



COUNTY OF MENDOCINO

STATE OF CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2020

Prepared and submitted by

THE OFFICE OF THE AUDITOR-CONTROLLER, LLOYD B. WEER



– COVER PHOTO –
Pudding Creek Trestle, Fort Bragg, CA; photo by Zohar Zaied

COUNTY OF MENDOCINO

STATE OF CALIFORNIA

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

Prepared and submitted by
The Office of the Auditor-Controller
Lloyd B. Weer



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INTRODUCTORY SECTION



– INTRODUCTORY SECTION PHOTO –
Hendy Woods, Boonville, CA; photo by Lloyd Weer



MENDOCINO COUNTY

AUDITOR-CONTROLLER

(707)234-6860 · FAX (707)467-2503-501 LOW GAP ROAD, ROOM 1080, UKIAH, CALIFORNIA 95482

LLOYD B. WEER
AUDITOR-CONTROLLER

To the Citizens of the County of Mendocino and the Board of Supervisors:

I hereby submit this year's Comprehensive Annual Financial Report ("CAFR") of the County of Mendocino for the fiscal year ended June 30, 2020. This CAFR is intended to present information above and beyond what is required by Generally Accepted Accounting Principles ("GAAP") or state law.

It is my hope that this report will give the residents of Mendocino County, the Board of Supervisors, and other users a broader view and understanding of County financial operations and to further assist the users of our financial statements in assessing the financial condition of the County.

This CAFR is in compliance with Sections 25250 and 25253 of the Government Code of the State of California. These statutes require all general-purpose local governments to issue an annual report on the financial position and activities of that government. The report must be presented in conformance with GAAP and must be audited by an independent firm of certified public accountants ("CPA") in conformance with Generally Accepted Government Auditing Standards ("GAGAS"). The financial statements contained in this CAFR meet these requirements.

This report contains management representations and is prepared by the Office of the Auditor-Controller. Mendocino County management is responsible for the accuracy of the presented data, and the completeness and fairness of the presentation. To provide reasonable assurance of accuracy of the information presented in these financial statements and to protect County assets, management has instituted an internal control framework. This framework consists of policies, procedures and computer-based accounting and management information systems sufficient to ensure reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The financial statements and accompanying Notes to the Financial Statements contained in this CAFR have been audited by Clifton Larson Allen, LLC (“CLA”), a Limited Liability Partnership of Certified Public Accountants. Their audit was performed in accordance with GAGAS. The auditors have concluded, based on their audit, that the financial statements combined with the accompanying Notes present fairly, in all material respects, the financial condition of Mendocino County as of June 30, 2020. A copy of their report is included in the Financial Section of this CAFR.

In planning and performing the audit of the financial statements, CLA considered the internal control structure of the County in order to determine appropriate audit procedures. During this review, no significant deficiencies or material weaknesses were noted. This information was presented in a letter to the Board of Supervisors and management.

Management is required by GAAP (GASB 34) to provide a management Discussion and Analysis (“MD&A”) in conjunction with financial statement reporting. The purpose of the MD&A is to introduce the basic financial statements and to provide an analytical overview of the financial activities of the County. The MD&A is located in the Financial Section of this CAFR.

Overview of the County

History and Geography: Mendocino County is one of the original counties of California. It was created in 1850 at the time of statehood, and derives its name from Cape Mendocino.



Wages Creek Beach, Westport, CA; photo by Zohar Zaied

Mendocino County is located on the north coast of California, and is noted for its distinctive Pacific Ocean coastline and its location along the southern portion of California’s “Lost Coast”.

Mendocino County is also known for its majestic redwood forests. The wine production and timber/forest products industries support a large part of the local economy, while the unspoiled beauty and rural nature of the area provides a niche market for microbreweries, artisans and a fledgling legalized cannabis production industry.



Redwood forests



Wine production



Bartlett pears



Cannabis

With an area of 3,878 square miles, Mendocino County encompasses 3,506 square miles of land and 372 square miles of water. The County is located about 100 miles north of San Francisco. It is bordered by six other California counties: Sonoma to the South, Lake, Glenn, and Tehama to the East, and Humboldt and Trinity to the North.

Structure: The County is a general law county. The County government is comprised of ten elected officials including a five-member Board of Supervisors, the Assessor-Clerk-Recorder, the Auditor-Controller, the District Attorney, the Sheriff, and the Treasurer-Tax Collector; all elected to four-year terms. A County Chief Executive Officer (“CEO”) is appointed by the Board of Supervisors.

The accounts of the County are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which the spending activities are controlled.

Services: The County government provides a full range of public services including public safety, roads and facilities, social services, administrative services, health services, sanitation services, library services and leisure services. Typically, the department heads who run these operations, other than elected department heads, report to the CEO.

The Ukiah Administration Center at 501 Low Gap Road houses most of the County’s business services, including the offices of the Assessor-Clerk Recorder, Elections, Environmental Health, Planning & Building and Treasurer-Tax Collector.

The Administration Center in Ukiah also houses the offices of the Mendocino County Board of Supervisors, the CEO, the Auditor-Controller, County Counsel, and the County’s business support departments of Human Resources and Information Services.



Mendocino County Administration Center, Ukiah



Mendocino County Sheriff's Office, Ukiah

Other Ukiah-based facilities include the offices of the District Attorney, Agriculture, Alternate Defender, Animal Care, Child Support, Cultural Services, Probation, Public Defender, Transportation and county support facilities of Central Services and Facilities and Fleet.

The Mendocino County Sheriff-Coroner administration offices, Jail and Juvenile Hall are also located in Ukiah. Sheriff Substation facilities are located in Fort Bragg and Willits. Limited facility outpost substations are located in Mendocino and Redwood Valley.

Mendocino County's Health and Human Services Agency offers behavioral health, public health, veterans' and social services, with facilities in Ukiah, Fort Bragg and Willits.



Mendocino County Health & Human Services/Public Health, Ukiah

Cultural Services & Recreation: Community libraries are maintained in Ukiah, Fort Bragg, Willits, Point Arena and Covelo.



Ukiah Library



Fort Bragg Library



Willits Library



Pt. Arena Library



Covelo Library

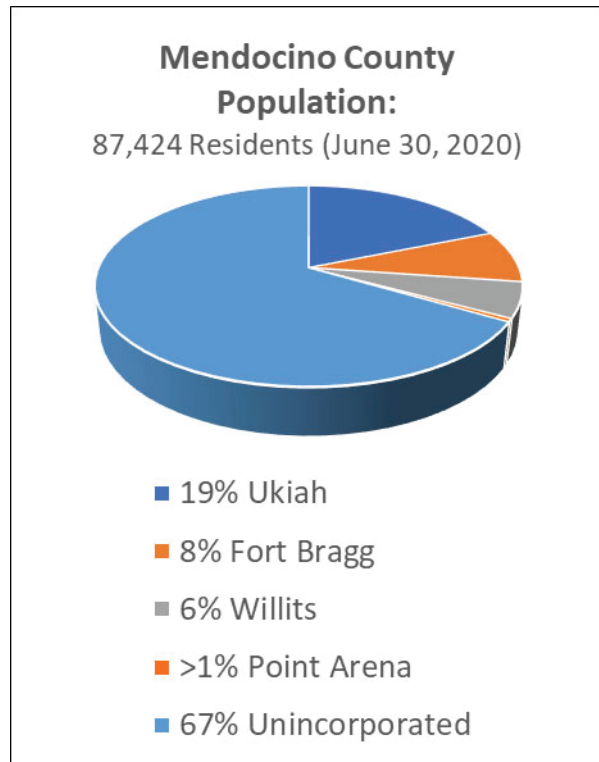
The County maintains community parks in Ukiah, Boonville, Gualala, Philo, Potter Valley, Redwood Valley and Talmage, and the Mendocino County Museum in Willits.

Population [1]: The County maintains a steady population base, estimated for 2020 at 87,424 people.

About 67% of the County’s population is located outside the County’s four incorporated cities. The City of Ukiah serves as the County seat, and is the County’s largest incorporated city, with an estimated 2020 population of 16,437.



■ Ukiah, CA



The three other incorporated cities of Mendocino County are Fort Bragg, Willits and Point Arena, with estimated 2020 populations of 7,397, 4,967 and 453, respectively.



■ Fort Bragg, CA



■ Willits, CA



■ Point Arena, CA

Component Units

This report includes all the funds of the County of Mendocino and the entities described in Note 1 of the Notes to Basic Financial Statements. Although all these entities are legally separate from the County, the County Board of Supervisors serve as the governing board of

Source:

1. <https://worldpopulationreview.com/us-counties/ca/mendocino-county-population>

each entity and the entities meet the test required by GAAP to be presented as blended component units in the County Financial Statements. In addition, individual financial statements are available for some of the component units referenced in Note 1 and can be obtained by contacting the Office of the Mendocino County Auditor-Controller.

Budgetary Process

The County is required by State law to adopt a balanced budget by July 1 of each fiscal year. Budgets are adopted for the general fund, special revenue funds, debt service funds, internal service funds and capital project funds. The legal level of budgetary control is at the Department Budget Unit level. Budget data is prepared on the modified accrual basis consistent with comparable actual amounts.

Encumbrance accounting is utilized during the year for budget control purposes. Unspent encumbered budget appropriations lapse at the end of the fiscal year. Board of Supervisors policy requires re-appropriation of carryover capital improvement projects on an annual basis after review of each project status.

The board approves supplemental appropriations, which are normally financed by unanticipated revenues during the year.

FACTORS AFFECTING FINANCIAL CONDITION

COVID-19

Our County, State and Nation are currently facing an unprecedented public health emergency. The COVID-19 pandemic has additionally created a global economic crisis. The County is fully utilizing all federal and state COVID-19 relief funding to help address the COVID-19 response, and has diverted additional County resources to the COVID-19 response in order to meet the needs of its residents during these troubling times.



Mendocino County residents have been mandated to shelter in place much of the second half of FY 2020. The resulting restrictions created great financial hardship for local businesses. The pandemic response continues to exacerbate the financial challenges our County is facing.

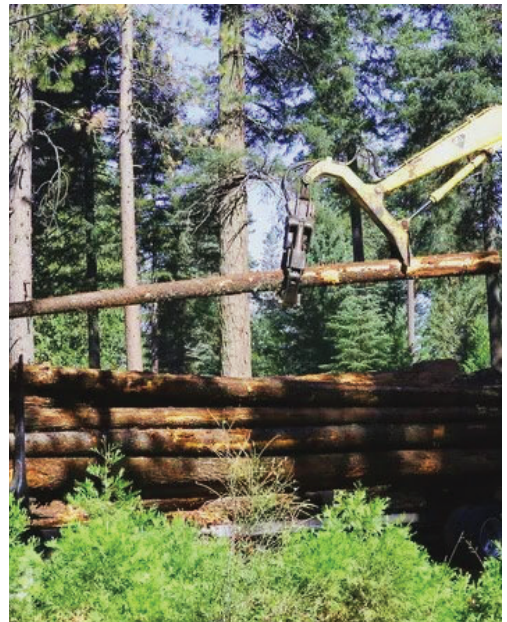


Photos by Zohar Zaied: 1-Mental Health RN, County Jail, Ukiah, CA; 2-Noyo Theater, Willits, CA

Mendocino County revenues have been significantly impacted by COVID-19 in FY 2019-2020, with material third- and fourth-quarter losses in sales tax and transient occupancy tax revenues due to the pandemic. We do not anticipate seeing revenue recovery in these areas in FY 2020-21; rather we see further decline, resulting from the economic recession we are currently experiencing.

Local Economy

Agribusiness (excluding timber) ^[1]: Down 14% or \$26 million in 2019 over the prior year, with a gross production value of \$162 million, agribusiness continues to be Mendocino County's No. 1 industry. The agriculture industry currently provides 1,360 jobs within the County.^[2] Crop values fluctuate yearly based on production, market and weather conditions. Wine grapes were Mendocino County's largest crop, at \$114 million in 2019, which accounted for 42% of all agribusiness (including timber); this is down 1% over the prior year's ratio of wine grapes to total agribusiness.



Little Lake Valley, Willits, CA; by Zohar Zaied

Timber ^[1]: Down 17% or \$23 million in 2019 over the prior year, with a gross production value of \$110 million, timber continues to be Mendocino County's No. 2 industry and accounted for 40% of all agribusiness in 2019. This is down 1% over the prior year's ratio of timber to total agribusiness. The timber industry currently provides 270 jobs within the County, and further plays an important role in maintaining healthy forests and reducing exposure to wildfires.

Employment ^[2]: The unemployment rate in Mendocino County was 12.4% as of June 2020, due to the pandemic, 8.6% higher than the June 2019 rate of 3.8%. The County's unemployment rate was 2.5% lower than the June 2020 state unemployment rate of 14.9%.

Sources:

- 1. Mendocino County 2019 Crop Report*
- 2. State of California Employment Development Department*

Real Estate/Housing ^[1]: The median home price in Mendocino County stayed relatively flat in fiscal year 2020, changing only slightly from \$446K in June 2019 to \$444K in June 2020. The median home price has generally increased each year since April 2012, when it was \$305,000, until peaking in February of 2019 at \$456K. Values are forecasted to rise in the coming year by 13%, to from \$444k in June of 2020 to \$502K by June of 2021.



Mill Street, Willits, CA; photo by Zohar Zaied

Long-Term Financial Planning

The 2020-21 fiscal year budget funds a wide variety of services for the citizens of Mendocino County including COVID-19 response, public health, public safety, planning & building services, health and social services, and road maintenance, among others. The 2020-21 budget is a work plan for the County, but is contingent on many variables, including federal and state funding for COVID-19 response. It represents the Board of Supervisors and County Managements' goals and priorities for the future of the County, including fiscal stability, financial sustainability, organizational development, and maintaining or improving current levels of service to the public. The County continues to invest in COVID-19 response, disaster response and recovery, pay down debt and maintain strong reserves, while also investing in the organization's future through employee compensation, the Leadership Initiative program, and recruitment and retention practices ^[2].

Other highlights of the 2020-21 fiscal year budget include investing in activities that focus on economic recovery and resiliency, utilizing CARES Act funding to support COVID-19 response, and investing over \$5.5 million for deferred maintenance and infrastructure improvements. Other funding has been budgeted toward fire and emergency medical services, disaster recovery, business and economic development, and supporting the County's partners. ^[2]

Sources:

1. *Zillow Home Value Index (ZHVI), Mendocino County Market Overview, 9/30/2020: data values by month, past 10 years + 1 year forecast*
2. *Mendocino County Adopted Budget, FY 2020-21*

The final fiscal year 2020-21 budget for governmental funds authorized a \$335,324,649 spending level, which is an increase of \$22 million (7%) over the \$313,284,468 budgeted in fiscal year 2019-20 for governmental funds. The general fund budget increased \$11 million (5%) from fiscal year 2019-20, and had \$223,252,491 appropriated to finance the current fiscal year 2020-21 expenditures. ^[1]



Fleet Vehicles, County of Mendocino Central Services, Ukiah, CA; photo by Zohar Zaied

Each year a 5-year Capital Improvement Program (CIP) plan is compiled for short-range and long-range capital improvements, projects, acquisitions and development (including plans for improving or rehabilitating County-owned infrastructure). The plan provides the mechanism for estimating capital requirements; setting priorities; monitoring and evaluating the progress of capital projects; and informing the public of projected capital improvements and unfunded needs. The five-year CIP does not appropriate funds; rather it serves as a budgeting tool, identifying those Capital Project appropriations to be made through the adoption of the County's annual budget. Total 2020-21 appropriations for Capital Improvements and Projects is \$9,223,116,^[1] up \$1.7 million, or 22%, from the prior year CIP plan total of \$7,526,212. Many of the capital improvements and projects will be completed over multiple years.

Source:

1. Mendocino County Adopted Budget, FY 2020-21

Relevant Financial Policies

Balanced Budget: The County Executive Officer (CEO) and Auditor-Controller (AC) shall present a balanced budget for all County operating funds on an annual basis.

Ongoing Budget Administration: The CEO with the assistance of the AC prepares and presents quarterly budget updates to the Board of Supervisors. These reports consist of year-to-date information including County department revenue, the County's discretionary revenues, expenditures levels, new and upcoming issues that may affect the budget, and other related information.

Budget Priorities: The budget is developed within the framework of the Board of Supervisors' current goals of Fiscal Stability, Financial Sustainability, and Organizational Development.

Use of "One-Time" Funds: One-time revenue shall be dedicated for use for one-time expenditures. Annual budgets will not be increased to the point that ongoing operating costs become overly reliant upon cyclical or unreliable one-time revenues.

Formal Debt Policy: A comprehensive Debt Management Policy was developed by the CEO and AC and was approved by the Debt Advisory Committee. It was adopted by the Board of Supervisors on April 24, 2012.

Cost Recovery through Fees: Whenever possible, utilize fees to recover costs where reasonable and after all cost savings options have been explored.



Smoke over Lake Mendocino Recreation Area, Ukiah, CA; photo by Lucy Simonson

Acknowledgements

The preparation of this Comprehensive Annual Financial Report (CAFR) of the County of Mendocino for the fiscal year ended June 30, 2020 would not have been possible without the efficient and dedicated services of the accounting and auditing staff of the Auditor-Controller's Office. We would like to acknowledge our independent auditors, Clifton Larsen Allen, LLC, for their assistance in the report preparation. We would also like to express our appreciation to all County departments who assisted in this process and to the Board of Supervisors for its leadership responsibility and unfailing support to ensure the continued fiscal health and integrity of the County.

The County of Mendocino was awarded the Certificate of Achievement for Excellence in Financial Reporting for its first two CAFRs, for fiscal years ended June 30, 2019 (see p. 23) and June 30, 2018. The Certificate of Achievement is the highest form of recognition in governmental accounting, and we would like to acknowledge and thank all of the above parties for their contributions to this significant accomplishment.

Respectfully Submitted:



Lloyd B. Weer
Auditor-Controller



Noyo Harbor, Fort Bragg, CA; photo by Zohar Zaied





Government Finance Officers Association

**Certificate of
Achievement
for
Excellence
in Financial
Reporting**

Presented to

**County of Mendocino
California**

For its Comprehensive
Annual Financial Report
for the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO



COUNTY OF MENDOCINO
BOARD OF SUPERVISORS AND SUPERVISORIAL DISTRICTS
JUNE 30, 2020



Carre Brown
District 1



John McCowen
District 2



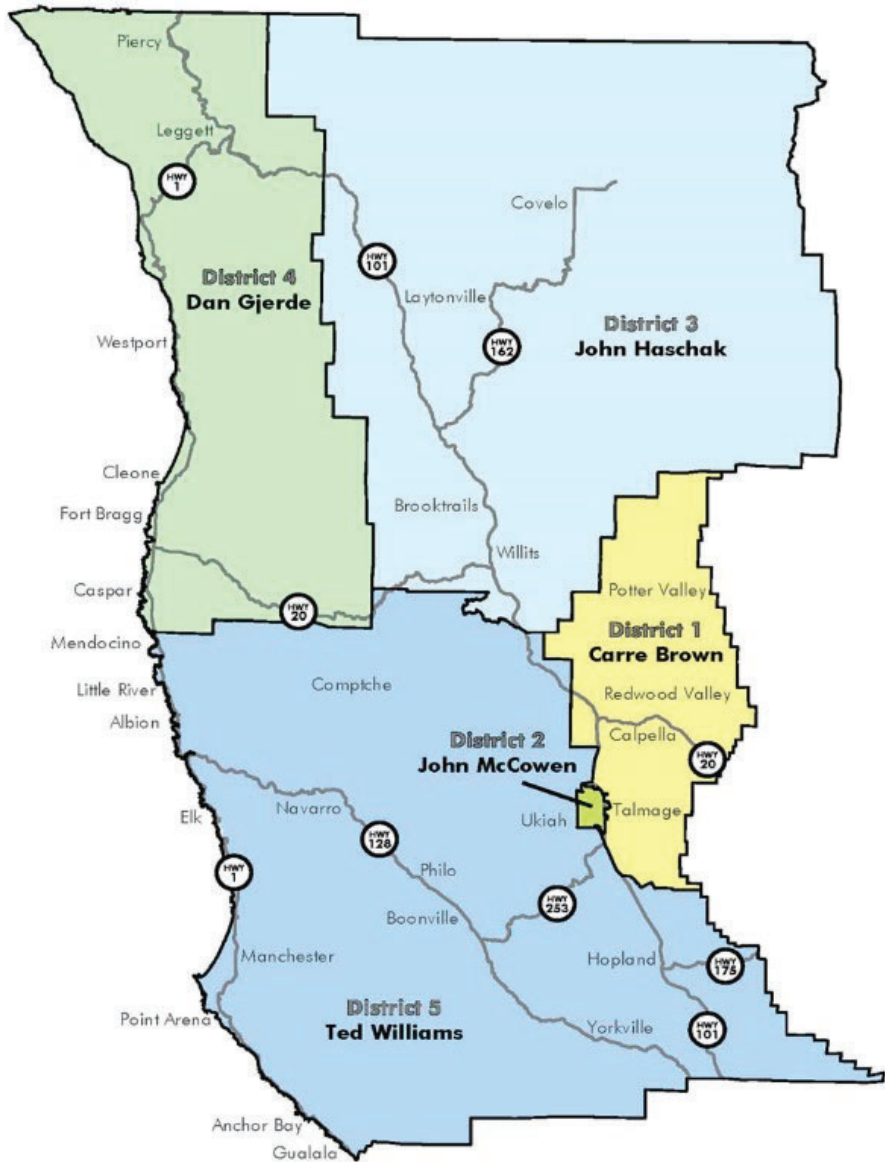
John Haschak
District 3



Dan Gjerde
District 4



Ted Williams
District 5



**COUNTY OF MENDOCINO
PRINCIPAL COUNTY OFFICIALS
JUNE 30, 2020**

Elected Officials:

Legislative Branch/Board of Supervisors:

District 1 Carre Brown
District 2 John McCowen
District 3 John Haschak, Chair
District 4 Dan Gjerde, Vice Chair
District 5 Ted Williams

Executive Branch:

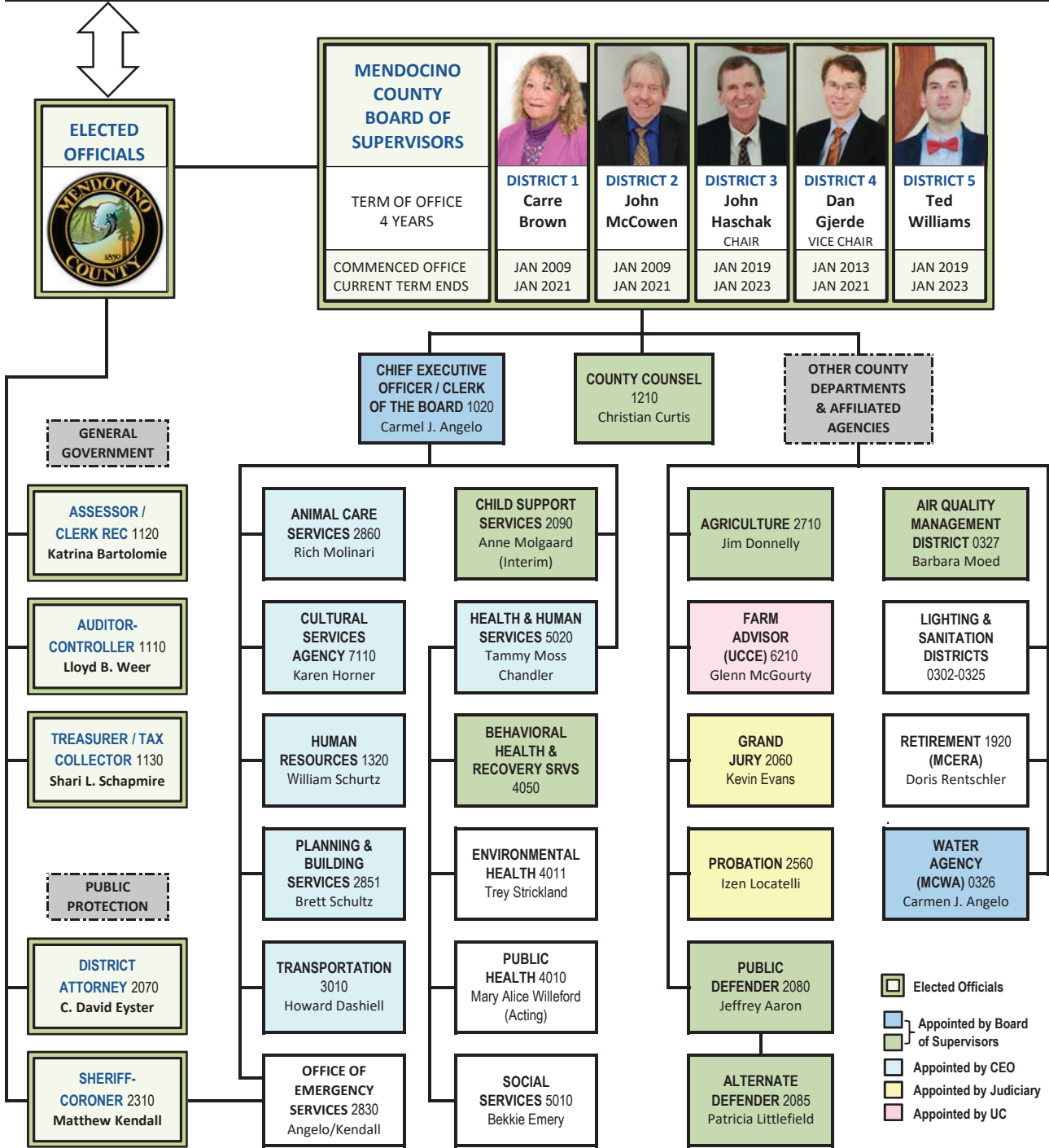
Assessor-County Clerk-Recorder Katrina Bartolomie
Auditor-Controller Lloyd B. Weer
District Attorney C. David Eyster
Sheriff-Coroner Matthew Kendall
Treasurer-Tax Collector Shari L. Schapmire

Appointed Department Heads:

Agricultural Commissioner/Sealer Jim Donnelly
Air Quality Management District Officer Barbara Moed
Alternate Defender Patricia Littlefield
Animal Care Services Director Rich Molinari
Chief Executive Officer Carmel J. Angelo
Chief Probation Officer Izen Locatelli
Child Support Services Director Anne Molgaard, Interim
County Counsel Christian Curtis
Cultural Services Agency Director Karen Horner
Farm Advisor (UCCE) Glenn McGourty
Health and Human Services Agency Director Tammy Moss Chandler
Human Resources Director William Schurtz
Planning and Building Services Director Brent Schultz
Public Defender Jeffrey Aaron
Retirement Association Executive Director Doris Rentschler
Transportation Director Howard Dashiell

COUNTY OF MENDOCINO ORGANIZATION CHART JUNE 30, 2020

C I T I Z E N S O F M E N D O C I N O C O U N T Y



GOVERNMENT FUNCTIONS → 1XXX-GENERAL GOVERNMENT, 2XXX-PUBLIC PROTECTION, 3XXX-PUBLIC WAYS & FACILITIES, 4XXX-HEALTH & SANITATION, 5XXX-PUBLIC ASSISTANCE, 6XXX-EDUCATION, 7XXX-RECREATION & CULTURAL SERVICES, 0XXX-AGENCIES/SPECIAL DISTRICTS





FINANCIAL SECTION



– FINANCIAL SECTION PHOTO –
Point Cabrillo Lighthouse, Caspar, CA; photo by Lloyd Weer



INDEPENDENT AUDITORS' REPORT

Board of Supervisors and Grand Jury
County of Mendocino
Ukiah, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Mendocino, California, (the County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit Mendocino County Employees' Retirement Association (MCERA) which represents 100 percent of the assets, liabilities, and revenues of the pension trust fund a fiduciary fund type component unit. These financial statements were audited by other auditors, whose report thereon has been furnished to us. Our opinion as it relates to the amounts included for the MCERA is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2020, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Prior period adjustments

As disclosed in Note 8 to the financial statements, prior period adjustments were recorded for the correction of errors in the recorded amount of construction in progress in prior year financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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


The combining fund statements and schedules and other budgetary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2020 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance



CliftonLarsonAllen LLP

Roseville, California
December 23, 2020



MANAGEMENT'S DISCUSSION AND ANALYSIS

The information in this section is not covered by the Independent Auditor's Report. It is presented as required supplementary information for the benefit of the readers of the Comprehensive Annual Financial Report.



**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

This section of the County of Mendocino (the County) Comprehensive Annual Financial Report presents a discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2020. Please read it in conjunction with the transmittal letter at the front of this report and the County's financial statements following this section.

Financial Highlights

- The assets and deferred outflows of resources exceeded its liabilities plus deferred inflows of resources at the close of the 2020 fiscal year by \$19,647,104 net position. Of this amount, there was a deficit of \$(160,349,297) in unrestricted net position. Beginning in FY 2015, GASB 68 required all counties to recognize their pension liability as a deficit in unrestricted net position on their financial statements. This caused most counties to show a deficit in their overall net position. In fiscal year 2020, Mendocino County has improved their positive net position from \$2,799,772 at the beginning of the year to \$19,647,104 at fiscal year end. Restricted net position of \$70,808,211 represents resources that are subject to external restrictions on their use. The remaining \$109,188,190 represents the County's investment in capital assets, less any related outstanding debt used to acquire those assets.
- The County's total net position increased by \$19,720,505 during the current fiscal year. The increase in net position represents the degree to which revenues exceeded expenses, an indication that the financial position of the County continues to improve. The primary reason for the increase was due to the PG&E settlement which is a one time occurrence due to losses incurred in connection with the disastrous 2015-2018 wildfires.
- As of June 30, 2020, the County's governmental funds reported a combined ending fund balance of \$128,116,528. This was an increase of \$33,156,433 in comparison with the prior year. Revenues increased overall by \$30.8 million, notably from increases of \$22.4 million in Other Revenues, due to the PG&E settlement, and \$12.1 million in Intergovernmental, while revenue from Charges for Services decreased by \$5 million. Expenditures increased by \$13 million. Most of this increase was from \$4.1 million in Public Protection, \$3.2 million in Public Assistance, \$3 million in Health and Sanitation and \$2 million in Capital Outlay.
- At the end of the fiscal year, the general fund reported an ending fund balance of \$70,349,373, of which \$230,004 was nonspendable, \$9,074,160 was restricted, \$25,542,223 was assigned, and \$35,502,986 was unassigned.
- Total long-term debt decreased by \$(6,345,000) (9%) during the 2019-20 fiscal year.

Overview of the Financial Statements. Management's discussion and analysis is intended to serve as an introduction to the County's financial statements. The County's financial statements are comprised of three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the Financial Statements. In addition to the financial statements, Required Supplementary Information is included to provide additional detail to support the financial statements.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. It is comprised of a statement of net position and statement of activities.

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

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

The statement of activities presents information showing how the County's net position changed during the current 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., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or significant portion of their costs through user fees, fines and charges for service. The governmental activities of the County include: General Government, Public Protection, Public Ways and Facilities (Transportation), Health and Sanitation, Public Assistance, Education, Recreation and Culture, and Debt Service and Contingencies. Internal Service Funds that provide insurance coverage, computer software acquisition and vehicle replacement are also included in governmental activities.

The government-wide financial statements include not only the County itself (known as the primary government), but also several legally separate lighting districts, a sanitation district, a water agency, an air quality management district, and a public facilities corporation for which the County is financially accountable. Financial information for these component units, with the exception of the Water Agency and Air Quality Management District, is reported separately from the financial information presented for the primary government itself. The Water Agency and Air Quality Management District, although also legally separate, function for all practical purposes as departments of the County, and therefore have been included as an integral part of the primary government.

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

Governmental 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 near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

The County maintains 22 individual governmental funds. Information is presented separately in the Governmental Funds balance sheet and in the Governmental Funds statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, the pension obligation bonds fund, the mental health services fund, the mental health treatment fund, and the road

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

fund, all of which are considered to be major funds. The mental health treatment fund has newly become a major fund. Data from the other 16 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The mental health treatment fund was previously grouped with these nonmajor governmental funds.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. The County maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet of vehicles, its management information systems and for self-insurance coverage. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

All of the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements found in the other supplementary information section of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the Government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to Financial Statements. The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information.

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows by \$19,647,104 at the close of the 2019-20 fiscal year.

	Governmental Activities*	
	2020	2019
ASSETS		
Current and Other Assets	\$ 177,584,027	\$ 142,272,877
Capital Assets	125,128,190	126,667,794
Total Assets	302,712,217	268,940,671
 DEFERRED OUTFLOWS OF RESOURCES	 28,607,466	 39,946,142
 LIABILITIES		
Other Liabilities	24,648,301	18,661,049
Long-Term Liabilities	286,852,798	275,742,830
Total Liabilities	311,501,099	294,403,879
 DEFERRED INFLOWS OF RESOURCES	 171,480	 11,683,162
 NET POSITION		
Net Investment in Capital Assets	109,188,190	109,537,794
Restricted	70,808,211	70,808,211
Unrestricted	(160,349,297)	(177,546,233)
Total Net Position	\$ 19,647,104	\$ 2,799,772

The largest portion of the County's net position, \$109,188,190, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

* Because Internal Service funds predominantly benefit governmental rather than business-type functions they have been included within governmental activities.

Another portion of the County's net position, \$70,808,211, is restricted net position and represents resources that are subject to constraints by either external creditors or government entities or by law through constitutional provisions or enabling legislation.

The County's unrestricted net position balance of \$(160,349,297) was the result of reporting County's pension liability on the statements to comply with the GASB 68 accounting standard.

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Governmental Activities. Governmental activities increased the County's net position by \$19,720,505 during the current fiscal year.

	<u>2020</u>	<u>2019</u>
REVENUES		
Program Revenues:		
Fees, Fines, and Charges for Services	\$ 21,148,724	\$ 30,955,084
Operating Grants and Contributions	145,480,971	135,467,167
Capital Grants and Contributions	3,191,180	6,467,886
General Revenues		
Property Taxes	51,499,607	51,843,170
Sales and Use Taxes	24,742,692	25,084,496
Other Taxes	11,012,247	10,532,603
Unrestricted Interest and Investment Earnings	3,141,102	1,682,587
Settlement Revenue	22,651,738	-
Miscellaneous	2,135,981	2,347,478
Total Revenues	<u>285,004,242</u>	<u>264,380,471</u>
EXPENSES		
General Government	22,640,298	18,901,276
Public Protection	77,463,973	69,229,247
Public Ways and Facilities	22,549,963	16,112,591
Health and Sanitation	57,374,389	53,070,808
Public Assistance	77,122,026	71,373,056
Education	4,174,423	4,091,745
Recreation and Cultural Services	553,752	523,687
Interest on Long-Term Debt	3,404,913	3,870,147
Total Expenses	<u>265,283,737</u>	<u>237,172,557</u>
CHANGE IN NET POSITION	19,720,505	27,207,914
Net Position - Beginning of Year, as Previously Stated	2,799,772	(24,408,142)
Prior Period Adjustment	(2,873,173)	-
Net Position - Beginning of Year, Restated	<u>(73,401)</u>	<u>(24,408,142)</u>
NET POSITION - END OF YEAR	<u>\$ 19,647,104</u>	<u>\$ 2,799,772</u>

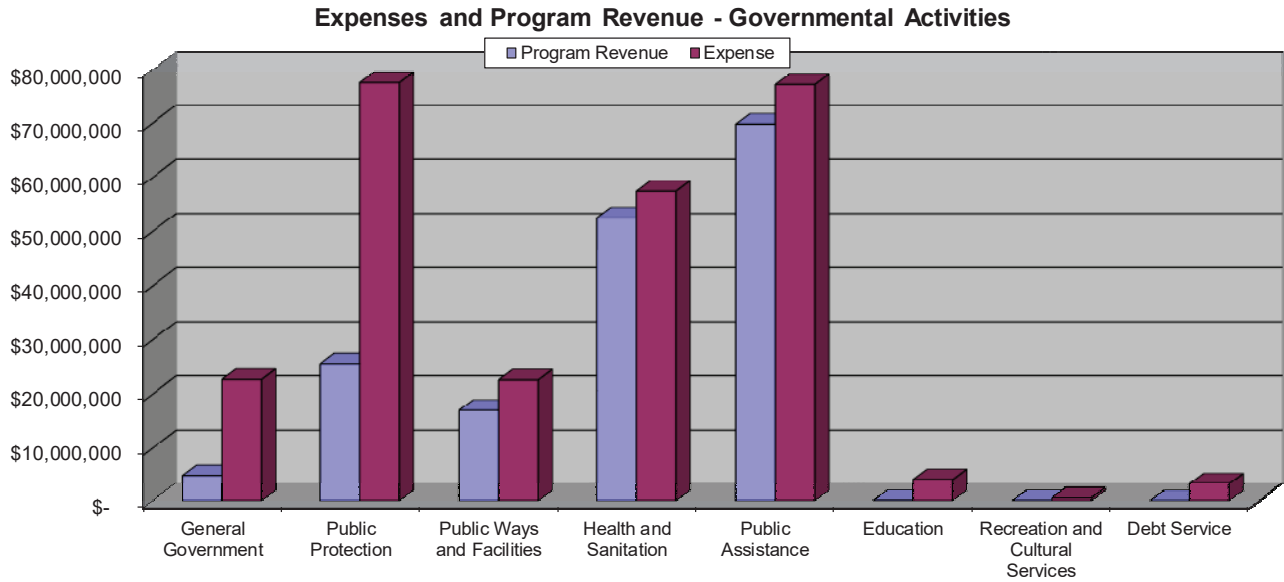
Revenues increased by \$20.7 million from the prior year, due to a PG&E settlement payment of \$22.6 million. Tax revenues stayed relatively flat, with an overall decrease of \$206 thousand (property taxes and sales and use taxes both decreasing slightly, other taxes increasing slightly). Unrestricted interest and investment earnings saw an increase of \$1.5 million from the prior year. Program revenues saw an overall decrease of 3.1 million (fees, fines and charges for services decreased \$9.8 million and capital grants and contributions decreased \$3.3 million, while operating grants and contributions increased 10 million).

Expenses increased overall by \$28.1 million. The largest increases were in public protection (by \$8.2 million, or 12%), in public ways and facilities (by \$6.4 million, or 40%), and in health and sanitation (by \$5.7 million, or 8%). Increases in public ways and facilities were primarily due to increases in construction contracts related to the County's 5-year Capital Improvement Plan. All other increases were largely related to the pandemic response combined with increases in salaries and benefits.

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Because Internal Service funds predominantly benefit governmental rather than business-type functions they have been included within governmental activities.

As shown in the following chart, program revenues are less than the expenses in all functional areas.

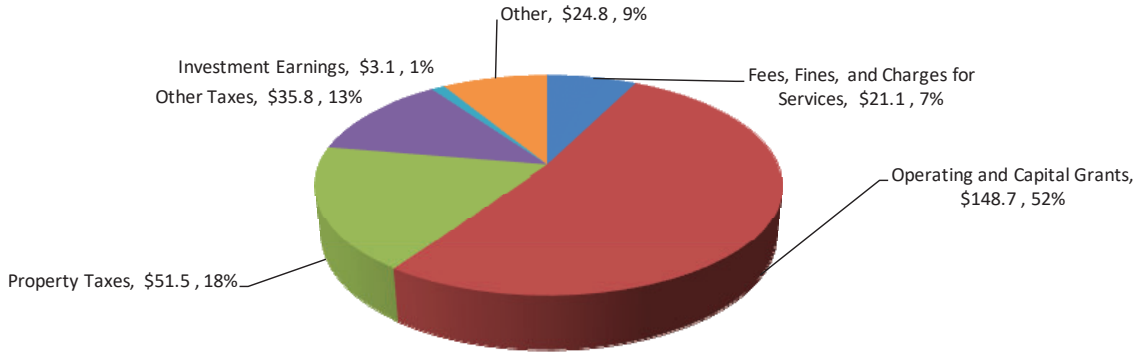


Expenses and Program Revenue

<u>Governmental Functions</u>	<u>Program Revenue</u>	<u>Expense</u>
General Government	\$ 4,945,084	\$ 22,640,298
Public Protection	25,601,022	77,463,973
Public Ways and Facilities	16,961,755	22,549,963
Health and Sanitation	52,495,233	57,374,389
Public Assistance	69,745,019	77,122,026
Education	55,721	4,174,423
Recreation and Cultural Services	17,041	553,752
Debt Service	-	3,404,913
Total Governmental Functions	169,820,875	<u><u>\$ 265,283,737</u></u>
General Revenues (taxes, interest and investment earnings and miscellaneous)	<u>115,183,367</u>	
Total Revenues	<u><u>\$ 285,004,242</u></u>	

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Revenues by Source (in millions) - Governmental Activities



Of the \$285 million of revenue received by the County, the largest portion comes from federal and state sources (approximately 52%). The second largest source comes from property taxes (18%). However, it should be noted that of every \$1.00 collected in property tax approximately 63% benefits schools, with 30% going toward the funding of County services and programs. Cities receive 2% and Special Districts receive 5%. Only 30% of total revenue received is discretionary (not dedicated to particular services/programs).

Business-type activities. None of the County's funds are classified as business-type activities.

Financial Analysis of the Government's Funds. As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, 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 the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$128,116,528, an increase of \$33,156,433 from the prior year. \$18,518,784 of this increase relates to the ending balances of the mental health treatment fund, which was not included with major governmental funds in the prior year. The components of total fund balance are as follows:

- Nonspendable fund balance, \$801,085, consists of amounts that are not spendable in form, or are legally or contractually required to be maintained intact, and are made up of inventories.
- Restricted fund balance, \$66,668,105, consists of amounts with externally imposed constraints put on their use by creditors, grantors, contributors, laws, regulations, or enabling legislation. Examples of restrictions on funds are those for (1) purpose of funds (i.e., health coverage \$13,004,334, mental health services and treatment \$20,819,046, roads \$4,142,537, and various grant programs \$9,982,459), (2) pension obligation bonds \$7,644,074 and debt service \$1,999,064, (3) amounts restricted for various other purpose restrictions \$9,076,591.

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
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- Assigned fund balance, \$26,680,405, represents amounts that are intended for a specific purpose and are established by the Board of Supervisors or an official body delegated by the Board of Supervisors. The majority of these funds are held in special revenue funds to be used for the purpose of those funds while the remaining is set aside for specific purposes in the General Fund.
- Unassigned fund balance, \$33,966,933, represents the General Fund's resources that are not classified in the three previous components and are considered available for spending at the government's discretion.

The General Fund is the primary operating fund of the County. At the end of the current fiscal year, the General Fund's total fund balance was \$70,349,373, and represents an increase of \$23,619,616 during the 2019-20 fiscal year. The nonspendable portion of the total fund balance for the General Fund was \$230,004, while the spendable portion was \$70,119,369. As a measure of the General Fund's liquidity, it may be useful to compare both the total fund balance and the spendable fund balance to the total fund expenditures of \$169,447,766. Spendable fund balance represents 41.4% of total fund expenditures, while total fund balance represents 41.5% of the same amount.

The debt service fund had a total fund balance of \$1,999,064, all of which is restricted for the payment of debt service. The net increase in fund balance during the current year in the debt service fund was \$17,350. Interest expenditures for the debt service fund decreased during the current period by \$(40,250).

The pension obligation fund had a total fund balance of \$7,644,074, all of which is restricted for the payment of debt service. The net decrease in fund balance during the current year was \$(113,484). Interest expenditures for the pension obligation fund decreased during the current period by \$(277,104) to \$2.7 million.

The mental health services fund had a total fund balance of \$2,300,262. The net decrease in fund balance during the current year was \$(2,706,460), or 54%. This decrease was due to increased costs of the Mental Health ASO Provider services and a reduction of 2011 Realignment Revenue during the second half of the Fiscal Year and the beginning of the COVID-19 Pandemic.

The road fund had a total fund balance of \$4,713,618. The net increase for the year was \$727,802. This increase is mainly due to not completing all planned Road and Bridge projects during FY 2019-2020.

The mental health treatment fund (previously included with nonmajor governmental funds) had a total fund balance of \$18,518,784, with a net increase of \$8,517,707 (85%) during the year. This increase is due to additional 12 months of Measure B Sales Tax proceeds that were deposited during 2019-2020 and a delay in the newly planned design and construction of Mental Health Treatment Facilities.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the internal service funds at the end of the year amounted to \$7,013,329.

General Fund Budgetary Highlights. Difference between the original budget and the final amended budget is summarized below:

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

- Increase Non-Departmental Revenue (BU 1000) budgeted appropriations by \$233,346 for unanticipated facilities projects during 2019-20.
- Increase Non-Departmental Revenue (BU 1000) budgeted appropriations by \$50,000 for fuel tank remediation for the Covelo Road Yard.
- Increase Non-Departmental Revenue (BU 1000) budgeted appropriations by \$1,000,000 for Phase II County roof replacement.
- Increase Non-Departmental Revenue (BU 1000) budgeted appropriations by \$1,350,000 for facility projects: back-up generators (Admin Ctr.), HVAC system repairs and upgrades, parking lot and ADA improvements.
- Increase Non-Departmental Revenue (BU 1000) budgeted appropriations by \$3,750,285 for various County repeater replacements and to fund future microwave tower upgrades.

Difference between the 19/20 final amended budget and the 19/20 actuals is summarized below:

- Increase Non-Departmental Revenue (BU 1000) actual revenues by \$1,329,700 for unanticipated increase in cannabis business tax that was implemented during FY 2017/18.
- Decrease Miscellaneous Budget (BU 1940) actual expenditures by \$4,774,900 due to over appropriating Salaries during 19/20. The County ended up phasing in COLA and Market Adjustments over a 3 year period instead of a single year.
- Increase Public Health Nursing (BU 4013) actual revenues by \$1,427,700 for unanticipated increase funding from Intergovernmental Transfers (IGT).
- Increase Agriculture Budget (BU 2710) actual revenues by \$317,000 for prior year claims for State Aid Agriculture Gas Tax and State EGVM/High Risk activities. Decrease actual expenditures by \$287,000 due to not recruiting and filling vacant positions in the department.
- Decrease Emergency Medical Services (BU 4016) actual expenditures by \$650,000 due to over estimating prior year reimbursement claims to Cal Fire Dispatch Services.

Capital Asset and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$125,128,190 (net of accumulated depreciation).

This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total decrease in the County's investment in capital assets for the current fiscal year was \$1,539,604 (1.2%). This overall decrease was due to a reduction in construction in progress. Additional details of capital assets are in Note 5.

	2020	2019
CAPITAL ASSETS		
Land	\$ 2,928,621	\$ 2,928,621
Structures and Improvements	38,021,098	37,196,581
Improvements Other than Buildings	1,232,366	1,469,836
Equipment	8,054,282	8,629,055
Infrastructure	56,365,036	53,170,963
Construction in Progress	18,526,787	23,272,738
Total Capital Assets	\$ 125,128,190	\$ 126,667,794

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

Long-Term Debt. At the end of the current fiscal year, the County has long-term debt outstanding of \$61,035,000.

OUTSTANDING DEBT	2020	2019
General Obligation Bonds	\$ 45,095,000	\$ 50,250,000
Certificates of Participation	15,940,000	17,130,000
Total	\$ 61,035,000	\$ 67,380,000

The County's total long term debt decreased by \$6,345,000 (9.4%) during the current fiscal year. The key factor in this decrease was an increase in principal payments on both the pension obligation bonds and the certificates of participation.

State statutes limit the amount of general obligation debt a governmental entity may issue to 1.25% of its total assessed valuation of property within the County. The current assessed valuation is \$12,207,760,459 and the current debt limitation for the County is \$152,597,006.

Additional information on the County's long-term debt can be found in Note 6 of this report.

Economic Analysis and Next Year's Budget.

The County is committed to providing services with integrity, collaboration, professionalism, accountability and responsiveness, and these values are reflected in the Fiscal Year 2020-21 budget which represents conservative growth compared to Fiscal Year 2019-20 budget. The County's conservative approach to budgeting has ensured its ability to sustain fiscal health in recent years and will be central to the County's ability to respond to the current COVID-10 pandemic and other unplanned events, economic challenges and potential changes in State and Federal policy.

All of the factors listed below were considered in preparing the County's budget for the 2020-21 fiscal year.

- The current COVID-19 pandemic and response.
- In FY 2018-19 the Board of Supervisors entered into formal labor negotiations with two of our eight employee bargaining units, and negotiations for all remaining bargaining units were completed in FY 2019-20. All agreements expiring in 2019 were replaced. After reviewing a KOFF Compensation Study, the County was able to bring salaries closer to market. Total FY 2020-21 salaries and benefits are budgeted at \$137,976,956, representing a decrease of \$291,932 (2.1%) over the previous year. This projected decrease is in part due to expected and/or planned vacant positions due to the pandemic.
- Total FY 2020-21 projected discretionary (non-departmental) revenue is \$75,853,153, a slight increase from prior year. The largest projected increase is in Cannabis Business tax (\$1.5 million). However, this is outweighed by projected decreases in room occupancy taxes (\$1.6 million) and sales tax (\$0.3 million) due to the pandemic. A small increase projected in property tax (\$1 million) and the new campground/RV park occupancy tax (\$0.6 million) contribute to an overall projected increase of \$1,967,153 (2.7%) for the coming year.

**COUNTY OF MENDOCINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

- On March 13, 2018, the Board of Supervisors directed the creation of a Disaster Recovery Budget Unit as a response to the 2017 Redwood Complex Fire. At the start of the fiscal year, the County Recovery Team had previously awarded approximately \$8,178,000 in grants for soil stabilization, hazardous tree removal, unmet needs for fire survivors, and the infrastructure retrofit of the Redwood Valley County Water District. In the current year, an additional \$2.3 million in new grant funding was secured for recovery and resiliency projects. The FY 2020-21 total Disaster Recovery net appropriations are budgeted at \$10,962,734.
- The largest new program undertaken by the County in many years is the new Cannabis Management Program. Proposition 64 and the Medical Cannabis Safety Act, provides a comprehensive regulatory framework, including license categories for cultivation, nursery, manufacturer, testing, retail/dispensary, distribution, and microbusiness. The FY 2020-21 total Cannabis Management net appropriations are budgeted at \$822,172.

Requests for Information. The financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Mendocino County Auditor-Controller, 501 Low Gap Road, Room 1080, Ukiah, California 95482. This report is also available online at www.mendocinocounty.org/government/auditor-controller.



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



**COUNTY OF MENDOCINO
STATEMENT OF NET POSITION
JUNE 30, 2020**

	Governmental Activities
ASSETS	
Cash and Investments	\$ 107,001,003
Cash with Fiscal Agent	8,684,431
Other Cash	83,101
Accounts Receivable	27,726,707
Due from Other Governments	29,432,160
Taxes Receivable	3,855,540
Inventories	801,085
Capital Assets:	
Nondepreciable	21,455,408
Depreciable, Net	103,672,782
Total Assets	302,712,217
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pensions	28,607,466
LIABILITIES	
Accounts Payable	17,789,940
Salaries and Benefits Payable	5,601,028
Interest Payable	1,257,333
Long-Term Liabilities:	
Portion Due or Payable Within One Year:	
Certificates of Participation	1,230,000
Bonds Payable	5,440,000
Closure/Post-Closure Liability	9,148,856
Liability for Compensated Absences	4,822,355
Claims Liability	4,649,008
Portion Due or Payable After One Year:	
Certificates of Participation	14,710,000
Bonds Payable	39,655,000
Closure/Post-Closure Liability	489,499
Net Pension Liability	206,708,080
Total Liabilities	311,501,099
DEFERRED INFLOWS OF RESOURCES	
Deferred Pensions	171,480
NET POSITION	
Net Investment in Capital Assets	109,188,190
Permanently Restricted for Endowments	516,449
Temporarily Restricted for:	
Legally Segregated Taxes, Grants, and Fees	61,905,957
Debt Service and Capital Projects	8,385,805
Unrestricted	(160,349,297)
Total Net Position	\$ 19,647,104

See accompanying Notes to Financial Statements.

**COUNTY OF MENDOCINO
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
PRIMARY GOVERNMENT					
Governmental Activities:					
General Government	\$ 22,640,298	\$ 3,638,567	\$ 1,306,517	\$ -	\$ (17,695,214)
Public Protection	77,463,973	10,320,789	15,280,233	-	(51,862,951)
Public Ways and Facilities	22,549,963	346,036	13,424,539	3,191,180	(5,588,208)
Health and Sanitation	57,374,389	6,396,479	46,098,754	-	(4,879,156)
Public Assistance	77,122,026	400,395	69,344,624	-	(7,377,007)
Education	4,174,423	29,417	26,304	-	(4,118,702)
Recreation and Culture	553,752	17,041	-	-	(536,711)
Debt Service:					
Interest	3,404,913	-	-	-	(3,404,913)
	<u>\$ 265,283,737</u>	<u>\$ 21,148,724</u>	<u>\$ 145,480,971</u>	<u>\$ 3,191,180</u>	<u>(95,462,862)</u>
GENERAL REVENUES					
Taxes:					
Property Taxes					51,499,607
Sales and Use Taxes					24,742,692
Transient Occupancy Tax					4,784,925
Other					6,227,322
Unrestricted Interest and Investment Earnings					3,141,102
Settlement Revenue					22,651,738
Miscellaneous					2,135,981
Total General Revenues					<u>115,183,367</u>
CHANGE IN NET POSITION					
					19,720,505
Net Position - Beginning of Year, Restated					<u>(73,401)</u>
NET POSITION - END OF YEAR					
					<u>\$ 19,647,104</u>

See accompanying Notes to Financial Statements.

**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**

**COUNTY OF MENDOCINO
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	<u>General</u>	<u>Debt Service</u>	<u>Pension Obligation Bonds</u>	<u>Mental Health Services</u>
ASSETS				
Pooled Cash and Investments in Treasury	\$ 40,424,782	\$ 12,981	\$ 919,566	\$ 5,990,583
Restricted Assets:				
Cash with Fiscal Agent	-	1,959,923	6,724,508	-
Imprest Cash	5,114	-	-	-
Accounts Receivable	24,344,524	-	-	27,334
Taxes Receivable	2,648,007	-	-	104
Due from Other Governments	13,631,186	26,160	-	4,834,803
Inventory	230,004	-	-	-
Due from Other Funds	3,224,429	-	-	-
	<u>3,224,429</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 84,508,046</u>	<u>\$ 1,999,064</u>	<u>\$ 7,644,074</u>	<u>\$ 10,852,824</u>
LIABILITIES				
Accounts Payable	\$ 5,164,796	\$ -	\$ -	\$ 4,929,015
Accrued Salaries and Benefits	4,875,338	-	-	131,927
Due to Other Funds	-	-	-	-
Total Liabilities	<u>10,040,134</u>	<u>-</u>	<u>-</u>	<u>5,060,942</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	4,118,539	-	-	3,491,620
Total Deferred Inflows of Resources	<u>4,118,539</u>	<u>-</u>	<u>-</u>	<u>3,491,620</u>
FUND BALANCES				
Nonspendable	230,004	-	-	-
Restricted	9,074,160	1,999,064	7,644,074	2,300,262
Assigned	25,542,223	-	-	-
Unassigned	35,502,986	-	-	-
Total Fund Balances	<u>70,349,373</u>	<u>1,999,064</u>	<u>7,644,074</u>	<u>2,300,262</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 84,508,046</u>	<u>\$ 1,999,064</u>	<u>\$ 7,644,074</u>	<u>\$ 10,852,824</u>

See accompanying Notes to Financial Statements.

**COUNTY OF MENDOCINO
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Road	Mental Health Treatment	Other Governmental Funds	Total
ASSETS				
Pooled Cash and Investments in Treasury	\$ 6,874,355	\$ 16,798,620	\$ 23,788,169	\$ 94,809,056
Restricted Assets:				
Cash with Fiscal Agent	-	-	-	8,684,431
Imprest Cash	50	-	595	5,759
Accounts Receivable	4,266	-	2,981,950	27,358,074
Taxes Receivable	47,962	895,873	263,594	3,855,540
Due from Other Governments	7,665,302	832,022	2,442,687	29,432,160
Inventory	571,081	-	-	801,085
Due from Other Funds	-	-	-	3,224,429
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,224,429</u>
Total Assets	<u>\$ 15,163,016</u>	<u>\$ 18,526,515</u>	<u>\$ 29,476,995</u>	<u>\$ 168,170,534</u>
LIABILITIES				
Accounts Payable	\$ 3,646,229	\$ 1,214	\$ 3,153,896	\$ 16,895,150
Accrued Salaries and Benefits	311,086	6,517	236,785	5,561,653
Due to Other Funds	-	-	3,224,429	3,224,429
Total Liabilities	<u>3,957,315</u>	<u>7,731</u>	<u>6,615,110</u>	<u>25,681,232</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	6,492,083	-	270,532	14,372,774
Total Deferred Inflows of Resources	<u>6,492,083</u>	<u>-</u>	<u>270,532</u>	<u>14,372,774</u>
FUND BALANCES				
Nonspendable	571,081	-	-	801,085
Restricted	4,142,537	18,518,784	22,989,224	66,668,105
Assigned	-	-	1,138,182	26,680,405
Unassigned	-	-	(1,536,053)	33,966,933
Total Fund Balances	<u>4,713,618</u>	<u>18,518,784</u>	<u>22,591,353</u>	<u>128,116,528</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 15,163,016</u>	<u>\$ 18,526,515</u>	<u>\$ 29,476,995</u>	<u>\$ 168,170,534</u>

See accompanying Notes to Financial Statements.



**COUNTY OF MENDOCINO
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
GOVERNMENT-WIDE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2020**

Fund Balance - Total Governmental Funds \$ 128,116,528

Amounts reported for governmental activities in the Statement of Net Position are different because:

Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds. 14,372,774

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. 124,614,884

Deferred outflows of resources reported in the Statement of Net Position. 28,607,466

Internal service funds are used by the County to charge the cost of insurance, software acquisition and vehicle replacement services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is: 7,526,635

Deferred inflows of resources reported in the statement of net position. (171,480)

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities are reported in the statement of net position.

Bonds Payable	(45,095,000)
Certificates of Participation	(15,940,000)
Accrued Interest on Long-Term Debt	(1,257,333)
Compensated Absences	(4,780,935)
Pension Liability	(206,708,080)
Landfill Closure/Post Closure Care Costs	<u>(9,638,355)</u>

Net Position of Governmental Activities \$ 19,647,104

COUNTY OF MENDOCINO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	General	Debt Service	Pension Obligation Bonds	Mental Health Services
REVENUES				
Taxes	\$ 76,386,057	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	4,833,332	-	-	-
Intergovernmental	87,314,704	54,464	-	25,549,830
Revenue from Use of Money and Property	1,740,703	(8,702)	(43,380)	126,652
Fines, Forfeitures, and Penalties	1,346,290	10,500	-	-
Charges for Services	12,359,051	-	-	1,001,987
Other Revenues	24,036,611	7,412	481,449	126,036
Total Revenues	<u>208,016,748</u>	<u>63,674</u>	<u>438,069</u>	<u>26,804,505</u>
EXPENDITURES				
Current:				
General Government	17,011,903	3,426	3,600	-
Public Protection	63,511,819	-	-	-
Public Ways and Facilities	228,764	-	-	-
Health and Sanitation	12,213,857	-	-	29,331,725
Public Assistance	71,552,600	-	-	-
Education	169,710	-	-	-
Recreation and Culture	469,325	-	-	-
Debt Service:				
Principal	-	1,190,000	5,155,000	-
Interest	247,414	677,148	2,701,172	-
Capital Outlay	4,042,374	-	-	-
Total Expenditures	<u>169,447,766</u>	<u>1,870,574</u>	<u>7,859,772</u>	<u>29,331,725</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	38,568,982	(1,806,900)	(7,421,703)	(2,527,220)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,753,035	1,824,250	7,308,219	42,106
Transfers out	(18,702,401)	-	-	(221,346)
Total Other Financing Sources (Uses)	<u>(14,949,366)</u>	<u>1,824,250</u>	<u>7,308,219</u>	<u>(179,240)</u>
NET CHANGES IN FUND BALANCES	23,619,616	17,350	(113,484)	(2,706,460)
Fund Balances - Beginning of Year	<u>46,729,757</u>	<u>1,981,714</u>	<u>7,757,558</u>	<u>5,006,722</u>
FUND BALANCES - END OF YEAR	<u>\$ 70,349,373</u>	<u>\$ 1,999,064</u>	<u>\$ 7,644,074</u>	<u>\$ 2,300,262</u>

See accompanying Notes to Financial Statements.

**COUNTY OF MENDOCINO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Road	Mental Health Treatment	Other Governmental Funds	Total
REVENUES				
Taxes	\$ 59,209	\$ 8,647,202	\$ 2,162,078	\$ 87,254,546
Licenses, Permits, and Franchises	66,417	-	370,686	5,270,435
Intergovernmental	17,357,110	-	22,942,893	153,219,001
Revenue from Use of Money and Property	189,289	451,562	368,319	2,824,443
Fines, Forfeitures, and Penalties	45,838	-	10,389	1,413,017
Charges for Services	233,781	-	770,940	14,365,759
Other Revenues	14,568	-	121,643	24,787,719
Total Revenues	<u>17,966,212</u>	<u>9,098,764</u>	<u>26,746,948</u>	<u>289,134,920</u>
EXPENDITURES				
Current:				
General Government	-	-	187,142	17,206,071
Public Protection	-	-	4,802,621	68,314,440
Public Ways and Facilities	20,552,020	-	45,250	20,826,034
Health and Sanitation	-	40,087	13,448,355	55,034,024
Public Assistance	-	-	68,756	71,621,356
Education	-	-	3,583,695	3,753,405
Recreation and Culture	-	-	613	469,938
Debt Service:				
Principal	-	-	-	6,345,000
Interest	-	-	-	3,625,734
Capital Outlay	-	-	823,637	4,866,011
Total Expenditures	<u>20,552,020</u>	<u>40,087</u>	<u>22,960,069</u>	<u>252,062,013</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,585,808)	9,058,677	3,786,879	37,072,907
OTHER FINANCING SOURCES (USES)				
Transfers in	3,693,000	-	4,651,062	21,271,672
Transfers out	(379,390)	(540,970)	(5,344,039)	(25,188,146)
Total Other Financing Sources (Uses)	<u>3,313,610</u>	<u>(540,970)</u>	<u>(692,977)</u>	<u>(3,916,474)</u>
NET CHANGES IN FUND BALANCES	727,802	8,517,707	3,093,902	33,156,433
Fund Balances - Beginning of Year	<u>3,985,816</u>	<u>10,001,077</u>	<u>19,497,451</u>	<u>94,960,095</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,713,618</u>	<u>\$ 18,518,784</u>	<u>\$ 22,591,353</u>	<u>\$ 128,116,528</u>

See accompanying Notes to Financial Statements.



COUNTY OF MENDOCINO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF
ACTIVITIES – GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2020

Net Change to Fund Balance - Total Governmental Funds \$ 33,156,433

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

Governmental funds report capital asset additions 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 General Capital Assets, Infrastructure, and Other		\$ 8,178,870	
Related Capital Assets Adjustments		(6,706,366)	
Less: Current Year Depreciation		<u> </u>	1,472,504

Governmental fund revenues deferred at year end due to unavailability, and therefore, deferred under the modified accrual basis method of accounting, were recognized as revenue on the full accrual method of accounting.	(4,247,420)
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Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal and Refunded Debt Repayments:			
Bonds Payable		5,155,000	
Certificates of Participation		<u>1,190,000</u>	6,345,000

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

Change in Accrued Interest on Long-Term Debt		220,821	
Change in Compensated Absences		43,412	
Change in Net Pension Liability and Related Deferred Inflows/Outflows		(16,491,998)	
Change in Liability for Closure/Post Closure Care		<u>181,249</u>	(16,046,516)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain activities of the internal service funds is reported with governmental activities.	<u>(959,496)</u>
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Change in Net Position of Governmental Activities \$ 19,720,505

**COUNTY OF MENDOCINO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020**

	<u>Governmental Activities Internal Service Funds</u>
ASSETS	
CURRENT ASSETS	
Pooled Cash and Investments in Treasury	\$ 12,186,188
Other Cash	83,101
Accounts Receivable	368,633
Total Current Assets	<u>12,637,922</u>
NONCURRENT ASSETS	
Capital Assets:	
Depreciable, Net	513,306
Total Noncurrent Assets	<u>513,306</u>
Total Assets	13,151,228
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	894,790
Accrued Salaries and Benefits	39,375
Compensated Absences	41,420
Liability for Unpaid Claims	4,649,008
Total Current Liabilities	<u>5,624,593</u>
Total Liabilities	5,624,593
NET POSITION	
Investment in Capital Assets	513,306
Unrestricted	7,013,329
Total Net Position	<u>\$ 7,526,635</u>

See accompanying Notes to Financial Statements.

**COUNTY OF MENDOCINO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>Governmental Activities Internal Service Funds</u>
OPERATING REVENUES	
Charges for Services	\$ 22,870,235
Other Revenues	40,709
Total Operating Revenues	<u>22,910,944</u>
OPERATING EXPENSES	
Salaries and Employee Benefits	743,272
Services and Supplies	2,577,611
Insurance	7,048,037
Depreciation	213,550
Claims and Judgments	17,571,016
Total Operating Expenses	<u>28,153,486</u>
OPERATING INCOME (LOSS)	(5,242,542)
NONOPERATING REVENUES (EXPENSES)	
Other Revenue	49,913
Interest Income	316,659
Total Nonoperating Revenues (Expenses)	<u>366,572</u>
INCOME (LOSS) BEFORE TRANSFERS	(4,875,970)
TRANSFERS IN	4,433,528
TRANSFERS OUT	<u>(517,054)</u>
CHANGE IN NET POSITION	(959,496)
Net Position - Beginning of Year	<u>8,486,131</u>
NET POSITION - END OF YEAR	<u><u>\$ 7,526,635</u></u>

See accompanying Notes to Financial Statements.

**COUNTY OF MENDOCINO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>Governmental Activities Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Receipts from Interfund Services Provided	\$ 22,761,080
Cash Paid to Employees for Services	(720,485)
Cash Paid to Suppliers for Goods and Services	<u>(25,517,375)</u>
Net Cash Provided (Used) by Operating Activities	(3,476,780)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Noncapital Other Contributions	29,756
Transfers in	4,433,528
Transfers out	<u>(517,054)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	3,946,230
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of Capital Assets	<u>(54,458)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	(54,458)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	<u>316,659</u>
Net Cash Provided (Used) by Investing Activities	<u>316,659</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	731,651
Cash and Cash Equivalents - Beginning of Year	<u>11,537,638</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 12,269,289</u>
Pooled Cash and Investments in Treasury	\$ 12,186,188
Other Cash	<u>83,101</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 12,269,289</u>

See accompanying Notes to Financial Statements.

**COUNTY OF MENDOCINO
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating Income (Loss)	\$ (5,242,542)
Adjustments to Reconcile Operating Income to Net	
Cash Provided (Used) by Operating Activities:	
Depreciation	213,550
Changes in Assets and Liabilities:	
(Increase) decrease in:	
Accounts Receivable	(149,864)
Increase (Decrease) in:	
Accounts Payable	681,445
Accrued Salaries	6,006
Compensated Absences	16,781
Claims Liability	997,844
Net Cash Provided (Used) by Operating Activities	<u>\$ (3,476,780)</u>

See accompanying Notes to Financial Statements.

**COUNTY OF MENDOCINO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020**

	Investment Trust	Agency Funds	Pension Trust Fund
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Investments in Treasury	\$ 196,546,975	\$ 14,086,225	\$ 221,220
Other Investments	-	-	538,254,224
Accounts Receivable	-	-	1,754,879
Taxes Receivable	-	14,369,782	-
Other Assets	-	-	317,533
Total Assets	<u>196,546,975</u>	<u>28,456,007</u>	<u>540,547,856</u>
LIABILITIES			
Accounts Payable and Accrued Expenses	-	-	1,558,643
Agency Funds Held for Others	-	28,456,007	-
Total Liabilities	<u>-</u>	<u>28,456,007</u>	<u>1,558,643</u>
NET POSITION			
Net Position Restricted for Pensions	-	-	538,989,213
Net Position Held in Trust for:			
Investment Pool Participants	<u>196,546,975</u>	<u>-</u>	<u>-</u>
Total Net Position	<u>\$ 196,546,975</u>	<u>\$ -</u>	<u>\$ 538,989,213</u>

See accompanying Notes to Financial Statements.

**COUNTY OF MENDOCINO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>Investment Trust</u>	<u>Pension Trust Fund</u>
ADDITIONS		
Contributions:		
Employer Contributions	\$ -	\$ 24,647,132
Member Contributions	-	6,820,687
Contributions on Pooled Investments	359,587,598	-
Interest and Investment Income - Net	4,761,320	15,777,375
Investment expense	-	(978,719)
Total Additions	<u>364,348,918</u>	<u>46,266,475</u>
DEDUCTIONS		
Benefit Payments	-	38,036,004
Distributions from Investment Pool	<u>313,236,533</u>	<u>1,968,275</u>
Total Deductions	<u>313,236,533</u>	<u>40,004,279</u>
CHANGE IN NET POSITION	51,112,385	6,262,196
Net Position - Beginning of Year	<u>145,434,590</u>	<u>532,727,017</u>
NET POSITION - END OF YEAR	<u>\$ 196,546,975</u>	<u>\$ 538,989,213</u>

See accompanying Notes to Financial Statements.



NOTES TO BASIC FINANCIAL STATEMENTS

The notes provided in the financial section of this report are considered an integral and essential part of adequate disclosure and fair presentation of this report. The notes include a summary of significant accounting policies for the County, and other necessary disclosure of pertinent matters relating to the financial position of the County. The notes express significant insight to the financial statements and are conjunctive to understanding the rationale for presentation of the financial statements and information contained in this document.



COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Financial Reporting Entity

The County of Mendocino (the County), the primary government, is a political subdivision of the State of California. It is governed by an elected board of five County supervisors.

The accounting methods and procedures adopted by the County conform to generally accepted accounting principles as applied to governmental entities. These financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30th year-end.

Blended Component Units

The Alexander Estates Lighting District, Covelo Lighting District, Fairview Acres Lighting District, Hopland Lighting District, Laytonville Lighting District, Noyo Lighting District, Oak Knoll Lighting District, Riverwood Terrace Lighting District, Ukiah Village Lighting District, West Talmage Lighting District, Lakewood Lighting District, Meadowbrook Manor Sanitation District, Mendocino County Air Quality Management District, and Mendocino County Public Facilities Corporation are districts and a corporation governed by the County board of supervisors. The component unit's governing body is substantially the same as the primary government and a financial benefit or burden relationship exists between the primary government and each of the component units, hence, these units are presented by blending them with the primary government.

Discretely Presented Component Units

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

B. Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements consist of the statement of net position and the statement of activities that report information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. 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, generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. At June 30, 2020, the County had no business-type activities.

COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or functions, and therefore, are clearly identifiable to a particular function and allocated indirect expenses. Direct expenses also include each function's allocated share of indirect expenses. Program revenues include 1) fees, fines and charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net position is available, unrestricted resources are used only after the restricted resources are depleted.

Fund Financial Statements

The fund financial statements report detailed information about the County's funds, including fiduciary funds and blended component units. Separate statements are provided for each fund category – *governmental, proprietary, and fiduciary* – even though the latter are excluded from the government-wide financial statements. The emphasis of the Governmental and Proprietary Fund financial statements is on major individual funds. Each major fund is presented in a single column. All remaining governmental funds are separately aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All expenses not meeting this definition are reported as nonoperating expenses.

The County reports the following major governmental funds:

- The *General Fund* is the County's primary operating fund. The General Fund is used to account for all revenues and expenditures necessary to carry out the 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 sanitation, public assistance, education and recreational services.
- The *Debt Service Fund* is used to accumulate funds for the payment of debt service on the Certificates of Participation.
- The *Pension Obligation Bonds Fund* is used to accumulate funds for the payment of debt service on the Pension Obligation Bonds. Deposits are made on each pay period from amounts charged to the individual departments, based on retirement participation.

COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

- The *Mental Health Services Fund* is a special revenue fund whose revenues are legally restricted for specified mental health purposes. The financial activities of the Mental Health Department were formerly an integral part of the County General Fund prior to fiscal year 2002-2003. Revenues consist primarily of intergovernmental revenues and charges for services.
- The *Road Fund* is a special revenue fund that provides for planning, design, construction, maintenance, and administration of County maintained roads. Revenues consist primarily of highway user taxes and other intergovernmental revenues.
- The *Mental Health Treatment Fund* is a sales tax special revenue fund entirely dedicated to improve services, treatment and facilities for persons with mental health conditions.

The County reports the following additional fund types:

- *Internal Service Funds* are used to account for the County's vehicle replacement and software acquisition services provided to other departments or to other governments and self-insurance programs – unemployment, general liability, workers' compensation, and health insurance benefits, on a cost-reimbursement basis.
- The *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- The *Agency Funds* account for assets held by the County as an agent for various local governments. The agency funds maintained by the County include two separate components.
 - County Departmental – Accounts for all assets under the control of County departments which are held in a fiduciary capacity.
 - Unapportioned Taxes – Accounts for property tax receipts awaiting apportionment to other local agencies.
- The *Pension Trust Fund* accounts for the pooled cash held in the County Treasury for the Mendocino County Employees' Retirement Association.

C. Measurement Focus and Basis of Accounting

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 taxes, grants, entitlements

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and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales taxes are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they become both measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period so as to be measurable and available. All other revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. It is the County's policy to submit reimbursement and claim requests for federal and state grant revenues within 30 days of the end of the program cycle and payments are generally received within 90 days. Property taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures generally are recorded when the related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded as expenditures only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Fiduciary funds include trust funds and agency funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are reported using no measurement focus.

D. Cash and Investments

Cash includes amounts in demand deposits, as well as short-term investments with a maturity date within three months of the date acquired.

The County follows the practice of pooling cash and investments which represent deposits, time certificates of deposit, medium term notes, and U.S. Government securities. The securities are stated at amortized cost, which approximates market.

E. Cash and Cash Equivalents

For purposes of the statements of cash flows, the internal service funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's Investment Pool, to be cash equivalents.

F. Receivables

Receivables consist mostly of amounts due from other agencies. Management believes its receivables are fully collectible and accordingly, no allowance for doubtful accounts is required.

G. Inventories

Inventories are valued at average cost. Inventories in the Road Fund consist of road supplies, fuel and various consumable items. Inventories in the General Fund consist of

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office supplies. Inventory recorded by governmental funds are recorded as expenditures at the time the inventory is consumed. Reported inventories of governmental funds are equally offset by nonspendable fund balance to indicate that portion of fund balance is not in spendable form.

H. Restricted Assets

The County has \$8,684,431 restricted cash deposited with fiscal agents to meet Certificates of Participation, Pension Obligation Bond and other long-term debt reserve fund requirements.

I. Net Position/Fund Balance

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 (net of related debt), restricted, and unrestricted.

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

When both restricted and unrestricted net position are available, restricted resources are depleted first before the unrestricted resources are used.

Fund Balances

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

- *Nonspendable Fund Balance* – includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact (such as inventories or prepaid amounts).
- *Restricted Fund Balance* – includes amounts that can be spent only for specific purposes stipulated by external parties (such as creditors, grant providers, or contributors) or by law.
- *Committed Fund Balance* – includes amounts that can be used only for the specific purpose determined by the Board of Supervisors with a 4/5 vote. Commitments may be changed or lifted only by the Board of Supervisors taking

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the same formal action. The formal action must occur prior to the end of the reporting period. The amount which will be subject to the constraint may be determined in the subsequent period.

- *Assigned Fund Balance* – is comprised of amounts intended to be used by the government entity for specific purposes that are neither restricted nor committed. Intent can be expressed by the Board of Supervisors or by an official or body to which the Board delegates the authority. Assigned fund balance can be used to eliminate a projected budgetary deficit in the subsequent year's budget.
- *Unassigned Fund Balance* – is the residual classification and includes all amounts not contained in the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance, other governmental funds may report a negative unassigned fund balance if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes. Positive unassigned amounts are technically available for any purposes.

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

In Proprietary fund financial statements net position are accounted for the same as in the government-wide statements.

J. Property Tax Revenue

Property taxes attach as an enforceable lien at January 1. Taxes are levied on July 1 and payable in two installments, December 10 and April 10. All general property taxes are then allocated by the County Auditor's Office to the various taxing entities per the legislation implementing Proposition 13. The method of allocation used by the County is subject to review by the state of California. County property tax revenues are recognized when levied in accordance with the alternative method of property tax allocation (Teeter Plan).

Alternative Method of Distribution of Tax Levies

The County apportions property tax revenue according to the alternative tax treatment (Teeter Plan), whereby all of the current tax levy is distributed to all participating entities. The County then receives delinquent penalties and fees on the entire participating tax roll.

The County maintains 25% of the total delinquent secured taxes for participating entities in the County, as calculated at the end of the fiscal year, in the tax loss reserve fund. The balance in the fund was approximately \$1,262,715 at year-end.

K. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets consisting of certain

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improvements including roads, bridges, water/sewer, lighting system, drainage systems, and flood control. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

Infrastructure (Except for the Maintained Pavement Subsystem)	20 to 50 Years
Structures and Improvements	10 to 40 Years
Equipment	3 to 10 Years

L. 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 or 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 one item, pension, which qualifies for reporting in this category.

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 government has two types of items which qualify for reporting in this category: pensions and unavailable revenue. The item, *unavailable revenue*, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues generally from intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

M. Pensions

In government-wide financial statements, retirement plans (pensions) are required to be recognized and disclosed using the accrual basis of accounting regardless of the amount recognized as pension expenditures on the governmental fund statements, which use the modified accrual basis of accounting.

In general, the County recognizes a net pension liability, which represents the County's proportionate share of the excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial report provided by the Mendocino County Employees' Retirement Association (MCERA).

The net pension liability is measured as of the County's prior fiscal year-end. Changes in the net pension liability are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change. The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial

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assumptions or other inputs and differences between expected or actual experience) are amortized over the weighted average remaining service life of all participants in the respective pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred.

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

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred. Each subsequent year will incorporate an additional closed basis five-year period of recognition.

N. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due 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). 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 fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

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

O. Estimates

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

NOTE 2 CASH AND INVESTMENTS

The County sponsors an investment pool that is managed by the County treasurer for the purpose of securing and protecting the public funds of the County and other participants. Funds not immediately required for daily operations are invested in an attempt to earn a

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yield commensurate to current conditions. Cash and investments for most County activities are included in the investment pool. Interest earned on the investment pool is distributed to the participating funds using a formula based on the average daily cash balance of each fund.

The investment pool includes both voluntary and involuntary participation from external entities. The State of California Statutes require certain special districts and other governmental entities to maintain their cash surplus with the County treasurer.

Cash and investments held by fiscal agents outside of the County's investment pool are restricted as to its use. It consists of funds designated by debt agreements as reserve funds.

The County investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the policy are in order of priority: safety, liquidity, yield, and public trust.

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

At June 30, 2020, total County cash and investments were as follows:

Cash:	
Cash on Hand	\$ 3,877,557
Imprest Cash	5,759
Other Cash	83,101
Deposits Less Outstanding Warrants	<u>10,472,428</u>
Total Cash	14,438,845
Investments:	
In Treasurer's Pool	303,499,679
With Fiscal Agents	8,684,431
With Fiscal Agents, Pension Trust Fund (Held by MCERA)	<u>538,254,224</u>
Total Investments	<u>850,438,334</u>
Total Cash and Investments	<u><u>\$ 864,877,179</u></u>

Total cash and investments at June 30, 2020, were presented on the County's financial statements as follows:

Primary Government	\$ 115,768,535
Investment Trust Fund	196,546,975
Pension Trust Fund	538,475,444
Agency Funds	<u>14,086,225</u>
Total Cash and Investments	<u><u>\$ 864,877,179</u></u>

COUNTY OF MENDOCINO
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Deposits – Custodial Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code requires that a financial institution secure the County’s cash deposits by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of pledged securities in the collateral pool must equal at least 110% of the County’s cash deposits. California law also allows institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the County’s total cash deposits.

At June 30, 2020, the carrying value of the County’s deposits was \$10,472,428 and the bank balance was \$14,526,628. The difference between the carrying amount and the bank balance is a result of transactions in transit. Of the bank balance, \$250,000 was covered by Federal Depository Insurance Corporation (FDIC) and the remainder was covered by the multiple financial institution collateral pool that insures public deposits.

Investments

The table below identifies the investment types that are authorized for the County by the California Government Code or the County’s investment policy, where more restrictive. The table also identifies certain provisions of the County’s investment policy that address interest rate risk, credit risk, and concentration risk. The County annually adopts a “Statement of Investment Policy.” The policy is based on criteria established by government code and adds further restrictions as to the types of investments allowed, concentration limits, and maximum terms.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds and Obligations	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State of California Obligations	5 Years	None	None
California Local Agency Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	25%
Banker’s Acceptances	180 Days	40%	5%
Commercial Paper	270 Days	40%	5%
Negotiable Certificates of Deposit/CD Placement Service	5 Years	30%	5%
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements		Prohibited	
Medium-Term Corporate Notes	5 Years	30%	5%
Money Market Mutual Funds	N/A	20%	10%
Collateralized Bank Deposits	5 Years	None	None
Mortgage Pass-Through Securities	5 Years	20%	5%
Bank/Time Deposits	5 Years	20%	5%
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool (includes CAMP)	N/A	None	None
Local Agency Investment Fund	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None
Supranational Obligations	5 Years	30%	10%

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At June 30, 2020, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	WAM (Years)
Investment Pool:					
Federal Agency Obligations	0.19% - 3.125%	9/28/2020 - 3/8/2024	94,195,000	96,209,702	2.08
Treasury Obligations	0.50% - 2.00%	9/30/2020 - 10/31/2023	42,200,000	43,343,742	2.09
Medium Term Corporate Notes	0.75% - 3.25%	7/29/2020 - 5/11/2023	28,495,000	29,107,956	1.27
Commercial Paper	0.40%	8/28/2020	2,998,067	2,998,067	0.16
Supranational	1.125% - 2.25%	9/4/2020 - 9/14/2022	9,561,000	9,728,445	1.30
Time Deposit	0.50% - 1.25%	3/3/2021 - 3/20/2021	500,000	500,000	0.70
Money Market Mutual Funds	Variable	On Demand	8,611,767	8,611,767	
California Local Agency Investment Fund (LAIF)	Variable	On Demand	75,000,000	75,000,000	
California Asset Management Program	Variable	On Demand	38,000,000	38,000,000	
			<u>299,560,834</u>	<u>303,499,679</u>	
Investments Outside					
Investment Pool:					
Cash Held with Fiscal Agent					
Pension Trust Fund (Held by MCERA)	Variable	N/A	538,254,224	538,254,224	
Money Market Mutual Funds	Variable	On Demand	8,684,431	8,684,431	
Total Investments			<u>\$ 846,499,489</u>	<u>\$ 850,438,334</u>	

For information regarding investments held by the Pension Trust refer to the Mendocino County Employees' Retirement Association financial statements which may be obtained by contacting the Retirement office at 625B Kings Court, Ukiah, California, 95482.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County manages its exposure to declines in fair values by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities to provide the necessary cash flow and liquidity needed for operations. The County monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio.

Credit Risk

Generally, 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. State law limits investments in commercial paper to the rating of A1 by *Standards & Poor's* or P-1 by *Moody's Investors Service*. State law also limits investments in corporate bonds to the rating of A or better by *Standard & Poor's* and *Moody's Investors Service* for a maturity of up to five years.

**COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
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Concentration of Credit Risk

At June 30, 2020, the County held the following percentages and amounts by issuer of its net investment in Federal Agency Obligation: 9.28% (\$28,167,005), Federal Farm Credit Bank, 11.15% (\$33,849,610), Federal Home Loan Banks; and 6.48% (\$19,675,063), Federal Home Loan Mortgage Corp.

Fair Value Measurements

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The principles recognize a three-tiered fair value hierarchy, as follows:

Level 1 - Investments reflect prices quoted in active markets;

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Investments reflect prices based upon unobservable sources.

The pool has the following recurring fair value measurements as of June 30, 2020:

	Total	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Federal Agency Obligations	\$ 96,209,702	\$ -	\$ 96,209,702	\$ -
Treasury Obligations	43,343,742	-	43,343,742	-
Medium Term Corporate Notes	29,107,956	-	29,107,956	-
Commercial Paper	2,998,067	-	2,998,067	-
Supranational	9,728,445	-	9,728,445	-
Time Deposit	500,000	500,000	-	-
Money Market Mutual Funds	8,611,767	8,611,767	-	-
Total Investments Measured at Fair Value	190,499,679	\$ 9,111,767	\$ 181,387,912	\$ -
Investments Measured at Amortized Cost:				
California Local Agency Investment Fund (LAIF)	75,000,000			
California Asset Management Program	38,000,000			
Total Pooled and Directed Investments	\$ 303,499,679			

**COUNTY OF MENDOCINO
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Concentration of Credit Risk

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's carrying value at June 30, 2020:

	<u>Moody's</u>	<u>S & P</u>	<u>% of Portfolio</u>
Investments in Investment Pool:			
Federal agency obligations	Aaa	AA+	31.70%
Treasury obligations	Aaa	AA+	14.28%
Medium term notes	A1	A+	2.42%
Medium term notes	A1	A	1.09%
Medium term notes	A2	A	2.09%
Medium term notes	A2	A-	0.42%
Medium term notes	A3	A	1.10%
Medium term notes	A3	A-	0.60%
Medium term notes	Aa1	AA+	0.68%
Medium term notes	Aa2	AA	0.52%
Medium term notes	Aaa	AAA	0.67%
Money market mutual funds	Aaa	AAA	2.84%
Supranational	Aaa	AAA	3.21%
Time Deposit	Unrated	Unrated	0.16%
Commercial Paper- Pooled Funds	Unrated	Unrated	0.99%
California Local Agency Investment Fund			
State Pool	Unrated	Unrated	24.71%
Public Financial Management CAMP	Unrated	AAA	12.52%
			<u>100.00%</u>

Custodial Credit Risk

For investments and deposits held with fiscal agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year-end, the County's investment pool had no securities exposed to custodial credit risk.

Local Agency Investment Fund

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF). LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held by the state in addition to those deposited with LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer's Office. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code.

**COUNTY OF MENDOCINO
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Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2020, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$75 million, which approximates fair value and is the same as the value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$100.98 billion. Of that amount, 3.37% was invested in structured notes and asset-backed securities with the remaining 96.63% invested in other nonderivative financial products.

County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the investment pool as of June 30, 2020:

Statement of Net Position

Net Position Held for Pool Participants	<u>\$ 317,849,664</u>
Equity of Internal Pool Participants	\$ 121,302,689
Equity of External Pool Participants	<u>196,546,975</u>
Total Net Position	<u>\$ 317,849,664</u>

Statement of Changes in Net Position

Net Position for Pool Participants at July 1, 2019	\$ 260,093,232
Net Change in Investments by Pool Participants	<u>57,756,432</u>
Net Position at June 30, 2020	<u>\$ 317,849,664</u>

NOTE 3 ENDOWMENTS

For the year ended June 30, 2020, the net appreciation on investments of donor-restricted endowments was \$11,374. Under local ordinances and state statutes, the County is authorized based on a total-return policy to spend the appreciation on the supplies and maintenance of the community libraries and museums.

**COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4 INTERFUND TRANSACTIONS

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenues. The following schedule briefly summarizes the County's transfer activity:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
General Fund	Debt Service Fund	\$ 1,771,251
	Pension Obligation Bonds Fund	6,439,644
	Road Fund	3,693,000
	Internal Service Funds	4,259,110
	Other Governmental Funds	2,539,396
		<u>18,702,401</u>
Mental Health Services Fund	Pension Obligation Bonds Fund	168,347
	Debt Service Fund	52,999
		<u>221,346</u>
Roads Fund	General Fund	6,956
	Pension Obligation Bonds Fund	372,434
		<u>379,390</u>
Mental Health Treatment Fund	Pension Obligation Bonds Fund	343
	Other Governmental Funds	540,627
		<u>540,970</u>
Nonmajor Governmental Funds	General Fund	3,274,385
	Mental Health Services Fund	42,106
	Pension Obligation Bonds Fund	282,091
	Internal Service Funds	174,418
	Other Governmental Funds	1,571,039
	<u>5,344,039</u>	
Internal Service Funds	General Fund	471,694
	Pension Obligation Bonds Fund	45,360
		<u>517,054</u>
Total		<u><u>\$ 25,705,200</u></u>

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NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance July 1, 2019 (Restated)	Additions	Retirements	Transfers and Adjustments	Balance June 30, 2020
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 2,928,621	\$ -	\$ -	\$ -	\$ 2,928,621
Construction in Progress	20,399,565	3,952,855	-	(5,825,633)	18,526,787
Total Capital Assets, Not Being Depreciated	<u>23,328,186</u>	<u>3,952,855</u>	<u>-</u>	<u>(5,825,633)</u>	<u>21,455,408</u>
Capital Assets, Being Depreciated:					
Infrastructure	100,128,350	-	-	5,825,633	105,953,983
Structures and Improvements	83,917,313	2,936,465	-	-	86,853,778
Equipment	37,325,582	1,364,165	-	-	38,689,747
Improvements Other than Buildings	6,112,950	-	-	-	6,112,950
Total Capital Assets, Being Depreciated	<u>227,484,195</u>	<u>4,300,630</u>	<u>-</u>	<u>5,825,633</u>	<u>237,610,458</u>
Less Accumulated Depreciation for:					
Infrastructure	(46,957,387)	(2,631,560)	-	-	(49,588,947)
Structures and Improvements	(46,720,732)	(2,111,948)	-	-	(48,832,680)
Equipment	(28,696,527)	(1,938,938)	-	-	(30,635,465)
Improvements Other than Buildings	(4,643,114)	(237,470)	-	-	(4,880,584)
Total Accumulated Depreciation	<u>(127,017,760)</u>	<u>(6,919,916)</u>	<u>-</u>	<u>-</u>	<u>(133,937,676)</u>
Total Capital Assets, Being Depreciated, Net	<u>100,466,435</u>	<u>(2,619,286)</u>	<u>-</u>	<u>5,825,633</u>	<u>103,672,782</u>
Governmental Activities Capital Assets, Net	<u>\$ 123,794,621</u>	<u>\$ 1,333,569</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,128,190</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 999,807
Public Protection	1,490,400
Public Ways and Facilities	3,130,553
Health and Sanitation	416,939
Public Assistance	554,930
Education	76,449
Recreation and Culture	37,288
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on Their Usage of the Assets	<u>213,550</u>
Total Depreciation Expense - Governmental Functions	<u>\$ 6,919,916</u>

**COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 6 LONG-TERM LIABILITIES

Individual issues of loans, bonds and certificates of participation outstanding at June 30, 2020, are as follows:

Type of Indebtedness (Purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2020
Governmental Activities:					
Taxable Pension Obligation Bonds:					
2002 Series (Issued to Partially Refund the 1996 Series and to Meet the Net Pension Obligation of the County's Retirement Plan)	7/01/2004 - 7/1/2026	2.07% - 5.77%	\$885,000 - \$7,560,000	\$ 91,945,000	\$45,095,000
Refunding Certificates of Participation:					
2012 Series (Issued to Refund 2002 and 2000 Series COPs that funded the construction of capital assets)	7/15/2012 - 7/15/2030	1.00% - 4.30%	\$975,000 - \$1,830,000	\$ 25,810,000	\$ 15,940,000

A. Summary of Long-Term Liabilities

The following is a summary of long-term liabilities transactions for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts Due Within One Year
Governmental Activities:					
Refunding Certificates of Participation	\$ 17,130,000	\$ -	\$ (1,190,000)	\$ 15,940,000	\$ 1,230,000
Bonds Payable	50,250,000	-	(5,155,000)	45,095,000	5,440,000
Compensated Absences	4,848,986	2,323,095	(2,349,726)	4,822,355	4,822,355
Liability for Self-Insurance	3,651,164	17,571,016	(16,573,172)	4,649,008	4,649,008
Landfill Postclosure Costs	9,819,604	-	(181,249)	9,638,355	489,499
Total Governmental Activities	\$ 85,699,754	\$ 19,894,111	\$ (25,449,147)	\$ 80,144,718	\$ 16,630,862

As of June 30, 2020, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30,	Governmental Activities			
	Certificate of Participation		Bonds Payable	
	Principal	Interest	Principal	Interest
2021	\$1,230,000	\$635,498	\$5,440,000	\$2,408,750
2022	1,280,000	589,372	5,740,000	2,100,182
2023	1,325,000	544,572	6,055,000	1,774,640
2024	2,155,000	494,886	6,390,000	1,423,170
2025	1,500,000	408,684	6,760,000	1,043,793
2026 - 2029	6,620,000	1,008,854	14,710,000	860,596
2030	1,830,000	78,690	-	-
Total	\$15,940,000	\$3,760,556	\$45,095,000	\$9,611,131

Claims and judgments will be paid from the County's risk management internal service funds. A majority of the claims are paid through internal service fund charges to the general fund and special revenue funds. Compensated absences liabilities will be paid

**COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

by several of the County's funds, including the general fund, special revenue funds, and other internal service funds.

B. Leases

Operating Leases

The County has signed several operating leases, primarily for office buildings. Terms of the leases are month-to-month or contain early termination clauses. Because of this, the County does not have a definite noncancelable commitment from the various leases. Rental expenditures were approximately \$906,000 during the year ended June 30, 2020.

C. Compensated Absences

Vacation – employees accrue vacation at varying rates depending on the length of an employee's service. Upon termination unused vacation, up to accrual limits, is paid off in cash. Sick leave – all employees accrue sick leave at the rate of 15 days per year. Sick leave may be accrued without limit. Upon termination, unused sick leave will be applied toward length of service for retirement credit. Holidays must be taken within the calendar year and are not accruable. The County records the gross vacation liability. At fiscal year end, the total liability for compensated absences was \$4,822,355. Based on historical experience County employees utilize substantially all accrued compensated absences within the following fiscal year. As such, the County considers the entire balance of compensated absences liability to be current.

NOTE 7 MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal law and regulations require the County to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfills stop accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$9,638,355 reported as landfill closure/postclosure liability at June 30, 2020, represents the cumulative amount reported to date based on the use of various percents of the estimated capacity of the landfills. These amounts are based on what it would cost to perform all closure and postclosure care in 2020. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The following information pertains to the various landfills in the County:

Location	Ownership of Landfill	Percent Filled	Year of Closure	Estimated Liability at June 30, 2020
Caspar Landfill	Mendocino County/ City of Fort Bragg	100%	1994	\$ 1,672,689
South Coast Landfill	Mendocino County	100%	Pending	5,684,283
Laytonville Landfill	Mendocino County	100%	1997	2,281,383
Total				<u>\$ 9,638,355</u>

The County is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care. The County is in compliance with these requirements, and, at June 30, 2020, investments of \$4,109,297 are held for

COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

these purposes. The County intends to obtain either a grant or issue debt to fund the closure costs. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

Casper Landfill and Laytonville Landfill are closed. The County is in the process of closing South Coast Landfill and is no longer accepting waste from the public.

NOTE 8 NET POSITION/FUND BALANCES

Net Position

Net investment in capital assets was comprised of the following:

	Governmental Activities
Capital Assets Net of Accumulated Depreciation	125,128,190
Outstanding Principal of Capital-Related Debt	(15,940,000)
Net Position, Net Investment in Capital Assets	109,188,190

Fund Balances

Details of the fund balance classifications of governmental funds as of June 30, 2020 are as follows:

	General	Debt Service	Pension Obligation Bonds	Mental Health Services	Road	Mental Health Treatment	Other Governmental Funds	Total
Nonspendable								
Inventory	\$ 230,004	\$ -	\$ -	\$ -	\$ 571,081	\$ -	\$ -	\$ 801,085
Restricted for:								
Road Projects	-	-	-	-	4,142,537	-	-	4,142,537
Public Protection	2,314,147	-	-	-	-	-	-	2,314,147
Public Assistance	5,204,721	-	-	-	-	-	-	5,204,721
Health Services	1,555,292	-	-	-	-	-	11,449,042	13,004,334
Mental Health	-	-	-	2,300,262	-	18,518,784	-	20,819,046
Special Districts	-	-	-	-	-	-	908,148	908,148
Various Grant	-	-	-	-	-	-	-	-
Programs	-	-	-	-	-	-	9,982,459	9,982,459
Endowments	-	-	-	-	-	-	649,575	649,575
Debt Service	-	1,999,064	7,644,074	-	-	-	-	9,643,138
Total Restricted	9,074,160	1,999,064	7,644,074	2,300,262	4,142,537	18,518,784	22,989,224	66,668,105
Assigned:								
Retirement	4,500,000	-	-	-	-	-	-	4,500,000
General reserve	12,287,010	-	-	-	-	-	-	12,287,010
Contracted services	8,755,213	-	-	-	-	-	1,138,182	9,893,395
Total Assigned	25,542,223	-	-	-	-	-	1,138,182	26,680,405
Unassigned	35,502,986	-	-	-	-	-	(1,536,053)	33,966,933
Total Fund Balance	\$ 70,349,373	\$ 1,999,064	\$ 7,644,074	\$ 2,300,262	\$ 4,713,618	\$ 18,518,784	\$ 22,591,353	\$ 128,116,528

**COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

Prior Period Adjustment

Adjustments resulting from errors are treated as prior period adjustments. Accordingly, the County reports these changes as restatements of beginning fund balance / net position. Restatements as of the beginning of the fiscal year were made to correct the reporting of prior year expenses.

The impact of the restatements on net position as previously reported is presented below:

	Government-Wide Statements
	Governmental Activities
Net position,	
June 30, 2019, as previously reported	\$ 2,799,772
Corrections:	
Construction in progress overstated in prior year.	(2,873,173)
Net position,	
June 30, 2019, restated	\$ (73,401)

NOTE 9 PENSION PLANS

Summary of Significant Accounting Policies

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 defined benefit pension plan (Plan) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by the Mendocino County Employees’ Retirement Association (MCERA). 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. MCERA issues separate public financial statements which may be obtained by contacting the Retirement office at 625B Kings Court, Ukiah, California, 95482.

A. General Information About the Pension Plans

Plan Descriptions

The Mendocino County Employees’ Retirement Association is a cost-sharing multiple-employer defined benefit pension plan serving the employees of the County of Mendocino and two special districts. The Association was established under the County Employees Retirement Act of 1937, as amended. The plan is totally controlled and governed by a nine-member retirement board and is available to essentially all full-time employees of the County and certain special districts. Members of the board are appointed as follows: four members are appointed by the Board of Supervisors, two members are elected by general county employees, one member is elected by safety county employees, two members are elected by county retirees, one alternate, and one member is the County Treasurer who is an ex-officio board member and administrator of the retirement system.

COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

Benefits Provided

MCERA provides service retirement, disability, death, and survivor benefits to eligible employees. All permanent employees of the County or contracting districts who work at least 32 hours per week become members of MCERA effective on the first day of the pay period following employment. There are separate retirement plans for General, Safety, and Probation member employees. Any new employees who become members on or after January 1, 2013 are subject to the provisions of California Public Employees' Pension Reform Act of 2013 (PEPRA), California Government Code 7522 et seq. and Assembly Bill (AB) 197.

General members hired prior to January 1, 2013 are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. A member who is age 70 or older is eligible to retire regardless of service. General members who are first hired on or after January 1, 2013 are eligible to retire once they have attained the age of 52, and have acquired five years of retirement service credit, or age 70, regardless of service.

Safety and Probation members hired prior to January 1, 2013 are eligible to retire once they attain the age of 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age. A member who is age 70 or older is eligible to retire regardless of service. Safety and Probation members who are first hired on or after January 1, 2013 are eligible to retire once they have attained the age of 50, and have acquired five years of retirement service credit, or age 70, regardless of service.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier.

General member benefits are calculated pursuant to the provisions of Section 31676.121. The monthly allowance is equal to 1/50th of final compensation times years of accrued retirement service credit times the age factor from Section 31676.12. General member benefits for those who are first hired on or after January 1, 2013 are calculated pursuant to the provision of California Government Code Section 7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.20(a).

Safety member benefits are calculated pursuant to the provisions of Section 31664.2. The monthly allowance is equal to 3% of final compensation times years of accrued retirement service credit times the age factor from Section 31664.2. Safety member benefits for those who are first hired on or after January 1, 2013 are calculated pursuant to the provision of California Government Code Section 7522.25(d). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.25(d).

Probation member benefits are calculated pursuant to the provisions of Section 31664. The monthly allowance is equal to 1/50th of final compensation times years of accrued retirement service credit times the age factor from Section 31664.

Probation member benefits for those who are first hired on or after January 1, 2013 are calculated pursuant to the provision of California Government Code Section 7522.25(d).

COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
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The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.25(d).

For members with membership dates before January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation.

Final average compensation consists of the highest 12 consecutive months of pay for a General Tier 1, Safety Tier 1, or Probation Tier 1 member, and the highest 36 consecutive months for all other members.

The member may elect an unmodified retirement allowance, or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

MCERA provides an annual cost-of-living benefit to all non-PEPRA retirees. The cost-of-living adjustment, based upon the Consumer Price Index prepared by the Bureau of Labor Statistics that applies to the Mendocino County Area, is capped at 3.0%.

Contributions

The County and contracting districts contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from MCERA's actuary after the completion of the annual actuarial valuation. The average employer contribution rate as of June 30, 2019 for 2019-2020 (based on the June 30, 2019 valuation) was 34.56% of compensation. The actual employer rate depends on General, Safety, or Probation membership, and tier.

All members are required to make contributions to MCERA regardless of the retirement plan or tier in which they are included; however, non-PEPRA members with 30 or more years of service are exempt from paying member contributions. The average member contribution rate as of June 30, 2019 for 2019-2020 (based on the June 30, 2019 valuation) was 9.44% of compensation. The actual member rate depends on the member's age at the time of hire, General, Safety, or Probation membership, and tier.

The member and employer contribution rates are adjusted annually to maintain the appropriate funding status of the Plan. The employer contribution rate is actuarially determined to provide for the balance of the contributions needed to fund the annual normal cost (basic and cost of living) and the amortization of the unfunded actuarial accrued liability.

For the year ended June 30, 2020, the contributions for the Plan was as follows:

Contributions - Employer	<u>\$ 23,515,845</u>
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**COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2020, the County reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability <u>\$ 206,708,080</u>
Total Net Pension Liability	<u>\$ 206,708,080</u>

The County's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2019, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. 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 plans relative to the projected contributions of all participating employers, actuarially determined. The County's proportionate share of the net pension liability for the Plan as of June 30, 2018 and 2019 was as follows:

Proportion - June 30, 2018	96.23%
Proportion - June 30, 2019	<u>96.25%</u>
Change - Increase (Decrease)	0.028%

For the year ended June 30, 2020, the County recognized net pension expense of \$16,491,998. At June 30, 2020, 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
Differences Between Expected and Actual Experience	\$ 4,539,013	\$ 10,640
Changes in Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	160,840
Changes in Proportion and Differences Between County's Contributions and Proportionate Share of Contributions	552,608	-
County's Contributions Subsequent to the Measurement Date	<u>23,515,845</u>	<u>-</u>
Total	<u>\$ 28,607,466</u>	<u>\$ 171,480</u>

COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

The County reported \$23,515,845 deferred outflows of resources related to contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2021	\$ 6,388,479
2022	(5,391,302)
2023	832,073
2024	3,090,891
Total	<u><u>4,920,141</u></u>

Actuarial Assumptions

The total pension liabilities in the **June 30, 2019** actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.00%
Inflation	3.00%
Payroll Growth	3.00%
Projected Salary Increase	4.00% – 8.50% (1)
Investment Rate of Return	7.00% (2)
Mortality	RP-2000 Combined Healthy Mortality Table projected with Scale BB to 2020, set back one year for males and with no setback for females

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

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

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 valuation were based on the results of a April 14, 2017 actuarial experience study for the period July 1, 2013 – June 30, 2016.

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was

**COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2019.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Large Cap Equity	25.3%	5.64%
U.S. Small Cap Equity	12.7%	6.24%
Global Equity	29.0%	6.70%
Domestic Fixed Income	22.0%	1.06%
Real Estate	11.0%	4.37%
Total	<u>100.0%</u>	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

The following presents the County's proportionate share of the net pension liability for the Plan, calculated using the discount rate for each 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:

1% Decrease	6.00%
Net Pension Liability	\$ 299,477,959
Current Discount Rate	7.00%
Net Pension Liability	\$ 206,708,080
1% Increase	8.00%
Net Pension Liability	\$ 130,162,658

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued MCERA financial report.

NOTE 10 CONTINGENCIES

A. Litigation

There are many lawsuits pending in which the County is involved. Some of the lawsuits have been filed solely against the County, while in others, the County is one of a group of defendants. County Counsel had indicated that probable potential claims against the County are \$50,000 to \$100,000, while possible potential claims against the County range in the area of \$1,000,000. The general liability self-insurance program would cover probable claims losses for which adequate reserves have been maintained.

COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

B. Grants

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of June 30, 2020, significant amounts of grant expenditures have not been audited, but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the County.

NOTE 11 RISK MANAGEMENT

The County has four risk management funds (Internal Service Funds) to administer the County's insurance programs that are fully self-insured, partially self-insured, or fully funded. Fund revenues are primarily premium charges to other departments and funds, and are planned to equal estimated expenses resulting from the self-insurance programs including claims expenses, liability insurance coverage in excess of the self-insured retention amounts, and other operating expenses. Liability for unpaid claims is subject to change due to future re-estimations of claims by program administrators, inflation, and changes in laws and regulations. The primary activities of the funds consist of risk management programs related to the following:

A. Unemployment Insurance

The County is fully self-insured for this program. The estimated claims liability at fiscal year-end was \$795,783.

B. General Liability Insurance

The County maintains a self-insured retention (SIR) of \$200,000 per occurrence for this program. Losses which exceed the SIR are covered by excess insurance obtained through CSAC-Excess Insurance Authority.

This program is the only insurance program administered without the benefit of a third party administrator.

The administration of this program is a joint effort between the Risk Management Division and the Office of the County Counsel. The liability for unpaid claims was based on actual outstanding claims at June 30, 2020, plus an amount for "incurred but not reported claims." The liability is based on the estimated ultimate cost of settling the claims within the program's self-insured retention. The liability of \$872,345 includes incurred but not reported claims.

C. Workers' Compensation

The County elected to become fully insured through CSAC-Excess Insurance Authority on July 1, 1997.

**COUNTY OF MENDOCINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

D. Health Insurance

The County is fully self-insured and administers the program. The County has hired Keenan Associates as a health plan consultant/actuary to review the health plan on an annual basis, and determine by how much County and employee share in premiums should be increased. The estimated claims liability at fiscal year-end was \$2,980,880.

Changes in the fund's claims liability amount for the past two years were:

	Unemployment Insurance	General Liability	Health Insurance	Total
Claims Liability, July 1, 2018	\$ 397,381	\$ 860,287	\$ 2,176,387	\$ 3,434,055
Current Year Claims and Changes in Estimates	253,871	706,824	12,590,401	13,551,096
Claims Payments	(195,393)	(711,588)	(12,427,006)	(13,333,987)
Claims Liability, June 30, 2019	<u>\$ 455,859</u>	<u>\$ 855,523</u>	<u>\$ 2,339,782</u>	<u>\$ 3,651,164</u>
Claims Liability, July 1, 2019	\$ 455,859	\$ 855,523	\$ 2,339,782	\$ 3,651,164
Current Year Claims and Changes in Estimates	495,808	171,587	16,903,621	17,571,016
Claims Payments	(155,884)	(154,765)	(16,262,523)	(16,573,172)
Claims Liability, June 30, 2020	<u>\$ 795,783</u>	<u>\$ 872,345</u>	<u>\$ 2,980,880</u>	<u>\$ 4,649,008</u>

NOTE 12 PG&E SETTLEMENT REVENUE

On June 17, 2020, the United States Bankruptcy Court of the Northern District of California upheld a \$415 million settlement agreement between PG&E Corporation and Pacific Gas and Electric Company (PGE), and various public entities, including the County of Mendocino, for damages caused by the 2015 – 2018 Northern California wildfires. Per the terms of this settlement, the County of Mendocino received \$22,651,738 in damages. This amount, received subsequent to the year ended June 30, 2020, has been included in Accounts Receivable, and is presented as part of Other Revenues in the General Fund.

NOTE 13 EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

The following funds reported an excess of expenditures over appropriations for the fiscal year ended June 30, 2020:

Fund	Amount in Excess
Recorder Modernization Fund	\$ 1,441
Inter-governmental Transfers	\$ 826,188



REQUIRED SUPPLEMENTARY INFORMATION



**COUNTY OF MENDOCINO
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2020**

Schedule of the County's Proportionate Share of the Net Pension Liability

Last 10 Fiscal Years*

	Reporting Fiscal Year (Measurement Date)					
	June 30, 2020 (June 30, 2019)	June 30, 2019 (June 30, 2018)	June 30, 2018 (June 30, 2017)	June 30, 2017 (June 30, 2016)	June 30, 2016 (June 30, 2015)	June 30, 2015 (June 30, 2014)
County's Proportion of the Net Pension Liability	96.28%	96.23%	95.17%	93.86%	93.24%	91.97%
County's Proportionate Share of the Net Pension Liability	\$ 206,708,080	\$ 190,043,076	\$ 186,099,824	\$ 193,097,508	\$ 154,924,361	\$ 130,705,221
County's Covered Payroll	\$ 65,111,855	\$ 61,443,717	\$ 56,534,158	\$ 54,492,771	\$ 51,937,992	\$ 50,778,344
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	317.47%	309.30%	329.18%	354.35%	298.29%	257.40%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.30%	72.49%	71.23%	67.45%	72.78%	75.68%

Notes to Schedule

Valuation Date:

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

Schedule of the County's Contributions

Last 10 Fiscal Years*

	Reporting Fiscal Year					
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially Determined Contribution	\$ 23,515,845	\$ 22,826,962	\$ 19,650,882	\$ 18,209,544	\$ 17,950,331	\$ 14,139,041
Contributions Related to the Actuarially Determined Contribution	23,515,845	22,826,962	19,650,882	18,209,544	17,950,331	14,139,041
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's Covered Payroll	\$ 66,414,092	\$ 65,111,855	\$ 61,443,717	\$ 56,534,158	\$ 54,492,771	\$ 51,937,992
Contributions as a Percentage of Covered Payroll	35.41%	35.06%	31.98%	32.21%	32.94%	27.22%

Notes to Schedule

Valuation Date:

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

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 80,319,356	\$ 80,319,356	\$ 80,631,316	\$ 311,960
Licenses and Permits	4,311,950	4,311,950	4,833,332	521,382
Fines, Forfeits, and Penalties	1,364,966	1,671,263	1,346,290	(324,973)
Revenue From Use of Money and Property	1,090,520	1,090,520	1,740,703	650,183
Intergovernmental	105,348,653	106,205,928	87,314,704	(18,891,224)
Charges for Services	11,942,633	12,699,863	12,359,051	(340,812)
Other Revenue	1,492,789	1,492,789	24,036,611	22,543,822
Total Revenues	205,870,867	207,791,669	212,262,007	4,470,338
EXPENDITURES				
Current:				
General government:				
Assessor	1,843,559	1,846,034	1,512,358	333,676
Auditor-Controller	1,374,646	1,374,646	1,384,064	(9,418)
Board Of Supervisors	885,546	886,051	857,543	28,508
Buildings & Grounds	3,917,599	3,976,768	3,610,099	366,669
Capital Improvement	-	-	713	(713)
Clerk Of The Board	601,041	601,041	377,678	223,363
County Clerk	253,273	253,273	235,380	17,893
County Clerk-Election	436,468	843,846	491,532	352,314
County Counsel	1,147,980	1,299,071	1,184,228	114,843
County Executive Office	1,130,774	1,131,784	1,145,652	(13,868)
County Garage	(53,424)	(47,080)	(186,087)	139,007
Economic Development	567,371	616,871	561,212	55,659
Employee Wellness/Assistance	66,523	66,523	66,476	47
Engineering & Technical Assist	1,038,808	1,089,189	938,762	150,427
General Services	436,877	436,877	443,184	(6,307)
Human Resources	1,205,944	1,205,944	1,031,395	174,549
Information Services	3,624,785	3,694,713	3,430,337	264,376
Miscellaneous Budget	6,706,924	6,682,424	1,892,258	4,790,166
Nondepartmental Revenue	(2,600,000)	(2,600,000)	(2,551,138)	(48,862)
Retirement	648,615	648,615	689,493	(40,878)
Treasurer-Tax Collector	825,240	825,240	796,533	28,707
Total general government	24,058,549	24,831,830	17,911,672	6,920,158
Public protection:				
Agriculture Dept	1,340,624	1,381,124	1,094,014	287,110
Alternate Defender	786,112	786,112	834,967	(48,855)
Animal Control	1,431,556	1,431,556	1,400,173	31,383
Cannabis Management	498,397	618,397	404,216	214,181
Child Support Services	2,802,049	2,742,903	2,280,167	462,736
Courts-Ab233 Program	1,292,012	1,292,012	1,241,549	50,463
District Attorney	5,673,661	5,829,958	6,018,233	(188,275)
Emergency Svc Cd Safety	343,184	387,785	224,130	163,655
Grand Jury	84,224	84,224	95,242	(11,018)
Indigent Defense	329,000	329,000	306,281	22,719
Juvenile Hall	2,191,162	2,195,875	2,137,809	58,066
Mendocino County Jail	14,955,099	14,906,929	15,209,832	(302,903)
Mendocino County Sheriff	21,528,332	21,849,609	21,726,308	123,301
Mobile Spay/Neuter	151,782	163,782	188,235	(24,453)
Planning & Building Services	5,564,365	5,568,365	5,294,791	273,574
Planning & Building Spec Proj	97,500	387,645	361,415	26,230
Probation Officer	5,756,924	5,756,924	5,316,398	440,526
Public Defender	2,598,201	2,598,201	2,733,475	(135,274)
Total public protection	67,424,184	68,310,401	66,867,235	1,443,166

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Public ways and facilities:				
DOT - Mendocino Cty Airport	6,095,115	6,095,115	135,559	5,959,556
DOT - Round Valley Airport	305,153	305,153	93,205	211,948
Total public ways and facilities	<u>6,400,268</u>	<u>6,400,268</u>	<u>228,764</u>	<u>6,171,504</u>
Health and sanitation:				
Alcohol/Other Drug Program	2,891,171	2,891,171	2,128,333	762,838
Emergency Medical Services	1,277,435	2,010,465	1,188,754	821,711
Employee Wellness/Assistance	355,874	355,874	290,813	65,061
Environmental Health	2,688,234	2,688,234	2,521,794	166,440
Hospital /Medical Services	376,000	376,000	206,481	169,519
Landfill Closure	1,764,096	1,764,096	487,335	1,276,761
Mendocino County Solid Waste	237,160	304,312	262,838	41,474
Public Health	3,226,515	3,607,134	2,899,136	707,998
Public Health Nursing	2,524,117	2,646,716	1,921,883	724,833
Public Health-Ccs	1,202,573	1,202,573	709,592	492,981
Total health and sanitation	<u>16,543,175</u>	<u>17,846,575</u>	<u>12,616,959</u>	<u>5,229,616</u>
Public assistance:				
Calworks/Foster Care	26,018,100	26,018,100	22,724,482	3,293,618
General Relief	574,794	574,794	615,976	(41,182)
Health & Human Services Admin	(86,515)	(86,515)	557,600	(644,115)
In Home Support Services	4,579,721	5,396,496	5,411,493	(14,997)
Social Services	51,483,275	51,485,405	43,996,263	7,489,142
Total public assistance	<u>82,569,375</u>	<u>83,388,280</u>	<u>73,305,814</u>	<u>10,082,466</u>
Education:				
Farm Advisor	227,492	227,492	177,022	50,470
Total education	<u>227,492</u>	<u>227,492</u>	<u>177,022</u>	<u>50,470</u>
Recreation and culture:				
Mendocino Cnty Museum	600,460	600,460	490,156	110,304
Total recreation and culture	<u>600,460</u>	<u>600,460</u>	<u>490,156</u>	<u>110,304</u>
Debt Service:				
Principal	3,900,000	3,900,000	4,245,259	(345,259)
Interest and Fiscal Charges	1,000,000	1,000,000	247,414	752,586
Total debt service	<u>4,900,000</u>	<u>4,900,000</u>	<u>4,492,673</u>	<u>407,327</u>
Capital Outlay:				
Capital Improvements	5,576,404	7,945,498	4,042,374	3,903,124
Total capital outlay	<u>5,576,404</u>	<u>7,945,498</u>	<u>4,042,374</u>	<u>3,903,124</u>
Total expenditures	<u>208,299,907</u>	<u>214,450,804</u>	<u>180,132,669</u>	<u>34,318,135</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,429,040)	(6,659,135)	32,129,338	38,788,473
OTHER FINANCING SOURCES (USES)				
Transfers In	1,945,217	5,259,171	3,753,035	(1,506,136)
Transfers Out	(9,345,875)	(15,975,225)	(12,262,757)	3,712,468
Total Other Financing Sources (Uses)	<u>(7,400,658)</u>	<u>(10,716,054)</u>	<u>(8,509,722)</u>	<u>2,206,332</u>
NET CHANGE IN FUND BALANCES	(9,829,698)	(17,375,189)	23,619,616	40,994,805
Budgetary Fund Balances - Beginning of Year	<u>46,729,757</u>	<u>46,729,757</u>	<u>46,729,757</u>	<u>-</u>
BUDGETARY FUND BALANCES - END OF YEAR	<u>\$ 36,900,059</u>	<u>\$ 29,354,568</u>	<u>\$ 70,349,373</u>	<u>\$ 40,994,805</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2020**

Reconciliation to the Statement of Revenues, Expenditures, and Changes in Fund Balance

Total Revenues from the Budgetary Comparison Schedule	\$ 212,262,007
The County budgets transfers to the Tax Resources Fund as a debt service expenditure, but reports a portion of the disbursement as a reduction of the taxes revenue.	<u>(4,245,259)</u>
Total Revenues from the Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund	<u><u>\$ 208,016,748</u></u>
Total expenditures from the budgetary comparison schedule	\$ 180,132,669
The County budgets transfers to the Pension Obligation Fund as functional expenditures.	(6,439,644)
The County budgets transfers to the Tax Resources Fund as a debt service expenditure, but reports the disbursement as a reduction of taxes revenue.	<u>(4,245,259)</u>
Total Expenditures from the Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund	<u><u>\$ 169,447,766</u></u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
MENTAL HEALTH SERVICES FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Revenue From Use of Money and Property	\$ (21,000)	\$ (21,000)	\$ 126,652	\$ 147,652
Intergovernmental	27,875,547	27,875,547	25,549,830	(2,325,717)
Charges for Services	742,156	742,156	1,001,987	259,831
Other Revenues	150,500	150,500	126,036	(24,464)
Total Revenues	<u>28,747,203</u>	<u>28,747,203</u>	<u>26,804,505</u>	<u>(1,942,698)</u>
EXPENDITURES				
Current:				
Health and Sanitation	<u>31,158,666</u>	<u>32,096,034</u>	<u>29,331,725</u>	<u>2,764,309</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(2,411,463)	(3,348,831)	(2,527,220)	821,611
OTHER FINANCING SOURCES (USES)				
Transfers In	503,460	503,460	42,106	(461,354)
Transfers Out	(445,079)	(445,079)	(221,346)	223,733
Total Other Financing Sources (Uses)	<u>58,381</u>	<u>58,381</u>	<u>(179,240)</u>	<u>(237,621)</u>
NET CHANGE IN FUND BALANCES				
	(2,353,082)	(3,290,450)	(2,706,460)	583,990
Fund Balances - Beginning of Year	<u>5,006,722</u>	<u>5,006,722</u>	<u>5,006,722</u>	<u>-</u>
FUND BALANCES - END OF YEAR				
	<u>\$ 2,653,640</u>	<u>\$ 1,716,272</u>	<u>\$ 2,300,262</u>	<u>\$ 583,990</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
ROAD FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 60,000	\$ 60,000	\$ 59,209	\$ (791)
Licenses, Permits, and Franchises	57,500	57,500	66,417	8,917
Revenue From Use of Money and Property	60,000	60,000	189,289	129,289
Fines, Forfeitures, and Penalties	40,000	40,000	45,838	5,838
Intergovernmental	21,678,658	21,785,388	17,357,110	(4,428,278)
Charges for Services	142,605	142,605	233,781	91,176
Other Revenues	19,000	19,000	14,568	(4,432)
Total Revenues	<u>22,057,763</u>	<u>22,164,493</u>	<u>17,966,212</u>	<u>(4,198,281)</u>
EXPENDITURES				
Current:				
Public Ways and Facilities	<u>29,137,758</u>	<u>29,658,595</u>	<u>20,552,020</u>	<u>9,106,575</u>
Total Expenditures	<u>29,137,758</u>	<u>29,658,595</u>	<u>20,552,020</u>	<u>9,106,575</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,079,995)</u>	<u>(7,494,102)</u>	<u>(2,585,808)</u>	<u>4,908,294</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	3,693,000	3,693,000	3,693,000	-
Transfers Out	<u>(230,000)</u>	<u>(230,000)</u>	<u>(379,390)</u>	<u>(149,390)</u>
Total Other Financing Sources (Uses)	<u>3,463,000</u>	<u>3,463,000</u>	<u>3,313,610</u>	<u>(149,390)</u>
NET CHANGE IN FUND BALANCES	(3,616,995)	(4,031,102)	727,802	4,758,904
Fund Balances - Beginning of Year	<u>3,985,816</u>	<u>3,985,816</u>	<u>3,985,816</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 368,821</u>	<u>\$ (45,286)</u>	<u>\$ 4,713,618</u>	<u>\$ 4,758,904</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
MENTAL HEALTH TREATMENT FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 7,500,000	\$ 7,500,000	\$ 8,647,202	\$ 1,147,202
Revenue From Use of Money and Property	-	-	451,562	451,562
Total Revenues	<u>7,500,000</u>	<u>7,500,000</u>	<u>9,098,764</u>	<u>1,598,764</u>
EXPENDITURES				
Current:				
Health and Sanitation	<u>720,292</u>	<u>1,224,388</u>	<u>40,087</u>	<u>1,184,301</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>6,779,708</u>	<u>6,275,612</u>	<u>9,058,677</u>	<u>1,598,764</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(540,970)</u>	<u>459,030</u>
NET CHANGE IN FUND BALANCES	5,779,708	5,275,612	8,517,707	2,057,794
Fund Balances - Beginning of Year	<u>10,001,077</u>	<u>10,001,077</u>	<u>10,001,077</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 15,780,785</u></u>	<u><u>\$ 15,276,689</u></u>	<u><u>\$ 18,518,784</u></u>	<u><u>\$ 2,057,794</u></u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF MENDOCINO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2020**

BUDGETARY BASIS OF ACCOUNTING

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

An operating budget is adopted each fiscal year for all governmental funds. The legal level of control for appropriations is at the budget unit level. Appropriations at this level may only be changed with the approval of the Board. Supplementary appropriations normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and is amended during the fiscal year by resolutions approved by the Board of Supervisors.

The County uses an encumbrances system as an extension of normal budgetary accounting for the general, special revenue, and other debt service funds and to assist in controlling expenditures of the capital projects funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end.

Budgets are adopted for the General Fund, Debt Service Funds, and most Special Revenue Funds. Accounting principles applied for purposes of developing data on a budgetary basis are materially the same as those used to present financial statements in conformity with accounting principles generally accepted in the United States of America. Budgets were not legally adopted for the following Special Revenue Funds: the Special Aviation Fund, the Supplemental Law Enforcement Fund, the Sheriff Special Projects Fund, and the Endowment Fund.

SUPPLEMENTARY INFORMATION



OTHER BUDGETARY SCHEDULES



**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 39,000	\$ 39,000	\$ 54,464	\$ 15,464
Revenue From Use of Money and Property	(4,000)	(4,000)	(8,702)	(4,702)
Fines, Forfeitures, and Penalties	11,500	11,500	10,500	(1,000)
Other Revenues	-	-	7,412	7,412
Total Revenues	<u>46,500</u>	<u>46,500</u>	<u>63,674</u>	<u>17,174</u>
EXPENDITURES				
Current:				
General Government	3,600	3,600	3,426	174
Debt Service:				
Principal	1,190,000	1,190,000	1,190,000	-
Interest	677,150	677,150	677,148	2
Total Expenditures	<u>1,870,750</u>	<u>1,870,750</u>	<u>1,870,574</u>	<u>176</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,824,250)</u>	<u>(1,824,250)</u>	<u>(1,806,900)</u>	<u>17,350</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>1,824,250</u>	<u>1,824,250</u>	<u>1,824,250</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	17,350	17,350
Fund Balances - Beginning of Year	<u>1,981,714</u>	<u>1,981,714</u>	<u>1,981,714</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 1,981,714</u></u>	<u><u>\$ 1,981,714</u></u>	<u><u>\$ 1,999,064</u></u>	<u><u>\$ 17,350</u></u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
PENSION OBLIGATION BOND FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Revenue From Use of Money and Property	\$ (37,000)	\$ (37,000)	\$ (43,380)	\$ (6,380)
Other Revenues	-	-	481,449	481,449
Total Revenues	<u>(37,000)</u>	<u>(37,000)</u>	<u>438,069</u>	<u>475,069</u>
EXPENDITURES				
Current:				
General Government	4,600	4,600	3,600	1,000
Debt Service:				
Principal	5,155,000	5,155,000	5,155,000	-
Interest	2,701,200	2,701,200	2,701,172	28
Total Expenditures	<u>7,860,800</u>	<u>7,860,800</u>	<u>7,859,772</u>	<u>1,028</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,897,800)</u>	<u>(7,897,800)</u>	<u>(7,421,703)</u>	<u>476,097</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>7,203,000</u>	<u>7,203,000</u>	<u>7,308,219</u>	<u>105,219</u>
NET CHANGE IN FUND BALANCES	(694,800)	(694,800)	(113,484)	581,316
Fund Balances - Beginning of Year	<u>7,757,558</u>	<u>7,757,558</u>	<u>7,757,558</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 7,062,758</u></u>	<u><u>\$ 7,062,758</u></u>	<u><u>\$ 7,644,074</u></u>	<u><u>\$ 581,316</u></u>

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**



NONMAJOR GOVERNMENTAL FUNDS



**COUNTY OF MENDOCINO
NONMAJOR GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues that are restricted by law or administrative action and expenditures for specified purposes. The County has the following types of non-major special revenue funds:

- **LIBRARY**

This fund provides library services for all residents and visitors to this beautiful County. The Mendocino County Library System consists of five branches located in Ukiah, Fort Bragg, Willits, Covelo, and Point Arena along with the Bookmobile that provides services to outlying areas. Libraries are community centers and the branches greatly reflect the dynamic and unique communities that support and utilize its many services.

- **FISH AND GAME**

The County of Mendocino has a Fish and Wildlife Propagation Fund, which represents a portion of fines imposed by the Superior Court of Mendocino County for Fish and Game violations. Funds support the Fish and Game Commission in monitoring the status of fish, game, and wildlife in the County, identifying threats, and advising the Board on relevant issues and activities. Funds also support public education and research, community-based activities to improve fish and wildlife habitat, and County representation within and outside the county.

- **SPECIAL AVIATION**

This Special Revenue fund accounts for State and Federal Grants and Aid for Little River and Round Valley airports, which provide facilities for general aviation and serves the air transport needs for northern Mendocino County (Round Valley), the Mendocino County coast (Little River), the California Aviation System and the National Integrated Airport System. Little River and Round Valley airports additionally function as incident command centers/disaster relief staging centers for emergencies, including medical evacuation and major fire, severe storm or earthquake events.

- **SUPPLEMENTAL LAW ENFORCEMENT**

The Supplemental Law Enforcement Services Fund (SLESF) supports COPS (Citizen's Options for Public Safety) and is established in each County pursuant to California Government Code §30061-30065. This fund also provides for one of the two allocated positions within the Sheriff's Office to assist in the operation and maintenance of the Sheriff's computer hardware, software and networks.

- **COPS AB 1913**

COPS (Citizen's Options for Public Safety) is funded by the Supplemental Law Enforcement Services Fund (SLESF). The fund is established in each County pursuant to California Government Code §30061-30065. The formula for allocating COPS funds is as follows:

1. 5.15% to the County Sheriff for County Jail construction and operations;
2. 5.15% to the District Attorney's Office for criminal prosecutions;
3. 39.7% to the County and the cities within the County, for supplemental front-line law enforcement services; and
4. 50% to the County for implementation of a comprehensive, multi-agency juvenile justice plan.

This budget unit provides funding for one of the two allocated positions within the Sheriff's Office, the Sheriff's Technology Specialist, who assists in the operation and maintenance of the Sheriff's computer hardware, software and networks.

**COUNTY OF MENDOCINO
NONMAJOR GOVERNMENTAL FUNDS**

- **SHERIFF SPECIAL PROJECTS**

The Sheriff Office occasionally receives donations from individuals, service clubs and other agencies. The donations may be for unrestricted use or restricted for a specific purpose (memorials, K-9 Program). The Sheriff Special Projects fund is used to account for the receipt and disbursement of these funds.

- **RECORDER MODERNIZATION**

Revenues to this fund are provided through fee collection at the time of recording. The overall mission of the Recorder's Modernization fund is to modernize creation, retention and retrieval of the Clerk-Recorder's records, including the restoration of early handwritten records and entering them into the County's computer system.

- **MICROGRAPHICS**

This special revenue fund further supports the Micrographic Division of the Assessor-Clerk Recorder's Office with regard to micrographic reproductions of County records, and retention and retrieval of Clerk-Recorder's records.

- **MISCELLANEOUS GRANTS**

Miscellaneous non-departmental grants applied for and received by the County of Mendocino that are used to address and/or support a specified (restricted) need or activity.

- **SPECIAL DISTRICTS LIGHTING**

There are currently eleven special lighting districts. These districts are funded by secured and unsecured property tax revenues for the purpose of installing street lights in the related district.

- **SPECIAL DISTRICTS OTHER**

There are currently three other special districts as follows:

1. **AIR QUALITY MANAGEMENT DISTRICT**

The Air Quality Management District (AQMD) has the primary responsibility for the monitoring and control of air pollution from all stationary sources within the boundaries of Mendocino County, including the four incorporated cities. The District is funded by permit fees, motor vehicle fees, state subvention funds, and state and federal grants. The funds support the District's mission to protect air quality, improve levels of service to the public, the regulated community and other agencies, while at the same time striving to reduce and control costs.

2. **MEADOWBROOK SANITATION DISTRICT**

The district is funded by secured and unsecured property tax revenues for the purpose of supporting the sanitation facility in that district.

3. **MENDOCINO COUNTY WATER AGENCY**

Mendocino County Water Agency (MCWA) is a Special District governed by the Board of Supervisors, sitting as the Board of Directors. MCWA revenue is generated from a tax that was established in 1971, which does not exceed \$0.06 per \$100 of assessed valuation. The Water Agency provides project management and compliance for and with the following:

- a. The Sustainable Groundwater Management Act (SGMA) Implementation
- b. Ukiah Valley Basin Groundwater Sustainability Agency
- c. California Statewide Groundwater Elevation Monitoring (CASGEM) Program
- d. National Pollutant Discharge Elimination System (NPDES) MS4 Phase II Permit
- e. Proposition 1 Grant Management
- f. Water Agency Action Plan

**COUNTY OF MENDOCINO
NONMAJOR GOVERNMENTAL FUNDS**

- **DISASTER RECOVERY**

Funds consist of FEMA public assistance and other grant revenues that support the physical and financial recovery of the County and its communities in the wake of a major fire, severe storm or earthquake event. The County has identified eight recovery support functions that correspond with federal and state disaster recovery frameworks. They are community emergency preparedness, community planning and capacity building, infrastructure systems, economic resiliency & sustainability, health and human services, housing, natural systems, and cultural resources.

- **INTER-GOVERNMENTAL TRANSFER**

The Health and Human Services Agency (HHS) maximizes realignment funds by participating in the Inter-Governmental Transfer (IGT) opportunity with Partnership HealthPlan of California (PHC) to access additional Medi-Cal funding to provide services to Medi-Cal eligible beneficiaries. This fund accounts for the realignment health services funds and other federal funds awarded to support the health and wellbeing of Medi-Cal beneficiaries throughout Mendocino County.

- **WHOLE PERSON CARE**

The Whole Person Care fund accounts for Medi-Cal 2020 grants, awarded through California's Section 115(a) Medicaid Waiver, for the Health and Human Services Agency's Whole Person Care Pilot Program, which aims to improve the wellbeing of Mendocino County residents experiencing mental illness, social isolation and/or poor health through enhanced inter-agency collaboration, peer support, and care coordination.

CAPITAL PROJECTS

Capital Projects Funds are used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed by the proprietary fund types. The County has the following types of non-major capital projects funds:

1. **CAPITAL IMPROVEMENTS (BU 1710)**

The Capital Improvement Fund provides monies for facility enhancements and large-scale maintenance projects, such as roof replacements, parking lot repairs, and heating and cooling upgrades and significant repairs or remodels. These funds also provide for compliance with the Americans with Disabilities Act (ADA) to plan and complete retrofits for the removal of barriers to disabled access in County facilities.

2. **CAPITAL PROJECTS (BU 1712)**

This fund provides for the construction of major capital facilities projects. Currently, these funds are reserved exclusively for the upcoming expansion project at the Mendocino County Jail. Over the past several of years the Board has set aside \$1 million to be used for local cash match for the project. In 2017, the Bureau of State and Community Corrections (BSCC) announced that Mendocino County was conditionally awarded \$25 million in lease revenue bond funding to expand the local jail. This project will take several years to complete, and is currently projected to be ready for occupancy in 2021. No other capital projects will be administered through this budget unit until the jail project is completed.

**COUNTY OF MENDOCINO
NONMAJOR GOVERNMENTAL FUNDS**

PERMANENT FUNDS

Permanent funds are used to account for resources that cannot be expended, but must be held in perpetuity. Funds are invested and only earnings, not principal, may be used for a specified purpose. The County has the following types of non-major permanent funds:

- **ENDOWMENT FUNDS**

There are several types of endowment funds. Term endowment funds have a built-in stipulation that either part or all of the principal may be used only after a pre-established period has elapsed. Unrestricted endowment funds can be used in any way the recipient chooses. Restricted endowment funds may have limitations put in place by the donor.

**COUNTY OF MENDOCINO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue			
	Library	Fish and Game	Special Aviation	Supplemental Law Enforcement
ASSETS				
Cash and Investments in County Treasury	\$ 1,137,875	\$ 123,487	\$ 157,105	\$ 340,992
Imprest Cash	395	-	-	-
Accounts Receivable	-	-	-	-
Taxes Receivable	218,886	-	-	-
Due From Other Governmental Agencies	10,000	-	-	-
	<u>1,367,156</u>	<u>123,487</u>	<u>157,105</u>	<u>340,992</u>
Total Assets	<u>\$ 1,367,156</u>	<u>\$ 123,487</u>	<u>\$ 157,105</u>	<u>\$ 340,992</u>
LIABILITIES				
Accounts Payable	\$ 50,117	\$ 29	\$ -	\$ 5,988
Accrued Salaries and Benefits	99,067	-	-	4,190
Due to Other Funds	-	-	-	-
	<u>149,184</u>	<u>29</u>	<u>-</u>	<u>10,178</u>
Total Liabilities	<u>149,184</u>	<u>29</u>	<u>-</u>	<u>10,178</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
FUND BALANCE				
Restricted	1,217,972	123,458	157,105	330,814
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>1,217,972</u>	<u>123,458</u>	<u>157,105</u>	<u>330,814</u>
Total Fund Balances	<u>1,217,972</u>	<u>123,458</u>	<u>157,105</u>	<u>330,814</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,367,156</u>	<u>\$ 123,487</u>	<u>\$ 157,105</u>	<u>\$ 340,992</u>

**COUNTY OF MENDOCINO
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue			
	COPS AB 1913	Sheriff Special Projects	Recorder Modernization	Micrographics
ASSETS				
Cash and Investments in County Treasury	\$ 444,994	\$ 96,038	\$ 69,586	\$ 4,036
Imprest Cash	-	-	-	-
Accounts Receivable	-	-	-	-
Taxes Receivable	-	-	-	-
Due From Other Governmental Agencies	-	-	-	-
Total Assets	<u>\$ 444,994</u>	<u>\$ 96,038</u>	<u>\$ 69,586</u>	<u>\$ 4,036</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ 821
Accrued Salaries and Benefits	-	-	-	3,302
Due to Other Funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,123</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Restricted	444,994	96,038	69,586	-
Assigned	-	-	-	-
Unassigned	-	-	-	(87)
Total Fund Balances	<u>444,994</u>	<u>96,038</u>	<u>69,586</u>	<u>(87)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 444,994</u>	<u>\$ 96,038</u>	<u>\$ 69,586</u>	<u>\$ 4,036</u>

**COUNTY OF MENDOCINO
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue			
	Miscellaneous Grants	Special Districts Lighting	Special Districts Other	Disaster Recovery
ASSETS				
Cash and Investments in County Treasury	\$ 6,666,924	\$ 535,277	\$ 533,323	\$ -
Imprest Cash	-	-	200	-
Accounts Receivable	958,211	-	-	2,023,739
Taxes Receivable	44,708	-	-	-
Due From Other Governmental Agencies	612,902	-	319,394	-
Total Assets	<u>\$ 8,282,745</u>	<u>\$ 535,277</u>	<u>\$ 852,917</u>	<u>\$ 2,023,739</u>
LIABILITIES				
Accounts Payable	\$ 668,794	\$ 4,081	\$ 169,879	\$ 322,463
Accrued Salaries and Benefits	71,459	-	35,554	12,813
Due to Other Funds	-	-	-	3,224,429
Total Liabilities	<u>740,253</u>	<u>4,081</u>	<u>205,433</u>	<u>3,559,705</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	270,532	-
FUND BALANCE				
Restricted	7,542,492	531,196	376,952	-
Assigned	-	-	-	-
Unassigned	-	-	-	(1,535,966)
Total Fund Balances	<u>7,542,492</u>	<u>531,196</u>	<u>376,952</u>	<u>(1,535,966)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,282,745</u>	<u>\$ 535,277</u>	<u>\$ 852,917</u>	<u>\$ 2,023,739</u>

**COUNTY OF MENDOCINO
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	<u>Special Revenue</u>		
	<u>Inter- governmental Transfer</u>	<u>Whole Person Care</u>	<u>Capital Projects</u>
ASSETS			
Cash and Investments in County Treasury	\$ 9,852,556	\$ 1,957,358	\$ 1,219,043
Imprest Cash	-	-	-
Accounts Receivable	-	-	-
Taxes Receivable	-	-	-
Due From Other Governmental Agencies	<u>120,897</u>	<u>1,379,494</u>	<u>-</u>
Total Assets	<u><u>\$ 9,973,453</u></u>	<u><u>\$ 3,336,852</u></u>	<u><u>\$ 1,219,043</u></u>
LIABILITIES			
Accounts Payable	\$ 572,386	\$ 1,278,477	\$ 80,861
Accrued Salaries and Benefits	-	10,400	-
Due to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>572,386</u>	<u>1,288,877</u>	<u>80,861</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE			
Restricted	9,401,067	2,047,975	-
Assigned	-	-	1,138,182
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>9,401,067</u>	<u>2,047,975</u>	<u>1,138,182</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 9,973,453</u></u>	<u><u>\$ 3,336,852</u></u>	<u><u>\$ 1,219,043</u></u>

**COUNTY OF MENDOCINO
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Permanent Fund Endowment Funds	Total
ASSETS		
Cash and Investments in County Treasury	\$ 649,575	\$ 23,788,169
Imprest Cash	-	595
Accounts Receivable	-	2,981,950
Taxes Receivable	-	263,594
Due From Other Governmental Agencies	-	2,442,687
Total Assets	\$ 649,575	\$ 29,476,995
LIABILITIES		
Accounts Payable	\$ -	\$ 3,153,896
Accrued Salaries and Benefits	-	236,785
Due to Other Funds	-	3,224,429
Total Liabilities	-	6,615,110
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	-	270,532
FUND BALANCE		
Restricted	649,575	22,989,224
Assigned	-	1,138,182
Unassigned	-	(1,536,053)
Total Fund Balances	649,575	22,591,353
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 649,575	\$ 29,476,995

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue			
	Library	Fish and Game	Special Aviation	Supplemental Law Enforcement
REVENUES				
Taxes	\$ 1,911,420	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-	-
Aid from other governmental agencies	30,752	-	-	216,911
Revenue From Use of Money and Property	40,138	3,821	2,045	11,514
Fines, Forfeitures, and Penalties	-	5,788	-	-
Charges for Services	29,417	-	-	-
Other Revenue	5,175	-	-	-
Total Revenues	<u>2,016,902</u>	<u>9,609</u>	<u>2,045</u>	<u>228,425</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Protection	-	773	-	318,530
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Education	3,583,695	-	-	-
Recreation and Culture	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,583,695</u>	<u>773</u>	<u>-</u>	<u>318,530</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,566,793)</u>	<u>8,836</u>	<u>2,045</u>	<u>(90,105)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,352,771	-	-	-
Transfers Out	(197,228)	-	-	(5,168)
Total Other Financing Sources (Uses)	<u>1,155,543</u>	<u>-</u>	<u>-</u>	<u>(5,168)</u>
NET CHANGE IN FUND BALANCES	(411,250)	8,836	2,045	(95,273)
Fund Balances - Beginning of Year	<u>1,629,222</u>	<u>114,622</u>	<u>155,060</u>	<u>426,087</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,217,972</u>	<u>\$ 123,458</u>	<u>\$ 157,105</u>	<u>\$ 330,814</u>

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue			
	COPS AB 1913	Sheriff Special Projects	Recorder Modernization	Micrographics
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-	-
Aid from other governmental agencies	238,755	-	-	-
Revenue From Use of Money and Property	13,775	2,983	2,347	(267)
Fines, Forfeitures, and Penalties	-	-	-	-
Charges for Services	-	-	28,858	71,182
Other Revenue	-	3,424	-	20,539
Total Revenues	<u>252,530</u>	<u>6,407</u>	<u>31,205</u>	<u>91,454</u>
EXPENDITURES				
Current:				
General Government	-	-	51,641	86,644
Public Protection	127,492	1,791	-	-
Public Ways and Facilities	-	-	-	-
Health and Sanitation	-	-	-	-
Public Assistance	-	-	-	-
Education	-	-	-	-
Recreation and Culture	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>127,492</u>	<u>1,791</u>	<u>51,641</u>	<u>86,644</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>125,038</u>	<u>4,616</u>	<u>(20,436)</u>	<u>4,810</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	(4,717)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,717)</u>
NET CHANGE IN FUND BALANCES	125,038	4,616	(20,436)	93
Fund Balances - Beginning of Year	<u>319,956</u>	<u>91,422</u>	<u>90,022</u>	<u>(180)</u>
FUND BALANCES - END OF YEAR	<u>\$ 444,994</u>	<u>\$ 96,038</u>	<u>\$ 69,586</u>	<u>\$ (87)</u>

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue			
	Miscellaneous Grants	Special Districts Lighting	Special Districts Other	Disaster Recovery
REVENUES				
Taxes	\$ -	\$ 85,688	\$ 164,970	\$ -
Licenses, Permits, and Franchises	-	-	370,686	-
Aid from other governmental agencies	6,736,891	615	1,450,366	3,596,109
Revenue From Use of Money and Property	86,781	6,969	17,752	-
Fines, Forfeitures, and Penalties	-	-	4,601	-
Charges for Services	68,918	-	19,446	-
Other Revenue	-	-	220	92,285
Total Revenues	<u>6,892,590</u>	<u>93,272</u>	<u>2,028,041</u>	<u>3,688,394</u>
EXPENDITURES				
Current:				
General government	9,160	-	-	-
Public protection	916,610	-	805,032	2,632,393
Public ways and facilities	-	45,250	-	-
Health and sanitation	3,604,358	-	1,627,759	-
Public assistance	68,756	-	-	-
Education	-	-	-	-
Recreation and Culture	613	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>4,599,497</u>	<u>45,250</u>	<u>2,432,791</u>	<u>2,632,393</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,293,093</u>	<u>48,022</u>	<u>(404,750)</u>	<u>1,056,001</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	89,287	-	69,000	500,000
Transfers Out	(79,375)	-	(48,458)	(3,070,325)
Total Other Financing Sources (Uses)	<u>9,912</u>	<u>-</u>	<u>20,542</u>	<u>(2,570,325)</u>
NET CHANGE IN FUND BALANCES	2,303,005	48,022	(384,208)	(1,514,324)
Fund Balances - Beginning of Year	<u>5,239,487</u>	<u>483,174</u>	<u>761,160</u>	<u>(21,642)</u>
FUND BALANCES - END OF YEAR	<u>\$ 7,542,492</u>	<u>\$ 531,196</u>	<u>\$ 376,952</u>	<u>\$ (1,535,966)</u>

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue		
	Inter- governmental Transfer	Whole Person Care	Capital Projects
REVENUES			
Taxes	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-
Aid from other governmental agencies	5,968,809	4,703,685	-
Revenue From Use of Money and Property	128,247	-	32,385
Fines, Forfeitures, and Penalties	-	-	-
Charges for Services	120,896	432,223	-
Other Revenue	-	-	-
Total Revenues	<u>6,217,952</u>	<u>5,135,908</u>	<u>32,385</u>
EXPENDITURES			
Current:			
General government	-	-	-
Public protection	-	-	-
Public ways and facilities	-	-	-
Health and sanitation	3,176,188	5,040,050	-
Public assistance	-	-	-
Education	-	-	-
Recreation and Culture	-	-	-
Capital Outlay	-	-	823,637
Total Expenditures	<u>3,176,188</u>	<u>5,040,050</u>	<u>823,637</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,041,764</u>	<u>95,858</u>	<u>(791,252)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	792,043	689,709	1,158,252
Transfers Out	<u>(1,925,275)</u>	<u>(13,493)</u>	-
Total Other Financing Sources (Uses)	<u>(1,133,232)</u>	<u>676,216</u>	<u>1,158,252</u>
NET CHANGE IN FUND BALANCES	1,908,532	772,074	367,000
Fund Balances - Beginning of Year	<u>7,492,535</u>	<u>1,275,901</u>	<u>771,182</u>
FUND BALANCES - END OF YEAR	<u>\$ 9,401,067</u>	<u>\$ 2,047,975</u>	<u>\$ 1,138,182</u>

**COUNTY OF MENDOCINO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2020**

	Permanent Fund Endowment Funds	Total
REVENUES		
Taxes	\$ -	\$ 2,162,078
Licenses, Permits, and Franchises	-	370,686
Aid from other governmental agencies	-	22,942,893
Revenue From Use of Money and Property	19,829	368,319
Fines, Forfeitures, and Penalties	-	10,389
Charges for Services	-	770,940
Other Revenue	-	121,643
Total Revenues	19,829	26,746,948
EXPENDITURES		
Current:		
General government	39,697	187,142
Public protection	-	4,802,621
Public ways and facilities	-	45,250
Health and sanitation	-	13,448,355
Public assistance	-	68,756
Education	-	3,583,695
Recreation and Culture	-	613
Capital Outlay	-	823,637
Total Expenditures	39,697	22,960,069
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(19,868)	3,786,879
OTHER FINANCING SOURCES (USES)		
Transfers In	-	4,651,062
Transfers Out	-	(5,344,039)
Total Other Financing Sources (Uses)	-	(692,977)
NET CHANGE IN FUND BALANCES	(19,868)	3,093,902
Fund Balances - Beginning of Year	669,443	19,497,451
FUND BALANCES - END OF YEAR	\$ 649,575	\$ 22,591,353

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
LIBRARY FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,140,000	\$ 2,140,000	\$ 1,911,420	\$ (228,580)
Revenue From Use of Money and Property	31,800	31,800	40,138	8,338
Intergovernmental	-	20,752	30,752	10,000
Charges for Services	50,000	50,000	29,417	(20,583)
Other Revenues	9,500	9,500	5,175	(4,325)
Total Revenues	<u>2,231,300</u>	<u>2,252,052</u>	<u>2,016,902</u>	<u>(235,150)</u>
EXPENDITURES				
Current:				
Education	<u>3,972,189</u>	<u>3,997,671</u>	<u>3,583,695</u>	<u>413,976</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,740,889)	(1,745,619)	(1,566,793)	178,826
OTHER FINANCING SOURCES (USES)				
Transfers In	1,352,771	1,352,771	1,352,771	-
Transfers Out	(203,248)	(203,248)	(197,228)	6,020
Total Other Financing Sources (Uses)	<u>1,149,523</u>	<u>1,149,523</u>	<u>1,155,543</u>	<u>6,020</u>
NET CHANGE IN FUND BALANCES	(591,366)	(596,096)	(411,250)	184,846
Fund Balances - Beginning of Year	<u>1,629,222</u>	<u>1,629,222</u>	<u>1,629,222</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,037,856</u>	<u>\$ 1,033,126</u>	<u>\$ 1,217,972</u>	<u>\$ 184,846</u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
FISH AND GAME FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Revenue From Use of Money and Property	\$ 800	\$ 800	\$ 3,821	\$ 3,021
Fines, Forfeitures, and Penalties	35,000	35,000	5,788	(29,212)
Charges for Services	106	106	-	(106)
Total Revenues	<u>35,906</u>	<u>35,906</u>	<u>9,609</u>	<u>(26,297)</u>
EXPENDITURES				
Current:				
Public Protection	<u>35,906</u>	<u>35,906</u>	<u>773</u>	<u>35,133</u>
NET CHANGE IN FUND BALANCES	-	-	8,836	8,836
Fund Balances - Beginning of Year	<u>114,622</u>	<u>114,622</u>	<u>114,622</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 114,622</u></u>	<u><u>\$ 114,622</u></u>	<u><u>\$ 123,458</u></u>	<u><u>\$ 8,836</u></u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
COPS AB 1913 FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Revenue From Use of Money and Property	\$ -	\$ -	\$ 13,775	\$ 13,775
Intergovernmental	240,241	240,241	238,755	(1,486)
Total Revenues	<u>240,241</u>	<u>240,241</u>	<u>252,530</u>	<u>12,289</u>
EXPENDITURES				
Current:				
Public Protection	<u>206,726</u>	<u>206,726</u>	<u>127,492</u>	<u>79,234</u>
NET CHANGE IN FUND BALANCES	33,515	33,515	125,038	91,523
Fund Balances - Beginning of Year	<u>319,956</u>	<u>319,956</u>	<u>319,956</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 353,471</u>	<u>\$ 353,471</u>	<u>\$ 444,994</u>	<u>\$ 91,523</u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
RECORDER MODERNIZATION FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Revenue From Use of Money and Property	\$ 800	\$ 800	\$ 2,347	\$ 1,547
Charges for Services	61,000	61,000	28,858	(32,142)
Total Revenues	<u>61,800</u>	<u>61,800</u>	<u>31,205</u>	<u>(30,595)</u>
EXPENDITURES				
Current:				
General Government	<u>50,200</u>	<u>50,200</u>	<u>51,641</u>	<u>(1,441)</u>
NET CHANGE IN FUND BALANCES	11,600	11,600	(20,436)	(32,036)
Fund Balances - Beginning of Year	<u>90,022</u>	<u>90,022</u>	<u>90,022</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 101,622</u>	<u>\$ 101,622</u>	<u>\$ 69,586</u>	<u>\$ (32,036)</u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
MICROGRAPHICS FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Revenue From Use of Money and Property	\$ -	\$ -	\$ (267)	\$ (267)
Charges for Services	69,528	69,528	71,182	1,654
Other Revenues	18,000	18,000	20,539	2,539
Total Revenues	<u>87,528</u>	<u>87,528</u>	<u>91,454</u>	<u>3,926</u>
EXPENDITURES				
Current:				
General Government	<u>87,528</u>	<u>87,528</u>	<u>86,644</u>	<u>884</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	4,810	4,810
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>-</u>	<u>-</u>	<u>(4,717)</u>	<u>(4,717)</u>
NET CHANGE IN FUND BALANCES	-	-	93	93
Fund Balances - Beginning of Year	<u>(180)</u>	<u>(180)</u>	<u>(180)</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ (180)</u></u>	<u><u>\$ (180)</u></u>	<u><u>\$ (87)</u></u>	<u><u>\$ 93</u></u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
MISCELLANEOUS GRANTS FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines, Forfeitures, and Penalties	\$ 10,000	\$ -	\$ -	\$ -
Intergovernmental	18,304,975	10,710,395	6,736,891	(3,973,504)
Revenue From Use of Money and Property	-	-	86,781	86,781
Charges for Services	305,292	104,176	68,918	(35,258)
Other Revenues	278,500	-	-	-
Total Revenues	<u>18,898,767</u>	<u>10,814,571</u>	<u>6,892,590</u>	<u>(3,921,981)</u>
EXPENDITURES				
Current:				
General Government	102,240	83,406	9,160	74,246
Public Ways and Facilities	2,260,552	1,230,326	916,610	313,716
Health and Sanitation	13,692,874	9,486,438	3,604,358	5,882,080
Public Assistance	3,052,780	49,496	68,756	(19,260)
Recreation and Culture	-	-	613	(613)
Total Expenditures	<u>19,108,446</u>	<u>10,849,666</u>	<u>4,599,497</u>	<u>6,250,782</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(209,679)	(35,095)	2,293,093	2,328,801
OTHER FINANCING SOURCES (USES)				
Transfers In	-	32,964	89,287	56,323
Transfers Out	(45,659)	-	(79,375)	(79,375)
Total Other Financing Sources (Uses)	<u>(45,659)</u>	<u>32,964</u>	<u>9,912</u>	<u>(23,052)</u>
NET CHANGE IN FUND BALANCES	(255,338)	(2,131)	2,303,005	2,305,749
Fund Balances - Beginning of Year	<u>5,239,487</u>	<u>5,239,487</u>	<u>5,239,487</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,984,149</u>	<u>\$ 5,237,356</u>	<u>\$ 7,542,492</u>	<u>\$ 2,305,749</u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
SPECIAL DISTRICTS LIGHTING FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 86,385	\$ 86,385	\$ 85,688	\$ (697)
Intergovernmental	655	655	615	(40)
Revenue From Use of Money and Property	-	-	6,969	6,969
Other Revenues	50	50	-	(50)
Total Revenues	<u>87,090</u>	<u>87,090</u>	<u>93,272</u>	<u>6,182</u>
EXPENDITURES				
Current:				
Public Ways and Facilities	49,260	49,260	45,250	4,010
Total Expenditures	<u>49,260</u>	<u>49,260</u>	<u>45,250</u>	<u>4,010</u>
NET CHANGE IN FUND BALANCES	37,830	37,830	48,022	10,192
Fund Balances - Beginning of Year	<u>483,174</u>	<u>483,174</u>	<u>483,174</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 521,004</u>	<u>\$ 521,004</u>	<u>\$ 531,196</u>	<u>\$ 10,192</u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
SPECIAL DISTRICTS OTHER FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 157,435	\$ 157,435	\$ 164,970	\$ 7,535
Licenses, Permits, and Franchises	295,500	295,500	370,686	75,186
Revenue From Use of Money and Property	6,400	6,400	17,752	11,352
Fines, Forfeitures, and Penalties	5,200	5,200	4,601	(599)
Intergovernmental	866,220	1,206,220	1,450,366	244,146
Charges for Services	68,795	68,795	19,446	(49,349)
Other Revenues	2,550	2,550	220	(2,330)
Total Revenues	<u>1,402,100</u>	<u>1,742,100</u>	<u>2,028,041</u>	<u>285,941</u>
EXPENDITURES				
Current:				
Public Protection	435,656	775,656	805,032	(29,376)
Health and Sanitation	1,023,278	1,746,394	1,627,759	118,635
Total Expenditures	<u>1,458,934</u>	<u>2,522,050</u>	<u>2,432,791</u>	<u>89,259</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(56,834)	(779,950)	(404,750)	375,200
OTHER FINANCING SOURCES (USES)				
Transfers In	69,000	69,000	69,000	375,200
Transfers Out	-	-	(48,458)	(48,458)
Total Other Financing Sources (Uses)	<u>69,000</u>	<u>69,000</u>	<u>20,542</u>	<u>326,742</u>
NET CHANGE IN FUND BALANCES	12,166	(710,950)	(384,208)	701,942
Fund Balances - Beginning of Year	<u>761,160</u>	<u>761,160</u>	<u>761,160</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 773,326</u>	<u>\$ 50,210</u>	<u>\$ 376,952</u>	<u>\$ 701,942</u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
DISASTER RECOVERY FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 7,223,465	\$ 7,223,465	\$ 3,596,109	\$ (3,627,356)
Other Revenues	-	-	92,285	
Total Revenues	<u>7,223,465</u>	<u>7,223,465</u>	<u>3,688,394</u>	<u>(3,627,356)</u>
EXPENDITURES				
Current:				
Public Protection	<u>6,667,378</u>	<u>6,671,378</u>	<u>2,632,393</u>	<u>4,038,985</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	556,087	552,087	1,056,001	411,629
OTHER FINANCING SOURCES (USES)				
Transfers In	500,000	500,000	500,000	-
Transfers Out	-	-	(3,070,325)	(3,070,325)
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>500,000</u>	<u>(2,570,325)</u>	<u>(3,070,325)</u>
NET CHANGE IN FUND BALANCES	1,056,087	1,052,087	(1,514,324)	(2,658,696)
Fund Balances - Beginning of Year	<u>(21,642)</u>	<u>(21,642)</u>	<u>(21,642)</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 1,034,445</u></u>	<u><u>\$ 1,030,445</u></u>	<u><u>\$ (1,535,966)</u></u>	<u><u>\$ (2,658,696)</u></u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
INTER-GOVERNMENTAL TRANSFERS FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 5,720,000	\$ 5,720,000	\$ 5,968,809	\$ 248,809
Revenue From Use of Money and Property	-	-	128,247	128,247
Charges for Services	-	-	120,896	120,896
Total Revenues	<u>5,720,000</u>	<u>5,720,000</u>	<u>6,217,952</u>	<u>248,809</u>
EXPENDITURES				
Current:				
Health and Sanitation	2,350,000	2,350,000	3,176,188	(826,188)
Total Expenditures	<u>2,350,000</u>	<u>2,350,000</u>	<u>3,176,188</u>	<u>(826,188)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,370,000	3,370,000	3,041,764	(577,379)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	792,043	792,043
Transfers Out	(300,000)	(858,684)	(1,925,275)	(1,066,591)
Total Other Financing Sources (Uses)	<u>(300,000)</u>	<u>(858,684)</u>	<u>(1,133,232)</u>	<u>(274,548)</u>
NET CHANGE IN FUND BALANCES	3,070,000	2,511,316	1,908,532	(851,927)
Fund Balances - Beginning of Year	<u>7,492,535</u>	<u>7,492,535</u>	<u>7,492,535</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 10,562,535</u>	<u>\$ 10,003,851</u>	<u>\$ 9,401,067</u>	<u>\$ (851,927)</u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
WHOLE PERSON CARE FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 4,442,690	\$ 6,198,253	\$ 4,703,685	\$ (1,494,568)
Charges for Services	-	-	432,223	432,223
Total Revenues	<u>4,442,690</u>	<u>6,198,253</u>	<u>5,135,908</u>	<u>(1,062,345)</u>
EXPENDITURES				
Current:				
Health and Sanitation	<u>4,682,746</u>	<u>6,497,825</u>	<u>5,040,050</u>	<u>1,457,775</u>
Total Expenditures	<u>4,682,746</u>	<u>6,497,825</u>	<u>5,040,050</u>	<u>1,457,775</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(240,056)	(299,572)	95,858	395,430
OTHER FINANCING SOURCES (USES)				
Transfers In	392,080	392,080	689,709	297,629
Transfers Out	-	-	(13,493)	(13,493)
Total Other Financing Sources (Uses)	<u>392,080</u>	<u>392,080</u>	<u>676,216</u>	<u>284,136</u>
NET CHANGE IN FUND BALANCES	152,024	92,508	772,074	679,566
Fund Balances - Beginning of Year	<u>1,275,901</u>	<u>1,275,901</u>	<u>1,275,901</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,427,925</u>	<u>\$ 1,368,409</u>	<u>\$ 2,047,975</u>	<u>\$ 679,566</u>

**COUNTY OF MENDOCINO
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECT FUND
YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Revenue From Use of Money and Property	\$ -	\$ -	\$ 32,385	\$ 32,385
EXPENDITURES				
Current:				
Capital Outlay	1,959,808	2,109,808	823,637	1,286,171
Total Expenditures	<u>1,959,808</u>	<u>2,109,808</u>	<u>823,637</u>	<u>1,286,171</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,959,808)</u>	<u>(2,109,808)</u>	<u>(791,252)</u>	<u>1,318,556</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,500,000	1,650,000	1,158,252	491,748
Total Other Financing Sources (Uses)	<u>1,500,000</u>	<u>1,650,000</u>	<u>1,158,252</u>	<u>491,748</u>
NET CHANGE IN FUND BALANCES	(459,808)	(459,808)	367,000	1,810,304
Fund Balances - Beginning of Year	<u>771,182</u>	<u>771,182</u>	<u>771,182</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 311,374</u></u>	<u><u>\$ 311,374</u></u>	<u><u>\$ 1,138,182</u></u>	<u><u>\$ 1,810,304</u></u>

INTERNAL SERVICE FUNDS



COUNTY OF MENDOCINO INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods and services provided by one department to other departments on a cost reimbursement basis. The County has the following types of internal service funds:

- **SOFTWARE ACQUISITION**

This fund is titled "Information Technology Replacement" and was established in FY 2000-2001. The purpose of this fund is to provide the funding for the purchase and or the replacement of multi-departmental computer hardware and software systems.

- **VEHICLE REPLACEMENT**

This fund is titled "Information Technology Replacement" and was established in FY 2000-2001. The purpose of this fund is to provide the funding for the purchase and or the replacement of multi-departmental computer hardware and software systems.

- **UNEMPLOYMENT INSURANCE**

This fund accounts for the funding of the County's unemployment insurance. The County is self-insured for unemployment insurance. The allocation to County departments is based 30% on current staffing levels, and 70% on the most recent five years of unemployment costs by department.

- **GENERAL LIABILITY INSURANCE**

This fund accounts for the activities of the Risk Management Division, which identifies and measures all risks (uncertainty of loss) of the County of Mendocino by developing and implementing appropriate techniques for assessing and resolving these exposures via risk assumption, risk reduction, risk retention, risk transfer or the purchase of insurance. The County of Mendocino is self-insured for liability insurance. Included in this fund are insurance requirements for all liability, property (including fire, flood and select buildings for earthquake), medical malpractice, crime and bond. The County's Safety Officer is responsible for all inspections of County buildings, Cal OSHA required safety trainings, evaluation of departmental safety programs, investigation of accidents for cause and recommended remediation, evaluation of the County's level of compliance with Cal OSHA regulations, and recommending changes in the County's Safety Manual.

- **WORKERS' COMPENSATION**

This fund accounts for the County's Return to Work and Workers' Compensation programs, assisting injured employees in their expeditious return to work, accommodating, when reasonable, permanent medical restrictions; minimizing the County's exposure to Workers' Compensation claims; providing accountability for funds expended in returning injured employees to either their usual and customary duties or modified/alternative work; and providing referrals to other resources if reasonable accommodation cannot be provided.

**COUNTY OF MENDOCINO
INTERNAL SERVICE FUNDS**

- **HEALTH INSURANCE**

The Mendocino County Employee Self-Insured Health Plan fund is managed and administered by the County's Human Resources Department. This fund supports the County's medical and prescription drug plans. Dental and Vision plans are separately insured through Delta Dental and Vision Service Plan. The Employee Self-Insurance Health Plan fund also supports:

- an Employee Assistance Program (EAP) –
EAP services are provided by a vendor who offers counseling and referral services with the goal to provide assistance to employees for work related or personal issues that may impact job performance;
- the Mendocino County Working on Wellness (MCWOW) Program –
The MCWOW program provides opportunities for wellness for all employees and their insured family members through access to health promotion, education, assessments, activities and support, with a goal to help participants take responsibility for healthy lifestyle behaviors and choices leading toward high level wellness and reduced health care costs;
- life, death and dismemberment coverage;
- a Section 125 Plan (tax-deferred, flexible spending cafeteria plan); and
- AirMed-Care air ambulance service memberships.

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020**

ASSETS	<u>Software Acquisition</u>	<u>Vehicle Replacement</u>	<u>Unemployment Insurance</u>	<u>General Liability Insurance</u>
CURRENT ASSETS				
Pooled Cash and Investments in County Treasury	\$ 6,038,951	\$ 66,647	\$ 806,278	\$ 1,835,083
Other Cash	-	-	-	-
Accounts Receivable	3,000	-	-	-
Total Current Assets	<u>6,041,951</u>	<u>66,647</u>	<u>806,278</u>	<u>1,835,083</u>
NONCURRENT ASSETS				
Capital Assets:				
Depreciable, Net	313,510	199,796	-	-
Total Noncurrent Assets	<u>313,510</u>	<u>199,796</u>	<u>-</u>	<u>-</u>
Total Assets	6,355,461	266,443	806,278	1,835,083
LIABILITIES				
CURRENT LIABILITIES				
Accounts Payable	667,138	-	-	2,388
Accrued Salaries and Benefits	-	-	-	3,971
Compensated Absences Payable	-	-	-	10,355
Liability for Unpaid Claims	-	-	795,783	872,345
Total Current Liabilities	<u>667,138</u>	<u>-</u>	<u>795,783</u>	<u>889,059</u>
Total Liabilities	667,138	-	795,783	889,059
NET POSITION				
Net Investment in Capital Assets	313,510	199,796	-	-
Unrestricted	5,374,813	66,647	10,495	946,024
Total Net Position	<u>\$ 5,688,323</u>	<u>\$ 266,443</u>	<u>\$ 10,495</u>	<u>\$ 946,024</u>

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
JUNE 30, 2020**

ASSETS	<u>Workers'</u> <u>Compensation</u>	<u>Health</u> <u>Insurance</u>	<u>Total</u>
CURRENT ASSETS			
Pooled Cash and Investments in County Treasury	\$ 1,075,810	\$ 2,363,419	\$ 12,186,188
Other Cash	-	83,101	83,101
Accounts Receivable	-	365,633	368,633
Total Current Assets	<u>1,075,810</u>	<u>2,812,153</u>	<u>12,637,922</u>
NONCURRENT ASSETS			
Capital Assets:			
Depreciable, Net	-	-	513,306
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>513,306</u>
Total Assets	1,075,810	2,812,153	13,151,228
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	3,652	221,612	894,790
Accrued Salaries and Benefits	3,949	31,455	39,375
Compensated Absences Payable	8,963	22,102	41,420
Liability for Unpaid Claims	-	2,980,880	4,649,008
Total Current Liabilities	<u>16,564</u>	<u>3,256,049</u>	<u>5,624,593</u>
Total Liabilities	16,564	3,256,049	5,624,593
NET POSITION			
Net Investment in Capital Assets	-	-	513,306
Unrestricted	<u>1,059,246</u>	<u>(443,896)</u>	<u>7,013,329</u>
Total Net Position	<u>\$ 1,059,246</u>	<u>\$ (443,896)</u>	<u>\$ 7,526,635</u>

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF REVENUES, EXPENES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Software Acquisition	Vehicle Replacement	Unemployment Insurance	General Liability Insurance
OPERATING REVENUES				
Charges and Fees	\$ -	\$ -	\$ 200,000	\$ 1,993,147
Other Revenues	3,000	-	-	-
Total Operating Revenues	<u>3,000</u>	<u>-</u>	<u>200,000</u>	<u>1,993,147</u>
OPERATING EXPENSES				
Salaries and Benefits	-	-	-	81,167
Services and Supplies	1,457,296	-	861	409,760
Insurance	-	-	-	1,084,654
Depreciation	109,720	103,830	-	-
Claims and Judgments	-	-	495,808	171,587
Total Operating Expenses	<u>1,567,016</u>	<u>103,830</u>	<u>496,669</u>	<u>1,747,168</u>
OPERATING INCOME (LOSS)	(1,564,016)	(103,830)	(296,669)	245,979
NONOPERATING REVENUES (EXPENSES)				
Other Revenues	-	20,157	-	29,756
Interest Revenue (Expense)	140,432	2,084	20,580	52,069
Total Nonoperating Revenues	<u>140,432</u>	<u>22,241</u>	<u>20,580</u>	<u>81,825</u>
INCOME (LOSS) BEFORE TRANSFERS	(1,423,584)	(81,589)	(276,089)	327,804
TRANSFERS IN	4,259,110	-	174,418	-
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>-</u>	<u>(119,306)</u>
CHANGE IN NET POSITION	2,835,526	(81,589)	(101,671)	208,498
Net Position - Beginning of Year	<u>2,852,797</u>	<u>348,032</u>	<u>112,166</u>	<u>737,526</u>
NET POSITION - END OF YEAR	<u>\$ 5,688,323</u>	<u>\$ 266,443</u>	<u>\$ 10,495</u>	<u>\$ 946,024</u>

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>Workers' Compensation</u>	<u>Health Insurance</u>	<u>Total</u>
OPERATING REVENUES			
Charges and Fees	\$ 4,933,480	\$ 15,743,608	\$ 22,870,235
Other Revenues	-	37,709	40,709
Total Operating Revenues	<u>4,933,480</u>	<u>15,781,317</u>	<u>22,910,944</u>
OPERATING EXPENSES			
Salaries and Benefits	90,571	571,534	743,272
Services and Supplies	28,913	680,781	2,577,611
Insurance	4,725,062	1,238,321	7,048,037
Depreciation	-	-	213,550
Claims and Judgments	-	16,903,621	17,571,016
Total Operating Expenses	<u>4,844,546</u>	<u>19,394,257</u>	<u>28,153,486</u>
OPERATING INCOME (LOSS)	88,934	(3,612,940)	(5,242,542)
NONOPERATING REVENUES (EXPENSES)			
Other Revenues	-	-	49,913
Interest Revenue (Expense)	12,598	88,896	316,659
Total Nonoperating Revenues	<u>12,598</u>	<u>88,896</u>	<u>366,572</u>
INCOME (LOSS) BEFORE TRANSFERS	101,532	(3,524,044)	(4,875,970)
TRANSFERS IN	-	-	4,433,528
TRANSFERS OUT	<u>(4,903)</u>	<u>(392,845)</u>	<u>(517,054)</u>
CHANGE IN NET POSITION	96,629	(3,916,889)	(959,496)
Net Position - Beginning of Year	<u>962,617</u>	<u>3,472,993</u>	<u>8,486,131</u>
NET POSITION - END OF YEAR	<u>\$ 1,059,246</u>	<u>\$ (443,896)</u>	<u>\$ 7,526,635</u>

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Software Acquisition	Vehicle Replacement	Unemployment Insurance	General Liability Insurance
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Receipts From Interfund Services Provided	\$ -	\$ -	\$ 200,000	\$ 2,200,425
Cash Paid to Employees for Services	-	-	-	(87,188)
Cash Paid to Suppliers for Goods and Services	(833,481)	-	(156,745)	(1,683,367)
Net Cash Provided (Used) by Operating Activities	(833,481)	-	43,255	429,870
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Noncapital Other Contributions	-	-	-	29,756
Transfers In	4,259,110	-	174,418	-
Transfers Out	-	-	-	(119,306)
Net Cash Provided (Used) by Noncapital Financing Activities	4,259,110	-	174,418	(89,550)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(54,458)	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(54,458)	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received (Paid)	140,432	2,084	20,580	52,069
Net Cash Provided (Used) by Investing Activities	140,432	2,084	20,580	52,069
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
	3,511,603	2,084	238,253	392,389
Cash and Cash Equivalents - Beginning of Year	2,527,348	64,563	568,025	1,442,694
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 6,038,951</u>	<u>\$ 66,647</u>	<u>\$ 806,278</u>	<u>\$ 1,835,083</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (1,564,016)	\$ (103,830)	\$ (296,669)	\$ 245,979
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	109,720	103,830	-	-
Changes in Assets and Liabilities:				
(Increase) Decrease in:				
Accounts Receivable	(3,000)	-	-	207,278
Increase (Decrease) in:				
Accounts Payable	623,815	-	-	(34,188)
Accrued Salaries	-	-	-	(1,074)
Compensated Absences	-	-	-	(4,947)
Claims Liability	-	-	339,924	16,822
Net Cash Provided (Used) by Operating Activities	<u>\$ (833,481)</u>	<u>\$ -</u>	<u>\$ 43,255</u>	<u>\$ 429,870</u>

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020**

	Workers' Compensation	Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts From Interfund Services Provided	\$ 4,933,480	\$ 15,427,175	\$ 22,761,080
Cash Paid to Employees for Services	(81,837)	(551,460)	(720,485)
Cash Paid to Suppliers for Goods and Services	(4,751,522)	(18,092,260)	(25,517,375)
Net Cash Provided (Used) by Operating Activities	<u>100,121</u>	<u>(3,216,545)</u>	<u>(3,476,780)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Noncapital Other Contributions	-	-	29,756
Transfers In	-	-	4,433,528
Transfers Out	(4,903)	(392,845)	(517,054)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(4,903)</u>	<u>(392,845)</u>	<u>3,946,230</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Capital Assets	-	-	(54,458)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(54,458)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received (Paid)	12,598	88,896	316,659
Net Cash Provided (Used) by Investing Activities	<u>12,598</u>	<u>88,896</u>	<u>316,659</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	107,816	(3,520,494)	731,651
Cash and Cash Equivalents - Beginning of Year	<u>967,994</u>	<u>5,967,014</u>	<u>11,537,638</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,075,810</u>	<u>\$ 2,446,520</u>	<u>\$ 12,269,289</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 88,934	\$ (3,612,940)	\$ (5,242,542)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	-	-	213,550
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	-	(354,142)	(149,864)
Increase (Decrease) in:			
Accounts Payable	2,453	89,365	681,445
Accrued Salaries	(229)	7,309	6,006
Compensated Absences	8,963	12,765	16,781
Claims Liability	-	641,098	997,844
Net Cash Provided (Used) by Operating Activities	<u>\$ 100,121</u>	<u>\$ (3,216,545)</u>	<u>\$ (3,476,780)</u>

TRUST AND AGENCY FUND



COUNTY OF MENDOCINO TRUST AND AGENCY FUNDS

INVESTMENT TRUST FUNDS

Investment trust funds are used by the County to account for the assets of legally separate entities who deposit cash with the County Treasurer. These include school and college districts and other special districts governed by local boards. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand. The County has the following types of investment trust funds:

- **SPECIAL DISTRICTS LOCAL BOARDS**

These funds account for the cash and investment funds deposited with the County Treasurer and held in trust for special districts local boards.

- **SCHOOL DISTRICTS**

These funds account for the cash and investment funds deposited with the County Treasurer and held in trust for the Counties' schools and college.

AGENCY FUNDS

Agency funds account for assets held by the County as an agent for various local governments and individuals in a custodial capacity.

**COUNTY OF MENDOCINO
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2020**

	County Departmental	Unapportioned Taxes	Total
ASSETS			
Cash and Investments	\$ 14,086,225	\$ -	\$ 14,086,225
Taxes and Assessments Receivable	-	14,369,782	14,369,782
Total Assets	\$ 14,086,225	\$ 14,369,782	\$ 28,456,007
 LIABILITIES			
Fiduciary Liabilities	\$ 14,086,225	\$ 14,369,782	\$ 28,456,007
Total Liabilities	\$ 14,086,225	\$ 14,369,782	\$ 28,456,007

**COUNTY OF MENDOCINO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2020</u>
<u>County Departmental</u>				
ASSETS				
Cash and Investments	<u>\$ 15,436,512</u>	<u>\$ 668,223,479</u>	<u>\$ 669,573,766</u>	<u>\$ 14,086,225</u>
LIABILITIES				
Agency Fund Obligations	<u>\$ 15,436,512</u>	<u>\$ 668,223,479</u>	<u>\$ 669,573,766</u>	<u>\$ 14,086,225</u>
<u>Unapportioned Taxes</u>				
ASSETS				
Taxes Receivable	<u>\$ 12,976,633</u>	<u>\$ 1,393,149</u>	<u>\$ -</u>	<u>\$ 14,369,782</u>
Total Assets	<u>\$ 12,976,633</u>	<u>\$ 1,393,149</u>	<u>\$ -</u>	<u>\$ 14,369,782</u>
LIABILITIES				
Agency Fund Obligations	<u>\$ 12,976,633</u>	<u>\$ 1,393,149</u>	<u>\$ -</u>	<u>\$ 14,369,782</u>
<u>Total Agency Funds</u>				
ASSETS				
Cash and Investments	<u>\$ 15,436,512</u>	<u>\$ 668,223,479</u>	<u>\$ 669,573,766</u>	<u>\$ 14,086,225</u>
Taxes Receivable	<u>12,976,633</u>	<u>1,393,149</u>	<u>-</u>	<u>14,369,782</u>
Total Assets	<u>\$ 28,413,145</u>	<u>\$ 669,616,628</u>	<u>\$ 669,573,766</u>	<u>\$ 28,456,007</u>
LIABILITIES				
Agency Fund Obligations	<u>\$ 28,413,145</u>	<u>\$ 669,616,628</u>	<u>\$ 669,573,766</u>	<u>\$ 28,456,007</u>





STATISTICAL SECTION





– STATISTICAL SECTION PHOTO –
Wages Creek Beach, Westport, CA; photo by Zohar Zaied

**COUNTY OF MENDOCINO
STATISTICAL SECTION**

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.



COUNTY OF MENDOCINO
GOVERNMENT-WIDE NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS OF DOLLARS)

[2]

	Fiscal Year Ended June 30,				[2]
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	
Governmental Activities:					
Net investment in capital assets	74,585	74,699	75,464	77,487	83,929
Restricted	25,669	23,253	29,746	30,589	29,584
Unrestricted	<u>(25,297)</u>	<u>(31,191)</u>	<u>(26,506)</u>	<u>(28,097)</u>	<u>(162,305)</u>
Total Primary Government Net Position	<u><u>74,957</u></u>	<u><u>66,761</u></u>	<u><u>78,704</u></u>	<u><u>79,979</u></u>	<u><u>(48,792)</u></u>
	[2]	[2]	[2]	[2]	[2]
	Fiscal Year Ended June 30,				[2]
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	
Governmental Activities:					
Net investment in capital assets	89,588	94,282	102,445	109,538	109,188
Restricted	30,684	33,815	50,179	70,808	70,808
Unrestricted	<u>(159,976)</u>	<u>(163,487)</u>	<u>(177,033)</u>	<u>(177,546)</u>	<u>(160,349)</u>
Total Primary Government Net Position	<u><u>(39,704)</u></u>	<u><u>(35,390)</u></u>	<u><u>(24,409)</u></u>	<u><u>2,800</u></u>	<u><u>19,647</u></u>

Notes:

- Accounting standards require that net position be reported in the three components in the financial statements; net investment in capital assets; restricted; and unrestricted. Net position are considered restricted when (1) externally imposed by creditors (such as debt covenants), grantors, contributor, or law or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.
- Due to the implementation of GASB 68 in FY 2015, the County is now required to recognize net pension liability on the financial statements.

Source: Mendocino County Auditor-Controller

**COUNTY OF MENDOCINO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS OF DOLLARS)**

	Fiscal Year Ended June 30,				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenses (by function)					
Governmental Activities:					
General government	16,205	17,900	12,977	15,163	15,424
Public protection	49,125	48,624	49,524	52,834	55,033
Public ways and facilities	12,916	12,784	13,697	13,130	15,381
Health and sanitation	35,846	35,317	30,084	35,195	36,322
Public assistance	58,643	55,459	54,622	58,200	58,778
Education	1,713	1,754	2,115	2,635	2,965
Recreation and culture	255	318	411	454	611
Debt Service:					
Interest	6,580	6,808	6,148	4,977	4,710
Total Primary Government Expenses	<u><u>181,283</u></u>	<u><u>178,964</u></u>	<u><u>169,578</u></u>	<u><u>182,588</u></u>	<u><u>189,224</u></u>

	Fiscal Year Ended June 30,				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses (by function)					
Governmental Activities:					
General government	17,558	19,054	18,343	18,901	22,640
Public protection	56,687	64,849	69,949	69,229	77,464
Public ways and facilities	12,394	14,232	13,277	16,113	22,550
Health and sanitation	32,292	30,904	49,695	53,071	57,374
Public assistance	67,853	70,006	72,611	71,373	77,122
Education	3,540	3,685	3,812	4,092	4,174
Recreation and culture	599	536	461	524	554
Debt Service:					
Interest	4,484	4,252	4,087	3,870	3,405
Total Primary Government Expenses	<u><u>195,407</u></u>	<u><u>207,518</u></u>	<u><u>232,235</u></u>	<u><u>237,173</u></u>	<u><u>265,284</u></u>

Source: Mendocino County Auditor-Controller

**COUNTY OF MENDOCINO
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS OF DOLLARS)**

	Fiscal Year Ended June 30,				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Program Revenue (by function)					
Governmental Activities:					
General government	3,738	3,475	2,947	2,911	2,846
Public protection	10,959	8,752	8,105	9,954	9,306
Public ways and facilities	836	329	303	268	234
Health and sanitation	4,996	4,106	4,130	3,218	3,692
Public assistance	178	281	100	142	274
Education	53	36	49	49	62
Recreation and culture	-	-	-	-	-
Operating grants and contributions	111,534	93,886	101,039	102,164	105,656
Capital grants and contributions	4,995	2,666	3,484	4,431	6,410
Total Primary Government Program Revenues	<u>137,289</u>	<u>113,531</u>	<u>120,157</u>	<u>123,137</u>	<u>128,480</u>
Total Primary Net Expense	<u>(43,994)</u>	<u>(65,433)</u>	<u>(49,421)</u>	<u>(59,451)</u>	<u>123,770</u>

	Fiscal Year Ended June 30,				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Program Revenue (by function)					
Governmental Activities:					
General government	3,220	3,731	4,403	9,111	3,639
Public protection	9,987	11,091	9,626	9,602	10,321
Public ways and facilities	247	263	325	955	346
Health and sanitation	4,114	3,843	5,944	10,696	6,396
Public assistance	219	444	539	523	400
Education	50	57	-	58	29
Recreation and culture	-	-	-	10	17
Operating grants and contributions	110,986	115,677	130,234	135,467	145,481
Capital grants and contributions	6,391	4,974	3,756	6,468	3,191
Total Primary Government Program Revenues	<u>135,214</u>	<u>140,080</u>	<u>154,827</u>	<u>172,890</u>	<u>169,821</u>
Total Primary Net Expense	<u>(60,193)</u>	<u>(67,438)</u>	<u>(77,408)</u>	<u>(64,282)</u>	<u>(95,463)</u>

Source: Mendocino County Auditor-Controller

**COUNTY OF MENDOCINO
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS OF DOLLARS)**

	Fiscal Year Ended June 30,				
	2011	2012	2013	2014	
General Revenues & Other Changes in Net Position					
Governmental Activities:					
Taxes:					
Property taxes	41,144	40,622	41,490	41,090	43,773
Sales and use taxes	9,742	10,723	12,752	13,396	14,687
Transient occupancy tax	3,294	3,556	3,618	3,856	4,491
Other	351	287	334	388	426
Unrestricted interest and investment earning	701	1,026	780	375	274
Gain on sale of assets	-	-	-	155	-
Settlement revenue	-	-	-	-	-
Miscellaneous	1,590	2,428	1,939	1,467	4,258
Change in estimate - OPEB	5,654	-	-	-	-
Special item - Teeter Fund Advance	11,499	-	-	-	-
Total Primary Government	73,975	58,642	60,913	60,727	67,909
 Change in Net Position					
Total Primary Government	29,981	(6,791)	11,492	1,276	67,909
	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	
General Revenues & Other Changes in Net Position					
Governmental Activities:					
Taxes:					
Property taxes	46,801	48,171	50,490	51,843	51,500
Sales and use taxes	14,507	14,912	17,480	25,084	24,743
Transient occupancy tax	4,945	5,152	5,682	5,872	4,785
Other	429	504	2,025	4,660	6,227
Unrestricted interest and investment earning	431	719	1,396	1,683	3,141
Gain on sale of assets	-	-	-	-	-
Settlement revenue	-	-	-	-	22,652
Miscellaneous	2,168	2,294	2,638	2,347	2,136
Change in estimate - OPEB	-	-	-	-	-
Special item - Teeter Fund Advance	-	-	-	-	-
Total Primary Government	69,281	71,752	79,711	91,490	115,183
 Change in Net Position					
Total Primary Government	9,088	4,314	2,303	27,208	19,721

Source: Mendocino County Auditor-Controller

**COUNTY OF MENDOCINO
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS OF DOLLARS)**

	<u>2011</u>	<u>2012</u>	June 30, <u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund					
Nonspendable	104	102	77	91	115
Restricted	-	-	-	-	-
Assigned	215	221	-	15,572	19,403
Unassigned	5,154	12,147	18,682	11,693	15,330
Total General Fund	<u>5,473</u>	<u>12,470</u>	<u>18,759</u>	<u>27,356</u>	<u>34,848</u>
All Other Governmental Funds					
Nonspendable	555	597	589	651	692
Restricted	19,025	16,815	20,776	25,281	24,060
Assigned	-	-	-	-	-
Unassigned	(404)	(9)	(10)	(9)	(10)
Total All Other Governmental Funds	<u>19,176</u>	<u>17,403</u>	<u>21,355</u>	<u>25,923</u>	<u>24,742</u>
Total Governmental Funds Balances	<u>24,649</u>	<u>29,873</u>	<u>40,114</u>	<u>53,279</u>	<u>59,590</u>
			June 30,		
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund					
Nonspendable	133	115	139	177	230
Restricted	-	-	7,071	8,330	9,074
Assigned	24,390	27,541	29,626	25,887	25,542
Unassigned	12,938	8,931	6,936	12,336	35,503
Total General Fund	<u>37,461</u>	<u>36,587</u>	<u>43,772</u>	<u>46,730</u>	<u>70,349</u>
All Other Governmental Funds					
Nonspendable	666	525	589	534	571
Restricted	24,094	33,357	31,286	46,947	57,594
Assigned	407	997	587	771	1,138
Unassigned	-	(1)	-	(22)	(1,536)
Total All Other Governmental Funds	<u>25,167</u>	<u>34,878</u>	<u>32,462</u>	<u>48,230</u>	<u>57,767</u>
Total Governmental Funds Balances	<u>62,628</u>	<u>71,465</u>	<u>76,234</u>	<u>94,960</u>	<u>128,117</u>

COUNTY OF MENDOCINO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS OF DOLLARS)

	Fiscal Year Ended June 30,				
	2011	2012	2013	2014	2015
Revenues:					
Taxes	55,006	55,960	58,193	58,730	63,378
Licenses, permits and franchises	2,787	2,723	2,799	2,913	2,925
Intergovernmental	122,755	97,596	101,447	109,770	112,479
Revenue from use of money and property	461	771	735	338	247
Fines, forfeitures and penalties	3,752	2,345	1,738	3,019	1,856
Charges for Services	14,613	11,985	10,873	10,676	11,621
Other revenues	1,591	2,428	1,939	1,623	4,258
Total Revenues	200,965	173,808	177,724	187,069	196,764
Expenditures					
Current:					
General government	14,707	13,371	12,786	13,624	13,854
Public protection	46,199	42,969	44,681	47,135	50,825
Public ways and facilities	8,182	9,661	12,999	14,118	20,052
Health and sanitation	34,463	28,999	29,080	28,563	32,915
Public assistance	57,851	52,835	52,733	56,487	57,052
Education	1,658	1,562	1,997	2,459	2,765
Recreation and culture	247	295	386	421	521
Debt Service:					
Principal	4,496	5,269	5,422	4,765	4,986
Interest	6,577	7,453	5,686	5,073	4,821
Capital outlay	7,260	6,229	1,045	1,018	2,234
Total Expenditures:	181,640	168,643	166,815	173,663	190,025
Excess (Deficiency) of Revenue Over (Under) Expenditures	19,325	5,165	10,909	13,406	6,739
Other Financing Sources (Uses):					
Debt issued	-	-	-	-	-
Transfers in	15,363	14,886	15,699	16,454	16,190
Transfers out	(15,332)	(15,113)	(15,896)	(16,696)	(16,618)
Issuance of refunding debt	-	25,810	-	-	-
Payment to refunded bond escrow agent	-	(24,130)	-	-	-
Total Other Financing Sources (Uses)	31	1,453	(197)	(242)	(428)
Special Item					
Teeter fund advance	11,499	-	-	-	-
Extraordinary Item:					
RDA Dissolution	-	(1,405)	-	-	-
Net Changes in Fund Balances	30,855	5,213	10,712	13,164	6,311
Debt Service as a Percentage of Non-Capital Expenditures					
	6.35%	7.83%	6.70%	5.70%	5.22%

Note: Debt Service as a Percentage of Non-Capital Expenditures was determined as follows:
(Principal and Interest) divided by (Total Expenditures less Expenditures for General Capital Assets, Infrastructure and Other Related Capital Assets Adjustments)

Source: Mendocino County Auditor-Controller

COUNTY OF MENDOCINO
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS OF DOLLARS)

	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020
Revenues:					
Taxes	66,682	68,739	75,677	87,460	87,255
Licenses, permits and franchises	2,812	3,377	4,361	4,963	5,270
Intergovernmental	115,851	124,372	126,097	141,152	153,219
Revenue from use of money and property	387	622	1,218	1,505	2,824
Fines, forfeitures and penalties	1,940	1,619	1,475	1,517	1,413
Charges for Services	12,995	14,629	15,138	19,408	14,366
Other revenues	2,168	1,849	2,071	2,347	24,788
Total Revenues	202,835	215,207	226,037	258,353	289,135
Expenditures					
Current:					
General government	15,524	15,554	15,732	16,793	17,206
Public protection	55,365	56,020	62,481	64,257	68,314
Public ways and facilities	17,025	14,978	15,349	20,239	20,826
Health and sanitation	32,859	36,814	48,410	52,052	55,034
Public assistance	63,626	65,624	68,936	68,425	71,621
Education	2,998	3,409	3,523	3,965	3,753
Recreation and culture	551	462	405	468	470
Debt Service:					
Principal	5,214	5,470	5,745	6,035	6,345
Interest	4,602	4,376	4,218	4,008	3,626
Capital outlay	1,029	3,706	5,297	2,848	4,866
Total Expenditures:	198,793	206,413	230,096	239,092	252,062
Excess (Deficiency) of Revenue Over (Under) Expenditures	4,042	8,794	(4,059)	19,262	37,073
Other Financing Sources (Uses):					
Debt issued	-	-	-	-	-
Transfers in	17,305	21,279	20,186	19,050	21,272
Transfers out	(18,310)	(21,235)	(20,036)	(19,585)	(25,188)
Issuance of refunding debt	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Total Other Financing Sources (Uses)	(1,005)	44	150	(535)	(3,916)
Special Item					
Teeter fund advance	-	-	-	-	-
Extraordinary Item:					
RDA Dissolution	-	-	-	-	-
Net Changes in Fund Balances	3,037	8,838	(3,909)	18,726	33,156
Debt Service as a Percentage of Non-Capital Expenditures	4.96%	4.86%	4.43%	4.25%	4.03%

COUNTY OF MENDOCINO
ASSESSED VALUE OF TAXABLE PROPERTY AND ACTUAL VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

Fiscal Year	Secured Roll	Unsecured Roll	Exemptions	Net Assessed Valuations	Total Direct Tax Rate
2011	9,904,840	363,125	(262,677)	10,005,288	1.00%
2012	9,872,631	371,954	(270,752)	9,973,833	1.00%
2013	9,820,376	371,189	(281,736)	9,909,829	1.00%
2014	9,976,381	358,517	(299,898)	10,035,000	1.00%
2015	10,206,167	367,186	(341,186)	10,232,167	1.00%
2016	10,548,988	365,106	(367,170)	10,546,924	1.00%
2017	10,948,983	376,939	(386,910)	10,939,012	1.00%
2018	11,412,322	365,378	(406,068)	11,371,632	1.00%
2019	11,863,702	384,724	(418,358)	11,830,068	1.00%
2020	12,251,471	391,328	(435,039)	12,207,760	1.00%

Notes:

1. Secured property is generally the real property, which is defined as land, mineral, timber and improvements such as buildings, structures, crops, trees and vines. Also included in secured roll are unitary properties, including railroads and utilities, which cross the country and are assess by the State Board of Equalization.
2. Unsecured property is generally personal property, including machinery, equipment, office tools, supplies, mobile homes, vessels, and aircraft.
3. Exempt properties include numerous full and partial exclusions/exemptions provided.
4. Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value. Additionally, Proposition 13 limites the property tax rate to 1% of assessed value, plus the rate necessary to fund local voter-approved bonds and special assessments.

Source: Mendocino County Property Tax Records

**COUNTY OF MENDOCINO
PROPERTY TAX RATE – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Basic Countywide Levy</u>	<u>Unitary Debt Service</u>	<u>Schools</u>	<u>Junior College</u>	<u>Special Districts</u>	<u>Incorporated Cities</u>	<u>Total</u>
2011	1.0000%	0.2070%	0.5290%	0.0570%	0.0440%	0.0060%	1.8430%
2012	1.0000%	0.2300%	0.5110%	0.0560%	0.0390%	0.0060%	1.8420%
2013	1.0000%	0.2330%	0.6110%	0.0560%	0.0400%	0.0000%	1.9400%
2014	1.0000%	0.2590%	0.6040%	0.0540%	0.0280%	0.0000%	1.9450%
2015	1.0000%	0.2600%	0.6520%	0.0540%	0.0280%	0.0000%	1.9940%
2016	1.0000%	0.2620%	0.6040%	0.0500%	0.0320%	0.0000%	1.9480%
2017	1.0000%	0.2700%	0.8700%	0.0700%	0.0100%	0.0000%	2.2200%
2018	1.0000%	0.2990%	0.7770%	0.0690%	0.0150%	0.0000%	2.1600%
2019	1.0000%	0.3130%	0.7910%	0.0680%	0.0130%	0.0000%	2.1850%
2020	1.0000%	0.3240%	0.8370%	0.0700%	0.0130%	0.0000%	2.2440%

Source: Mendocino County Property Tax Records

**COUNTY OF MENDOCINO
PRINCIPAL PROPERTY TAXPAYERS
MOST RECENT YEAR AND NINE YEARS AGO
(IN THOUSANDS OF DOLLARS)**

Fiscal Year Ended June 30, 2020	Business Description	Taxes Levied	% Total Levied
Pacific Gas & Electric Co.	Utility	\$ 3,442,754	2.33%
Mendocino Forest Products, Inc.	Mfg./Sawmill	871,185	0.59%
VCT USA, Inc. (Fetzer)	Vineyard/Winery	682,475	0.46%
Mendocino Redwood Co., LLC	Mfg./Sawmill	493,788	0.33%
Waterfowl Wine Company	Vineyard/Winery	394,126	0.27%
Vintage Wine Estates, Inc.	Vineyard/Winery	300,464	0.20%
Pacific Bell Telephone Co.	Communications	293,348	0.20%
Costco Wholesale Corporation	Retail Sales	272,234	0.18%
Lyme Redwood Timberlands LLC	Timberland	239,018	0.16%
Pear Tree REH LLC	Shopping Center	222,852	0.15%
Total Principal Property Taxpayers		7,212,245	4.88%
All Other Taxes Levied		140,672,605	95.12%
TOTAL		<u>\$147,884,850</u>	<u>100.00%</u>

Fiscal Year Ended June 30, 2011	Business Description	Taxes Levied	% Total Levied
Pacific Gas & Electric Co.	Utility	\$ 1,853,847	1.62%
Fetzer Vineyards	Vineyard/Winery	960,425	0.84%
Mendocino Forest Products, Inc.	Mfg./Sawmill	528,650	0.46%
Mendocino Redwood Co., LLC	Mfg./Sawmill	480,399	0.42%
Georgia Pacific Corp.	Industrial Site	437,424	0.38%
Pacific Bell Telephone Co.	Communication	349,795	0.31%
AT&T Communications, Inc.	Communication	283,147	0.25%
Heritage Wine, LLC	Vineyard/Winery	266,610	0.23%
Hawthorne Timber Co.	Timberland	244,471	0.21%
Pear Orchard Associates	Shopping Center	225,158	0.20%
Total Principal Property Taxpayers		5,629,926	4.92%
All Other Taxes Levied		108,736,647	95.08%
TOTAL		<u>\$114,366,573</u>	<u>100.00%</u>

Source: Mendocino County Property Tax Records

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

Fiscal Year	Secured, Unitary & Unsecured Tax Levies	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years [3]	Delinquent Amount	% of Levy Delinquent
		Collected Amount	% of Original Levy			
2011	\$ 100,898	\$ 96,387	95.53%	<i>nda</i>	\$ 4,511	4.47%
2012	100,229	96,589	96.37%	<i>nda</i>	3,640	3.63%
2013	99,945	96,699	96.75%	<i>nda</i>	3,246	3.25%
2014	101,867	98,876	97.06%	<i>nda</i>	2,991	2.94%
2015	103,757	100,788	97.14%	<i>nda</i>	2,969	2.86%
2016	107,494	104,617	97.32%	<i>nda</i>	2,877	2.68%
2017	111,699	108,468	97.11%	<i>nda</i>	3,231	2.89%
2018	116,240	112,818	97.06%	<i>nda</i>	3,422	2.94%
2019	121,182	117,506	96.97%	<i>nda</i>	3,677	3.03%
2020	125,471	121,262	96.65%	<i>nda</i>	4,209	3.35%

Notes:

1. Includes Secured, Unsecured, and Unitary Taxes levied for the county itself, school districts, cities and special districts under the supervision of their own governing boards. Includes adjustments to the tax rolls from the levy date to delinquency date.
2. Does not include bond tax or direct tax levies.
3. No data available (*nda*). Collections in Subsequent Years are not available from the County's current property tax system.

Source: Mendocino County Auditor-Controller

**COUNTY OF MENDOCINO
TAXABLE SALES BY CATEGORY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)**

Type of Business	Fiscal Year Ended June 30,				
	2011	2012	2013	2014	2015
Motor Vehicle & Parts Dealers	\$ 112,230	\$ 115,334	\$ 125,117	\$ 136,193	\$ 149,385
Home Furnishings & Appliance Stores	23,346	24,828	26,922	29,000	29,602
Building/Garden Material & Equipment	125,407	130,832	138,031	142,562	151,499
Food and Beverage Stores	100,071	107,362	109,465	107,522	109,872
Gasoline Stations	173,324	198,884	209,704	211,714	196,341
Clothing & Clothing Accessories Stores	27,186	29,056	31,652	33,875	36,104
General Merchandise Stores	81,200	81,063	81,096	80,647	82,826
Food Services and Drinking Places	97,869	102,203	108,296	116,533	127,399
Other Retail	112,545	116,692	123,091	128,269	132,419
Total Retail & Food Services	853,177	906,255	953,373	986,313	1,015,446
All Other Outlets	264,175	281,559	307,093	332,657	340,664
Totals	<u>1,117,352</u>	<u>1,187,814</u>	<u>1,260,466</u>	<u>1,318,970</u>	<u>1,356,109</u>

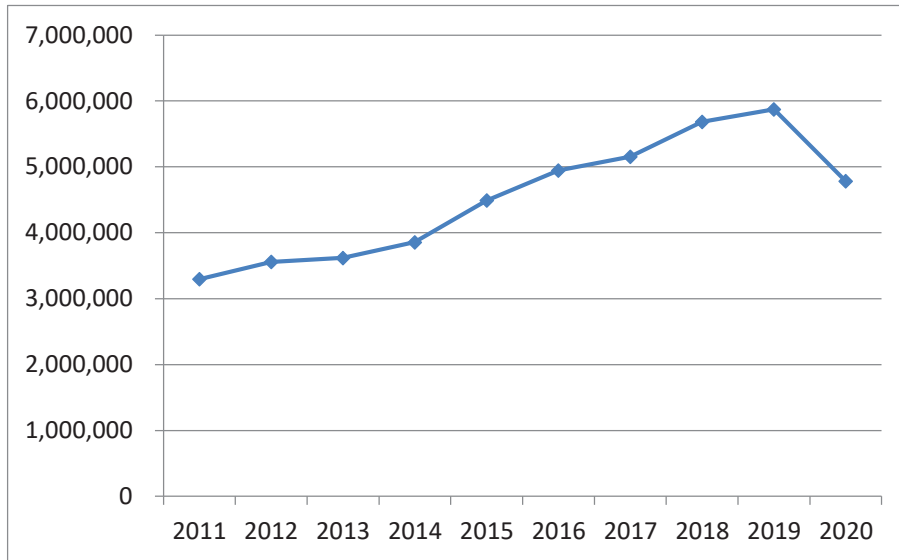
Type of Business	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020
Motor Vehicle & Parts Dealers	\$ 170,993	\$ 181,773	\$ 183,042	\$ 180,355	\$ 206,502
Home Furnishings & Appliance Stores	30,461	27,913	27,654	26,134	26,901
Building/Garden Material & Equipment	169,373	176,471	168,996	174,335	208,847
Food and Beverage Stores	113,917	115,181	119,226	112,069	117,617
Gasoline Stations	167,570	169,709	202,565	203,166	182,512
Clothing & Clothing Accessories Stores	38,214	39,382	38,742	40,859	36,727
General Merchandise Stores	87,482	86,588	87,186	145,673	159,642
Food Services and Drinking Places	139,064	144,571	143,818	145,768	125,873
Other Retail	139,921	146,801	148,291	161,435	205,460
Total Retail & Food Services	1,056,995	1,088,387	1,119,521	1,189,794	1,270,080
All Other Outlets	346,703	348,929	347,423	336,996	355,165
Totals	<u>1,403,698</u>	<u>1,437,317</u>	<u>1,466,943</u>	<u>1,526,790</u>	<u>1,625,245</u>

Note: Updated values to fiscal year basis. 2016-2020 data is from CDTFA (California Department of Tax and Fee Administration), using quarterly values published through June 30, 2020. 2011-2015 data is from State Board of Equalization, based on an average of the two calendar years included in the fiscal year period.

Source: California Department of Tax and Fee Administration; State Board of Equalization

**COUNTY OF MENDOCINO
TRANSIENT OCCUPANCY TAX
ACTUAL RECEIPTS
LAST TEN FISCAL YEARS**

Fiscal Year	Annual Revenue	Growth Rate
2011	3,293,554	1.15%
2012	3,556,307	7.98%
2013	3,617,553	1.72%
2014	3,855,504	6.58%
2015	4,491,130	16.49%
2016	4,944,101	10.09%
2017	5,152,109	4.21%
2018	5,682,028	10.29%
2019	5,872,388	3.35%
2020	4,784,925	-18.52%



Source: Mendocino County Auditor-Controller

COUNTY OF MENDOCINO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS, EXCEPT PER CAPITA)

Fiscal Year	Governmental Activities				Total Governmental Activities [1]	Per Capita [2]	Percentage of Personal Debt Limit [2]
	Certificates of Participation	Pension Obligation Bonds	Capital Leases	Long Term Loans			
2011	24,130	82,980	96	1,495	108,701	1,249	3.23%
2012	24,505	79,575	-	936	105,016	1,207	3.10%
2013	23,530	76,000	-	65	99,595	1,145	2.87%
2014	22,545	72,245	-	39	94,829	1,090	2.58%
2015	21,525	68,305	-	13	89,843	1,033	2.33%
2016	20,480	64,150	-	-	84,630	962	2.13%
2017	19,395	59,765	-	-	79,160	900	1.89%
2018	18,280	55,135	-	-	73,415	829	1.67%
2019	17,130	50,250	-	-	67,380	769	1.53%
2020	15,940	45,095	-	-	61,035	704	1.33%

Notes:

1. Shows all debt shown for governmental activities.
2. See the "Demographics and Economic Statistics" schedule for population figures. Prior year figures have been updated with 2019 demographics, published in November of 2020.

Source: Mendocino County Auditor-Controller

**COUNTY OF MENDOCINO
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)**

Fiscal Year	Total Assessed Valuation	Legal Debt Limit [1]	Total Net Debt Applicable to Exemptions [2]	Legal Debt Margin [3]	Legal Debt Margin/ Debt Limit
2011	\$ 10,005,288	\$ 125,066	\$ -	\$ 125,066	100%
2012	9,973,833	124,673	-	124,673	100%
2013	9,909,829	123,873	-	123,873	100%
2014	10,035,000	125,438	-	125,438	100%
2015	10,232,167	127,902	-	127,902	100%
2016	10,546,924	131,837	-	131,837	100%
2017	10,939,012	136,738	-	136,738	100%
2018	11,371,632	142,145	-	142,145	100%
2019	11,830,068	147,876	-	147,876	100%
2020	12,207,760	152,597	-	152,597	100%

Notes:

1. The legal debt limit is set by statute at 1.25% of the total assessed valuation.
2. The County does not have any General Bonded Debt.
3. The legal debt margin is the legal debt limit reduced by all general bonded debt.

Source: Mendocino County Property Tax Records

**COUNTY OF MENDOCINO
ASSESSED VALUATION
JUNE 30, 2020**

2019-20 Assessed Valuation (includes unitary utility valuation)	\$ 12,207,760,459		
	Total Debt at	Percentage	County's Share
	June 30, 2020	Applicable	of Debt at
<u>DIRECT and OVERLAPPING GENERAL GOVERNMENT DEBT</u>			June 30, 2020
Mendocino County Certificates of Participation	\$ 15,940,000	100.000	\$ 15,940,000
Mendocino County Pension Obligation Bonds	45,095,000	100.000	45,095,000
TOTAL DIRECT and OVERLAPPING GENERAL GOVERNMENT DEBT			<u>\$ 61,035,000</u>
 <u>DIRECT and OVERLAPPING TAX and ASSESSMENT DEBT</u>			
Anderson Valley Unified School District	6,620,801	100.000	6,620,801
Arena Union School District	1,299,062	100.000	1,299,062
Fort Bragg Unified School District	21,390,172	100.000	21,390,172
Laytonville Unified School District	8,040,000	100.000	8,040,000
Mendocino Coast Hospital District	4,260,651	100.000	4,260,651
Mendocino Lake Community College District	83,100,549	66.920	55,610,887
Mendocino Unified School District	21,879,522	100.000	21,879,522
Point Arena Joint Union High School District	263,000	59.350	156,091
Potter Valley Unified School District	2,780,000	100.000	2,780,000
Redwoods Joint Community College District	3,482,640	13.660	475,729
Round Valley Unified School District	8,256,113	100.000	8,256,113
Sonoma County Joint Community College District 2002	142,265,000	1.120	1,593,368
Sonoma County Joint Community College District 2014	246,090,000	1.120	2,756,208
Southern Humboldt Unified School District	21,167,855	2.160	457,226
Ukiah Unified School District	62,523,239	100.000	62,523,239
Willits Unified School District	11,652,054	100.000	11,652,054
TOTAL DIRECT and OVERLAPPING TAX and ASSESSMENT DEBT			<u>\$ 209,751,122</u>
 TOTAL DIRECT DEBT			 61,035,000
TOTAL OVERLAPPING DEBT			<u>209,751,121</u>
COMBINED TOTAL DEBT			<u>\$ 270,786,121</u>

RATIOS of 2019-20 ASSESSED VALUATIONS

Total Direct Debt (\$61,035,000)	0.500%
Total Overlapping Tax and Assessment Debt	1.718%
Total Combined Debt	2.218%

Notes:

1. Percentage of overlapping debt applicable to county is determined using taxable assessed property value. Applicable percentages were determined by the portion of the overlapping district's assessed value that is within the boundaries of the county, divided by the district's total taxable assessed value.
2. Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: Mendocino County Auditor-Controller

**COUNTY OF MENDOCINO
DEMOGRAPHIC AND ECONOMIC INDICATORS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population [1]</u>	<u>Per Capita Income [1]</u>	<u>Total Personal Income (000's) [1]</u>	<u>Median Age [2]</u>	<u>School Enrollment [3]</u>	<u>Unemployment Rate [4]</u>
2010	87807	\$ 37,124	\$ 3,259,748	41.2	12,955	11.6%
2011	87442	38,493	3,365,946	41.4	12,992	11.4%
2012	87409	38,737	3,385,984	41.7	13,049	10.0%
2013	87207	39,814	3,472,065	41.8	13,100	8.3%
2014	87449	42,051	3,677,284	42.0	13,148	7.0%
2015	87353	44,161	3,857,573	42.2	13,009	5.8%
2016	87628	45,436	3,981,438	42.3	13,210	5.3%
2017	88018	47,646	4,193,701	42.7	13,174	4.5%
2018	87606	50,150	4,393,445	42.4	13,203	3.9%
2019	86749	52,976	4,595,625	42.8	13,131	4.0%
2020	--	--	--	--	13,245	--

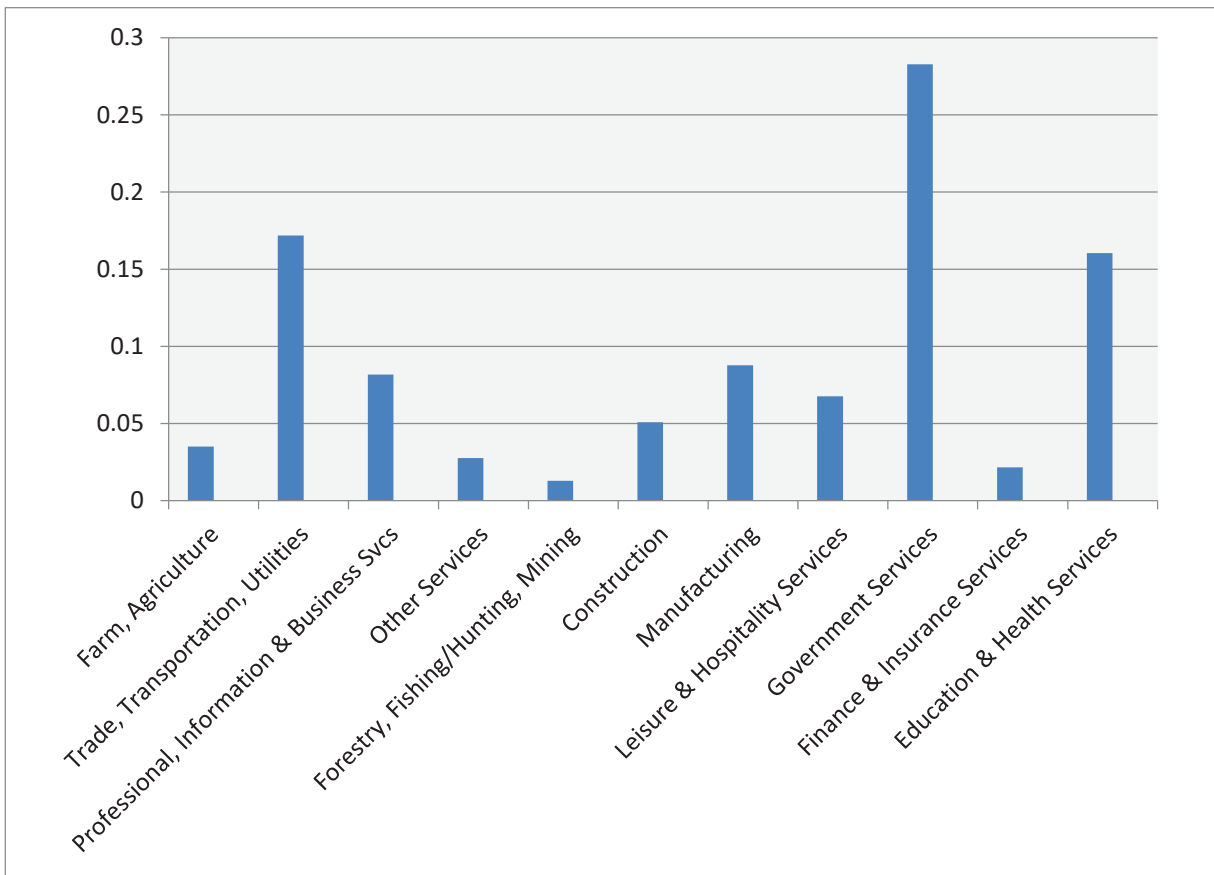
Note: Current Calendar Year data not yet available.

Source:

1. Bureau of Economic Analysis, 2019 data published November 17, 2020.
2. California Employment Development Department; Labor Market Info Division; 2014-18 5-yr survey.
3. California Department of Education, Demographics, Dataquest, County, Enrollment Data, FY 2019-20.
4. California Employment Development Department, Labor Market Info Division; Report 400 C, Monthly Labor Force Data for Counties, Annual Average 2019 - Revised, State of California, March 13, 2020, March 2019 Benchmark.

**COUNTY OF MENDOCINO
INDUSTRY EMPLOYMENT DISTRIBUTION
MOST RECENT YEAR**

Industry Employment Distribution	Compensation	Percent
Farm, Agriculture	\$ 66,961	3.5%
Trade, Transportation, Utilities	328,036	17.2%
Professional, Information & Business Svcs	156,222	8.2%
Other Services	52,834	2.8%
Forestry, Fishing/Hunting, Mining	24,488	1.3%
Construction	96,925	5.1%
Manufacturing	167,522	8.8%
Leisure & Hospitality Services	129,199	6.8%
Government Services	539,904	28.3%
Finance & Insurance Services	41,297	2.2%
Education & Health Services	306,202	16.0%
	\$ 1,909,590	100.0%



Source: Bureau of Economic Analysis, 2019 data published November 17, 2020.

**COUNTY OF MENDOCINO
PRINCIPAL EMPLOYERS
MOST RECENT YEAR AND NINE YEARS AGO**

<u>2020 Employers</u>	<u>Industry</u>	<u>Number of Employees [1]</u>	<u>Percentage of 33,060 Total Employment [3]</u>
County of Mendocino	County Services	1,000-1,500	3.40%
Adventist Health Ukiah Valley/UVMC	Hospital & Outpatient Svcs	500-999	2.27%
Mendocino Redwood Co., LLC	Manufacturing/Sawmill	500-999	2.27%
Ukiah Unified School District	Education	500-999	2.27%
Fetzer Vineyards	Vineyard/Winery	250-499	1.13%
Frank R Howard Memorial Hospital	Hospitals	250-499	1.13%
Mendocino Coast District Hospital	Hospitals	250-499	1.13%
Mendocino Community Health	Hospitals	250-499	1.13%
CA Dept. of Forestry/Cal Fire	Fire Protection Services	100-249	0.53%
City of Ukiah	City Services	100-249	0.53%
Costco Wholesale	Wholesale Clubs	100-249	0.53%
Coyote Valley Tribe of Pomo Indians	Casinos	100-249	0.53%
Mendocino College	Education	100-249	0.53%
Safeway	Grocery	100-249	0.53%
Wal-Mart Stores, Inc.	Retail	100-249	0.53%

<u>2011 Employers</u>	<u>Industry</u>	<u>Number of Employees [2]</u>	<u>Percentage of 36,970 Total Employment [3]</u>
County of Mendocino	County Services	1,000-1,500	3.04%
Adventist Health Ukiah Valley	Outpatient Services	500-999	2.03%
Ukiah Unified School District	Education	500-999	2.03%
Fetzer Vineyards	Vineyard/Winery	250-499	1.01%
Willits Hospital	Hospitals	250-499	1.01%
Mendocino Coast Auxiliary Hospital	Hospitals	250-499	1.01%
City of Ukiah	City Services	100-249	0.47%
Coyote Valley Tribe of Pomo Indians	Casinos	100-249	0.47%
Hopland Band of Pomo Indians	Casinos	100-249	0.47%
Mendocino Coast Health Care	Outpatient Services	100-249	0.47%
Mendocino Lake Community College	Education	100-249	0.47%
Safeway	Grocery	100-249	0.47%
Wal-Mart Stores, Inc.	Retail	100-249	0.47%

Notes:

1. Major Employers, per California Employment Development Dept (EDD), Labor Market Information (LMI) data, LMI by Subject, Industries, Major Employers in each California County, Mendocino (edited). Per EDD webpage reference, the list was extracted from ALMIS Employer Database, 2020 1st Edition.
2. Major Employers, per Economic Development, California State University, Chico, CA (CED): Mendocino County Economic & Demographic Profile, 2009-10 (edited for 2011).
3. Total Employment, per EDD, Employers, Labor Market Information, LMI by Geography-Countries, Mendocino, Unemployment Rates & Labor Force, Mendocino County Labor Force Data (Excel): Historical Civilian Labor Force, by month (1990-2020), for June 2011 and June 2020.

Source: California Employment Development Department (EDD) and Center for Economic Development (CED).

**COUNTY OF MENDOCINO
COUNTY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
GOVERNMENTAL										
General Government	149.60	144.60	140.60	143.10	132.50	134.50	135.50	144.50	145.50	148.50
Public Protection	462.80	434.80	435.80	439.80	440.80	449.80	454.80	462.80	465.80	465.30
Public Ways & Facilities	132.40	130.10	127.10	127.10	126.60	125.60	124.60	127.60	127.60	126.60
Health and Sanitation	332.60	288.90	264.90	251.10	222.20	213.20	208.20	195.80	191.80	193.80
Public Assistance	460.00	439.00	423.00	426.00	423.00	420.00	420.00	421.00	426.00	427.00
Recreation & Education	31.75	29.30	35.55	38.55	40.05	40.05	40.05	44.05	41.05	41.05
Total Governmental	<u>1,569.15</u>	<u>1,466.70</u>	<u>1,426.95</u>	<u>1,425.65</u>	<u>1,385.15</u>	<u>1,383.15</u>	<u>1,383.15</u>	<u>1,395.75</u>	<u>1,397.75</u>	<u>1,402.25</u>
SPECIAL DISTRICTS										
Water Resource Agency	4.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00	0.00
Air Quality Mgmt District	8.00	8.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00	9.00
Total Special Districts	<u>12.00</u>	<u>10.00</u>	<u>10.00</u>	<u>10.00</u>	<u>10.00</u>	<u>11.00</u>	<u>11.00</u>	<u>11.00</u>	<u>9.00</u>	<u>9.00</u>
TOTAL All Positions	<u>1,581.15</u>	<u>1,476.70</u>	<u>1,436.95</u>	<u>1,435.65</u>	<u>1,395.15</u>	<u>1,394.15</u>	<u>1,394.15</u>	<u>1,406.75</u>	<u>1,406.75</u>	<u>1,411.25</u>

Note: Positions shown are approved budget, full-time equivalent positions

Source: Mendocino County Adopted Budget Book, Position Allocations

**COUNTY OF MENDOCINO
OPERATING INDICATORS BY DEPARTMENT/FUNCTION
LAST TEN FISCAL YEARS**

OPERATION INDICATORS	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
GENERAL GOVERNMENT										
Assessor (BU 1120)										
Deeds Processed	3,436	3,629	4,143	3,799	4,074	4,089	4,124	4,046	3,781	3,726
Appraisals Completed	8,038	<i>nda</i>	14,319	13,183	12,580	13,611	13,630	13,023	12,449	7,977
Elections (BU 1410)										
Registration Cards Processed	5,574	5,773	7,921	5,012	5,295	17,575	11,078	8,689	22,195	28,249
Recorder - County Clerk (BU 1941)										
Real Estate & Vital Records Processed	29,859	27,572	27,410	28,037	26,176	23,808	24,317	22,184	25,331	24,103
Marriage Licenses Issued	514	486	513	593	507	588	548	489	554	404
Fictitious Business Names Filed	873	859	831	862	893	903	912	806	894	651
PUBLIC PROTECTION										
Adult Corrections (BU 2510)										
Prisoners Booked	5,199	5,661	5,765	5,597	5,056	4,989	4,007	7,505	4,831	3,728
Average Daily Population	207	253	266	292	301	305	304	303	286	258
Child Support Services (BU 2090)										
AVG Number of Open Cases/Month	5,324	4,918	4,615	4,421	4,200	4,003	3,882	3,838	3,799	3,474
TOTAL Collections	\$6.29M	\$6.18M	\$6.25M	\$5.86M	\$5.78M	\$5.63M	\$5.54M	\$5.64M	\$5.73M	\$5.66M
Cases with Support Order	90%	91%	93%	94%	94%	94%	94%	93%	93%	93%
Collections w/Mnthly Supp Obligation	58%	61%	66%	67%	68%	68%	68%	67%	68%	69%
Cases w/Collections on Past Due	62%	61%	65%	65%	66%	67%	69%	68%	69%	74%
District Attorney (BU 2070)										
Sentences to State Prison	<i>nda</i>	117	130	97	148	141	151	128	124	114
Realignment County Prison [1]	<i>nda</i>	44	65	72	95	99	77	64	43	48
Planning and Building (BU 2851)										
Planning Applications	586	481	541	644	765	833	1,448	415	522	661
Building and Grading Permits	1,623	1,545	1,806	1,772	1,880	2,020	2,376	2,260	2,938	3,960
Building Inspections	7,718	6,571	8,086	7,282	6,292	5,633	6,389	7,030	9,857	8,757
Probation (BU 2560)										
Adult Reports	<i>nda</i>	<i>nda</i>	374	475	571	613	568	524	536	cal yr
Juvenile Reports	<i>nda</i>	<i>nda</i>	367	280	229	196	127	184	195	cal yr
Juvenile Hall Bookings	583	504	403	267	296	273	303	311	201	cal yr
Juvenile Hall AVG Daily Population [2]	24	24	21	11	14	22	20	16	13	cal yr

Notes:

1. Prison commitments served in County jail due to realignment statues, effective October 1, 2011.
2. 2015-2017 includes juveniles detained as part of a contract with Lake County.

nda - No data available

cal yr - Calendar year reporting period/no current year data

Source: County Departments

**COUNTY OF MENDOCINO
OPERATING INDICATORS BY DEPARTMENT/FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS**

OPERATION INDICATORS	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PUBLIC PROTECTION (CONTINUED)										
Public Defender (BU 2080)										
New Cases	5,815	4,171	5,401	5,461	4,941	4,417	5,060	5,391	5,819	5,546
Sheriff (BU 2310)										
Number of Arrests	2,274	2,236	2,447	2,259	2,011	2,255	2,157	2,412	1,931	2,114
Coroner Case Load	284	309	301	344	323	327	359	259	341	299
Call for Service	32,926	33,666	38,378	40,023	38,776	45,028	64,204	64,925	70,605	38,382
Animal Control (BU 2310)										
Citations	<i>nda</i>	<i>nda</i>	57	82	23	11	21	61	18	8
Animal Complaint Cases	<i>nda</i>	<i>nda</i>	311	325	308	281	316	292	153	267
Calls for Service	4,309	3,124	2,628	3,092	2,902	2,815	3,445	3,319	3,989	3,441
Bite-related Calls for Service	<i>nda</i>	<i>nda</i>	177	162	208	188	189	189	175	187
PUBLIC WAYS AND FACILITIES										
Public Works (BU 3010)										
Road Miles Maintained	1,011	1,014	1,014	1,014	1,015	1,015	1,016	1,017	1,017	cal yr
Bridges Maintained	152	152	152	156	157	157	157	157	157	157
Miles of Asphalt Overlay	0	0	3	0	4	14	14	0	0	0
Miles of Chip Seal Completed	0	0	8	52	9	11	0	8	8	16
Encroachment Permits Issued	152	140	136	120	134	148	133	152	162	cal yr
Transportation Permits Issued	188	189	214	200	269	219	207	255	298	cal yr
HEALTH AND SANITATION										
Alcohol and Drug Programs (BU 4012)										
Clients that Completed Treatment	598	616	297	221	262	241	240	226	168	110
Animal Care (BU 2860)										
Adoptions, Cat	239	163	184	238	390	390	364	355	312	315
Adoptions, Dog	578	632	560	518	472	477	454	401	385	345
Spays and Neuters	1,720	2,063	1,329	1,304	1,343	1,295	1,398	1,339	1,470	1,282
Licenses Sold	11,222	12,123	11,543	11,466	10,246	10,309	10,128	10,199	10,729	10,609
Emergency Medical Services (BU 4016)										
Service Calls	5,745	5,695	6,463	7,489	8,031	8,441	8,934	9,093	13,660	14,037
Environmental Health (BU 4011)										
Well Permits Issued	129	118	165	248	225	204	224	183	156	240
Mental Health (BU 4050)										
AVG Days, Request to Assessment	12	21	13	10	8	9	6	6	6	cal yr

Notes:

nda - No data available

cal yr - Calendar year reporting period/no current year data

Source: County Departments

**COUNTY OF MENDOCINO
OPERATING INDICATORS BY DEPARTMENT/FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS**

OPERATION INDICATORS	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PUBLIC ASSISTANCE										
Adult & Aging Services (BU 5010)										
Reported Cases of Elder Abuse	645	687	812	902	912	935	929	840	817	cal yr
In-Home Supportive Services Case-load	1,668	1,680	1,732	1,729	1,759	1,708	1,733	1,788	1,760	cal yr
Aid to Indigents (BU 5190)										
Regular General Assistance	1,091	969	916	756	576	587	565	524	490	cal yr
CalWORKS (BU 5130)										
Welfare to Work Participants	1,214	1,019	1,209	1,284	1,215	1,032	887	912	942	cal yr
Out-of-Home Care, AVG Monthly Case-load (BU 5010)										
Foster Care Ongoing	233	225	249	284	272	293	278	271	388	cal yr
Court Dependent Children	233	225	249	284	272	293	278	271	374	cal yr
Aid to Adoptions	<i>nda</i>	<i>nda</i>	340	340	340	340	340	352	392	cal yr
Military and Veterans Affairs Caseload Items (BU 5010)										
Claims Filed	905	1,111	894	1,181	1,456	917	902	760	1,318	cal yr
Veterans Transported to VA Medical	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>
Social Services (BU 5010)										
CalFresh	10,116	10,627	10,470	10,537	10,443	9,981	9,681	11,162	11,564	cal yr
Medi-Cal	16,098	16,461	17,037	19,615	22,217	24,202	23,784	34,894	33,554	cal yr
EDUCATION										
Library (BU 6110)										
Customers Visiting Library	311,970	337,470	431,966	484,180	455,907	458,529	460,870	444,806	451,329	294,599

Notes:

nda - No data available

cal yr - Calendar year reporting period/no current year data

Source: County Departments

**COUNTY OF MENDOCINO
CAPITAL ASSET STATISTICS BY DEPARTMENT/FUNCTION
LAST TEN FISCAL YEARS**

OPERATION INDICATORS	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EDUCATION										
Branch Libraries	5	5	5	5	5	5	5	5	5	5
Bookmobiles	1	1	1	1	1	1	1	1	1	1
HEALTH/PUBLIC ASSISTANCE										
Buildings	2	2	2	2	2	2	2	2	2	2
Vehicles	27	27	30	31	29	33	45	52	52	52
FACILITIES, RECREATION & CULTURAL										
Buildings [1]	98	98	98	98	98	98	98	98	98	101
Parks	10	10	10	10	10	10	10	10	10	10
Land Acres	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>	<i>nda</i>
SHERIFF										
Patrol Stations	3	3	3	3	3	3	3	3	3	3
Patrol Vehicles	45	45	45	44	46	49	52	54	54	54

Notes:

- 2020 Addition: Redwood Valley Substation & Training Center (Measure B)
nda - No data available

Source: County Departments

