expenses)	<u>218,892</u>	<u>19,933</u>	<u>238,825</u>	<u>402,863</u>
Income (Loss) Before Transfers	<u>(179,549)</u>	<u>145,516</u>	<u>(34,033)</u>	<u>(255,250)</u>
Transfers in	-	-	-	350,800
Change in Net Position	<u>(179,549)</u>	<u>145,516</u>	<u>(34,033)</u>	<u>95,550</u>
Total Net Position - Beginning	2,596,144	1,321,127	3,917,271	3,256,412
Cumulative effect of a change in accounting principle	-	-	-	1,499
Total Net Position - Beginning, Restated	<u>2,596,144</u>	<u>1,321,127</u>	<u>3,917,271</u>	<u>3,257,911</u>
Total Net Position - Ending	<u>\$ 2,416,595</u>	<u>\$ 1,466,643</u>	<u>\$ 3,883,238</u>	<u>\$ 3,353,461</u>

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

COUNTY OF AMADOR
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities</u>
	<u>Airport</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>	<u>Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 190,492	\$ 140,673	\$ 331,165	\$ 2,696,739
Payments to suppliers	(300,965)	(15,090)	(316,055)	(2,280,706)
Payments to employees	(140,678)	-	(140,678)	(621,935)
Net Cash Provided (Used) by Operating Activities	<u>(251,151)</u>	<u>125,583</u>	<u>(125,568)</u>	<u>(205,902)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Grants and other receipts	233,192	6,864	240,056	386,489
Transfers from other funds	-	-	-	350,800
Interfund loans repaid	(8,400)	-	(8,400)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>224,792</u>	<u>6,864</u>	<u>231,656</u>	<u>737,289</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	-	-	(187,826)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(187,826)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	329	11,262	11,591	17,976
Net Cash Provided (Used) by Investing Activities	<u>329</u>	<u>11,262</u>	<u>11,591</u>	<u>17,976</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(26,030)	143,709	117,679	361,537
Balances - Beginning	<u>31,703</u>	<u>1,318,976</u>	<u>1,350,679</u>	<u>2,673,672</u>
Balances - Ending	<u>\$ 5,673</u>	<u>\$ 1,462,685</u>	<u>\$ 1,468,358</u>	<u>\$ 3,035,209</u>

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

Continued (Page 1 of 2)

COUNTY OF AMADOR
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2018

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Other</u>			<u>Internal</u>
	<u>Airport</u>	<u>Enterprise</u>	<u>Totals</u>	<u>Service</u>
		<u>Funds</u>		<u>Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET				
CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (398,441)	\$ 125,583	\$ (272,858)	\$ (658,113)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	108,444	-	108,444	251,220
Decrease (increase) in:				
Accounts receivable	6,138	-	6,138	13,437
Pension adjustments - deferred outflows	(6,014)	-	(6,014)	(30,846)
OPEB adjustments - deferred outflows	(1)	-	(1)	(17)
Increase (decrease) in:				
Accounts payable	14,497	-	14,497	70,778
Compensated absences payable	(387)	-	(387)	38,044
Claims payable	-	-	-	122,515
Net pension liability	25,257	-	25,257	(25)
Net OPEB liability	(11)	-	(11)	(10,000)
Pension adjustments - deferred inflows	(659)	-	(659)	(3,137)
OPEB adjustments - deferred inflows	26	-	26	242
Net Cash Provided (Used) by Operating Activities	<u>\$ (251,151)</u>	<u>\$ 125,583</u>	<u>\$ (125,568)</u>	<u>\$ (205,902)</u>

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

Continued (Page 2 of 2)

COUNTY OF AMADOR
Statement of Net Position
Fiduciary Funds
June 30, 2018

	Investment Trust Funds	Agency Funds
ASSETS		
Cash and investments	\$ 15,288,912	\$ 13,548,898
Receivables:		
Taxes	-	2,820,784
Total Assets	15,288,912	16,369,682
LIABILITIES		
Agency obligations	-	16,369,682
Total Liabilities	-	16,369,682
NET POSITION		
Held in trust for pool participants	15,288,912	-
Total Net Position	\$ 15,288,912	\$ -

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

COUNTY OF AMADOR
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2018

	<u>Investment Trust Funds</u>
ADDITIONS	
Contributions:	
Contributions to investment pool	\$ 7,926,197
Net investment income:	
Interest income	<u>189,397</u>
Total Additions	<u>8,115,594</u>
DEDUCTIONS	
Distributions from investment pool	<u>15,459,770</u>
Total Deductions	<u>15,459,770</u>
Total Change in Net Position	(7,344,176)
Net Position - Beginning	<u>22,633,088</u>
Net Position - Ending	<u><u>\$15,288,912</u></u>

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

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Basic Financial Statements

- **Notes to Basic Financial Statements**

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COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a countywide basis including law enforcement, education, detention, social health, fire protection, road construction, road maintenance, elections and records, planning, zoning, and tax collection.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is 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.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the Board of Supervisors. The financial statements of the individual component units may be obtained by writing to the County of Amador, Auditor-Controller's Office, 810 Court Street, Jackson, California, 95642.

Blended Component Units

Special Districts Governed by Board of Supervisors - The County is financially accountable for these entities. Financial accountability is primarily demonstrated by the County's Board acting as, or appointing, the governing board for each of the component units and its ability to impose its will. Among its duties, the County Board of Supervisors approves the budgets, special taxes and fees of these special districts. As an integral part of the County, these special districts are reported as nonmajor special revenue funds in the County's financial statements.

Victory Lighting
Amador Fire Protection District
Amador IHSS Public Authority

Discretely Presented Component Units

These are no component units of the County which meet the criteria for discrete presentation.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Joint Agencies

The County is a member of the California State Association of Counties Excess Insurance Authority (CSAC). CSAC is a joint powers authority organized for the purpose of developing and funding excess insurance programs for member counties. CSAC operates public entity risk pools for workers' compensation, comprehensive liability, property, and medical malpractice, and the pool purchases excess insurance and services for members. CSAC is under the control and direction of a board of directors consisting of representatives of the fifty member counties. Complete audited financial statements can be obtained from CSAC's office at 75 Iron Point Circle, Suite 200, Folsom, California 95630. The County is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

B. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the County and its blended component units. These statements include the financial activities of the overall government, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the County. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include (1) charges paid by the recipients of goods and services offered by the program, (2) operating grants and contributions and (3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis is placed on major funds within the governmental and proprietary categories, each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following major governmental funds:

- The General fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General fund includes such activities as public protection, public ways and facilities, health and welfare, public assistance, education, and recreation services.
- The Social Services fund is a special revenue fund used to account for revenues and expenditures for social service programs. Funding comes primarily from state grant revenues.
- The Mental Health fund is a special revenue fund used to account for revenues and expenditures for mental health programs. Funding comes primarily from state grant revenues.
- The Road fund is a special revenue fund used to account for revenues and expenditures for streets and road expansion. Funding comes primarily from state highway users' taxes and state and federal highway improvement grants.
- The AB118 Local Revenue fund is a special revenue fund used to account for revenues and expenditures for public safety, as defined by AB118. Funding comes primarily from state realignment revenues.
- The County Improvement fund is a capital projects fund used to account for revenue and expenditures for capital improvement within Amador County.
- The Water Development Sinking fund is a capital projects fund used to account for revenue and expenditures for the development of new or additional water for Amador County.

The County reports the following major proprietary funds:

- The Airport fund is an enterprise fund used to operate the County's airport for business and recreational use of County residents and visitors.

The County reports the following additional fund types:

- Internal Service Funds account for the County's motor pool, general support services, communications and self insurance program, which provide services to other departments on a cost reimbursement basis.
- The Investment Trust Funds account for the external portion of the County's investment pool which commingles resources of legally separate local governments within the County in an investment portfolio for the benefit of all participants. These entities include school districts and other special districts governed by local boards, regional boards, and authorities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

- The Agency Funds account for assets held by the County as an agent for the State of California and various local governments. These funds typically do not involve a formal trust agreement, and are used to account for situations where the role is purely custodial such as the receipt, temporary investment, or remittance of fiduciary resources. The Agency Funds are most commonly used to account for taxes or fees collected from one government on behalf of other governments.

The Agency Funds maintained by the County include the following:

County Agency Funds - accounts for all assets under the control of County departments which are held in a fiduciary capacity.

C. Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax is recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting and Measurement Focus (Continued)

Fiduciary funds include investment trust funds and agency funds. All investment trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are reported using the accrual basis of accounting to recognize receivables and payables.

D. Non-Current Governmental Assets/Liabilities

Non-current governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net position.

E. Cash and Cash Equivalents

For purposes of the accompanying Statement of Cash Flows, the County considers all highly liquid investments with a maturity of three months or less when purchased including cash with fiscal agent, and their equity in the County Treasurer's investment pool, to be cash equivalents.

F. Investments

The County sponsors an investment pool that is managed by the County Treasurer. The County's pool activity is governed by California Government Code Sections 27000.1 and 53607 as well as the County's investment policy.

Investment transactions are recorded on the trade date. The fair value of investments is determined annually. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in the State of California Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Interest payments, accrued interest, accreted discounts, amortized premiums, and realized capital gains and losses, net of administrative fees, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2018, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General fund per County Policy. Income from non-pooled investments is recorded based on the specific investments held by the fund.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Restricted Cash and Investments

Restricted assets in the governmental funds represent cash and investments held in the General fund for the Sheriff's department of \$444,824.

H. Receivables

Receivables for governmental activities consist mainly of accounts, interest, taxes, and intergovernmental revenue. Receivables for business-type activities consist mainly of user fees. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

I. Other Assets

Inventory

Inventories are stated at average cost (first-in, first-out basis) for governmental funds. Inventory recorded by governmental funds includes materials and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Inventory recorded by proprietary funds includes supplies for internal service funds. Proprietary fund inventories are recorded as expenses at the time the inventory is consumed.

J. Loans Receivable

A total of \$3,880,866 was recorded as loans receivable at June 30, 2018. \$350,000 of these represent low interest notes and related accrued interest to finance multi-family and single family construction and rehabilitation projects and homebuyer assistance for low income families. The primary source of funding for these loans comes from grants from the federal Community Development Block Grant (CDBG) program and Home Investment Partnerships (HOME) program. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements. Due to the terms of the loans, offsetting deferred inflows of resources of \$350,000 have been established in the Governmental Activities Statement of Net Position and the Governmental Funds Balance Sheet for the loan principal and interest payments.

The remaining \$3,530,866 of loans receivable are reported in the Water Development Sinking major special revenue fund and are comprised of loans to the following entities:

Jackson Valley Irrigation District	\$ 1,485,123
Fiddletown CSD	25,324
Amador Water Agency	1,870,419
City of Plymouth	<u>150,000</u>
Total Water Development Sinking Loans Receivable	<u>\$ 3,530,866</u>

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer, and similar items) are defined by the County as assets with a cost of more than \$5,000 and an estimated useful life of more than three years. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their acquisition value at the date of donation.

Capital assets used in operations are depreciated or amortized using the straight line method over the asset's estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment	3-25 years
Structures and improvements	5-50 years
Infrastructure	20-75 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

L. Property Tax

The State of California's (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1 percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value, as defined by Article XIII A, and may be adjusted by no more than 2 percent per fiscal year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1 percent tax levy among the County, cities, school districts, and other districts.

The County of Amador is responsible for assessing, collecting, and distributing property taxes in accordance with State law. Property taxes are levied on both secured (real property) and unsecured (personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of ownership in property or completion of new construction.

The County levies, bills and collects taxes as follows:

	Secured	Unsecured
Valuation/lien dates	January 1	January 1
Due dates	November 1 (1 st installment) February 1 (2 nd installment)	July 1
Delinquent dates	December 10 (1 st installment) April 10 (2 nd installment)	August 31

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

N. Unearned Revenues

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

O. Compensated Absences

It is the County’s policy to permit employees to accumulate earned but unused vacation, comp time, holiday and professional leave. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The County includes its share of social security and medicare taxes payable on behalf of the employees in the accrual for compensated absences.

P. 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 the County’s California Public Employees’ Retirement system (CalPERS) plan (Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by 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 AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Other Postemployment Benefits (OPEB)

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

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	January 1, 2017
Measurement Date	June 30, 2017
Measurement Period	June 30, 2016 to June 30, 2017

R. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two items which qualify for reporting in this category. These items relate to the outflows from changes in the net pension liability and net OPEB liability and are reportable on the Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has four types of items which qualify for reporting in this category. One item, unavailable revenue, is reported only on the governmental funds balance sheet. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second and third items relate to the inflows from changes in the net pension liability and the net OPEB liability and are reportable on the Statement of Net Position. The fourth item relates to the total housing loan principal and interest receivable amount and is reportable on the Statement of Net Position as well as the Governmental Funds Balance Sheet.

S. Estimates

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

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Implementation of Governmental Accounting Standards Board Statements (GASB)

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable, in the current financial statements.

Statement No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. This statement improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). This statement also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

Statement No. 81, Irrevocable Split-Interest Agreements. This statement improves accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

Statement No. 85, Omnibus 2017. This statement addresses practice issues that have been identified during implementation and application of certain GASB Statements including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits.

Statement No. 86, Certain Debt Extinguishment Issues. This statement improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources - resources other than the proceeds of refunding debt - are placed in an irrevocable trust for the sole purpose of extinguishing debt.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Restatement of Net Position

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning net position. During the current year, a prior period adjustment was made to reflect the prior period costs related to implementing the net OPEB liability as required by GASB Statement No. 75. The County also reported a prior period adjustment to correct an understatement of construction in progress.

The impact of the restatement on the net position of the government-wide financial statements as previously reported is presented below:

	Governmental Activities
Net Position, June 30, 2017, as previously reported	\$ 23,301,822
Adjustment associated with:	
Correction of Construction in Progress	606,028
Net OPEB Liability Adjustment	(4,110,365)
Total Adjustments	(3,504,337)
Net Position, July 1, 2017, as restated	\$ 19,797,485

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

A. Restatement of Net Position (Continued)

The impact of the restatement on the net position of the fund financial statements as previously reported is presented below:

	Internal Service Funds
Net Position, June 30, 2017, as previously reported	\$ 3,256,412
Adjustment associated with:	
Net OPEB Liability Adjustment	1,499
Total Adjustments	1,499
Net Position, July 1, 2017, as restated	\$ 3,257,911

B. Rebutable Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. At June 30, 2018, the County does not expect to incur a liability.

NOTE 3: CASH AND INVESTMENTS

The County Treasurer manages, in accordance with California Government Code Section 53600, funds deposited in the investment pool by the County, all County school districts, various districts, and some cities within the County. The County investment pool is not registered with the Securities and Exchange Commission as an investment company. California Government Code and the County's investment policy govern the investment pool activity. The objectives of the policy are in order of priority, safety, liquidity, yield and public trust. The pool attempts to match maturities with planned outlays and maximize the return on investment over various market cycles. Yield is considered only after safety and credit quality have been met, consistent with limiting risk and prudent investment principles.

The Board of Supervisors monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the Board of Supervisors and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual cost and fair value. All cash and investments are considered part of the investment pool.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, is included in the primary government as Investment Trust Funds which do not have separate financial reports. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The investments of involuntary participants in the investment pool totaled \$15,288,912 at June 30, 2018.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

A. Financial Statement Presentation

As of June 30, 2018, the County's cash and investments are reported in the financial statements as follows:

Primary government	\$ 43,976,699
Investment trust funds	15,288,912
Agency funds	<u>13,548,898</u>
Total Cash and Investments	<u>\$ 72,814,509</u>

As of June 30, 2018, the County's cash and investments consisted of the following:

Cash:	
Cash on hand	\$ 403,154
Deposits (less outstanding checks)	(<u>1,146,506</u>)
Total Cash in County Pool	(<u>743,352</u>)
Investments:	
In Treasurer's pool	<u>73,557,861</u>
Total Investments	<u>73,557,861</u>
Total Cash and Investments	<u>\$ 72,814,509</u>

B. Cash

At year end, the carrying amount of the County's cash deposits (including amounts in checking accounts) was (\$1,146,506) and the bank balance was \$5,086,525. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit. In addition, the County had cash on hand of \$403,154.

Custodial Credit Risk For Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105 percent to 150 percent of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits of more than the \$250,000 insured amount are collateralized.

C. Investments

Pursuant to Section 53646 of the Government Code, the County prepares an investment policy annually and presents it to the Board of Supervisors for review and approval. The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Under the provisions of the County's investment policy the County may invest or deposit in the following:

- United States Treasury Obligations
- United States Agency Obligations
- Supranational Obligations
- Local Agency Investment Fund (LAIF)
- California Asset Management Program (CAMP)
- CalTrust
- Certificates of Deposits
- Bankers' Acceptances
- Commercial Paper
- Negotiable Certificates of Deposit
- Medium Term Corporate Notes
- Repurchase Agreements
- Mutual Funds
- Passbook Savings Accounts/Demand Deposits/Checking Accounts

Fair Value of Investments - The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The County's position in external investment pools is in its self regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the County's investment in external investment pools are not recognized in the three-tiered fair value hierarchy described above.

At June 30, 2018, the County had the following recurring fair value measurements.

Investment Type	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level				
Federal Agencies	\$ 39,066,435	\$ 39,066,435	\$ -	\$ -
US Treasuries	12,898,686	12,898,686	-	-
Corporate Bonds	11,988,544	11,988,544	-	-
Total Investments Measured at Fair Value	63,953,665	<u>\$ 63,953,665</u>	<u>\$ -</u>	<u>\$ -</u>
Investments in External Investment Pools				
LAIF	6,113,160			
CAMP	3,491,036			
Total Investments	<u>\$ 73,557,861</u>			

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit the exposure to fair value losses from increases in interest rates, the County's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the County to meet all projected obligations. Any investments that mature more than five years from the date of purchase require prior approval of the Board of Supervisors.

As of June 30, 2018, the County had the following investments, all of which had a maturity of 5 years or less:

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity (Years)
		0-1 year	1-5 years		
Federal Agencies	0.850-2.500%	\$ 22,084,849	\$ 16,981,586	\$ 39,066,435	1.03
US Treasuries	0.750-1.375%	3,984,001	8,914,685	12,898,686	1.30
Corporate Bonds	1.100-3.000%	5,024,987	6,963,557	11,988,544	1.13
LAIF	Variable	6,113,160	-	6,113,160	-
CAMP	Variable	3,491,036	-	3,491,036	-
Total Investments		<u>\$ 40,698,033</u>	<u>\$ 32,859,828</u>	<u>\$ 73,557,861</u>	<u>0.96</u>

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investment policy sets specific parameters by the type of investment to be met at time of purchase. Presented below is the minimum rating required by (where applicable) the California Government Code or the County's investment policy, and the actual rating as of year end for each investment type.

Investment Type	Minimum Legal Rating	Standard & Poor's Rating	Moody's Rating	% of Portfolio
US Treasuries	-	-	-	17.54%
Federal Farm Credit Bank	-	-	-	13.73%
Federal Home Loan Bank	-	-	-	19.02%
Federal National Mortgage Assoc.	-	-	-	9.49%
Federal Home Loan Mortgage Corp.	-	-	-	10.86%
Corporate Bonds	A	A	A1	1.35%
Corporate Bonds	A	A	A2	1.35%
Corporate Bonds	A	A+	A1	1.37%
Corporate Bonds	A	AA+	Aa2	2.73%
Corporate Bonds	A	AA-	Aa2	1.36%
Corporate Bonds	A	AA-	Aa3	1.37%
Corporate Bonds	A	AA+	Aa1	1.35%
Corporate Bonds	A	AA+	Aaa	1.35%
Corporate Bonds	A	AAA	Aaa	1.35%
Corporate Bonds	A	AA+	Aaa	1.37%
Corporate Bonds	A	AAA	Aaa	1.35%
LAIF	N/A	Unrated	Unrated	8.31%
CAMP	N/A	Unrated	Unrated	<u>4.75%</u>
Total				<u>100.00%</u>

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

C. Investments (Continued)

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in safekeeping by a third party bank trust department.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The County's investment policy contains limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) at June 30, 2018 that represent 5 percent or more of total County investments are as follows:

<u>Investment Type</u>	<u>Amount Invested</u>	<u>% of Investments</u>
Federal Farm Credit Bank	\$ 10,099,292	13.73%
Federal Home Loan Bank	13,987,369	19.02%
Federal National Mortgage Assoc	6,983,876	9.49%
Federal Home Loan Mortgage Corp.	7,995,898	10.86%

D. Investment in External Investment Pools

The County of Amador 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. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2018, the County's investment in LAIF valued at amortized cost was \$6,113,160 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$88.8 billion. Of that amount, 99.33 percent is invested in non-derivative financial products and 2.67 percent in structured notes and asset-backed securities.

The County of Amador also maintains an investment in the California Asset Management Program (CAMP), a California JPA established in 1989 by the treasurers and finance directors of several California agencies. CAMP was created to provide professional investment services to California public agencies at a reasonable cost. The County's investment with CAMP as of June 30, 2018 was \$3,491,036, which approximates fair value.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

E. County Investment Pool Condensed Financial Information

The following are condensed statements of net position and changes in net position for the Treasurer's pool at June 30, 2018:

	<u>Internal Participants</u>	<u>External Participants</u>	<u>Total Pool</u>
Statement of Net Position			
Cash on hand	\$ 403,154	\$ -	\$ 403,154
Deposits (less outstanding checks)	(1,146,506)	-	(1,146,506)
Investments	<u>58,268,949</u>	<u>15,288,912</u>	<u>73,557,861</u>
Net Position at June 30, 2018	<u>\$ 57,525,597</u>	<u>\$ 15,288,912</u>	<u>\$ 72,814,509</u>
Statement of Changes in Net Position			
Net position at July 1, 2017	\$ 53,058,876	\$ 22,633,088	\$ 75,691,964
Net changes in investments by pool participants	<u>4,466,721</u>	<u>(7,344,176)</u>	<u>(2,877,455)</u>
Net Position at June 30, 2018	<u>\$ 57,525,597</u>	<u>\$ 15,288,912</u>	<u>\$ 72,814,509</u>

NOTE 4: CAPITAL ASSETS

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

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>Balance June 30, 2018</u>
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 6,933,029	\$ -	\$ -	\$ 8	\$ 6,933,037
Construction in progress	<u>3,698,237</u>	<u>1,981,400</u>	-	<u>606,029</u>	<u>6,285,666</u>
Total Capital Assets, Not Being Depreciated	<u>10,631,266</u>	<u>1,981,400</u>	-	<u>606,037</u>	<u>13,218,703</u>
Capital Assets, Being Depreciated:					
Structures and improvements	36,838,477	-	-	85,181	36,923,658
Equipment	15,247,756	1,658,511	(1,018,848)	99,154	15,986,573
Infrastructure	<u>44,626,475</u>	-	-	-	<u>44,626,475</u>
Total Capital Assets, Being Depreciated	<u>96,712,708</u>	<u>1,658,511</u>	<u>(1,018,848)</u>	<u>184,335</u>	<u>97,536,706</u>
Less Accumulated Depreciation For:					
Structures and improvements	(14,123,940)	(925,809)	-	(56,062)	(15,105,811)
Equipment	(12,442,111)	(685,661)	1,009,078	(136,552)	(12,255,246)
Infrastructure	<u>(38,088,489)</u>	<u>(406,724)</u>	-	<u>11,174</u>	<u>(38,484,039)</u>
Total Accumulated Depreciation	<u>(64,654,540)</u>	<u>(2,018,194)</u>	<u>1,009,078</u>	<u>(181,440)</u>	<u>(65,845,096)</u>
Total Capital Assets, Being Depreciated, Net	<u>32,058,168</u>	<u>(359,683)</u>	<u>(9,770)</u>	<u>2,895</u>	<u>31,691,610</u>
Governmental Activities Capital Assets, Net	<u>\$ 42,689,434</u>	<u>\$ 1,621,717</u>	<u>(\$ 9,770)</u>	<u>\$ 608,932</u>	<u>\$ 44,910,313</u>

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 4: CAPITAL ASSETS (CONTINUED)

	Balance July 1, 2017	Additions	Adjustments	Balance June 30, 2018
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,500,853	\$ -	\$ -	\$ 1,500,853
Total Capital Assets, Not Being Depreciated	<u>1,500,853</u>	<u>-</u>	<u>-</u>	<u>1,500,853</u>
Capital Assets, Being Depreciated:				
Structures and improvements	1,542,193	-	-	1,542,193
Equipment	102,847	-	-	102,847
Infrastructure	<u>1,803,511</u>	<u>-</u>	<u>-</u>	<u>1,803,511</u>
Total Capital Assets, Being Depreciated	<u>3,448,551</u>	<u>-</u>	<u>-</u>	<u>3,448,551</u>
Less Accumulated Depreciation For:				
Structures and improvements	(1,025,524)	(30,290)	(5,116)	(1,060,930)
Equipment	(43,349)	(8,063)	-	(51,412)
Infrastructure	<u>(1,155,242)</u>	<u>(70,091)</u>	<u>5,116</u>	<u>(1,220,217)</u>
Total Accumulated Depreciation	<u>(2,224,115)</u>	<u>(108,444)</u>	<u>-</u>	<u>(2,332,559)</u>
Total Capital Assets, Being Depreciated, Net	<u>1,224,436</u>	<u>(108,444)</u>	<u>-</u>	<u>1,115,992</u>
Business-Type Activities Capital Assets, Net	<u>\$ 2,725,289</u>	<u>(\$ 108,444)</u>	<u>\$ -</u>	<u>\$ 2,616,845</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 13,224
Public protection	382,411
Health and welfare	20,277
Public assistance	12,325
Public ways and facilities	<u>1,338,737</u>
Subtotal Governmental funds	1,766,974
Depreciation on capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>251,220</u>
Total Depreciation Expense – Governmental Functions	<u>\$ 2,018,194</u>

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

Airport	<u>\$ 108,444</u>
Total Depreciation Expense – Business-Type Functions	<u>\$ 108,444</u>

Construction In Progress

Construction in progress relates to work performed on various County projects.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 5: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2018:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General fund	\$ 328,147	\$ -
Road	<u>-</u>	<u>328,147</u>
Total	<u>\$ 328,147</u>	<u>\$ 328,147</u>

Advances To/From Other Funds

Advances to/from other funds are non-current interfund loans and are offset by a nonspendable fund balance account in applicable governmental funds to indicate they are not in spendable form. The following are advances to/from other funds as of June 30, 2018:

	<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>
General fund	\$ 1,507,600	\$ -
Social Services	-	200,000
Road	-	75,000
County Improvement	-	1,209,000
Airport	<u>-</u>	<u>23,600</u>
Total	<u>\$ 1,507,600</u>	<u>\$ 1,507,600</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2018:

	<u>Transfers In</u>	<u>Transfers Out</u>
General fund	\$ -	\$ 2,420,105
Social Services	221,240	-
Road	870,012	-
Nonmajor Governmental Funds	1,006,960	28,907
Internal Service Funds	<u>350,800</u>	<u>-</u>
Total	<u>\$ 2,449,012</u>	<u>\$ 2,449,012</u>

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 6: UNEARNED REVENUES

At June 30, 2018, the components of unearned revenues were as follows:

	Unearned
General fund	
Monies received in advance	\$ 4,552,022
Mental Health	
State grant advances received	3,336,990
County Improvement	
Clean Renewable Energy Bond credits	142,580
Total	\$ 8,031,592

NOTE 7: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2018:

Type of Indebtedness	Balance July 1, 2017	Adjustments/ Additions Retirements		Balance June 30, 2018	Amounts Due Within One Year
Governmental Activities					
Certificates of participation	\$ 5,157,000	\$ -	(\$ 517,000)	\$ 4,640,000	\$ 531,000
Bonds	313,450	-	(52,242)	261,208	52,242
Capital leases	705,951	-	(96,988)	608,963	99,754
Closure/postclosure	4,270,512	-	(104,269)	4,166,243	-
Compensated absences	2,041,437	1,567,005	(1,354,156)	2,254,286	1,127,143
Total Governmental Activities	\$ 12,488,350	\$ 1,567,005	(\$ 2,124,655)	\$ 11,930,700	\$ 1,810,139
Business-Type Activities					
Compensated absences	\$ 14,586	\$ 7,229	(\$ 7,616)	\$ 14,199	\$ 7,099
Total Business-Type Activities	\$ 14,586	\$ 7,229	(\$ 7,616)	\$ 14,199	\$ 7,099

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred. The closure/postclosure liability will be liquidated by the General fund.

Individual issues of debt payable outstanding at June 30, 2018, are as follows:

Governmental Activities

Certificates of Participation:

2015 Refunding Certificates of Participation, issued April 28, 2015, in the amount of \$6,168,000, due in annual installments of \$508,000 to \$629,000, with an interest rate of 2.65%, and maturity on October 1, 2025. The certificates were used to construct the County administration building.

	\$ 4,640,000
Total Certificates of Participation	4,640,000

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 7: LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

Bonds:

Clean Renewable Energy Bonds, issued November 5, 2008, in the amount of \$783,625, due in annual installments of \$52,242, with an interest rate of 0.00% and maturity on November 25, 2022. The bonds were used to add solar panels to the County administration building.

	261,208
Total Bonds	261,208
Total Governmental Activities	\$ 4,901,208

Following is a schedule of debt payment requirements of governmental activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities, capital leases which are reported in Note 8, and landfill postclosure costs which are reported in Note 9.

Governmental Activities

<u>Year Ended</u> <u>June 30</u>	Certificates of Participation		
	Principal	Interest	Total
2019	\$ 531,000	\$ 115,924	\$ 646,924
2020	545,000	101,667	646,667
2021	558,000	87,053	645,053
2022	574,000	72,053	646,053
2023	585,000	56,697	641,697
2024-2026	1,847,000	74,187	1,921,187
Total	\$ 4,640,000	\$ 507,581	\$ 5,147,581

<u>Year Ended</u> <u>June 30</u>	Bonds		
	Principal	Interest	Total
2019	\$ 52,242	\$ -	\$ 52,242
2020	52,242	-	52,242
2021	52,242	-	52,242
2022	52,242	-	52,242
2023	52,240	-	52,240
Total	\$ 261,208	\$ -	\$ 261,208

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 8: LEASES

Operating Leases

The County leases office space under a non-cancellable operating lease. Total cost for this lease was \$1,428,840 for the year ended June 30, 2018. The future minimum lease payments are as follows:

<u>Year Ended</u>	<u>Lease Obligations</u>
2019	\$ 1,428,840
2020	1,428,840
2021	1,428,840
2022	1,428,840
2023	1,428,840
2024-2027	<u>5,715,360</u>
Total	<u>\$ 12,859,560</u>

Capital Leases

The County has entered into certain capital lease agreements under which the related equipment will become the property of the County when all terms of the lease agreements are met.

	<u>Stated Interest Rate</u>	<u>Present Value of Remaining Payments at June 30, 2018</u>
Governmental activities	2.10-2.89%	\$ 608,963
Total		<u>\$ 608,963</u>

Equipment and related accumulated depreciation under capital lease are as follows:

	<u>Governmental Activities</u>
Equipment	\$ 999,389
Less: accumulated depreciation	<u>(89,618)</u>
Net Value	<u>\$ 909,771</u>

As of June 30, 2018, capital lease annual amortization is as follows:

<u>Year Ended</u>	<u>Governmental Activities</u>
2019	\$ 116,989
2020	116,989
2021	116,989
2022	116,989
2023	116,989
2024-2026	<u>89,178</u>
Total requirements	674,123
Less interest	<u>(65,160)</u>
Present Value of Remaining Payments	<u>\$ 608,963</u>

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 9: POSTCLOSURE

The County of Amador has one landfill site. State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. GASB Statement No. 18 requires a portion of these closure and postclosure costs be reported as an operating expense in each period based on landfill capacity used as of each statement of net position date. During fiscal year ending June 30, 2005, the landfill was closed and no longer accepts waste. As of June 30, 2011, construction to close the landfill was complete and the County received certification of the closure by the State.

As of June 30, 2018, the County's estimated remaining liability for the postclosure maintenance costs was \$4,166,243 based on 100 percent of estimated landfill capacity used. This amount is based on what it would cost to perform all postclosure care in 2018. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County has filed a Pledge of Revenue with the California Integrated Waste Management Board that waives the requirement to make contributions to a special fund to finance postclosure costs. Future landfill revenues have been pledged to fulfill financial assurance requirements. Also, the County's General fund has guaranteed to cover the remainder of the costs not covered by pledged revenues.

NOTE 10: NET POSITION

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

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements, and other special revenue fund purposes.
- **Unrestricted net position** - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

Net Position Restricted by Enabling Legislation

The government-wide Statement of Net Position reports \$11,865,681 of restricted net position, of which \$8,995,935 is restricted by enabling legislation.

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 11: FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2018, fund balances for governmental funds are made up of the following:

- **Nonspendable fund balance** - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.
- **Restricted fund balance** - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted with the consent of resource providers.
- **Committed fund balance** - amounts that can only be used for the specific purposes determined by formal action of the County’s highest level of decision-making authority. The Board of Supervisors is the highest level of decision making authority for the County that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned fund balance** - amounts that are constrained by the County’s intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.
- **Unassigned fund balance** - the residual classification for the County’s General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 11: FUND BALANCES (CONTINUED)

The fund balances for all major and nonmajor governmental funds as of June 30, 2018, were distributed as follows:

	General Fund	Social Services	Mental Health	Road	AB118 County Local Revenue	County Improvement	Water Development Sinking	Other Governmental Funds	Totals
Nonspendable									
Inventory	\$ -	\$ -	\$ -	\$ 24,616	\$ -	\$ -	\$ -	\$ -	\$ 24,616
Advances to other funds	1,507,600	-	-	-	-	-	-	-	1,507,600
Subtotal	1,507,600	-	-	24,616	-	-	-	-	1,532,216
Restricted									
County Trusts	2,662,977	-	-	-	-	-	-	-	2,662,977
Social services	-	398,264	-	-	-	-	-	-	398,264
Mental health	-	-	584,216	-	-	-	-	-	584,216
Road	-	-	-	173,547	-	-	-	-	173,547
AB 118 county local revenue	-	-	-	-	7,523,375	-	-	-	7,523,375
Memorial hall	-	-	-	-	-	-	-	193,879	193,879
Health	-	-	-	-	-	-	-	1,007,529	1,007,529
Fish and game	-	-	-	-	-	-	-	19,462	19,462
Co. Special Revenue Trust	-	-	-	-	-	-	-	816,924	816,924
Victory lighting	-	-	-	-	-	-	-	49,078	49,078
Amador Fire Protection District	-	-	-	-	-	-	-	3,187,331	3,187,331
IHSS Public Authority	-	-	-	-	-	-	-	1,272	1,272
Parks and Recreation Impact Fee	-	-	-	-	-	-	-	794,393	794,393
Amador Community Facilities	-	-	-	-	-	-	-	67,481	67,481
Subtotal	2,662,977	398,264	584,216	173,547	7,523,375	-	-	6,137,349	17,479,728
Committed:									
County Trusts	171,115	-	-	-	-	-	-	-	171,115
County improvement	-	-	-	-	-	-	5,630,867	-	5,630,867
Subtotal	171,115	-	-	-	-	-	5,630,867	-	5,801,982
Assigned									
General reserves	6,908,855	-	-	-	-	-	-	-	6,908,855
County improvement	-	-	-	-	-	292,087	-	-	292,087
Debt service	-	-	-	-	-	-	-	81,423	81,423
Subtotal	6,908,855	-	-	-	-	292,087	-	81,423	7,282,365
Unassigned									
4,431,939	-	-	-	-	-	-	-	-	4,431,939
Total	\$ 15,682,486	\$ 398,264	\$ 584,216	\$ 198,163	\$ 7,523,375	\$ 292,087	\$ 5,630,867	\$ 6,218,772	\$ 36,528,230

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 11: FUND BALANCES (CONTINUED)

Fund Balance Policy

The Board of Supervisors has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications, establishes prudent reserve requirements and establishes a hierarchy of fund balance expenditures. The policy also provides for a measure of financial protection for the County against unforeseen circumstances and to comply with GASB 54. The minimum unrestricted fund balance may be recognized within the committed, assigned, or unassigned classifications.

NOTE 12: PENSION PLAN

A. General Information about the Pension Plan

Plan Description

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

Effective January 1, 2013, the County added retirement tiers for both the Miscellaneous and Safety Rate Tiers for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding. The cumulative effect of these PEPRA changes will ultimately reduce the County's retirement costs.

Summary of Rate Tiers and Eligible Participants

Open for New Enrollment

Miscellaneous PEPRA	Miscellaneous members hired on or after January 1, 2013
Safety - County Peace Officer PEPRA	Safety County peace officers hired on or after January 1, 2013
Safety - Prosecutor PEPRA	Safety prosecutor employees hired on or after January 1, 2013

Closed to New Enrollment

Miscellaneous First Tier	Miscellaneous employees hired before June 1, 2011
Miscellaneous Second Tier	Miscellaneous employees hired after June 1, 2011 and before January 1, 2013
Safety - County Peace Officer First Tier	Safety County peace officers hired before June 1, 2011
Safety - County Peace Officer Second Tier	Safety County peace officers hired after June 1, 2011 and before January 1, 2013
Safety - Prosecutor First Tier	Safety prosecutor employees hired before June 1, 2011
Safety - Prosecutor Second Tier	Safety prosecutor employees hired after June 1, 2011 and before January 1, 2013

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 12: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Benefits Provided

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

Each Rate Tier's specific provisions and benefits in effect at June 30, 2018, are summarized as follows:

	<u>Benefit Formula</u>	<u>Retirement Age</u>	<u>Monthly Benefits as a % of Eligible Compensation</u>
Miscellaneous First Tier	2.0% @ 55	50	1.40% to 2.40%
Miscellaneous Second Tier	2.0% @ 60	50	1.10% to 2.40%
Miscellaneous PEPRA	2.0% @ 62	52	1.00% to 2.50%
Safety County Peace Officer First Tier	3.0% @ 50	50	3.00%
Safety County Peace Officer Second Tier	3.0% @ 55	50	2.00% to 3.00%
Safety County Peace Officer PEPRA	2.7% @ 57	50	2.00% to 2.70%
Safety Prosecutor First Tier	2.0% @ 50	50	2.00% to 2.70%
Safety Prosecutor Second Tier	2.0% @ 55	50	1.40% to 2.00%
Safety Prosecutor PEPRA	2.0% @ 57	50	1.40% to 2.00%

Employees Covered

At June 30, 2018, the following employees were covered by the benefit terms for the Miscellaneous Rate Tier including independent entities (Courts and Amador Air District):

	<u>Inactive Employees or Beneficiaries Currently Receiving Benefits</u>	<u>Inactive Employees Entitled to But Not Yet Receiving Benefits</u>	<u>Active Employees</u>
Miscellaneous	590	303	280

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 all 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 AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 12: PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Contributions (Continued)

	Employer Contribution Rates	Employee Contribution Rates	Employer Paid Member Contribution Rates
Miscellaneous First Tier	8.832%	7.000%	0.000%
Miscellaneous Second Tier	8.832%	7.000%	0.000%
Miscellaneous PEPRA	8.832%	6.750%	0.000%
Safety County Peace Officer First Tier	19.723%	9.000%	0.000%
Safety County Peace Officer Second Tier	16.842%	9.000%	0.000%
Safety County Peace Officer PEPRA	11.990%	11.500%	0.000%
Safety Prosecutor First Tier	14.971%	9.000%	4.000%
Safety Prosecutor Second Tier	12.242%	7.000%	1.000%
Safety Prosecutor PEPRA	9.513%	9.500%	0.000%

B. Net Pension Liability

The County's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2017, using an annual actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Salary Increase	Varies by entry-age and service
Mortality Rate Table ¹	Derived using CalPERS' membership data for all funds
Post-Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period 1997 to 2011 including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website.

¹The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB, for more details on this table, please refer to the 2014 experience study report.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 12: PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Change of Assumptions

In 2017-18, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. 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. The test revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at the CalPERS website under the GASB 68 section.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Taking into account historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted on July 1, 2014.

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	47.0%	4.90%	5.38%
Fixed Income	19.0%	0.80%	2.27%
Inflation Assets	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	-0.40%	-0.90%
Total	<u>100.0%</u>		

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

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

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 12: PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability

As of June 30, 2018, the changes in the net pension liability of the agent multiple-employer defined benefit pension rate tier, including independent entities (Courts and Amador Air District), is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Miscellaneous:			
Balance at June 30, 2016	\$ 135,974,508	\$ 94,391,335	\$ 41,583,173
Changes in the year:			
Service cost	2,788,446	-	2,788,446
Interest on total pension liability	10,037,766	-	10,037,766
Change of assumptions	7,531,344	-	7,531,344
Differences between expected and actual experience	(477,561)	-	(477,561)
Contribution - employer	-	3,309,850	(3,309,850)
Contribution - employee	-	1,131,215	(1,131,215)
Net investment income	-	10,416,965	(10,416,965)
Benefit payments, including refunds of employee contributions	(8,068,330)	(8,068,330)	-
Administrative expense	-	(139,362)	139,362
Net changes	11,811,665	6,650,338	5,161,327
Balance at June 30, 2017	\$ 147,786,173	\$ 101,041,673	46,744,500
Less:			
Amount allocated to independent entities			(6,912,359)
Balance at June 30, 2017			\$ 39,832,141

As of June 30, 2018, the County reported net pension liabilities for its proportionate share of the net pension liability of the cost sharing multiple-employer defined benefit pension rate tier as follows:

	Proportionate Share of Net Pension Liability
Safety	\$ 23,771,069
Total Net Pension Liability	\$ 23,771,069

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 12: PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability (Continued)

The County's net pension liability for the cost sharing multiple-employer defined benefit pension rate tier is measured as the proportionate share of the net pension liability. The net pension liability of the rate tier is measured as of June 30, 2017, and the total pension liability for the rate tier used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The County's proportionate share of the net pension liability for the cost sharing multiple-employer defined benefit pension rate tier as of June 30, 2016 and 2017 was as follows:

	<u>Proportion June 30, 2016</u>	<u>Proportion June 30, 2017</u>	<u>Change - Increase (Decrease)</u>
Safety	.24244%	.23969%	-.00275%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	<u>1% Decrease 6.15%</u>	<u>Discount Rate 7.15%</u>	<u>1% Increase 8.15%</u>
Miscellaneous	\$ 64,548,997	\$ 46,744,500	\$ 31,825,473
Safety	35,146,572	23,771,069	14,472,162

Pension Plan Fiduciary Net Position

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

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 12: PENSION PLAN (CONTINUED)

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

For the year ended June 30, 2018, the County recognized pension expense of \$11,373,861. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 6,579,633	\$ -
Changes of assumptions	6,794,075	(403,733)
Differences between expected and actual experience	237,433	(444,921)
Net differences between projected and actual earnings on plan investments	2,125,377	-
Adjustment due to differences in proportions	82,460	-
Difference between County contributions and proportionate share of contributions	321,579	-
Total	16,140,557	(848,654)
Less: amount allocated to independent entities	(1,044,288)	378,928
Total	\$ 15,096,269	(\$ 469,726)

\$6,579,633 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended <u>June 30</u>		
2019		\$ 3,716,991
2020		4,352,802
2021		2,021,586
2022		(1,379,109)
Thereafter		-
Total		\$ 8,712,270

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. General Information about the OPEB Plan

Plan Description

The County's defined benefit OPEB plan (the Plan) provides retiring employees access to coverage for medical, dental and vision. The Plan is an agent multiple-employer defined benefit plan administered by the California Public Employees' Retirement System (CalPERS). The Board of Supervisors reserves the authority to review and amend the funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the County.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. General Information about the OPEB Plan (Continued)

Benefits Provided

The County provides retiring employees access to the following coverage: medical, dental and vision.

Medical coverage is currently provided through one of two programs: County sponsored plan for some members and CalPERS (PEMHCA) for other groups. For both programs:

- The employee must satisfy the requirements for retirement under CalPERS, which requires (a) attainment of age 50 (age 52, if a new miscellaneous member on or after January 1, 2013) with 5 years of State or public agency service or (b) an approved disability retirement.
- Coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage.

Additional requirements apply for participation in the CalPERS (PEMHCA) medical programs:

- If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement or during any future open enrollment period.
- The employee must begin his or her retirement (pension) benefit within 120 days of terminating employment with the County to be eligible to continue medical coverage through the County and be entitled to the employer subsidy described below.

Continuation of medical, dental and/or vision coverage in the County plans also requires:

- That an employee elect coverage at the time of retirement. Once coverage has been waived, the retiree may not re-enroll in any of the County's (non-PEMHCA) plans.

Portion of Premiums Paid by the County

Dental & Vision coverage: Access to coverage only. The County makes no direct contributions toward this coverage for any retirees. Because it is assumed no implicit subsidy liability occurs with regard to this coverage, there is no OPEB liability for dental or vision coverage included in this report.

For PEMHCA medical coverage: As a PEMHCA employer, the County is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. The current PEMHCA resolutions provide for the County to contribute the PEMHCA minimum employer contribution (MEC) for all covered active² and retired employees. The MEC is \$122 per month for the 2015 calendar year and increases generally in sync with CPI-medical trend.

²It is understood that there is a pre-tax flexible benefit plan in place for active employees which provides premiums in excess of the MEC and these additional payments are not required to be provided to retired employees to meet PEMHCA requirements.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. General Information about the OPEB Plan (Continued)

Portion of Premiums Paid by the County (Continued)

For retirees enrolled in the County medical plan: For pre-Medicare retirees, the County provides access only to the medical plan provided to active employees and makes no direct contribution toward the premiums. Coverage under this plan ends once a retiree and/or spouse qualifies for Medicare coverage, though the retiree may then enroll in a Medicare supplement plan made available by the County; these premiums are also paid 100 percent by the retiree. If a retiree is not eligible for Medicare, they may stay on the County's plan for life.

The following chart summarizes these benefits and eligibility.

The 2017 monthly healthcare premium rates are shown below:

For PEMHCA members:

Sacramento 2017 Health Plan Rates						
	Actives and Pre-Med Retirees			Medicare Eligible Retirees		
Anthem Select HMO	\$ 907.08	\$1,814.16	\$2,358.41	Not Available		
Anthem Traditional HMO	1,286.41	2,572.82	3,344.67	Not Available		
Blue Shield Access+ HMO	859.42	1,718.84	2,234.49	Not Available		
Health Net SmartCare	672.66	1,345.32	1,748.92	Not Available		
Kaiser HMO	690.56	1,381.12	1,795.46	\$ 300.48	\$ 600.96	\$1,015.30
United Healthcare HMO	756.78	1,513.56	1,967.63	324.21	648.42	1,102.49
PERS Choice PPO	723.47	1,446.94	1,881.02	353.63	707.26	1,141.34
PERS Select PPO	641.47	1,282.94	1,667.82	353.63	707.26	1,092.14
PERS Care PPO	812.40	1,624.80	2,112.24	389.76	779.52	1,266.96
PORAC Association Plan	699.00	1,467.00	1,876.00	464.00	924.00	1,333.00

For non-PEMHCA members:

Amador County Plan Rates	
Blue Shield PPO	
Employee Only	\$ 602.00
Ee & 1	1,262.00
Ee & 2+	1,804.00

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. General Information about the OPEB Plan (Continued)

Employees Covered By Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	42
Active employees	<u>321</u>
	<u><u>363</u></u>

B. Net OPEB Liability

The County's net OPEB liability of \$5,153,083, was measured as of June 30, 2017, and was determined by the actuarial valuation as of January 1, 2017.

Actuarial Assumptions and Other Inputs

The net OPEB liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	January 1, 2017
Funding Method	Entry Age Normal Cost, level of percent of pay
Asset Valuation Method	Market value of assets
Long Term Return on Assets	4.64
Discount Rates	2.68 percent as of June 30, 2016 3.13 percent as of June 30, 2017
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Salary Increase	3.25 percent per year; since benefits do not depend on pay, this is used only to allocate the cost of benefits between service years
Assumed Wage Inflation	3.00 percent per year; used as a component of assumed salary increases
General Inflation Rate	2.75 percent per year
Healthcare cost trend rates	8.0 percent for 2019, decreasing 0.5 percent per year to an ultimate rate of 5.0 percent for 2025 and later years

The discount rate was based on the S & P Municipal Bond 20 Year High Grade Index.

Mortality rates were based on the mortality rates published by CalPERS adjusted to back out 20 years of Scale BB to central year 2008 and then projected forward 6 years using MacLeod Watts Scale 2017 to year 2014.

All actuarial assumptions used in the January 1, 2017 valuation were based on the results of the 2014 experience study of the California Public Employees Retirement System using data from 1997 to 2011, except for a different basis used to project future mortality improvements.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at June 30, 2017	\$ 5,780,839	\$ 593,463	\$ 5,187,376
Changes for the year:			
Service cost	405,321	-	405,321
Interest	163,088	-	163,088
Expected investment income	-	27,537	(27,537)
Employer contributions	-	201,593	(201,593)
Benefit payments	(201,593)	(201,593)	-
Assumption changes	(381,327)	-	(381,327)
Investment experience	-	(7,755)	7,755
Net Changes	(14,511)	19,782	(34,293)
Balance at June 30, 2018	\$ 5,766,328	\$ 613,245	\$ 5,153,083

Changes of assumptions and other inputs reflect a change in the discount rate from 2.68 percent as of June 30, 2016 to 3.13 percent as of June 30, 2017.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

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

	1% Decrease 2.13%	Current Rate 3.13%	1% Increase 4.13%
Net OPEB Liability	\$ 6,059,829	\$ 5,153,083	\$ 4,433,412

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend Rates

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

	Current Trend -1%	Current Trend	Current Trend +1%
Net OPEB Liability	\$ 4,073,400	\$ 5,153,083	\$ 6,900,275

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 13: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

For the year ended June 30, 2018, the County recognized OPEB expense of \$499,041. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ -	(\$ 337,943)
Net difference between projected and actual earnings on investments	6,205	-
Contributions made subsequent to the measurement date	<u>218,168</u>	<u>-</u>
Total	<u>\$ 224,373</u>	<u>(\$ 337,943)</u>

The \$218,168 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2017 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

<u>Year Ended June 30</u>	<u>Recognized Net Deferred Outflows (Inflows) of Resources</u>
2019	(\$ 41,831)
2020	(41,831)
2021	(41,831)
2022	(41,830)
2023	(43,382)
Thereafter	(121,033)

NOTE 14: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the County Supervisors Association of California Excess Insurance Authority (CSAC-EIA), a public entity risk pool currently operating as a common risk management and insurance program for Counties. Should actual loss among participants be greater than anticipated, the County will be assessed it's a pro rata share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its pro rata share of the excess.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 14: RISK MANAGEMENT (CONTINUED)

The County maintains risk management internal service fund (Self-Insurance Fund) to consolidate the County's fully insured Workers' Compensation program and the general liability, medical malpractice and property insurance programs that are partially self-insured. Fund revenues are primarily premium charges to other funds and are planned to equal workers' compensation premiums, 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 \$100,000 for its general liability program, \$10,000 per occurrence for its medical malpractice program and \$5,000 for its property program. A commercial insurance policy has been purchased, that covers all SIR related losses except for the first \$10,000. Losses which exceed the SIR are covered by the excess insurance policy described above.

The total claims liability of \$80,000 at June 30, 2018, is based on the requirements of Governmental Accounting Standards Board (GASB) Statement No. 10, as amended by GASB Statement No. 30. These statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated.

Estimates of the liabilities for incurred (both reported and unreported) but unpaid claims, are based on claims loss reports. Liabilities are based on the estimated cost of settling claims.

Changes in the County's claims liabilities amount for the fiscal years ended June 30, 2018, 2017 and 2016 were as follows:

	<u>Balance at</u> <u>Beginning of</u> <u>Fiscal Year</u>	<u>Current Year</u> <u>Claims and</u> <u>Changes in</u> <u>Estimates</u>	<u>Claims</u> <u>Payments</u>	<u>Balance at</u> <u>End of</u> <u>Fiscal Year</u>
2016	\$ 140,000	\$ 270,800	\$ 360,800	\$ 50,000
2017	50,000	140,000	100,000	90,000
2018	90,000	98,500	108,500	80,000

The ultimate settlement of claims against the County cannot presently be determined and no provision for any other liability that may result has been made in the financial statements.

NOTE 15: OTHER INFORMATION

A. Commitments and Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The County is involved in several lawsuits. Due to the nature of the cases, County Counsel is unable to estimate at this time the probability of favorable or unfavorable outcomes. Therefore, no provision has been made in the financial statements for a loss contingency.

COUNTY OF AMADOR
Notes to Basic Financial Statements
For the Year Ended June 30, 2018

NOTE 15: OTHER INFORMATION (CONTINUED)

B. Subsequent Events

Management has evaluated events subsequent to June 30, 2018 through March 14, 2019, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

**Required Supplementary Information
(Unaudited)**

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COUNTY OF AMADOR
Required Supplementary Information
County Pension Plan
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2018
Last 10 Fiscal Years*

Measurement Date	2013/14	2014/15	2015/16	2016/17
Miscellaneous				
Total Pension Liability				
Service cost	\$ 2,715,585	\$ 2,622,452	\$ 2,434,639	\$ 2,788,446
Interest	9,132,995	9,545,630	9,842,773	10,037,766
Changes of assumptions	-	(2,116,566)	-	7,531,344
Difference between expected and actual experience	-	36,190	(893,027)	(477,561)
Benefit payments, including refunds of employee contributions	(6,335,586)	(7,095,259)	(7,498,575)	(8,068,330)
Net Change in Total Pension Liability	5,512,994	2,992,447	3,885,810	11,811,665
Total Pension Liability - Beginning	123,583,257	129,096,251	132,088,698	135,974,508
Total Pension Liability - Ending (a)	<u>\$ 129,096,251</u>	<u>\$ 132,088,698</u>	<u>\$ 135,974,508</u>	<u>\$ 147,786,173</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 2,677,371	\$ 2,697,641	\$ 3,002,676	\$ 3,309,850
Contributions - employee	1,403,408	1,104,793	1,106,333	1,131,215
Net investment income	14,761,579	2,231,916	524,437	10,416,965
Benefit payments, including refunds of employee contributions	(6,335,586)	(7,095,259)	(7,498,575)	(8,068,330)
Plan to plan resource movement	-	(859)	13,284	(139,362)
Administrative expense	-	(109,595)	(59,301)	-
Net Change in Plan Fiduciary Net Position	12,506,772	(1,171,363)	(2,911,146)	6,650,338
Plan Fiduciary Net Position - Beginning	85,967,072	98,473,844	97,302,481	94,391,335
Plan Fiduciary Net Position - Ending (b)	<u>\$ 98,473,844</u>	<u>\$ 97,302,481</u>	<u>\$ 94,391,335</u>	<u>\$ 101,041,673</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 30,622,407</u>	<u>\$ 34,786,217</u>	<u>\$ 41,583,173</u>	<u>\$ 46,744,500</u>
Plan fiduciary net position as a percentage of the total pension liability	76.28%	73.66%	69.42%	68.37%
Covered payroll	\$ 16,880,621	\$ 17,035,541	\$ 16,051,157	\$ 16,968,576
Net pension liability as a percentage of covered payroll	181.41%	204.20%	259.07%	275.48%

* The County implemented GASB 68 for the fiscal year June 30, 2015, therefore only four years are shown.

COUNTY OF AMADOR
Required Supplementary Information
County Pension Plan
Schedule of Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2018
Last 10 Fiscal Years*

Measurement Date	2013/14	2014/15	2015/16	2017/18
Safety				
Proportion of the net pension liability	0.05000%	0.05000%	0.30560%	0.34630%
Proportionate share of the net pension liability	\$ 15,621,568	\$ 17,163,721	\$ 20,978,779	\$ 23,771,069
Covered payroll	7,542,944	7,735,945	8,037,004	8,233,714
Proportionate share of the net pension liability as a percentage of covered payroll	207.10%	221.87%	261.03%	288.70%
Plan fiduciary net position as a percentage of the total pension liability	74.81%	74.09%	71.24%	70.76%

* The County implemented GASB 68 for the fiscal year June 30, 2015, therefore only four years are shown.

COUNTY OF AMADOR
Required Supplementary Information
County Pension Plan
Schedule of Contributions
For the Year Ended June 30, 2018
Last 10 Fiscal Years*

Fiscal Year	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
Miscellaneous				
Contractually required contributions (actuarially determined)	\$ 2,697,641	\$ 3,002,676	\$ 3,008,692	\$ 3,309,850
Contributions in relation to the actuarially determined contributions	<u>(2,697,641)</u>	<u>(3,002,676)</u>	<u>(3,008,692)</u>	<u>(3,309,850)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 17,035,541	\$ 16,051,157	\$ 16,968,576	\$ 17,079,791
Contributions as a percentage of covered payroll	15.84%	18.71%	17.73%	19.38%
Safety				
Contractually required contributions (actuarially determined)	\$ 777,285	\$ 382,499	\$ 1,436,408	\$ 2,723,990
Contributions in relation to the actuarially determined contributions	<u>(777,285)</u>	<u>(938,136)</u>	<u>(2,527,648)</u>	<u>(2,723,990)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (555,637)</u>	<u>\$ (1,091,240)</u>	<u>\$ -</u>
Covered payroll	\$ 7,735,945	\$ 8,037,004	\$ 8,233,714	\$ 8,622,021
Contributions as a percentage of covered payroll	10.05%	4.76%	17.45%	31.59%

* The County implemented GASB 68 for the fiscal year June 30, 2015, therefore only four years are shown.

COUNTY OF AMADOR
Required Supplementary Information
County Pension Plan
Notes to County Pension Plan
For the Year Ended June 30, 2018

NOTE 1: SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2016 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 of assumptions: In 2018, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

NOTE 2: SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Change of assumptions: In 2018, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

NOTE 3: SCHEDULE OF CONTRIBUTIONS

Methods and assumptions used to determine the contribution rates were as follows:

Miscellaneous Rate Tier:

Valuation Date	June 30, 2014
Actuarial cost method	Entry-Age Normal
Amortization method/period	For details, see June 30, 2014 Funding Valuation Report
Asset valuation method	Market value of assets. For details, see June 30, 2014 Funding Valuation Report.
Inflation	2.75 percent
Salary increases	Varies by Entry-Age and Service
Payroll growth	3.00 percent
Investment rate of return	7.50 percent, net of pension plan investment and administrative expenses; includes inflation
Retirement age	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

COUNTY OF AMADOR
Required Supplementary Information
County Pension Plan
Notes to County Pension Plan
For the Year Ended June 30, 2018

NOTE 3: SCHEDULE OF CONTRIBUTIONS (CONTINUED)

Safety Rate Tier:

Valuation Date	June 30, 2015
Actuarial cost method	Entry-Age Normal
Amortization method/period	For details, see June 30, 2015 Funding Valuation Report
Asset valuation method	Market value of assets
Inflation	2.75 percent compounded annually
Salary increases	Varies by entry-age and service
Payroll growth	3.00 percent compounded annually
Investment rate of return	7.50 percent, net of pension plan investment and administrative expenses, including inflation
Retirement age	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

COUNTY OF AMADOR
Required Supplementary Information
County OPEB Plan
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2018
Last 10 Years*

Measurement Date	2016/2017
Total OPEB Liability	
Service cost	\$ 405,321
Interest	163,088
Benefit payments	(201,593)
Assumption changes	(381,327)
	<hr/>
Net Change in Total OPEB Liability	(14,511)
	<hr/>
Total OPEB Liability - Beginning	5,780,839
	<hr/>
Total OPEB Liability - Ending (a)	<u>\$ 5,766,328</u>
Plan Fiduciary Net Position	
Expected investment income	\$ 27,537
Contributions - employer	201,593
Benefit payments	(201,593)
Investment experience	(7,755)
	<hr/>
Net Change in Plan Fiduciary Net Position	19,782
	<hr/>
Plan Fiduciary Net Position - Beginning	593,463
	<hr/>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 613,245</u>
	<hr/>
Net OPEB Liability - Ending (a)-(b)	<u>\$ 5,153,083</u>
	<hr/>
Plan fiduciary net position as a percentage of the total OPEB liability	10.63%
Covered payroll	\$ 24,431,880
Net pension liability as a percentage of covered payroll	21.09%

* The County implemented GASB 75 for the fiscal year June 30, 2018, therefore only one year is shown.

COUNTY OF AMADOR
Required Supplementary Information
County OPEB Plan
Schedule of Contributions
For the Year Ended June 30, 2018
Last 10 Fiscal Years*

Fiscal Year	<u>2017/18</u>
Contractually required contributions (actuarially determined)	\$ 218,168
Contributions in relation to the actuarially determined contributions	<u>(218,168)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Covered payroll	\$ 24,431,880
Contributions as a percentage of covered payroll	0.89%

* The County implemented GASB 75 for the fiscal year June 30, 2018, therefore only one year is shown.

COUNTY OF AMADOR
Required Supplementary Information
County OPEB Plan
Notes to County OPEB Plan
For the Year Ended June 30, 2018

NOTE 1: SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Changes of Assumptions

The discount rate was changed from 2.68 percent as of June 30, 2016 to 3.13 percent as of June 30, 2017 based on the published change in return for the applicable municipal bond index.

NOTE 2: SCHEDULE OF CONTRIBUTIONS

The actuarially determined contribution (ADC) developed for the County's fiscal year ending June 30, 2018 was determined and presented in the January 1, 2017 Actuarial Valuation report.

COUNTY OF AMADOR
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive Negative
REVENUES				
Taxes and assessments	\$24,834,702	\$24,758,294	\$25,233,347	\$ 475,053
Licenses, permits, and franchises	384,157	384,157	493,323	109,166
Fines and forfeitures	739,371	908,590	778,950	(129,640)
Intergovernmental	7,056,294	5,846,767	5,835,325	(11,442)
Use of money and property	279,797	279,797	271,543	(8,254)
Charges for services	4,465,087	4,964,206	7,716,967	2,752,761
Other revenues	103,870	114,443	117,896	3,453
Total Revenues	<u>37,863,278</u>	<u>37,256,254</u>	<u>40,447,351</u>	<u>3,191,097</u>
EXPENDITURES				
Current:				
General government	7,077,732	6,077,368	6,238,811	(161,443)
Public protection	27,278,509	28,176,460	28,745,312	(568,852)
Health and welfare	600,724	694,516	16,707	677,809
Public assistance	200,814	202,648	169,674	32,974
Education	911,366	954,680	1,514,356	(559,676)
Culture and recreation	247,898	246,009	246,250	(241)
Capital outlay	59,080	577,941	835,158	(257,217)
Contingencies	1,100,000	1,000,400	-	1,000,400
Total Expenditures	<u>37,476,123</u>	<u>37,930,022</u>	<u>37,766,268</u>	<u>163,754</u>
Excess of Revenues Over (Under) Expenditures	<u>387,155</u>	<u>(673,768)</u>	<u>2,681,083</u>	<u>3,354,851</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	10,000	10,000	-	(10,000)
Transfers out	(2,508,021)	(4,465,571)	(2,420,105)	2,045,466
Total Other Financing Sources (Uses)	<u>(2,498,021)</u>	<u>(4,455,571)</u>	<u>(2,420,105)</u>	<u>2,035,466</u>
Net Change in Fund Balances	<u>(2,110,866)</u>	<u>(5,129,339)</u>	<u>260,978</u>	<u>5,390,317</u>
Fund Balances - Beginning	<u>15,421,508</u>	<u>15,421,508</u>	<u>15,421,508</u>	<u>-</u>
Fund Balances - Ending	<u>\$13,310,642</u>	<u>\$10,292,169</u>	<u>\$15,682,486</u>	<u>\$ 5,390,317</u>

COUNTY OF AMADOR
Required Supplementary Information
Budgetary Comparison Schedule
Social Services - Major Special Revenue Fund
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 9,452,333	\$ 9,865,562	\$ 9,753,459	\$ (112,103)
Use of money and property	-	-	2,639	2,639
Charges for services	1,885,458	1,855,154	1,864,701	9,547
Other revenues	58,204	58,204	-	(58,204)
Total Revenues	11,395,995	11,778,920	11,620,799	(158,121)
EXPENDITURES				
Current:				
Public assistance	11,369,295	11,708,083	11,644,155	63,928
Capital outlay	26,700	70,837	35,129	35,708
Total Expenditures	11,395,995	11,778,920	11,679,284	99,636
Excess of Revenues Over (Under) Expenditures	-	-	(58,485)	(58,485)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	221,240	221,240
Total Other Financing Sources (Uses)	-	-	221,240	221,240
Net Change in Fund Balances	-	-	162,755	162,755
Fund Balances - Beginning	235,509	235,509	235,509	-
Fund Balances - Ending	\$ 235,509	\$ 235,509	\$ 398,264	\$ 162,755

COUNTY OF AMADOR
Required Supplementary Information
Budgetary Comparison Schedule
Mental Health - Major Special Revenue Fund
For the Year Ended June 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 5,975,209	\$ 6,086,313	\$ 6,549,737	\$ 463,424
Use of money and property	500	500	9,259	8,759
Charges for services	917,627	917,627	705,710	(211,917)
Other revenues	104,186	146,279	1,899	(144,380)
Total Revenues	<u>6,997,522</u>	<u>7,150,719</u>	<u>7,266,605</u>	<u>115,886</u>
EXPENDITURES				
Current:				
Health and welfare	6,997,522	7,150,719	6,560,855	589,864
Capital outlay	-	-	23,826	(23,826)
Total Expenditures	<u>6,997,522</u>	<u>7,150,719</u>	<u>6,584,681</u>	<u>566,038</u>
Net Change in Fund Balances	-	-	681,924	681,924
Fund Balances - Beginning	<u>(97,708)</u>	<u>(97,708)</u>	<u>(97,708)</u>	-
Fund Balances - Ending	<u>\$ (97,708)</u>	<u>\$ (97,708)</u>	<u>\$ 584,216</u>	<u>\$ 681,924</u>

COUNTY OF AMADOR
Required Supplementary Information
Budgetary Comparison Schedule
Road - Major Special Revenue Fund
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive Negative
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 280,000	\$ 280,000
Licenses, permits, and franchises	31,500	20,500	32,303	11,803
Fines and forfeitures	24,000	20,000	21,288	1,288
Intergovernmental	6,906,215	8,982,497	6,465,539	(2,516,958)
Use of money and property	20,000	7,500	6,118	(1,382)
Charges for services	181,680	359,485	116,154	(243,331)
Other revenues	827,100	939,805	16,709	(923,096)
Total Revenues	<u>7,990,495</u>	<u>10,329,787</u>	<u>6,938,111</u>	<u>(3,391,676)</u>
EXPENDITURES				
Current:				
Public ways and facilities	3,346,392	3,479,202	5,370,503	(1,891,301)
Capital outlay	5,856,727	6,971,397	1,472,151	5,499,246
Total Expenditures	<u>9,203,119</u>	<u>10,450,599</u>	<u>6,842,654</u>	<u>3,607,945</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,212,624)</u>	<u>(120,812)</u>	<u>95,457</u>	<u>216,269</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	399,750	195,200	870,012	674,812
Total Other Financing Sources (Uses)	<u>399,750</u>	<u>195,200</u>	<u>870,012</u>	<u>674,812</u>
Net Change in Fund Balances	(812,874)	74,388	965,469	891,081
Fund Balances - Beginning	<u>(767,306)</u>	<u>(767,306)</u>	<u>(767,306)</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (1,580,180)</u>	<u>\$ (692,918)</u>	<u>\$ 198,163</u>	<u>\$ 891,081</u>

COUNTY OF AMADOR
Required Supplementary Information
Budgetary Comparison Schedule
AB 118 County Local Revenue - Major Special Revenue Fund
For the Year Ended June 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Intergovernmental	\$ 5,905,780	\$ 5,927,768	\$ 6,538,789	\$ 611,021
Use of money and property	4,626	4,626	60,401	55,775
Total Revenues	<u>5,910,406</u>	<u>5,932,394</u>	<u>6,599,190</u>	<u>666,796</u>
EXPENDITURES				
Current:				
Public protection	5,906,806	6,159,962	5,453,037	706,925
Capital outlay	3,600	3,600	-	3,600
Total Expenditures	<u>5,910,406</u>	<u>6,163,562</u>	<u>5,453,037</u>	<u>710,525</u>
Net Change in Fund Balances	-	(231,168)	1,146,153	1,377,321
Fund Balances - Beginning	<u>6,377,222</u>	<u>6,377,222</u>	<u>6,377,222</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 6,377,222</u>	<u>\$ 6,146,054</u>	<u>\$ 7,523,375</u>	<u>\$ 1,377,321</u>

COUNTY OF AMADOR
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Year Ended June 30, 2018

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County's General and major special revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

In accordance with the provisions of Sections 29000 and 29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before 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.

The following procedures are performed by the County in establishing the budgetary data reflected in the financial statements:

- (1) The County Administrative Officer submits to the Board of Supervisors a recommended draft budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
- (2) The Board of Supervisors reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- (3) Prior to July 1, the budget is adopted through the passage of a resolution.
- (4) From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as recommended expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by motion during the fiscal year. The County Administrative Officer may authorize transfers from one object or purpose to another within the same department.

Combining Nonmajor Fund Statements

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Nonmajor Governmental Funds

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COUNTY OF AMADOR
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Totals</u>
ASSETS				
Cash and investments	\$ 5,275,532	\$ 859,564	\$ 81,234	\$ 6,216,330
Receivables:				
Accounts	116,351	-	-	116,351
Interest	11,047	2,310	189	13,546
Intergovernmental	384,142	-	-	384,142
Total Assets	<u>\$ 5,787,072</u>	<u>\$ 861,874</u>	<u>\$ 81,423</u>	<u>\$ 6,730,369</u>
LIABILITIES				
Accounts payable	\$ 249,000	\$ -	\$ -	\$ 249,000
Salaries and benefits payable	59,956	-	-	59,956
Accrued interest payable	7	-	-	7
Total Liabilities	<u>308,963</u>	<u>-</u>	<u>-</u>	<u>308,963</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	202,634	-	-	202,634
Total Deferred Inflows of Resources	<u>202,634</u>	<u>-</u>	<u>-</u>	<u>202,634</u>
FUND BALANCES				
Restricted	5,275,475	861,874	-	6,137,349
Assigned	-	-	81,423	81,423
Total Fund Balances	<u>5,275,475</u>	<u>861,874</u>	<u>81,423</u>	<u>6,218,772</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,787,072</u>	<u>\$ 861,874</u>	<u>\$ 81,423</u>	<u>\$ 6,730,369</u>

COUNTY OF AMADOR
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2018

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Totals</u>
REVENUES				
Taxes and assessments	\$ 22,096	\$ -	\$ -	\$ 22,096
Licenses, permits, and franchises	-	146,200	-	146,200
Fines and forfeitures	732	-	-	732
Intergovernmental	5,743,033	-	-	5,743,033
Use of money and property	39,344	8,142	1,443	48,929
Charges for services	1,989,246	61,697	-	2,050,943
Other revenues	818,692	-	-	818,692
Total Revenues	<u>8,613,143</u>	<u>216,039</u>	<u>1,443</u>	<u>8,830,625</u>
EXPENDITURES				
Current:				
General government	-	201,002	-	201,002
Public protection	4,772,474	-	-	4,772,474
Health and welfare	3,645,384	-	-	3,645,384
Debt service:				
Principal	96,990	-	569,240	666,230
Interest and other charges	19,999	-	129,812	149,811
Capital outlay	300,379	-	-	300,379
Total Expenditures	<u>8,835,226</u>	<u>201,002</u>	<u>699,052</u>	<u>9,735,280</u>
Excess of Revenues Over (Under) Expenditures	<u>(222,083)</u>	<u>15,037</u>	<u>(697,609)</u>	<u>(904,655)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	279,000	-	727,960	1,006,960
Transfers out	(28,907)	-	-	(28,907)
Total Other Financing Sources (Uses)	<u>250,093</u>	<u>-</u>	<u>727,960</u>	<u>978,053</u>
Net Change in Fund Balances	28,010	15,037	30,351	73,398
Fund Balances - Beginning	<u>5,247,465</u>	<u>846,837</u>	<u>51,072</u>	<u>6,145,374</u>
Fund Balances - Ending	<u>\$ 5,275,475</u>	<u>\$ 861,874</u>	<u>\$ 81,423</u>	<u>\$ 6,218,772</u>

Nonmajor Governmental Funds

- **Special Revenue Funds**

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COUNTY OF AMADOR
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018

	<u>Memorial Hall</u>	<u>Health</u>	<u>Fish and Game</u>	<u>Co. Special Revenue Trust</u>
ASSETS				
Cash and investments	\$ 193,303	\$ 949,097	\$ 19,409	\$ 908,848
Receivables:				
Accounts	-	-	-	-
Interest	576	1,880	53	-
Intergovernmental	-	384,042	-	-
Total Assets	<u>\$ 193,879</u>	<u>\$ 1,335,019</u>	<u>\$ 19,462</u>	<u>\$ 908,848</u>
LIABILITIES				
Accounts payable	\$ -	\$ 124,856	\$ -	\$ 91,924
Salaries and benefits payable	-	-	-	-
Accrued interest payable	-	-	-	-
Total Liabilities	<u>-</u>	<u>124,856</u>	<u>-</u>	<u>91,924</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	202,634	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>202,634</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	193,879	1,007,529	19,462	816,924
Total Fund Balances	<u>193,879</u>	<u>1,007,529</u>	<u>19,462</u>	<u>816,924</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 193,879</u>	<u>\$ 1,335,019</u>	<u>\$ 19,462</u>	<u>\$ 908,848</u>

Victory Lighting	Amador Fire Protection District	Amador IHSS Public Authority	Totals
\$ 48,946	\$ 3,154,730	\$ 1,199	\$ 5,275,532
-	116,351	-	116,351
132	8,406	-	11,047
-	-	100	384,142
<u>\$ 49,078</u>	<u>\$ 3,279,487</u>	<u>\$ 1,299</u>	<u>\$ 5,787,072</u>
\$ -	\$ 32,200	\$ 20	\$ 249,000
-	59,956	-	59,956
-	-	7	7
-	92,156	27	308,963
-	-	-	202,634
-	-	-	202,634
<u>49,078</u>	<u>3,187,331</u>	<u>1,272</u>	<u>5,275,475</u>
<u>49,078</u>	<u>3,187,331</u>	<u>1,272</u>	<u>5,275,475</u>
<u>\$ 49,078</u>	<u>\$ 3,279,487</u>	<u>\$ 1,299</u>	<u>\$ 5,787,072</u>

COUNTY OF AMADOR
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2018

	Memorial Hall	Health	Fish and Game	Co. Special Revenue Trust
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	732	-
Intergovernmental	-	3,146,118	-	-
Use of money and property	2,011	7,187	213	-
Charges for services	-	13,531	-	65,744
Other revenues	-	60,830	-	-
Total Revenues	2,011	3,227,666	945	65,744
EXPENDITURES				
Current:				
Public protection	20,000	-	4,279	-
Health and welfare	-	3,380,492	-	-
Debt service:				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay	-	6,533	-	-
Total Expenditures	20,000	3,387,025	4,279	-
Excess of Revenues Over (Under) Expenditures	(17,989)	(159,359)	(3,334)	65,744
OTHER FINANCING SOURCES (USES)				
Transfers in	-	279,000	-	-
Transfers out	-	-	-	(28,907)
Total Other Financing Sources (Uses)	-	279,000	-	(28,907)
Net Change in Fund Balances	(17,989)	119,641	(3,334)	36,837
Fund Balances (Deficits) - Beginning	211,868	887,888	22,796	780,087
Fund Balances - Ending	\$ 193,879	\$ 1,007,529	\$ 19,462	\$ 816,924

Victory Lighting	Amador Fire Protection District	Amador IHSS Public Authority	Totals
\$ 2,942	\$ 19,154	\$ -	\$ 22,096
-	-	-	732
35	2,327,755	269,125	5,743,033
448	29,523	(38)	39,344
-	1,909,971	-	1,989,246
-	753,494	4,368	818,692
<u>3,425</u>	<u>5,039,897</u>	<u>273,455</u>	<u>8,613,143</u>
911	4,747,284	-	4,772,474
-	-	264,892	3,645,384
-	96,990	-	96,990
-	19,999	-	19,999
-	293,846	-	300,379
<u>911</u>	<u>5,158,119</u>	<u>264,892</u>	<u>8,835,226</u>
<u>2,514</u>	<u>(118,222)</u>	<u>8,563</u>	<u>(222,083)</u>
-	-	-	279,000
-	-	-	(28,907)
-	-	-	250,093
2,514	(118,222)	8,563	28,010
46,564	3,305,553	(7,291)	5,247,465
<u>\$ 49,078</u>	<u>\$ 3,187,331</u>	<u>\$ 1,272</u>	<u>\$ 5,275,475</u>

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Nonmajor Governmental Funds

- **Capital Projects Funds**

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COUNTY OF AMADOR
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2018

	Parks and Recreation Impact Fee	Amador Community Facilities	Totals
ASSETS			
Cash and investments	\$ 792,291	\$ 67,273	\$ 859,564
Receivables:			
Interest	2,102	208	2,310
Total Assets	\$ 794,393	\$ 67,481	\$ 861,874
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Total Liabilities	-	-	-
FUND BALANCES			
Restricted	794,393	67,481	861,874
Total Fund Balances	794,393	67,481	861,874
Total Liabilities and Fund Balances	\$ 794,393	\$ 67,481	\$ 861,874

COUNTY OF AMADOR
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2018

	Parks and Recreation Impact Fee	Amador Community Facilities	Totals
REVENUES			
Licenses and permits	\$ 146,200	\$ -	\$ 146,200
Use of money and property	7,330	812	8,142
Charges for services	-	61,697	61,697
Total Revenues	<u>153,530</u>	<u>62,509</u>	<u>216,039</u>
EXPENDITURES			
Current:			
General government	103,542	97,460	201,002
Total Expenditures	<u>103,542</u>	<u>97,460</u>	<u>201,002</u>
Net Change in Fund Balances	49,988	(34,951)	15,037
Fund Balances - Beginning	<u>744,405</u>	<u>102,432</u>	<u>846,837</u>
Fund Balances - Ending	<u>\$ 794,393</u>	<u>\$ 67,481</u>	<u>\$ 861,874</u>

Nonmajor Governmental Funds

- **Debt Service Fund**

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COUNTY OF AMADOR
Combining Balance Sheet
Nonmajor Debt Service Fund
June 30, 2018

	Debt Service	Totals
ASSETS		
Cash and investments	\$ 81,234	\$ 81,234
Receivables:		
Interest	189	189
Total Assets	\$ 81,423	\$ 81,423
LIABILITIES		
Accounts payable	\$ -	\$ -
Total Liabilities	-	-
FUND BALANCE		
Assigned	81,423	81,423
Total Fund Balance	81,423	81,423
Total Liabilities and Fund Balance	\$ 81,423	\$ 81,423

COUNTY OF AMADOR
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Nonmajor Debt Service Fund
For the Year Ended June 30, 2018

	Debt Service	Totals
REVENUES		
Use of money and property	\$ 1,443	\$ 1,443
Total Revenues	1,443	1,443
EXPENDITURES		
Debt service:		
Principal	569,240	569,240
Interest and other charges	129,812	129,812
Total Expenditures	699,052	699,052
Excess of Revenues Over (Under) Expenditures	(697,609)	(697,609)
OTHER FINANCING SOURCES (USES)		
Transfers in	727,960	727,960
Total Other Financing Sources (Uses)	727,960	727,960
Net Change in Fund Balance	30,351	30,351
Fund Balance - Beginning	51,072	51,072
Fund Balance - Ending	\$ 81,423	\$ 81,423

Nonmajor Proprietary Funds

- **Enterprise Funds**

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COUNTY OF AMADOR
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2018

	CSA #4 Sewer	CSA #5 Road Maintenance	CSA #6 Monitoring/ Sewer
ASSETS			
Current Assets:			
Cash and investments	\$ 44,802	\$ 1,242,362	\$ 1,436
Receivables:			
Interest	122	3,335	23
	44,924	1,245,697	1,459
Total Current Assets			
	44,924	1,245,697	1,459
Total Assets			
	44,924	1,245,697	1,459
LIABILITIES			
Current Liabilities:			
Accounts payable	-	-	-
	-	-	-
Total Current Liabilities			
	-	-	-
Total Liabilities			
	-	-	-
NET POSITION			
Unrestricted	44,924	1,245,697	1,459
	44,924	1,245,697	1,459
Total Net Position	\$ 44,924	\$ 1,245,697	\$ 1,459

<u>CSA #8</u> <u>Carbondale</u>	<u>Totals</u>
\$ 174,085	\$ 1,462,685
<u>478</u>	<u>3,958</u>
<u>174,563</u>	<u>1,466,643</u>
<u>174,563</u>	<u>1,466,643</u>
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
<u>174,563</u>	<u>1,466,643</u>
<u>\$ 174,563</u>	<u>\$ 1,466,643</u>

COUNTY OF AMADOR
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2018

	CSA #4 Sewer	CSA #5 Road Maintenance	CSA #6 Monitoring/ Sewer
OPERATING REVENUES			
Charges for services	\$ -	\$ 131,251	\$ 9,422
Total Operating Revenues	<u>-</u>	<u>131,251</u>	<u>9,422</u>
OPERATING EXPENSES			
Services and supplies	-	6,090	9,000
Total Operating Expenses	<u>-</u>	<u>6,090</u>	<u>9,000</u>
Operating Income (Loss)	<u>-</u>	<u>125,161</u>	<u>422</u>
NON-OPERATING REVENUE (EXPENSES)			
Interest income	423	10,970	39
Other revenue	-	-	-
Total Non-Operating Revenues (Expenses)	<u>423</u>	<u>10,970</u>	<u>39</u>
Change in Net Position	423	136,131	461
Total Net Position - Beginning	<u>44,501</u>	<u>1,109,566</u>	<u>998</u>
Total Net Position - Ending	<u>\$ 44,924</u>	<u>\$ 1,245,697</u>	<u>\$ 1,459</u>

CSA #8	
Carbondale	Totals
\$ -	\$ 140,673
-	140,673
-	15,090
-	15,090
-	125,583
1,637	13,069
6,864	6,864
8,501	19,933
8,501	145,516
166,062	1,321,127
<u>\$ 174,563</u>	<u>\$ 1,466,643</u>

COUNTY OF AMADOR
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2018

	CSA #4 Sewer	CSA #5 Road Maintenance	CSA #6 Monitoring/ Sewer
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ -	\$ 131,251	\$ 9,422
Payments to suppliers	-	(6,090)	(9,000)
Net Cash Provided (Used) by Operating Activities	-	125,161	422
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Grants, taxes and other receipts	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	374	9,426	31
Net Cash Provided (Used) by Investing Activities	374	9,426	31
Net Increase (Decrease) in Cash and Cash Equivalents	374	134,587	453
Balances - Beginning	44,428	1,107,775	983
Balances - Ending	\$ 44,802	\$ 1,242,362	\$ 1,436
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ -	\$ 125,161	\$ 422
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
No adjustments were needed to reconcile operating income (loss) to net cash provided (used) by operating activities	-	-	-
Net Cash Provided (Used) by Operating Activities	\$ -	\$ 125,161	\$ 422

CSA #8	
Carbondale	Totals
\$ -	\$ 140,673
<u>-</u>	<u>(15,090)</u>
<u>-</u>	<u>125,583</u>

<u>6,864</u>	<u>6,864</u>
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<u>6,864</u>	<u>6,864</u>
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<u>1,431</u>	<u>11,262</u>
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<u>1,431</u>	<u>11,262</u>
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8,295	143,709
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<u>165,790</u>	<u>1,318,976</u>
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<u>\$ 174,085</u>	<u>\$ 1,462,685</u>
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\$ -	\$ 125,583
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<u>-</u>	<u>-</u>
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<u>\$ -</u>	<u>\$ 125,583</u>
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Internal Service Funds

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COUNTY OF AMADOR
Combining Statement of Net Position
Internal Service Funds
June 30, 2018

	General Services		
	Support	Motor Pool	Communication
ASSETS			
Current Assets:			
Cash and investments	\$ 83,060	\$ 1,601,180	\$ 17,235
Receivables:			
Accounts	86	6,400	-
Interest	307	4,100	-
Total Current Assets	83,453	1,611,680	17,235
Noncurrent Assets:			
Capital Assets :			
Non depreciable	15,000	-	-
Depreciable, net	20,834	655,518	-
Total Noncurrent Assets	35,834	655,518	-
Total Assets	119,287	2,267,198	17,235
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension adjustments	99,451	95,592	-
Deferred OPEB adjustments	27	31	-
Total Deferred Outflows of Resources	99,478	95,623	-
LIABILITIES			
Current Liabilities:			
Accounts payable	13,098	74,601	2,166
Compensated absences payable	12,006	26,700	-
Claims payable	-	-	-
Total Current Liabilities	25,104	101,301	2,166
Noncurrent Liabilities:			
Compensated absences payable	12,007	26,700	-
Net pension liability	139,269	133,223	-
Net OPEB liability	615	708	-
Total Noncurrent Liabilities	151,891	160,631	-
Total Liabilities	176,995	261,932	2,166
DEFERRED INFLOWS OF RESOURCES			
Deferred pension adjustments	(5,078)	(4,915)	-
Deferred OPEB adjustments	40	46	-
Total Deferred Inflows of Resources	(5,038)	(4,869)	-
NET POSITION			
Investment in capital assets	35,834	655,518	-
Unrestricted	10,974	1,450,240	15,069
Total Net Position	\$ 46,808	\$ 2,105,758	\$ 15,069

<u>Self Insurance</u>	<u>Totals</u>
\$ 1,333,734	\$ 3,035,209
-	6,486
2,588	6,995
<u>1,336,322</u>	<u>3,048,690</u>
-	15,000
-	676,352
-	691,352
<u>1,336,322</u>	<u>3,740,042</u>
62,126	257,169
104	162
<u>62,230</u>	<u>257,331</u>
32,026	121,891
7,523	46,229
80,000	80,000
<u>119,549</u>	<u>248,120</u>
7,522	46,229
86,323	358,815
2,385	3,708
<u>96,230</u>	<u>408,752</u>
<u>215,779</u>	<u>656,872</u>
(3,209)	(13,202)
156	242
<u>(3,053)</u>	<u>(12,960)</u>
-	691,352
<u>1,185,826</u>	<u>2,662,109</u>
<u>\$ 1,185,826</u>	<u>\$ 3,353,461</u>

COUNTY OF AMADOR
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2018

	General Services		
	Support	Motor Pool	Communication
OPERATING REVENUES			
Charges for services	\$ 632,339	\$ 1,143,047	\$ 109,128
Total Operating Revenues	<u>632,339</u>	<u>1,143,047</u>	<u>109,128</u>
OPERATING EXPENSES			
Salaries and benefits	297,237	285,496	-
Services and supplies	480,817	530,643	122,466
Depreciation	2,222	248,998	-
Total Operating Expenses	<u>780,276</u>	<u>1,065,137</u>	<u>122,466</u>
Operating Income (Loss)	<u>(147,937)</u>	<u>77,910</u>	<u>(13,338)</u>
NON-OPERATING REVENUE (EXPENSES)			
Interest income	1,062	13,213	-
Other revenues	6,553	11,523	-
Gain (loss) on disposal of capital assets	-	(4,764)	-
Total Non-Operating Revenue (Expenses)	<u>7,615</u>	<u>19,972</u>	<u>-</u>
Income (Loss) Before Transfers	<u>(140,322)</u>	<u>97,882</u>	<u>(13,338)</u>
Transfers in	104,844	-	-
Change in Net Position	<u>(35,478)</u>	<u>97,882</u>	<u>(13,338)</u>
Total Net Position - Beginning	78,558	2,008,517	28,407
Cumulative effect of a change in accounting principle	3,728	(641)	-
Total Net Position - Beginning	<u>82,286</u>	<u>2,007,876</u>	<u>28,407</u>
Total Net Position - Ending	<u>\$ 46,808</u>	<u>\$ 2,105,758</u>	<u>\$ 15,069</u>

<u>Self Insurance</u>	<u>Totals</u>
\$ 798,788	\$ 2,683,302
<u>798,788</u>	<u>2,683,302</u>
165,978	748,711
1,207,558	2,341,484
<u>-</u>	<u>251,220</u>
<u>1,373,536</u>	<u>3,341,415</u>
<u>(574,748)</u>	<u>(658,113)</u>
6,863	21,138
368,413	386,489
<u>-</u>	<u>(4,764)</u>
<u>375,276</u>	<u>402,863</u>
(199,472)	(255,250)
<u>245,956</u>	<u>350,800</u>
<u>46,484</u>	<u>95,550</u>
1,140,930	3,256,412
<u>(1,588)</u>	<u>1,499</u>
<u>1,139,342</u>	<u>3,257,911</u>
<u>\$ 1,185,826</u>	<u>\$ 3,353,461</u>

COUNTY OF AMADOR
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2018

	General Services		
	Support	Motor Pool	Communication
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 637,299	\$ 1,150,273	\$ 110,379
Payments to suppliers	(473,813)	(470,380)	(122,404)
Payments to employees	(246,665)	(239,175)	-
Net Cash Provided (Used) by Operating Activities	<u>(83,179)</u>	<u>440,718</u>	<u>(12,025)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Other receipts	6,553	11,523	-
Transfers from other funds	104,844	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>111,397</u>	<u>11,523</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(187,826)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(187,826)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	946	11,254	-
Net Cash Provided (Used) by Investing Activities	<u>946</u>	<u>11,254</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	29,164	275,669	(12,025)
Balances - Beginning	53,896	1,325,511	29,260
Balances - Ending	<u>\$ 83,060</u>	<u>\$ 1,601,180</u>	<u>\$ 17,235</u>

<u>Self Insurance</u>	<u>Totals</u>
\$ 798,788	\$ 2,696,739
(1,214,109)	(2,280,706)
(136,095)	(621,935)
<u>(551,416)</u>	<u>(205,902)</u>
368,413	386,489
<u>245,956</u>	<u>350,800</u>
<u>614,369</u>	<u>737,289</u>
<u>-</u>	<u>(187,826)</u>
<u>-</u>	<u>(187,826)</u>
<u>5,776</u>	<u>17,976</u>
<u>5,776</u>	<u>17,976</u>
68,729	361,537
<u>1,265,005</u>	<u>2,673,672</u>
<u>\$ 1,333,734</u>	<u>\$ 3,035,209</u>

COUNTY OF AMADOR
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2018

	General Services		
	Support	Motor Pool	Communication
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (147,937)	\$ 77,910	\$ (13,338)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	2,222	248,998	-
Decrease (increase) in:			
Accounts receivable	4,960	7,226	1,251
Pension adjustments - deferred outflows	(12,969)	(11,157)	-
OPEB adjustments - deferred outflows	(3)	(3)	-
Increase (decrease) in:			
Accounts payable	7,004	60,263	62
Compensated absences payable	15,765	13,534	-
Net pension liability	48,975	45,066	-
Net OPEB liability	(4)	(5)	-
Claims payable	-	-	-
Pension adjustments - deferred inflows	(1,232)	(1,160)	-
OPEB adjustments - deferred inflows	40	46	-
Net Cash Provided (Used) by Operating Activities	\$ (83,179)	\$ 440,718	\$ (12,025)

<u>Self Insurance</u>	<u>Totals</u>
\$ (574,748)	\$ (658,113)
-	251,220
-	13,437
(6,720)	(30,846)
(11)	(17)
3,449	70,778
8,745	38,044
28,474	122,515
(16)	(25)
(10,000)	(10,000)
(745)	(3,137)
156	242
<u>\$ (551,416)</u>	<u>\$ (205,902)</u>

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Fiduciary Funds

- **Trust and Agency Funds**

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COUNTY OF AMADOR
Combining Statement of Net Position
Investment Trust Funds
June 30, 2018

	Special Districts Governed by Local Boards	School Districts	Totals
ASSETS			
Cash and investments	\$ 5,371,011	\$ 9,917,901	\$ 15,288,912
Total Assets	5,371,011	9,917,901	15,288,912
LIABILITIES			
Accounts payable	-	-	-
Total Liabilities	-	-	-
NET POSITION			
Held in trust for investment pool participants	5,371,011	9,917,901	15,288,912
Total Net Position	\$ 5,371,011	\$ 9,917,901	\$ 15,288,912

COUNTY OF AMADOR
Combining Statement of Changes in Net Position
Investment Trust Funds
For the Year Ending June 30, 2018

	Special Districts Governed by Local Boards	School Districts	Totals
ADDITIONS			
Contributions:			
Contributions to investment pool	\$ 210,252	\$ 7,715,945	\$ 7,926,197
Net investment income:			
Interest income	46,357	143,040	189,397
Total Additions	<u>256,609</u>	<u>7,858,985</u>	<u>8,115,594</u>
DEDUCTIONS			
Distributions from investment pool	<u>258,477</u>	<u>15,201,293</u>	<u>15,459,770</u>
Total Deductions	<u>258,477</u>	<u>15,201,293</u>	<u>15,459,770</u>
Total Change in Net Position	(1,868)	(7,342,308)	(7,344,176)
Net Position - Beginning	<u>5,372,879</u>	<u>17,260,209</u>	<u>22,633,088</u>
Net Position - Ending	<u>\$ 5,371,011</u>	<u>\$ 9,917,901</u>	<u>\$ 15,288,912</u>

COUNTY OF AMADOR
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2018

	<u>County Agency Funds</u>	<u>Totals</u>
ASSETS		
Cash and investments	\$ 13,548,898	\$ 13,548,898
Receivables:		
Taxes	<u>2,820,784</u>	<u>2,820,784</u>
Total Assets	<u>\$ 16,369,682</u>	<u>\$ 16,369,682</u>
LIABILITIES		
Agency obligations	<u>\$ 16,369,682</u>	<u>\$ 16,369,682</u>
Total Liabilities	<u>\$ 16,369,682</u>	<u>\$ 16,369,682</u>

COUNTY OF AMADOR
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2018

COUNTY AGENCY FUNDS	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2018</u>
ASSETS				
Cash and investments	\$ 9,982,628	\$ 4,374,655	\$ 808,385	\$13,548,898
Receivables				
Interest	1,041	-	1,041	-
Taxes	2,822,071	2,820,784	2,822,071	2,820,784
	<u>\$12,805,740</u>	<u>\$ 7,195,439</u>	<u>\$ 3,631,497</u>	<u>\$16,369,682</u>
Total Assets				
LIABILITIES				
Agency obligations	<u>\$12,805,740</u>	<u>\$ 7,195,439</u>	<u>\$ 3,631,497</u>	<u>\$16,369,682</u>
Total Liabilities	<u>\$12,805,740</u>	<u>\$ 7,195,439</u>	<u>\$ 3,631,497</u>	<u>\$16,369,682</u>