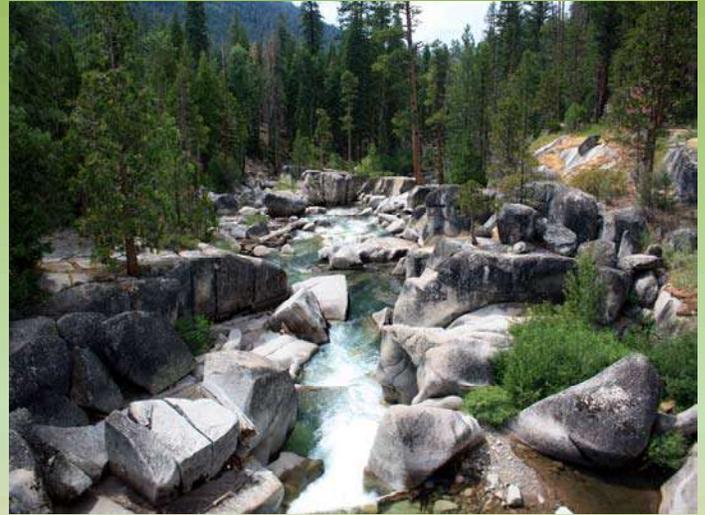


County of Stanislaus, California

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2019



Prepared by
Stanislaus County Auditor-Controller's Office
Kashmir Gill, CPA, Auditor-Controller

County of Stanislaus, California

Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2019



Prepared by

Stanislaus County Auditor-Controller's Office

Kashmir Gill, CPA, Auditor-Controller

**County of Stanislaus
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2019**

Table of Contents

Introductory Section

Letter of Transmittal	I
Board of Supervisors	VIII
Principal County Officials	IX
Organizational Chart	X
Certificate of Achievement for Excellence in Financial Reporting	XI

Financial Section

Independent Auditors' Report	1
Management's Discussion and Analysis (Required Supplementary Information)	4
 Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	16
Statement of Activities	17
 Fund Financial Statements	
<u>Government Funds</u>	
Balance Sheet	19
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balances	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
<u>Proprietary Funds</u>	
Statement of Net Position	23
Statement of Revenues, Expenditures, and Changes in Fund Net Position	24
Statement of Cash Flows	25
<u>Fiduciary Funds</u>	
Statement of Fiduciary Net Position	27
Statement of Changes in Fiduciary Net Position	28
Notes to the Basic Financial Statements	29
 Required Supplementary Information:	
Stanislaus County OPEB Schedule of the County's Proportionate Share of the Liability & Schedule of the County's Contributions	83
Schedule of County's Proportionate Share of Net Pension Liability & Schedule of County's Contributions	84
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual on Budgetary Basis:	
General Fund	85
Behavioral Health and Recovery Services Special Revenue Fund	92
Community Services Agency Special Revenue Fund	93
In-Home Supportive Services Special Revenue Fund	94

**County of Stanislaus
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2019**

Other Supplementary Information

<u>Non-major Governmental Funds</u>	
Combining Balance Sheet	98
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	99
 <u>Non-major Special Review Funds</u>	
Combining Balance Sheet	102
Combining Statement of Revenue, Expenditures, and Changes in Fund Balance	103
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual on Budgetary Basis	104
 <u>Non-major Enterprise Funds</u>	
Combining Statement of Net Position	121
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	122
Combining Statement of Cash Flows	123
 <u>Internal Service Funds</u>	
Combining Statement of Net Position	127
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	128
Combining Statement of Cash Flows	129
 <u>Agency Funds</u>	
Statement of Changes in Fiduciary Assets and Liabilities	131
Successor Agency to the Stanislaus County Redevelopment Agency	132

Statistical Information

Government-wide	
Net Position by Component	135
Change in Net Position	136
Governmental Activities – Tax Revenues by Source	138
 Fund Information	
Fund Balance of Governmental Funds	139
Changes in Fund Balances of Governmental Funds	140
 Property Taxes	
Net Assessed and Estimated Actual Value of Taxable Property	141
Property Tax Rates and Distributions of General Levy Property Tax Rate Among Direct and Overlapping Governments	142
Principal Property Taxpayers	143
Property Tax Levy and Collections	144
 Debt Capacity	
Ratios of Outstanding Debt by Type	145
Legal Debt Margin Information	146
 Demographic and Economic Information	
Demographic and Economic Statistics	147
Principal Employers	148
Full-time Employees by Function	149
Operating Indicators by Function/Program	150
Miscellaneous Statistical Data	151





AUDITOR-CONTROLLER

Kashmir Gill, CPA
Auditor-Controller

1010 10TH Street, Suite 5100, Modesto, CA 95354
PO Box 770, Modesto, CA 95353-0770
Phone: 209.525.6398 Fax: 209.525.7507



January 15, 2020

The Honorable Board of Supervisors
County of Stanislaus
1010 10th Street, Suite 6500
Modesto, CA 95354

In accordance with Section 25253 of the Government Code of California, I hereby submit the Comprehensive Annual Financial Report (CAFR) of the County of Stanislaus for the year ended June 30, 2019. The report contains financial statements that have been prepared in accordance with generally accepted accounting principles (GAAP) prescribed for governmental entities and provides a comprehensive overview of the County's financial operations and financial position. The accuracy, completeness and fairness of the presentation of all information in this report are the responsibility of the County.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive internal control framework it established for this purpose. Because the cost of internal controls 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 Independent Auditor's Report is presented at the front of the financial section of this report. Management's Discussion and Analysis (MD&A), immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The report includes financial data for all County funds. Additionally, the following entities are considered part of the County for purposes of meeting the reporting entity requirements prescribed by the Governmental Accounting Standards Board:

Stanislaus County Capital Improvements Financing Authority
Lighting Districts
Stanislaus County Tobacco Funding Corporation
In-Home Supportive Services Public Authority of Stanislaus County

These entities are component units of the County and are included in the County's basic financial statements because the County Board of Supervisors is financially accountable for them. These component units are blended into the basic financial statements. Note 1 to the basic financial statements contains additional information regarding the relationship between the County and these entities. First 5 Stanislaus (formerly known as Children's Families First Commission) is a discrete component unit and as such is reported separately in the Statement of Net Position and Statement of Activities.

Other local government entities provide public or specialized services to the residents of the County including nine incorporated cities, thirteen unincorporated cities, school districts and 51 independent districts. The operations of these entities are not included in the County's reporting entity since each entity is responsible for conducting its own day-to-day operations and is compelled to answer to its own separately elected governing board. Significant entities that do not meet the criteria for inclusion in this report include the Stanislaus County Office of Education, Modesto City School District, Yosemite Community College District, and Stanislaus County Superior Court.

STANISLAUS COUNTY AND ITS SERVICES

Stanislaus County was established in 1854 and has a total land area of 1,521 square miles and approximately 973,440 acres. The County is centrally located within 90 minutes of the San Francisco Bay Area, the Silicon Valley, Sacramento, the Sierra Nevada Mountains and California's Central Coast.

With an estimated 559,000 people calling Stanislaus County home, our community reflects a region rich in diversity with a strong sense of community.

The County is a global center for agribusiness, positioned by its mild Mediterranean climate, rich soils and progressive farming practices. The area is recognized internationally for agricultural innovation with almonds, milk, poultry, cattle, nurseries, and walnuts ranking among the top producing crops.

Two of California's major north-south transportation routes (Interstate 5 and Highway 99) intersect the area and the County has become one of the dominant logistics center locations on the west coast.

The County continues to promote first-rate learning and is home to Stanislaus State University, Modesto Junior College and benefits from satellite locations of other high-quality educational institutions throughout the County.

The County is governed by a five-member Board of Supervisors who are elected by district to serve alternating four-year terms. The Assessor, Auditor-Controller, Clerk-Recorder, District Attorney, Sheriff, and Treasurer-Tax Collector are also elected officials while all other departments are headed by appointed officials.

ECONOMY

Stanislaus County is an international agri-business powerhouse. The County agricultural production value ranks 5th in the State and is higher than 20 states in agricultural income. Of the approximately 973,440 acres in the County 722,546 acres (74%) of the land is in farms.

The Agricultural sector and its related industry accounts for \$7.1 billion in our local economy or \$19.6 million per day. One in four jobs is directly tied to agriculture or related food manufacturing, placing our county at significant risk due to a lack of diversity. Economic development strategies are targeted to expand business more broadly to include tourism and transportation/distribution services.

The value of agricultural commodities produced in 2018 was approximately \$3.6 billion, a decrease of \$78.2 million (2.1%) from a total of \$3.7 billion in 2017.

The top 10 commodities account for over 80% of the total agricultural production value. The almond industry posted the largest increase of \$51 million followed by poultry at \$22 million due to increased chicken values. Farmers in Stanislaus County export more than 134 commodities to 101 countries around the world.

Manufacturing continues to be an important employer sector in Stanislaus County. Some of the largest brands in the world can be found with operations in the County. The top 15 manufacturing companies employ over 19,000 workers in the County. Companies such as E. & J. Gallo Winery, Foster Farms, Del Monte Foods, Stanislaus Food Products, Conagra Brands Inc., Silgan Containers, Frito-Lay Inc., and Blue Diamond Growers have manufacturing operations located in the County.

The healthcare sector is a significant contributor to the County's economic. The top non-manufacturing companies, excluding Government Agencies, employ over 13,000 workers. Doctors Medical Center, Memorial Medical Center, and Kaiser Permanente have major facilities in the County.

The County's unemployment rate for January 2019 was 7.4%, consistent with January 2018, but higher than the State rate of 4.2%. Unemployment rates in the Central Valley are historically twice the national average which is currently 3.9%. High unemployment rates mean more people receiving government assistance, thus placing a greater strain on local public resources.

The 2019-2020 Property Tax Assessment Roll showed a 5.95% increase compared to 2018-2019.

Stanislaus County tracks issued single family residential construction permits as a way of monitoring the home construction, building materials and construction employment sector. Issued permits plummeted from a high of over 4,000 in 2005 to a low of 113 in 2011. Issued permits continue to trend upward from 684 in 2018, 644 in 2017 and 573 in 2016.

Median Household Income is up 6% from the fourth quarter of 2017 and up 15% from the market low during the fourth quarter of 2014. However, Household Income is 2% lower than the market high in fourth quarter of 2012.

Median Home Prices are up 4% from the fourth quarter of 2017 and up 139% from the market low during the first quarter of 2012.

A Ratio of Median Home Prices to Household Income in the 2.2 to 2.6 range has historically been viewed as an indicator of Home Affordability nationally. Prior to the housing bubble the affordability was in the low 2s. The current Affordability Ratio is 5.11 higher than the historical average. As home prices increase and wages remain flat, the ratio will continue to reflect less affordability for Modesto residents.

BUDGET PROCESS AND FINANCIAL POLICIES

Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. Measurable means the amount of the transaction is known; available means the revenue will be collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the related liability is incurred, except for (1) principal of and interest on general long-term debt which are recognized when due; and (2) employee annual leave and claims and judgments for litigation and self-insurance, which are recorded in the period due and payable.

Full accrual is similar to commercial accounting. Recognition occurs at the time of the transaction – revenue when earned and expenses when incurred.

The County budget is prepared on the modified accrual basis of accounting, with the exception that encumbrances outstanding at year-end are considered expenditures. Encumbrances outstanding at year-end are reported as assignments of fund balances since the commitments will be honored through subsequent years' continuing appropriations. Encumbrances do not constitute expenditures or liabilities for GAAP reporting purposes.

The fiscal year budget is prepared, reviewed, and approved in accordance with the provisions of Sections 29000 and 29144, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act. The County prepares a budget for each fiscal year on or before October 2, pursuant to the County Budget Act. Budgeted expenditures are enacted into law through the passage of an Appropriation Resolution. This Resolution mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

The Budget and the Comprehensive Annual Financial Report are prepared using Generally Accepted Accounting Principles (GAAP). The accounts of the County are organized on the basis of fund and organizational groups, each of which is considered a

separate accounting entity. Governmental type funds like the General Fund, Special Revenue Funds, Capital Projects, and Debt Service use modified accrual basis, while Proprietary Funds use the full accrual basis.

To ensure the long-term economic stability of the organization, the County of Stanislaus has developed a series of financial and budgetary policies. Using both operational guidelines and qualitative standards, these policies strive to maintain a stable and positive financial position for the foreseeable future. Moreover, they provide guidelines to management in planning and directing the County's day-to-day financial affairs and in developing recommendations to the Chief Executive Officer and the Board of Supervisors.

The budget for Stanislaus County serves as a comprehensive plan for operations, fiscal integrity and staffing to ensure the provision of effective services to the residents of Stanislaus County. The budget process encompasses the manner in which resources are assigned to meet goals, objectives, and community priorities set by departments and the Board of Supervisors. A balanced budget is one wherein the amount of budgeted expenditures is equal or less than the sum of budgeted revenue and other available funding resources. In order for government to remain in business, the law requires that an adopted budget be in place by the beginning of each fiscal year – July 1st through June 30th.

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) was developed to assist the public and County decision-makers in understanding specific project needs in the context of overall priorities for major capital investments and their operational impacts. This plan provides perspective for prioritized use of limited one-time funds and to plan for large project expenditures well in advance and informs the County's long-range fiscal planning. The CIP is prepared biennially, consistent with preparation of the County budget. The most recent plan is the Final Capital Improvement Plan for Budget Year 2018-2019/2019-2020 adopted by the Board of Supervisors on April 2, 2019.

The CIP is developed consistent with California Government Code Sections 65403 but extended to a 20-year planning horizon to include major, known project needs. The CIP is a listing of project needs that have been identified generally requiring a one-time investment of public funds for acquisition, replacement, and/or development of new equipment or facilities. Capital improvement projects are defined as one-time major expenditures exceeding \$100,000 for construction or acquisition efforts for the purpose of this CIP. Large, one-time equipment and technology acquisition costs, including vehicle replacement, new software acquisition, property or large one-time equipment acquisition, construction of facilities and infrastructure, major remodeling projects, demolition efforts are considered projects for the purposes of the CIP. Recurring costs, routine operating expenses, and maintenance efforts are not reported in the CIP.

Recognizing the fiscal environment in which the County operates, it is expected that the information presented may change from year to year as the County's needs and funding

sources change and evolve. The Capital Improvement Plan is continually updated to reflect the development of each project's needs, concept and design; changing construction cost conditions and schedules as each effort evolves from an identified need to conceptual planning to schematic design to development details, bidding, and construction. Each project starts as a concept with potential funding sources and a schedule outline that becomes more refined as it is prepared for implementation. As illustrated below, the projects are categorized from A to D based on their degree of preparedness for implementation: identified needs require justification for the project; projects implementing approved master plans require conceptual plans, cost estimates and a funding plan to proceed; conceptual plans require approval of project schedules; and all projects require review and approval of the Board of Supervisors.

The current Capital Improvement Plan lists 225 projects totaling \$1.7 billion planned over 20 years. Category A includes 53 projects which are approved and funded by action of the Board of Supervisors for a total of \$454million in Fiscal Years 2018-2019 and 2019-2020. Category B includes 20 projects which are pending implementation subject to funding or plan development for an estimated \$114.5 million. Category C includes 106 projects which are included in a Board-approved plan strategy or master plan estimated at \$1.1 billion. Category D includes 46 projects which are awaiting further conceptual development and cost estimates.

Potential costs and funding sources for projects in categories A - C are identified for each project, including those that may be eligible for use of Public Facilities Fees (growth impact fees), pursuant to California Government Code Section 66002.

Several noteworthy projects were completed since the adoption of the prior Final Capital Improvement Plan for Fiscal Years 2015-2017, including:

Replacement of the HVAC system at the Community Services Facility; Fink Road Landfill Ash Cell 4 Design and Construction; Geer Road Landfill Groundwater Extraction Well Network and Gas System Expansion; Library Radio Frequency Identification Data (RFID) System; Park improvements at Woodward Reservoir, Fairview Park and Playground, and Modesto Reservoir; new Public Works Shops and Administration Building; numerous road widening and traffic safety improvements; Expansion of the Sheriff's Public Safety Center and Re-Entry Alternatives to Custody and Training (REACT) Center and others totaling \$201.8 million.

Several projects have been undertaken or are currently underway since adoption of the Final Capital Improvement Plan for Fiscal Years 2018-2019/2019-2020; these projects are considered Category A, and include:

Demolition of the former Coroner's office building; Relocation of Health Services Agency offices from County Center II; development of a new Empire Library and expansion of the Turlock Library; Cleanup of the former firing range at Grayson/Laird Park; Realignment of State Route 132 from State Route 99 to Dakota Avenue plus numerous traffic signal, road widening, bridge replacement project; Transit bus replacement program and bus stop improvements; upgrades to the Sheriff's Public Safety Center Jail

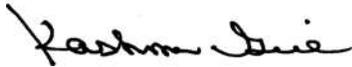
Security Electronics systems and new offices for the Sheriff's STARS program. The County also continues implementation of improvements per the Americans with Disabilities Act.

An integral part of planning for a capital project is to ensure that funding is available for any additional, on-going operating and maintenance costs that will be incurred once a project is complete, including: additional staffing, utilities, debt service payments, and Cost Allocation Plan (CAP) charges. The CIP addresses this issue by including anticipated impacts on the County operating budget in each project narrative. The Capital Projects Team is working collaboratively and in partnership with the Budget Team to fully capture and describe the impact of various CIP projects on the County budget as they are prepared for implementation. Each narrative in the budget document contains a section entitled "Program Discussion." This portion of the budget narrative also describes these operating impacts. Improving communication and long-range planning strategies between the Final Capital Improvement Plan and the Final Budget will provide a better opportunity to fully address these impacts and aid in future planning.

ACKNOWLEDGEMENTS

I would like to express my appreciation to the General Ledger division of the Auditor-Controller's Office and the external auditing team for assistance in the preparation of this report.

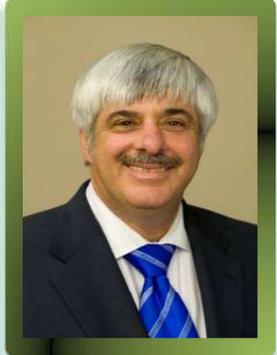
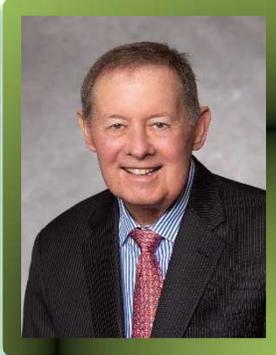
Sincerely,

A handwritten signature in black ink, appearing to read "Kashmir Gill".

Kashmir Gill CPA
Auditor-Controller

**COUNTY OF STANISLAUS
PRINCIPAL COUNTY OFFICIALS
JUNE 30, 2019**

Board of Supervisors



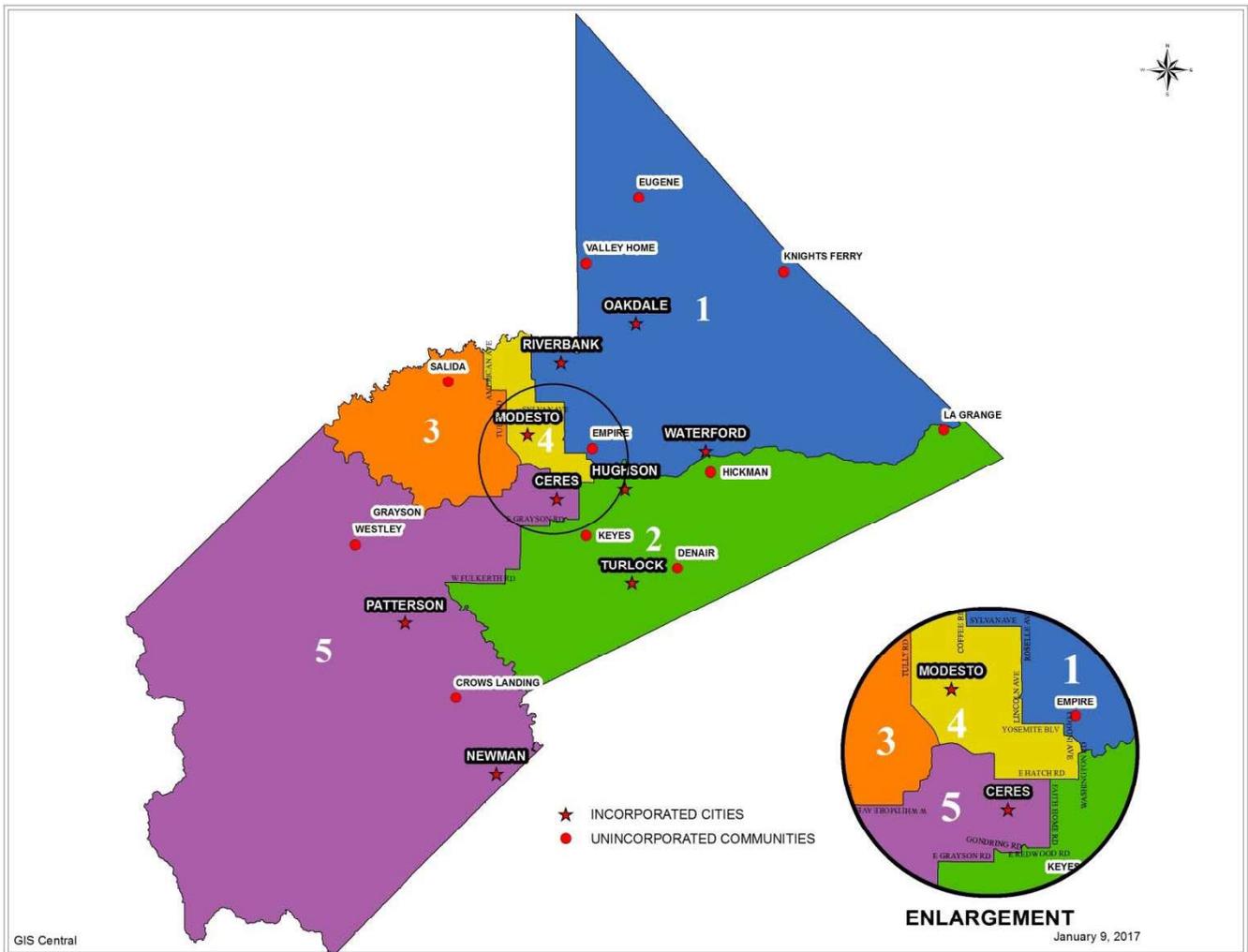
Kristen Olsen
District 1

Vito Chiesa
District 2

Terry Withrow
District 3

Tom Berryhill
District 4

Jim DeMartini
District 5



GIS Central

**COUNTY OF STANISLAUS
PRINCIPAL COUNTY OFFICIALS
JUNE 30, 2018**

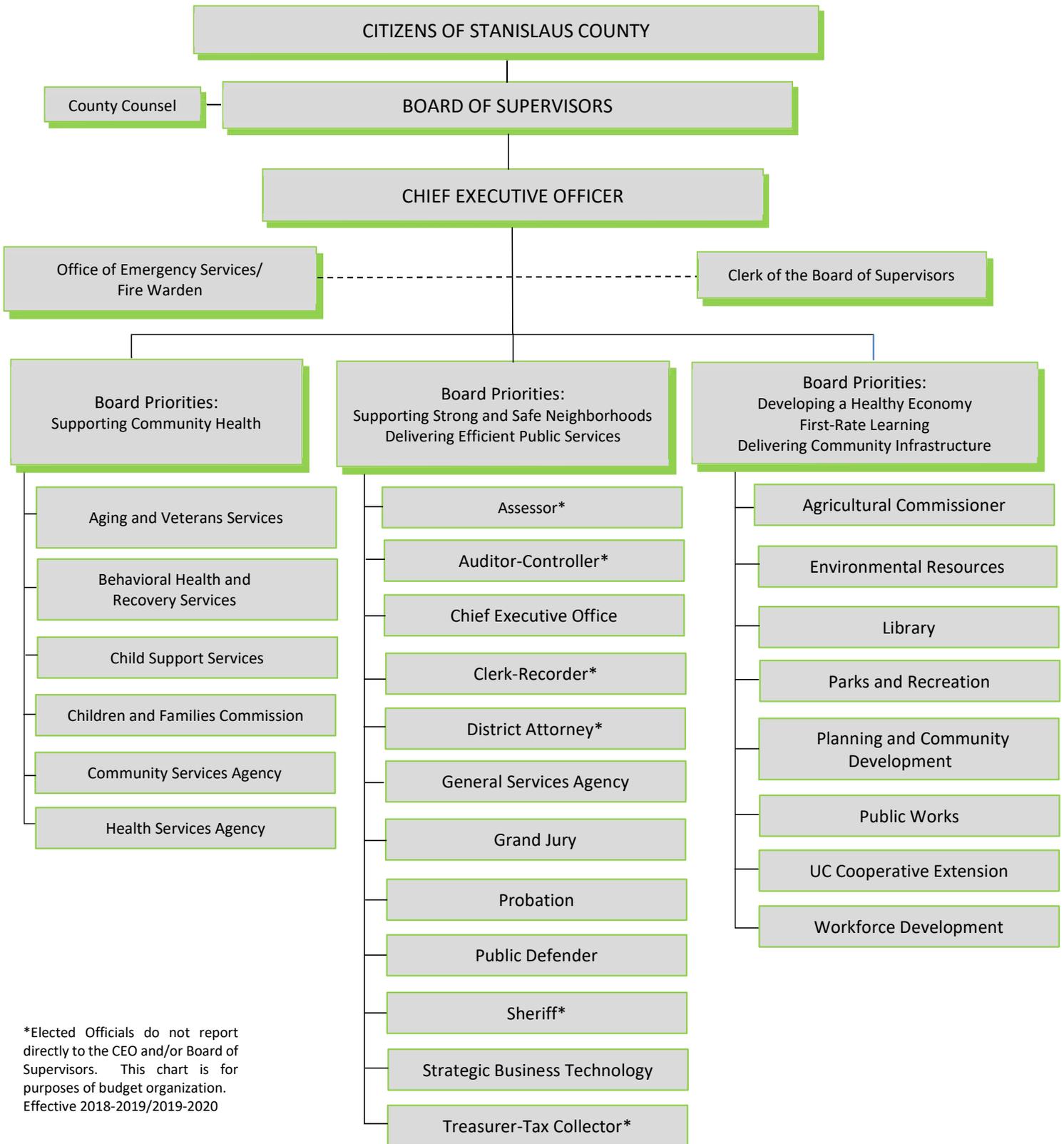
Elected Officials

Assessor	Don H. Gaekle
Auditor-Controller	Kashmir Gill
Clerk-Recorder	Donna Linder
District Attorney	Birgit Fladager
Sheriff-Coroner and Public Administrator	Jeff Dirkse
Treasurer and Tax Collector	Donna Riley

Appointed Department Heads

Agricultural Commissioner & Sealer of Weights & Measures	Milton O’Haire
Animal Services Executive Director	Annette Patton
Area Agency on Aging/Veterans Services Office Director.....	Margie Palomino
Behavioral Health & Recovery Services Director (Interim)	Ruben Imperial
Chief Executive Officer	Jody Hayes
Child Support Services Director.....	Baljit Atwal
First Five, Executive Director.....	David Jones
Community Services Agency Director.....	Kathryn Harwell
Cooperative Extension County Director & Nutrition, Family Consumer Science Advisor.....	Roger Duncan
County Counsel	Thomas Boze
Environmental Resources Director.....	Jami Aggers
General Services Agency.....	Keith D. Boggs
Health Services Agency Managing Director	Mary Ann Lilly- Tengowski
Librarian	Diane McDonnell
Parks and Recreation Director	Jami Aggers
Personnel Director	Tamara Thomas
Planning and Community Development Director	Angela Freitas
Chief Probation Officer	Mike Hamasaki
Public Defender	Laura Arnold
Public Works Director	David Leamon
Stanislaus Regional 9-1-1 Director.....	Wendy Silva
Strategic Business Technology Director	Paul Gibson
Workforce Development Director	Doris Foster

Stanislaus County Organizational Chart



*Elected Officials do not report directly to the CEO and/or Board of Supervisors. This chart is for purposes of budget organization. Effective 2018-2019/2019-2020



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Stanislaus
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrell

Executive Director/CEO



*Financial
Section*



INDEPENDENT AUDITORS' REPORT

To the Honorable Grand Jury and
Board of Supervisors of the
County of Stanislaus, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Stanislaus, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of First 5 Stanislaus and the Employees' Retirement Trust, which represent the following percentages of assets and revenues/additions as of and for the fiscal year ended June 30, 2019.

<u>Opinion Unit</u>	<u>Assets</u>	<u>Revenues/ Additions</u>
Discretely Presented Component Unit	100.0%	100.0%
Aggregate Remaining Fund Information	64.4	4.4

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for First 5 Stanislaus and the Employees' Retirement Trust is based on the report of 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.

To the Honorable Grand Jury and
the Board of Supervisors of the
County of Stanislaus, California

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Stanislaus as of June 30, 2019, 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 20 to the financial statements, prior period adjustments were recorded for the correction of errors and the reclassification of a discretely presented component unit 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 discussion and analysis, Stanislaus County OPEB schedule of the County's proportionate share of the liability & schedule of the county's contributions, schedule of County's proportionate share of net pension liability and schedule of County's contributions, and statements of revenues, expenditures, and changes in fund balance – budget and actual on budgetary basis for major governmental type funds 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.

To the Honorable Grand Jury and
the Board of Supervisors of the
County of Stanislaus, California

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Stanislaus' basic financial statements. The combining statements and Successor Agency to the Stanislaus County Redevelopment Agency information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

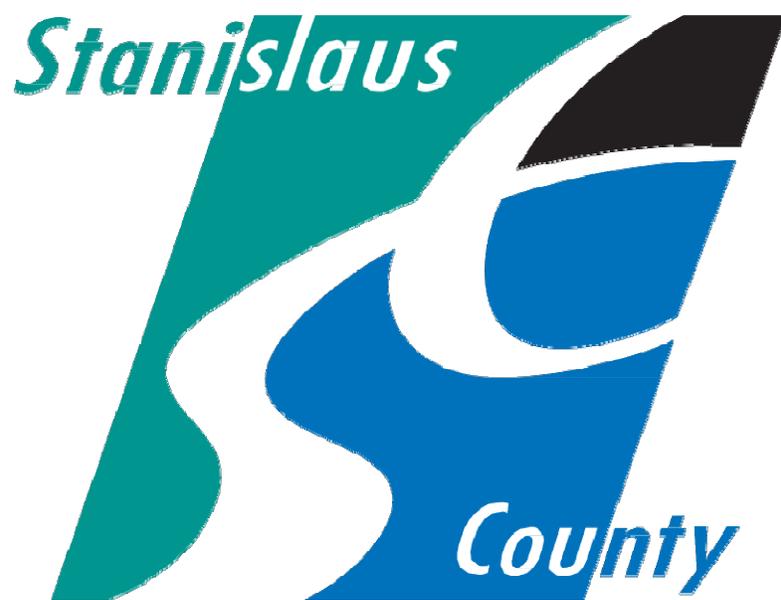
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 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, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Roseville, California
January 15, 2020



*Management's
Discussion and
Analysis*

County of Stanislaus Management's Discussion and Analysis

As management of the County of Stanislaus (County), we offer this narrative overview and analysis of the financial activities of the County for the Fiscal Year ended June 30, 2019. Please read it in conjunction with the County's basic financial statements following this section.

Financial Highlights

- The County's net position is \$619 million and is comprised of the following items:
 - The net investment in capital assets of \$540 million
 - The restricted net position of \$346 million
 - The net unrestricted net position of negative \$267 million

- The government's total net position increased by \$46 million. A favorable prior period adjustment of \$43 million and an increase in operating income of \$3 million.

- As of June 30, 2019, the County governmental funds reported combined fund balances of \$554 million. The fund balance has increased by \$64 million from prior year. Prior period adjustment of \$44 million plus \$20 million of operating income contributed to change in fund balance compared to prior year. The unassigned fund balance is \$4 million, which represents .66% of the total fund balance of the governmental funds.

- As of June 30, 2019, unassigned fund balance for the General Fund was \$4 million. The unassigned fund balance represents 1.1% of expenditures and transfers of the General Fund.

- The County's total long-term liabilities decreased by a net \$12 million from the prior year. A significant portion of the decrease is due to the change in the net pension liability and other post-employment benefits (OPEB).

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. There are three components to the County's basic financial statements: 1) **Government-wide** financial statements; 2) **Fund** financial statements; and 3) **Notes** to the basic financial statements. This report also contains other supplementary information.

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

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

The statement of activities presents information showing how net position changed during the most recent Fiscal Year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County

County of Stanislaus Management's Discussion and Analysis (continued)

include general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation and cultural services. The business-type activities of the County include the Fink and Geer Road Landfills, Health Clinics and Ancillary Services, Inmate Welfare/Commissary and Transit.

The government-wide financial statements include not only the County (known as the primary government), but also legally separate entities (component units) for which the County is financially accountable. Stanislaus County Capital Improvements Financing Authority, Stanislaus County Tobacco Funding Corporation, In-Home Supportive Services Public Authority and the Lighting Districts, although legally separate, function for all practical purposes as departments of the County and therefore, are included as blended component units of the County.

Effective current fiscal year 2018-2019, Stanislaus County Children and Families Commission (CFC) is reported as a discrete component unit instead of a blended component unit. It was determined that the governing board of CFC is not substantively the same as the County, CFC does not exclusively provide services to the County and CFC's debt is not expected to be paid with the resources of the County.

Moreover, the program title has changed from CFC to First 5 effective with the current fiscal year 2018-2019.

The government-wide financial statements can be found on pages 16-18 of this report.

Fund Financial Statements are groupings 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 finance-related legal compliance. All of the funds of the

County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

For the governmental funds, information is presented separately for the General Fund, Tobacco Settlement, Behavioral Health and Recovery Services, Community Services Agency, and In-Home Supportive Services. These funds qualify as major funds and are reported separately. Data from the other governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

County of Stanislaus Management's Discussion and Analysis (continued)

The County adopts an annual appropriated budget for its General Fund and most of its Special Revenue Funds. Budgetary comparison statements have been provided in this report for the General Fund and the major Special Revenue Funds.

The governmental funds financial statements can be found on pages 19-22 of this report.

Proprietary funds are divided into two types. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Fink and Geer Road Landfills, Health Clinics and Ancillary Services, Inmate Welfare/Commissary and Transit activities. *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 self-insurance activities, Central Services, Fleet Services, Technology and Communication, Facilities Maintenance and Morgan Shop Garage. All of these activities, except the Professional Liability Self Insurance Fund, predominantly benefit governmental functions and have been included within *governmental activities* in the government-wide financial statements. The Professional Liability Insurance Fund predominantly benefits business-type functions and is included within the *business-type activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Fink Road Landfill and the Health Clinics and Ancillary Services are considered to be

major funds. The County's internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The proprietary funds financial statements can be found on pages 23-26 of this report.

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

The fiduciary fund financial statements can be found on pages 27-28 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 29-82 of this report.

The combining and individual fund statements referred to earlier provide information for non-major governmental, enterprise and internal service funds and agency funds and are presented following the notes to the financial statements. Combining and individual fund statements can be found on pages 98-131 of this report.

County of Stanislaus Management's Discussion and Analysis (continued)

Government-Wide Financial Analysis

The following table provides an analysis of the County's net position at the government wide level:

	County of Stanislaus Net Position					
	Governmental Activities		Business-type Activities		Totals	
	2019	2018*	2019	2018	2019	2018*
Current and other assets	\$ 702,282,979	\$ 667,006,296	\$ 92,593,690	\$ 79,177,476	\$ 794,876,669	\$ 746,183,772
Capital assets	513,227,687	513,929,604	32,125,443	28,521,488	545,353,130	542,451,092
Total assets	<u>1,215,510,666</u>	<u>1,180,935,900</u>	<u>124,719,133</u>	<u>107,698,964</u>	<u>1,340,229,799</u>	<u>1,288,634,864</u>
Deferred pension	188,996,072	223,567,702	10,198,524	12,217,641	199,194,596	235,785,343
Total deferred outflows of resources	<u>188,996,072</u>	<u>223,567,702</u>	<u>10,198,524</u>	<u>12,217,641</u>	<u>199,194,596</u>	<u>235,785,343</u>
Long-term liabilities outstanding	779,081,070	787,885,764	31,537,633	34,195,807	810,618,703	822,081,571
Other liabilities	78,643,770	114,736,632	8,229,239	3,941,544	86,873,009	118,678,176
Total liabilities	<u>857,724,840</u>	<u>902,622,396</u>	<u>39,766,872</u>	<u>38,137,351</u>	<u>897,491,712</u>	<u>940,759,747</u>
Deferred OPEB	6,816,992	1,096,605	240,616	43,849	7,057,608	1,140,454
Deferred pension	15,417,862	9,087,552	537,546	379,346	15,955,408	9,466,898
Total deferred inflows of resources	<u>22,234,854</u>	<u>10,184,157</u>	<u>778,162</u>	<u>423,195</u>	<u>23,013,016</u>	<u>10,607,352</u>
Net position:						
Net investment in capital assets	508,032,204	508,144,147	32,125,443	28,521,488	540,157,647	536,665,635
Restricted	319,615,847	291,912,687	26,801,688	20,517,119	346,417,535	312,429,806
Unrestricted	(303,101,007)	(308,359,785)	35,445,492	32,317,452	(267,655,515)	(276,042,333)
Total net position	<u>\$ 524,547,044</u>	<u>\$ 491,697,049</u>	<u>\$ 94,372,623</u>	<u>\$ 81,356,059</u>	<u>\$ 618,919,667</u>	<u>\$ 573,053,108</u>

*2018 governmental activities have been adjusted to remove First 5 Stanislaus to account for the change in reporting entity as a discretely presented component unit.

A significant portion of the County's net position, \$346 million represents resources that are subject to external restrictions on how they may be used. The net unrestricted balance is a negative \$267 million.

The County's net position increased by \$46 million. The program related deficit was \$208 million. Governmental activities expenses exceeded revenues by \$204 million and business-type activities reported excess revenue of \$4 million. The program related deficit of \$208 million was offset by the general revenues in the amount of \$211 million, resulting in \$3 million gain. The total positive change in net position of \$46 million is comprised of \$43 million prior period adjustment. Government Accounting Standards Board (GASB) Statement 33 requires that advances and allocations received that is not based on cost reimbursement should be recognized as revenue. The County has, traditionally, recorded these monies as a liability under unearned revenue. Additionally, County is recording deferred rent to recognize the difference between actual versus the estimated straight-line lease payments. Per GASB Statement 13, operating leases with scheduled rent increases should amortized the payments as a way to level out the expense over the life of the lease.

For business-type activities, the County reported a balance of \$35 million in unrestricted net position, \$3 million increase compared to prior fiscal year. Favorable change in net position has contributed to the increase in unrestricted net position.

County of Stanislaus Management's Discussion and Analysis (continued)

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 exceeded liabilities by \$619 million at the close of the Fiscal Year 2018-2019.

By far the largest portion of the County's net position of \$540 million (87%) reflects its investment in capital assets (e.g., land, buildings, machinery, infrastructure, and equipment), less any outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in 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.

The following table indicates the changes in net position for governmental and business-type activities:

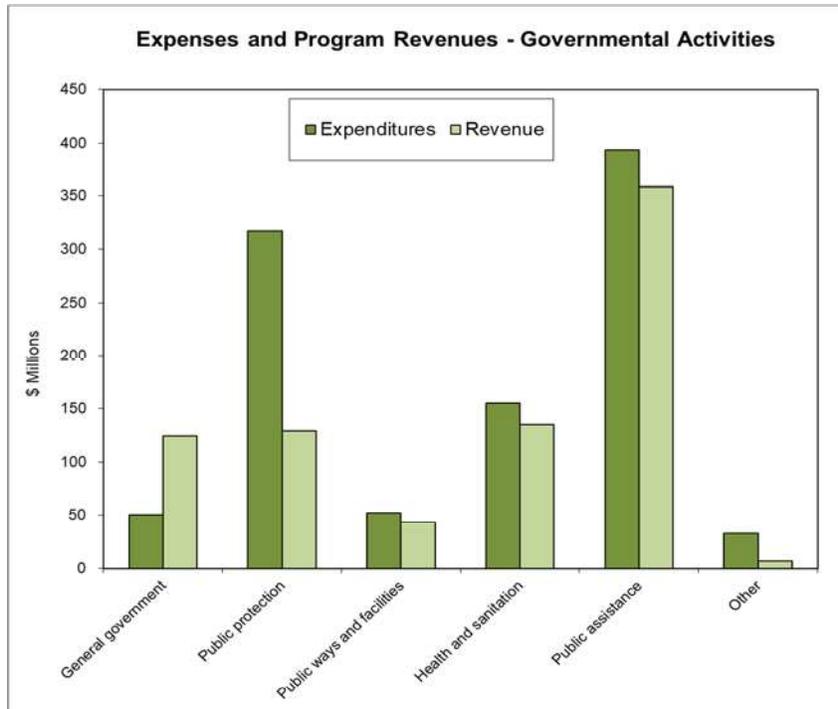
County of Stanislaus Changes in Net Position						
	Governmental Activities		Business-type Activities		Totals	
	2019	2018*	2019	2018	2019	2018*
Revenues						
Program revenues:						
Charges for services	\$ 159,553,147	\$ 156,127,545	\$ 48,760,933	\$ 52,201,372	\$ 208,314,080	\$ 208,328,917
Operating grants and contributions	614,367,849	583,293,805	3,522,232	2,411,096	617,890,081	585,704,901
Capital grants and contributions	23,082,139	10,105,017	-	-	23,082,139	10,105,017
General revenues:						
Property taxes	134,315,494	126,399,978	-	-	134,315,494	126,399,978
Sales taxes	46,121,261	44,802,366	7,173,141	6,022,663	53,294,402	50,825,029
Other taxes	3,807,502	3,884,785	-	-	3,807,502	3,884,785
Unrestricted investment earnings	598,975	656,424	2,012,099	862,268	2,611,074	1,518,692
Grants/contributions not restricted	1,045,737	1,190,064	440	-	1,046,177	1,190,064
Other general revenue	10,620,695	9,752,619	5,423,949	-	16,044,644	9,752,619
Total revenues	<u>993,512,799</u>	<u>936,212,603</u>	<u>66,892,794</u>	<u>61,497,399</u>	<u>1,060,405,593</u>	<u>997,710,002</u>
Expenses						
General government	50,378,728	92,712,210	-	-	50,378,728	92,712,210
Public protection	317,170,751	261,440,749	-	-	317,170,751	261,440,749
Public ways and facilities	52,208,478	49,081,627	-	-	52,208,478	49,081,627
Health and sanitation	155,476,200	154,810,617	-	-	155,476,200	154,810,617
Public assistance	393,466,222	366,132,957	-	-	393,466,222	366,132,957
Education	13,914,015	13,211,024	-	-	13,914,015	13,211,024
Recreation and cultural services	10,451,831	8,414,732	-	-	10,451,831	8,414,732
Interest on long-term debt	8,108,736	8,148,825	-	-	8,108,736	8,148,825
Landfills	-	-	8,987,429	14,678,915	8,987,429	14,678,915
Health clinics and ancillary services	-	-	37,808,333	42,664,812	37,808,333	42,664,812
Inmate welfare and commissary	-	-	2,149,891	1,832,920	2,149,891	1,832,920
Transit	-	-	7,508,835	7,375,199	7,508,835	7,375,199
Total expenses	<u>1,001,174,961</u>	<u>953,952,741</u>	<u>56,454,488</u>	<u>66,551,846</u>	<u>1,057,629,449</u>	<u>1,020,504,587</u>
Net position increase (decrease) before transfers	(7,662,162)	(17,740,138)	10,438,306	(5,054,447)	2,776,144	(22,794,585)
Transfers	(3,500,595)	(3,370,262)	3,500,595	3,370,262	-	-
Change in net position	<u>(11,162,757)</u>	<u>(21,110,400)</u>	<u>13,938,901</u>	<u>(1,684,185)</u>	<u>2,776,144</u>	<u>(22,794,585)</u>
Net position, July 1*	497,724,342	533,165,188	81,356,059	83,618,646	579,080,401	616,783,834
Prior period adjustment	37,985,459	(20,357,739)	(922,337)	(578,402)	37,063,122	(20,936,141)
Net position – July 1, restated	<u>535,709,801</u>	<u>512,807,449</u>	<u>80,433,722</u>	<u>83,040,244</u>	<u>616,143,523</u>	<u>595,847,693</u>
Net position – June 30	<u>\$ 524,547,044</u>	<u>\$ 491,697,049</u>	<u>\$ 94,372,623</u>	<u>\$ 81,356,059</u>	<u>\$ 618,919,667</u>	<u>\$ 573,053,108</u>

*2018 governmental activities have been adjusted to remove First 5 Stanislaus to account for the change in reporting entity as a discretely presented component unit.

County of Stanislaus Management's Discussion and Analysis (continued)

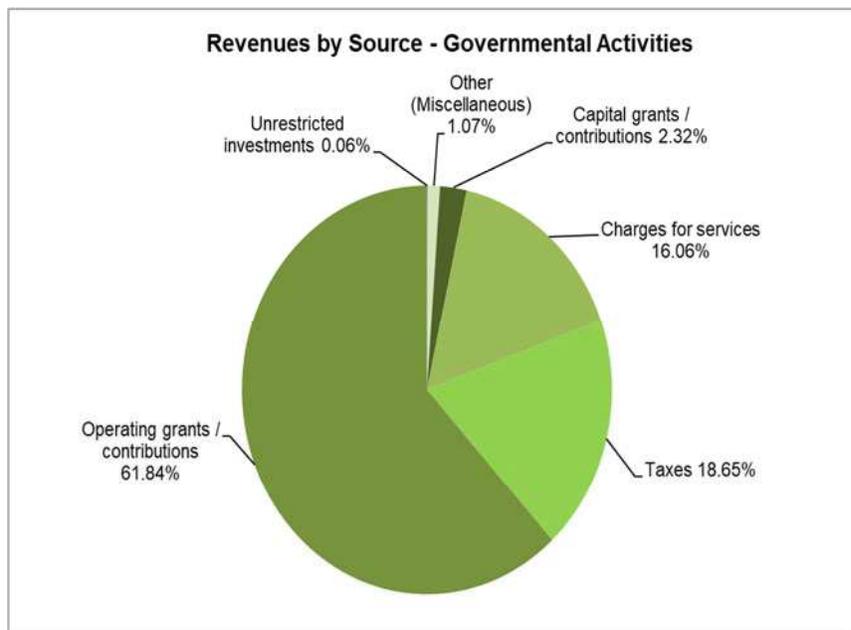
Governmental Activities

The Expenses and Program Revenues – Governmental Activities chart compares the program expenses and revenues by function for activities funded by general revenues such as taxes.



Expenses incurred in the Public Assistance category totaled over \$393 million and \$317 million was expended for Public Protection. The most significant program revenue is included in the Public Assistance activities. Total program expenses amounted to approximately \$1 billion, offset by total revenue of approximately \$797 million.

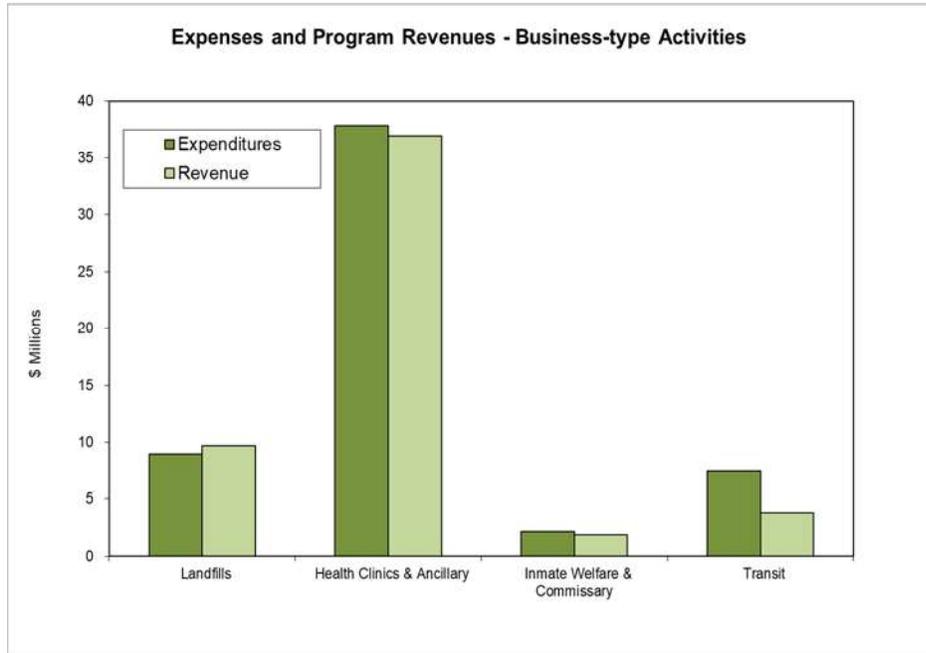
The total revenues by funding source are represented by the Revenues by Source - Governmental Activities chart. This chart combines program and general revenues, such as taxes. The Operating Grants/Contributions category, which includes intergovernmental revenue sources, represents the highest funding source at 62% of the total resources. Charges for Services represent 16%. The Other category includes donations and miscellaneous revenue and comprises 1.00% of the funding sources.



County of Stanislaus Management's Discussion and Analysis (continued)

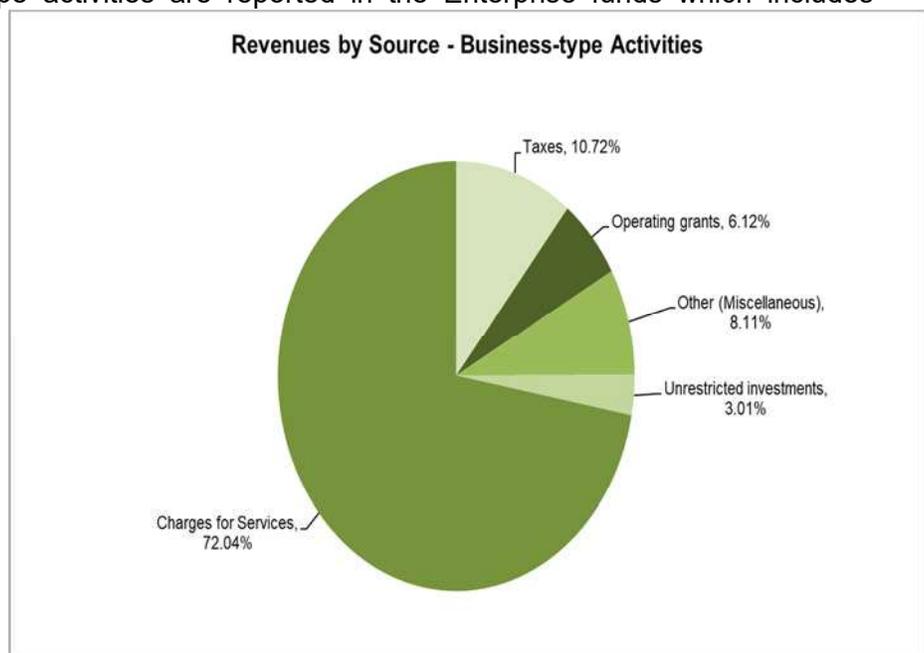
Business-Type Activities

The following Expenses and Program Revenues – Business-Type Activities chart highlights the County's business-type program expense categories and offsetting revenue for 2019. By far, Health Clinics and Ancillary Services is the largest category with over \$38 million in expenses.



The Health Clinics and Ancillary Services division of the Health Services Agency provides a variety of health care services to the local community. All other categories of costs combine for a total of approximately \$18 million, with Transit and Landfills making up the bulk of costs. The Business-type costs totaled a little more than \$56 million, while the program revenue was recorded at \$52 million.

The Revenues by Source – Business-type Activities illustrates the total funding source by category. The business-type activities are reported in the Enterprise funds which includes revenue fees for services. Consequently, the most significant source of funding was noted in the category of Charges for Services, recognizing 72% of the total revenue earned. Funding from Operating Grants represents 6% of the total funding sources as the intergovernmental revenues, Federal and State, comprise a very low portion of the revenues generated in the business-type activities.



County of Stanislaus Management's Discussion and Analysis (continued)

Financial Analysis of the County's Funds

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

Governmental funds. The general government functions are contained in the general, special revenue, debt service, and capital projects funds. Included in these funds are the special districts governed by the County Board of Supervisors. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the Fiscal Year.

At June 30, 2019, the County's governmental funds reported combined fund balances of \$554 million compared to \$490 million in the prior year. The increase of \$64 million is due to excess revenue over the expenditures of \$20 million plus a favorable prior period adjustment of \$44 million.

The unassigned fund balance of the Governmental Funds is \$4 million. The remainder of fund balance is categorized as follows:

1) Non-spendable	\$ 15 million
2) Restricted	\$ 318 million
3) Committed	\$ 2 million
4) Assigned	\$ 215 million

The General Fund is the chief operating fund of the County. At June 30, 2019, unassigned fund balance of the General Fund was \$4 million while total fund balance was \$221 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures, including transfers out. Unassigned fund balance represents 1.1% of total fund expenditures and transfers out. The total fund balance of the General Fund represents 66% of the total fund expenditures and transfers out.

The unassigned fund balance of the General Fund is \$4 million compared to the prior year balance of \$9 million, decrease of \$5 million. The change is due to a shift in the assigned fund balance which has grown since prior fiscal year.

The County assigns (earmarks) fund balance to a particular function, project, activity, or for purposes beyond the current year. Of the total fund balance in the General Fund of \$221 million, \$196 million is assigned.

The total fund balance of the County's General Fund is \$221 million which is \$17 million higher than prior year balance of \$204 million. Excess revenues contribute to the increased fund balance in the General Fund.

The total fund balance of Tobacco Settlement decreased by \$2 million. Monies transferred out for capital projects exceeded the investment earnings of the fund.

The total fund balance of Behavioral Health and Recovery Services increased by \$23 million. Operating loss of \$8 million was offset by prior period adjustment of \$30 million. Advances and

County of Stanislaus Management's Discussion and Analysis (continued)

allocations which had previously been reported as unearned revenue was recognized as revenue and included as a prior period adjustment.

Community Services Agency's fund balance increased by \$15 million. Operating gain of \$4 million and prior period adjustment of \$11 million. Advances and allocations which had previously been reported as unearned revenue was recognized as revenue and included as prior period adjustment.

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

The following table shows actual revenues, expenses and results of operations for the current Fiscal Year:

	<u>Major Funds</u>		<u>Non-major</u>	<u>Total</u>
	<u>Fink Road Landfill</u>	<u>Health Clinics & Ancillary</u>	<u>Other Enterprise Funds</u>	
Operating revenues	\$8,898,447	\$ 36,644,242	\$2,421,748	\$ 47,964,437
Operating expenses	7,335,087	37,270,109	11,302,497	55,907,693
Operating income (loss)	1,563,360	(625,867)	(8,880,749)	(7,943,256)
Non-operating revenues (expenses), net	1,580,424	570,863	16,490,817	18,642,104
Net income (loss) before contributions and transfers	3,143,784	(55,004)	7,610,068	10,698,848
Contributions and transfers	(1,375,283)	3,750,595	1,125,283	3,500,595
Net income	<u>\$1,768,501</u>	<u>\$ 3,695,591</u>	<u>\$8,735,351</u>	<u>\$ 14,199,443</u>

General Fund Budgetary Highlights

As of June 30, 2019, General Fund actual revenues were higher than budgetary estimates by \$9 million. Expenditures based on budgetary basis, excluding other financing uses, were \$37 million less than budgetary estimates. The General Fund appropriated \$4.8 million in a contingency budget for emergencies and other unanticipated expenses as part of administrative policy.

The net increase of appropriations in the Final Budget of \$5 million compared to the original budget is due to the following major variances:

County Facilities: Increased capital projects costs
 CEO Focus on Prevention: Increased contracts for homeless services
 Sheriff's Office: Increased payroll and service and supplies costs

Capital Assets and Debt Administration

Capital assets

The County's investment (net of accumulated depreciation) in capital assets for its governmental and business-type activities as of June 30, 2019, amounted to \$545 million compared to \$542 million in the prior year. This investment in capital assets includes land and easements, roads, highways, bridges, park facilities, structures and improvements, and equipment. The County's total investment in capital assets for the current period increased by \$3 million. The net change is due to an increase in infrastructure offset by decrease in construction in progress.

County of Stanislaus Management's Discussion and Analysis (continued)

Major capital asset events during the Fiscal Year 2018-2019 include:

Emergency Homeless Shelter and Access Center

Homelessness is a high priority issue in Stanislaus County as a result of the steadily growing population of individuals experiencing homelessness. On February 26, 2019, the Board of Supervisors declared an emergency, in accordance with Public Contract Code Sections 20134 and 22050, and authorized the use of \$5.1 million dollars in State of California funds to construct and equip a new 180-bed Emergency Shelter and purchase pre-fabricated modular facilities for the Stanislaus County Access Center and Salvation Army administrative offices.

In Spring of 2019, construction began on a new Emergency Shelter. Construction was completed in October 2019, with an anticipated opening of the Emergency Shelter in November 2019, and the Access Center and Salvation Army administrative offices in January 2020.

Health Services Agency-Public Health Facility

The main campus for the Stanislaus County Health Services Agency is located at 830 Scenic Drive in Modesto and has facilities that date back to the 1930's. The last major renovation at this site was completed in 1978. In Fiscal Year 2018-2019, the County completed a major relocation effort of a majority of its Health Services Agency services from their primary campus located at County Center II to pre-fabricated modular buildings and internal space at County Center III, located at 917 Oakdale Road in Modesto, California, due to a series of facility failures.

On March 5, 2019, the Stanislaus County Board of Supervisors approved initiating a new Health Services Agency/Public Health Facility, which incorporates the initial Strategic and Visioning Business and Facility master planning effort, approved previously by the Board.

This project is currently in the Design Phase and will be a major capital investment for the County. It is envisioned a new 35,000 to 45,000 square foot facility will be constructed, with a project budget of \$35 to \$45 million dollars, funded by the Health Services Agency Fund Balance, Public Facilities Fees, and Securitized Tobacco Funds. Construction is expected to begin in early 2021, and will be completed in 2022.

Library Projects

After robust community visioning processes in both Turlock and Empire, the Board of Supervisors approved proceeding with two new Library Projects, the Turlock Library Expansion and Renovation Project and the Empire Library Relocation Project. Both Libraries have successfully completed the Bridging Design Phase and Design Build proposals have been received.

The Empire Library is currently housed, in an outdated modular building. The Empire Library will be relocated to the Empire Community Park site, adjacent to the Empire Pool and one local elementary school. The new site has been donated by the Empire Community Hall Association for a new Empire Library. The new facility will include areas for children, teen, adult, and computer services. In addition, the space will house a community room to be enjoyed by the Empire community and an office for the Sheriff's Office.

The Turlock Library was selected for improvements as part of the Library Strategic Plan. When complete this building will increase the library size from approximately 9,600 square feet to over 14,000 square feet. The new facility will modernize library operations, and include a community

County of Stanislaus
Management's Discussion and Analysis (continued)

room, children's area, teen space, quiet reading, adult space and a space for the Turlock Friends of the Library. On November 19, the Board of Supervisors approved proceeding to construction for the Turlock Library with Roebbelen Contractors Inc.

Other significant Capital efforts include an emergency project to repair and upgrade the Public Safety Center Life Safety Systems as well as a project to upgrade the County's Agricultural Center Harvest Hall and Alternative Emergency Operations Center projects among other projects.

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

County of Stanislaus Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land and right of ways	\$ 46,388,758	\$ 45,746,250	\$ 15,462,882	\$ 15,462,882	\$ 61,851,640	\$ 61,209,132
Infrastructure	120,776,097	121,375,537	-	-	120,776,097	121,375,537
Structures and improvements	304,416,335	140,295,940	2,236,995	2,946,744	306,653,330	143,242,684
Equipment	34,819,998	33,791,546	9,796,602	9,854,414	44,616,600	43,645,960
Intangible Assets	356,318	691,452	-	-	356,318	691,452
Construction in progress	6,470,181	172,030,093	4,628,964	257,448	11,099,145	172,287,541
Total	<u>\$ 513,227,687</u>	<u>\$ 513,930,818</u>	<u>\$ 32,125,443</u>	<u>\$ 28,521,488</u>	<u>\$ 545,353,130</u>	<u>\$ 542,452,306</u>

Additional information on the County's capital assets can be found in Note 5 of the financial statements.

Long-term debt

At June 30, 2019, the County had total long-term debt outstanding of \$133 million compared to \$132 million as of June 30, 2018. The increase is due to the interest amortization of the 2006 Tobacco bonds offset by debt payments.

As of December 2016, Stanislaus County's credit rating is an "AA-" with a stable outlook from Standard & Poor's Corporation and an "A1 with a stable outlook" from Moody's Investors Service as of August 2012.

County of Stanislaus Outstanding Debt (Principal)

	Governmental Activities	
	2019	2018
2016 Lease HVAC Funding	\$ 4,970,000	\$ 5,435,000
Tobacco securitization note	76,218,611	79,578,611
2006 Tobacco accreted interest	52,313,103	46,678,793
Capital leases	225,483	350,459
Total	<u>\$ 133,727,197</u>	<u>\$ 132,042,863</u>

Additional information on the County's long-term debt can be found in Note 10 of the financial statements.

County of Stanislaus Management's Discussion and Analysis (continued)

Economic Factors and Next Year's Budget

- The County's annual unemployment rate in January 2019 was 7.4%, equivalent to January 2018, but significantly higher than the State rate of 4.2%. Unemployment rates in the Central Valley are historically twice the national average which is currently 3.9%.
- Median home prices increased from August 2018 to August 2019 at the following rate:
 - 4.7% Stanislaus County
 - 3.6% Statewide
- Building permits for single family units issued in the City of Modesto of Stanislaus County decreased by 75% in August 2019 compared to the prior year. Statewide issuance of building permits for single family units decreased by 11% for the same period.
- Assigned fund balance of \$20.3 million is being used to balance the General Fund budget for Fiscal Year 2019-2020.

Requests for Information

This 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 Auditor-Controller's Office, 1010 Tenth Street, Suite 5100, P.O. Box 770, Modesto, CA 95353.

*Basic Financial
Statements*

County of Stanislaus
Statement of Net Position
June 30, 2019

	Governmental Activities	Business-type Activities	Total	First 5 Stanislaus
Assets				
Cash and investments	\$ 463,033,507	\$ 58,645,459	\$ 521,678,966	\$ 6,021,512
Investments with fiscal agent	86,981,007	-	86,981,007	-
Taxes receivable	19,775,063	-	19,775,063	-
Accounts receivable	97,757,424	6,835,237	104,592,661	1,075,922
Interest and other receivables	7,433,817	328,286	7,762,103	27,700
Notes receivable	158,198	-	158,198	-
Inventory	1,107,518	4,137	1,111,655	-
Prepaid items	308,218	217,448	525,666	-
Due from other governments	5,199,529	-	5,199,529	-
Internal balances	129,620	(129,620)	-	-
Restricted cash and investments	5,190,143	26,692,743	31,882,886	-
Investments - joint ventures	15,208,935	-	15,208,935	-
Capital assets (net of accumulated depreciation):				
Land & right of ways	46,388,758	15,462,882	61,851,640	-
Infrastructure	120,776,097	-	120,776,097	-
Structures and improvements	304,416,335	2,236,995	306,653,330	-
Equipment	34,819,998	9,796,602	44,616,600	-
Intangible assets	356,318	-	356,318	-
Construction in progress	6,470,181	4,628,964	11,099,145	-
Total capital assets	<u>513,227,687</u>	<u>32,125,443</u>	<u>545,353,130</u>	<u>-</u>
Total assets	<u>1,215,510,666</u>	<u>124,719,133</u>	<u>1,340,229,799</u>	<u>7,125,134</u>
Deferred outflows of resources				
Deferred pension	188,996,072	10,198,524	199,194,596	440,922
Total deferred outflows of resources	<u>188,996,072</u>	<u>10,198,524</u>	<u>199,194,596</u>	<u>440,922</u>
Liabilities				
Accounts payable	54,059,499	4,995,895	59,055,394	346,952
Salaries and benefits payable	20,893,042	932,740	21,825,782	25,956
Interest payable	103,961	-	103,961	-
Unearned revenue	3,274,021	-	3,274,021	-
Deposits from others	246,455	28,617	275,072	-
Due to other governments	66,792	-	66,792	232,556
Deferred rent	-	2,271,987	2,271,987	-
Long-term liabilities:				
Portion due within one year:				
Risk management liability	16,835,785	185,769	17,021,554	-
Capital leases	117,348	-	117,348	-
Compensated absences	10,204,255	519,426	10,723,681	75,040
Long-term obligations	7,035,000	-	7,035,000	-
Portion due in more than one year:				
Risk management liability	22,620,511	55,687	22,676,198	-
Other post-employment benefits (OPEB)	25,180,420	1,039,298	26,219,718	-
Net pension liability	547,162,067	18,845,692	566,007,759	718,274
Capital leases payable	108,135	-	108,135	-
Compensated absences	23,350,835	463,903	23,814,738	33,825
Long-term obligations	126,466,714	-	126,466,714	-
Estimated cost of landfill closure/postclosure	-	10,427,858	10,427,858	-
Total liabilities	<u>857,724,840</u>	<u>39,766,872</u>	<u>897,491,712</u>	<u>1,432,603</u>
Deferred inflows of resources				
Deferred OPEB	6,816,992	240,616	7,057,608	-
Deferred pension	15,417,862	537,546	15,955,408	20,239
Total deferred inflows of resources	<u>22,234,854</u>	<u>778,162</u>	<u>23,013,016</u>	<u>20,239</u>
Net position				
Net investment in capital assets	508,032,204	32,125,443	540,157,647	-
Restricted for:				
Capital projects	44,885,062	-	44,885,062	-
Debt service	6,073,747	-	6,073,747	-
Other purposes				
Tax loss reserve	5,190,143	-	5,190,143	-
Tobacco	89,399,781	-	89,399,781	-
BHRS	43,724,707	-	43,724,707	-
Special revenue funds	130,342,407	-	130,342,407	-
Landfill	-	26,801,688	26,801,688	-
Unrestricted (deficit)	(303,101,007)	35,445,492	(267,655,515)	6,113,214
Total net position	<u>\$ 524,547,044</u>	<u>\$ 94,372,623</u>	<u>\$ 618,919,667</u>	<u>\$ 6,113,214</u>

See Accompanying Notes to the Basic Financial Statements

**County of Stanislaus
Statement of Activities
For the Fiscal Year Ended June 30, 2019**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government				
Governmental activities:				
General government	\$ 50,378,728	\$ 23,230,297	\$ 101,165,267	\$ 63,662
Public protection	317,170,751	57,993,006	69,102,648	2,072,554
Public ways and facilities	52,208,478	10,964,817	11,791,338	20,602,525
Health and sanitation	155,476,200	50,725,256	84,139,323	198,508
Public assistance	393,466,222	10,507,245	347,195,545	-
Education	13,914,015	802,265	328,405	27,900
Recreation	10,451,831	5,330,261	645,323	116,990
Interest on long-term debt	8,108,736	-	-	-
Total governmental activities	<u>1,001,174,961</u>	<u>159,553,147</u>	<u>614,367,849</u>	<u>23,082,139</u>
Business-type activities:				
Landfills	8,987,429	8,898,325	764,932	-
Health Clinics & Ancillary	37,808,333	36,866,463	68,903	-
Inmate Welfare and Commissary	2,149,891	1,835,020	55,363	-
Transit	7,508,835	586,728	3,207,431	-
Total business-type activities	<u>56,454,488</u>	<u>48,186,536</u>	<u>4,096,629</u>	<u>-</u>
Total primary government	<u>\$ 1,057,629,449</u>	<u>\$ 207,739,683</u>	<u>\$ 618,464,478</u>	<u>\$ 23,082,139</u>
Component Unit:				
First 5 Stanislaus	<u>\$ 5,030,104</u>	<u>\$ -</u>	<u>\$ 4,879,905</u>	<u>\$ -</u>

General revenues:

Taxes:

- Property taxes
- Property taxes in lieu vehicle license fees
- Property taxes - unsecured
- Sales taxes
- Sales taxes - library
- Other taxes
- Franchise fees
- Unrestricted investment earnings
- Miscellaneous
- Net transfers
- Total general revenues and transfers

Change in net position

- Net position - beginning
- Prior period adjustment
- Net position - beginning, restated
- Net position - ending

County of Stanislaus
Statement of Activities (Continued)
For the Fiscal Year Ended June 30, 2019

Net (Expense) Revenue and Changes in Net Position				
Governmental Activities	Business-Type Activities	Total	Component Unit First 5 Stanislaus	Functions/Programs
				Primary government
				Governmental activities:
\$ 74,080,498	\$ -	\$ 74,080,498	\$ -	General government
(188,002,543)	-	(188,002,543)	-	Public protection
(8,849,798)	-	(8,849,798)	-	Public ways and facilities
(20,413,113)	-	(20,413,113)	-	Health and sanitation
(35,763,432)	-	(35,763,432)	-	Public assistance
(12,755,445)	-	(12,755,445)	-	Education
(4,359,257)	-	(4,359,257)	-	Recreation
(8,108,736)	-	(8,108,736)	-	Interest on long-term debt
<u>(204,171,826)</u>	<u>-</u>	<u>(204,171,826)</u>	<u>-</u>	Total governmental activities
				Business-type activities:
-	675,828	675,828		Landfills
-	(872,967)	(872,967)		Health Clinics & Ancillary
-	(259,508)	(259,508)		Inmate Welfare and Commissary
-	(3,714,676)	(3,714,676)		Transit
-	(4,171,323)	(4,171,323)		Total business-type activities
<u>(204,171,826)</u>	<u>(4,171,323)</u>	<u>(208,343,149)</u>		Total primary government
			<u>(150,199)</u>	Component Unit: First 5 Stanislaus
				General revenues:
				Taxes:
67,270,038	-	67,270,038	-	Property taxes
63,832,657	-	63,832,657	-	Property taxes in lieu vehicle license fees
3,212,799	-	3,212,799	-	Property taxes - unsecured
35,864,332	7,173,141	43,037,473	-	Sales taxes
10,256,929	-	10,256,929	-	Sales taxes - library
3,807,502	-	3,807,502	-	Other taxes
1,045,737	440	1,046,177	-	Franchise fees
598,975	2,012,099	2,611,074	199,740	Unrestricted investment earnings
10,620,695	5,423,949	16,044,644	36,381	Miscellaneous
(3,500,595)	3,500,595	-	-	Net transfers
<u>193,009,069</u>	<u>18,110,224</u>	<u>211,119,293</u>	<u>236,121</u>	Total general revenues and transfers
<u>(11,162,757)</u>	<u>13,938,901</u>	<u>2,776,144</u>	<u>85,922</u>	Change in net position
497,724,342	81,356,059	579,080,401	6,027,292	Net position - beginning
37,985,459	(922,337)	37,063,122	-	Prior period adjustment
<u>535,709,801</u>	<u>80,433,722</u>	<u>616,143,523</u>	<u>6,027,292</u>	Net position - beginning, restated
<u>\$ 524,547,044</u>	<u>\$ 94,372,623</u>	<u>\$ 618,919,667</u>	<u>\$ 6,113,214</u>	Net position - ending

**County of Stanislaus
Balance Sheet
Governmental Funds
June 30, 2019**

	General Fund	Tobacco Settlement	Behavioral Health and Recovery Services	Community Services Agency	In-Home Supportive Services	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and investments	\$ 195,445,243	\$ 3,740,658	\$ 35,462,900	\$ 3,359,473	\$ 4,322	\$ 165,582,812	\$ 403,595,408
Investments with fiscal agent	-	80,956,146	-	-	-	6,024,861	86,981,007
Taxes receivable	19,775,063	-	-	-	-	-	19,775,063
Accounts receivable	12,755,637	-	30,320,466	29,247,988	1,419,082	23,560,111	97,303,284
Interest and other receivables	1,514,900	942,350	157,659	9,190	-	4,592,968	7,217,067
Notes receivable	70,723	-	87,475	-	-	-	158,198
Inventory	-	-	-	-	-	689,183	689,183
Due from other funds	1,030,409	-	1,406,030	-	-	129,620	2,566,059
Due from other governments	-	3,760,627	-	-	-	232,556	3,993,183
Loans to other governments	1,206,346	-	-	-	-	-	1,206,346
Advances to other funds	100,000	-	-	-	-	-	100,000
Prepaid items	175,301	-	-	-	-	132,917	308,218
Restricted cash and investments	5,190,143	-	-	-	-	-	5,190,143
Total assets	\$ 237,263,765	\$ 89,399,781	\$ 67,434,530	\$ 32,616,651	\$ 1,423,404	\$ 200,945,028	\$ 629,083,159
Liabilities							
Accounts payable	\$ 5,291,162	\$ -	\$ 21,356,074	\$ 9,704,706	\$ 326,203	\$ 12,279,298	\$ 48,957,443
Salaries and benefits payable	9,300,781	-	2,277,902	4,546,761	-	4,247,849	20,373,293
Due to other funds	1,406,030	-	-	-	1,030,409	-	2,436,439
Due to other governments	-	-	-	-	66,792	-	66,792
Deposits from others	246,455	-	-	-	-	-	246,455
Advances from grantors and third parties	372,077	-	75,847	2,439,835	-	386,262	3,274,021
Advances from other funds	-	-	-	-	-	100,000	100,000
Total liabilities	16,616,505	-	23,709,823	16,691,302	1,423,404	17,013,409	75,454,443
Fund balances							
Non-spendable	13,653,128	-	8,550	25,650	-	836,399	14,523,727
Restricted	5,190,143	89,399,781	43,716,157	15,899,699	-	164,539,468	318,745,248
Committed	1,661,292	-	-	-	-	-	1,661,292
Assigned	196,481,901	-	-	-	-	18,555,752	215,037,653
Unassigned:							
General fund	3,660,796	-	-	-	-	-	3,660,796
Total fund balances	220,647,260	89,399,781	43,724,707	15,925,349	-	183,931,619	553,628,716
Total liabilities and fund balances	\$ 237,263,765	\$ 89,399,781	\$ 67,434,530	\$ 32,616,651	\$ 1,423,404	\$ 200,945,028	\$ 629,083,159

County of Stanislaus
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2019

Total fund balances for governmental funds \$ 553,628,716

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. These assets consist of:

Land	\$ 46,388,758	
Intangible Assets - Internally Generated Software	85,858	
Infrastructure	120,776,097	
Structures and improvements	295,180,971	
Equipment	29,102,333	
Construction in progress	<u>6,470,181</u>	
Total capital assets		498,004,198

Investments - Joint ventures 15,208,935

Internal service funds are used by the County to charge the cost of risk management, plus central services, fleet services, technology and communication, Morgan Shop garage, and facility maintenance to individual funds. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net assets. 24,409,615

Some of the County's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are not recognized as revenue in the funds.

Net pension liability and deferred outflows and inflows of resources (369,143,101)

Net OPEB liability and deferred outflows and inflows of resources (31,295,161)

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities--both current and long-term--are reported in the statement of net position.

Balances at June 30, 2019 are:

Certificates of participation	(4,970,000)	
Bonds payable and Loans	(128,531,714)	
Capital leases	(225,483)	
Accrued interest on long term debt	(103,961)	
Compensated absences	<u>(32,435,000)</u>	
Total long-term liabilities		<u>(166,266,158)</u>

Net position of governmental activities \$ 524,547,044

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2019

	General Fund	Tobacco Settlement	Behavioral Health and Recovery Services	Community Services Agency	In-Home Supportive Services	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 164,389,689	\$ -	\$ -	\$ -	\$ -	\$ 19,854,567	\$ 184,244,256
Licenses, permits and franchises	2,552,045	-	-	84,873	-	1,807,059	4,443,977
Fines, forfeitures and penalties	4,914,575	-	49,473	-	-	2,938,991	7,903,039
Revenue from use of money and property	13,020,453	4,915,574	1,762,739	142,994	128	3,757,311	23,599,199
Intergovernmental	93,777,056	-	66,756,191	229,618,962	105,648,441	117,125,399	612,926,049
Charges for services	63,334,393	-	40,477,472	1,668,016	-	42,642,637	148,122,518
Miscellaneous	1,914,591	-	27,677	73,791	15,558	8,542,464	10,574,081
Total revenues	343,902,802	4,915,574	109,073,552	231,588,636	105,664,127	196,668,428	991,813,119
Expenditures							
Current:							
General government	51,732,934	-	-	-	-	787,208	52,520,142
Public protection	216,348,030	-	1,412,888	-	-	76,029,920	293,790,838
Public ways and facilities	628,659	-	-	-	-	53,966,500	54,595,159
Health and sanitation	-	-	119,160,123	-	-	32,292,518	151,452,641
Public assistance	596,777	-	-	251,562,895	111,356,270	20,216,799	383,732,741
Education	670,910	-	-	-	-	12,312,533	12,983,443
Recreation and cultural services	7,561,236	-	-	-	-	721,393	8,282,629
Capital outlay	-	-	-	-	-	4,709,768	4,709,768
Debt service:							
Interest and fiscal charges	11	-	708	6,925	-	2,374,765	2,382,409
Principal	1,992	-	4,216	116,201	-	3,825,000	3,947,409
Total expenditures	277,540,549	-	120,577,935	251,686,021	111,356,270	207,236,404	968,397,179
Excess (deficiency) of revenues over (under) expenditures	66,362,253	4,915,574	(11,504,383)	(20,097,385)	(5,692,143)	(10,567,976)	23,415,940
Other financing sources (uses)							
Transfers in	8,918,962	-	3,708,292	29,498,137	5,692,143	33,421,099	81,238,633
Transfers out	(57,424,165)	(6,686,123)	-	(5,100,000)	-	(15,528,940)	(84,739,228)
Total other financing sources (uses)	(48,505,203)	(6,686,123)	3,708,292	24,398,137	5,692,143	17,892,159	(3,500,595)
Net change in fund balances	17,857,050	(1,770,549)	(7,796,091)	4,300,752	-	7,324,183	19,915,345
Fund balances - beginning	204,095,234	91,170,330	21,080,047	327,560	-	179,054,741	495,727,912
Prior period adjustment	(1,305,024)	-	30,440,751	11,297,037	-	(2,447,305)	37,985,459
Fund balances at beginning of year, as restated	202,790,210	91,170,330	51,520,798	11,624,597	-	176,607,436	533,713,371
Fund balances - ending	\$ 220,647,260	\$ 89,399,781	\$ 43,724,707	\$ 15,925,349	\$ -	\$ 183,931,619	\$ 553,628,716

See Accompanying Notes to the Basic Financial Statements

County of Stanislaus
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2019

Net change in fund balances - total government funds \$ 19,915,345

Prior period adjustment

The change in net position reported for governmental activities in the statement of activities are different because:

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

Expenditures for capital assets and infrastructure	\$ 31,461,872	
Less current year depreciation	<u>(30,718,295)</u>	743,577

The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets (393,298)

Repayments of debt principal and issuance premiums are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and premiums are amortized in the statement of activities.

Repayments:		
Certificate of participation	465,000	
Other long-term debt	3,360,000	
Capital lease	<u>124,976</u>	3,949,976

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 investment in joint ventures	290,938	
Change in accrued interest payable	30,392	
Change in Tobacco accreted interest payable	(5,634,310)	
Change in compensated absences	<u>(1,025,720)</u>	(6,338,700)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities. 4,509,565

Change in net pension liability and deferred outflows and inflows of resources (33,626,814)

Change in OPEB liability and deferred outflows and inflows of resources 77,592

Change in net position of governmental activities \$ (11,162,757)

**County of Stanislaus
Statement of Net Position
Proprietary Funds
June 30, 2019**

	Business-type Activities - Enterprise Funds				Governmental
	Fink Road	Health Clinics	Other	Total	Internal
	Sanitary Landfill	and Ancillary Services	Enterprise Funds		Service Funds
Assets					
Current assets:					
Cash and investments	\$ 14,002,836	\$ 24,873,569	\$ 19,462,567	\$ 58,338,972	\$ 59,744,586
Accounts receivable, net	1,651,957	4,638,286	544,994	6,835,237	454,140
Interest and other receivables	145,350	78,254	103,461	327,065	217,971
Inventory	-	-	4,137	4,137	418,335
Prepaid items	-	217,448	-	217,448	-
Total current assets	<u>15,800,143</u>	<u>29,807,557</u>	<u>20,115,159</u>	<u>65,722,859</u>	<u>60,835,032</u>
Noncurrent assets:					
Restricted cash and investments	21,034,938	-	5,657,805	26,692,743	-
Capital assets					
Land and right of ways	13,556,621	-	1,906,261	15,462,882	-
Intangible assets	-	-	-	-	2,704,597
Structures and improvements	7,840,779	10,369,673	284,605	18,495,057	9,967,984
Equipment	6,073,939	4,264,426	13,508,170	23,846,535	23,891,863
Construction in progress	4,242,007	-	386,957	4,628,964	-
Less: Accumulated depreciation	<u>(9,675,028)</u>	<u>(13,332,436)</u>	<u>(7,300,531)</u>	<u>(30,307,995)</u>	<u>(21,340,955)</u>
Net capital assets	<u>22,038,318</u>	<u>1,301,663</u>	<u>8,785,462</u>	<u>32,125,443</u>	<u>15,223,489</u>
Total noncurrent assets	<u>43,073,256</u>	<u>1,301,663</u>	<u>14,443,267</u>	<u>58,818,186</u>	<u>15,223,489</u>
Total assets	<u>58,873,399</u>	<u>31,109,220</u>	<u>34,558,426</u>	<u>124,541,045</u>	<u>76,058,521</u>
Deferred outflows of resources					
Deferred pensions	685,732	8,985,307	527,485	10,198,524	8,304,269
Total deferred outflows of resources	<u>685,732</u>	<u>8,985,307</u>	<u>527,485</u>	<u>10,198,524</u>	<u>8,304,269</u>
Liabilities					
Current liabilities:					
Accounts payable	3,375,164	886,818	731,167	4,993,149	5,104,802
Salaries and benefits payable	61,770	834,438	36,532	932,740	519,749
Due to other funds	-	129,620	-	129,620	-
Deposits from others	28,617	-	-	28,617	-
Risk management liability - current	-	-	-	-	17,021,554
Deferred rent	-	2,271,987	-	2,271,987	-
Compensated absences - current	41,577	463,666	14,183	519,426	264,840
Total current liabilities	<u>3,507,128</u>	<u>4,586,529</u>	<u>781,882</u>	<u>8,875,539</u>	<u>22,910,945</u>
Noncurrent liabilities:					
Estimated cost of landfill closure/ postclosure	10,427,858	-	-	10,427,858	-
Risk management liability	-	-	-	-	22,676,198
Other post-employment benefits (OPEB)	69,117	930,209	39,972	1,039,298	548,756
Compensated absences	38,694	378,850	46,359	463,903	855,250
Net pension liability	<u>1,276,292</u>	<u>16,694,604</u>	<u>874,796</u>	<u>18,845,692</u>	<u>12,395,786</u>
Total noncurrent liabilities	<u>11,811,961</u>	<u>18,003,663</u>	<u>961,127</u>	<u>30,776,751</u>	<u>36,475,990</u>
Total liabilities	<u>15,319,089</u>	<u>22,590,192</u>	<u>1,743,009</u>	<u>39,652,290</u>	<u>59,386,935</u>
Deferred inflows of resources					
Deferred OPEB	16,251	213,489	10,876	240,616	153,495
Deferred pensions	35,963	470,418	31,165	537,546	349,239
Total deferred inflows of resources	<u>52,214</u>	<u>683,907</u>	<u>42,041</u>	<u>778,162</u>	<u>502,734</u>
Net position					
Net investment in capital assets	22,038,318	1,301,663	8,785,462	32,125,443	15,223,489
Restricted - landfill closure / post closure	21,122,007	-	5,679,681	26,801,688	-
Unrestricted	<u>1,027,503</u>	<u>15,518,765</u>	<u>18,835,718</u>	<u>35,381,986</u>	<u>9,249,632</u>
Total net position	<u>\$ 44,187,828</u>	<u>\$ 16,820,428</u>	<u>\$ 33,300,861</u>	<u>94,309,117</u>	<u>\$ 24,473,121</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				63,506	
Net assets of business-type activities				<u>\$ 94,372,623</u>	

See Accompanying Notes to the Basic Financial Statements

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

	Business-type Activities - Enterprise Funds				Governmental
	Fink Road Sanitary Landfill	Health Clinics and Ancillary Services	Other Enterprise Funds	Total	Internal Service Funds
Operating revenues					
Charges for services	\$ 8,898,447	\$ 36,644,242	\$ 2,421,748	\$ 47,964,437	\$ 110,889,553
Total operating revenues	<u>8,898,447</u>	<u>36,644,242</u>	<u>2,421,748</u>	<u>47,964,437</u>	<u>110,889,553</u>
Operating expenses					
Salaries and benefits	1,236,300	16,889,704	767,180	18,893,184	9,336,858
Services and supplies	4,536,638	20,105,787	9,293,048	33,935,473	97,194,852
Depreciation	711,311	274,618	1,242,269	2,228,198	1,689,620
Estimated cost of closure/postclosure	850,838	-	-	850,838	-
Total operating expenses	<u>7,335,087</u>	<u>37,270,109</u>	<u>11,302,497</u>	<u>55,907,693</u>	<u>108,221,330</u>
Operating income (loss)	<u>1,563,360</u>	<u>(625,867)</u>	<u>(8,880,749)</u>	<u>(7,943,256)</u>	<u>2,668,223</u>
Nonoperating revenues (expenses)					
Investment income	1,588,995	547,067	685,856	2,821,918	1,534,187
Insurance reimbursement	-	-	5,423,949	5,423,949	-
Intergovernmental	-	68,903	10,381,012	10,449,915	61,147
Gain (loss) on sale of capital assets	(8,571)	(45,107)	-	(53,678)	(14,534)
Total nonoperating revenues (expenses)	<u>1,580,424</u>	<u>570,863</u>	<u>16,490,817</u>	<u>18,642,104</u>	<u>1,580,800</u>
Income (loss) before contributions and transfers	<u>3,143,784</u>	<u>(55,004)</u>	<u>7,610,068</u>	<u>10,698,848</u>	<u>4,249,023</u>
Transfers in	-	3,750,595	1,375,283	5,125,878	-
Transfers (out)	(1,375,283)	-	(250,000)	(1,625,283)	-
Transfer in (out), net	<u>(1,375,283)</u>	<u>3,750,595</u>	<u>1,125,283</u>	<u>3,500,595</u>	<u>-</u>
Change in net position	<u>1,768,501</u>	<u>3,695,591</u>	<u>8,735,351</u>	<u>14,199,443</u>	<u>4,249,023</u>
Total net position - beginning	42,419,327	14,047,174	24,565,510	81,032,011	20,224,098
Prior period restatement	-	(922,337)	-	(922,337)	-
Total net position beginning - restated	<u>42,419,327</u>	<u>13,124,837</u>	<u>24,565,510</u>	<u>80,109,674</u>	<u>20,224,098</u>
Total net position - ending	<u>\$ 44,187,828</u>	<u>\$ 16,820,428</u>	<u>\$ 33,300,861</u>	<u>\$ 94,313,117</u>	<u>\$ 24,473,121</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(260,542)	
Change in net position of business-type activities				<u>\$ 13,938,901</u>	

**County of Stanislaus
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2019**

	Business-type Activities - Enterprise Funds				Governmental Activities
	Fink Road Landfill	Health Clinics and Ancillary Services	Other Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:					
Cash received from customers and users	\$ 8,904,576	\$ 46,095,026	\$ 2,415,602	\$ 57,415,204	\$ -
Cash received (paid) from interfund services	-	(36,574)	-	(36,574)	110,435,323
Cash paid to suppliers	(1,593,550)	(20,994,541)	(9,452,088)	(32,040,179)	(92,687,641)
Cash paid to employees	(1,340,567)	(17,916,189)	(807,247)	(20,064,003)	(9,958,424)
Net cash provided (used) by operating activities	<u>5,970,459</u>	<u>7,147,722</u>	<u>(7,843,733)</u>	<u>5,274,448</u>	<u>7,789,258</u>
Cash flows from noncapital financing activities:					
Transfers in	-	3,750,595	1,375,283	5,125,878	-
Subsidy from state and federal grant	-	68,903	10,381,012	10,449,915	61,147
Transfers out	(1,375,283)	-	(250,000)	(1,625,283)	-
Net cash provided (used) by noncapital financing activities	<u>(1,375,283)</u>	<u>3,819,498</u>	<u>11,506,295</u>	<u>13,950,510</u>	<u>61,147</u>
Cash flows from capital and related financing activities:					
Insurance reimbursement	-	-	5,423,949	5,423,949	-
Purchase of capital assets	(5,737,649)	(9,738)	(138,445)	(5,885,832)	(650,746)
Net cash (used) by capital and related financing activities	<u>(5,737,649)</u>	<u>(9,738)</u>	<u>5,285,504</u>	<u>(461,883)</u>	<u>(650,746)</u>
Cash flows from investing activities:					
Interest received	1,588,995	547,067	685,856	2,821,918	1,534,187
Net cash provided by investing activities	<u>1,588,995</u>	<u>547,067</u>	<u>685,856</u>	<u>2,821,918</u>	<u>1,534,187</u>
 Net increase (decrease) in cash and cash equivalents	 <u>446,522</u>	 <u>11,504,549</u>	 <u>9,633,922</u>	 <u>21,584,993</u>	 <u>8,733,846</u>
Cash and equivalents - beginning	34,591,252	13,369,020	15,486,450	63,446,722	51,010,740
Cash and equivalents - ending	<u>\$ 35,037,774</u>	<u>\$ 24,873,569</u>	<u>\$ 25,120,372</u>	<u>\$ 85,031,715</u>	<u>\$ 59,744,586</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position					
Cash and investments	\$ 14,002,836	\$ 24,873,569	\$ 19,462,567	\$ 58,338,972	\$ 59,744,586
Restricted cash and investments and investment with fiscal agent	21,034,938	-	5,657,805	26,692,743	-
Total cash and cash equivalents	<u>\$ 35,037,774</u>	<u>\$ 24,873,569</u>	<u>\$ 25,120,372</u>	<u>\$ 85,031,715</u>	<u>\$ 59,744,586</u>

County of Stanislaus
Statement of Cash Flows (Continued)
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

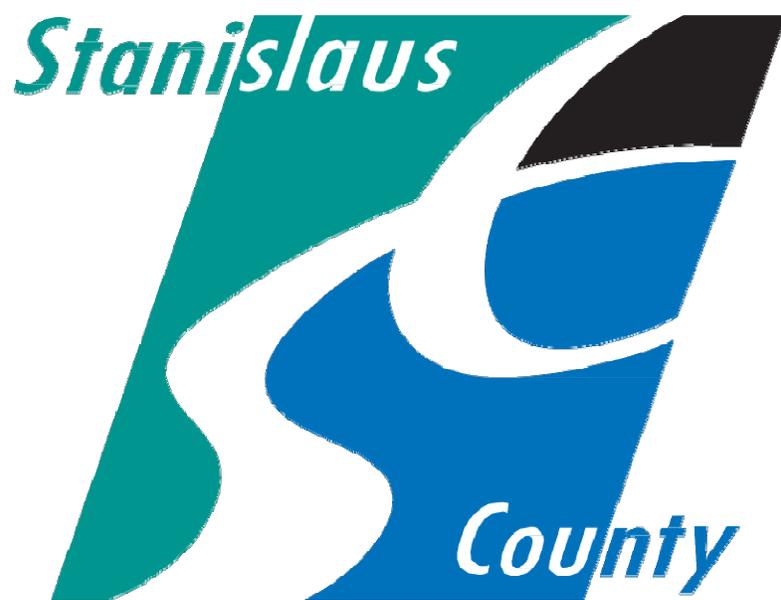
	Business-type Activities - Enterprise Funds				Governmental
				Total	Activities
	Fink Road Landfill	Health Clinics and Ancillary Services	Other Enterprise Funds		Internal Service Funds
Cash provided (used) by operating activities					
Operating income (loss)	\$ 1,563,360	\$ (625,867)	\$ (8,880,749)	\$ (7,943,256)	\$ 2,668,223
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	711,311	274,618	1,242,269	2,228,198	1,689,620
(Increase) decrease in accounts receivable	6,129	9,450,782	(6,146)	9,450,765	(360,459)
(Increase) decrease in other receivables	(56,479)	(68,694)	(61,505)	(186,678)	(93,772)
(Increase) decrease in inventory	-	-	2,984	2,984	(45,304)
(Increase) decrease in prepaid items	-	24,185	-	24,185	-
(Increase) decrease in deferred outflows-pension	112,968	1,952,381	(46,233)	2,019,116	(1,144,517)
Increase (decrease) in accounts payable and accrued liabilities	2,999,567	(872,729)	(100,519)	2,026,319	2,297,354
Increase (decrease) in salaries and benefits payable	(6,332)	(6,002)	(1,024)	(13,358)	78,439
Increase (decrease) in liability for compensated absences	(21,300)	(18,035)	13,484	(25,851)	98,892
Increase (decrease) in other post-employment benefits (OPEB)	(13,510)	(176,726)	(9,260)	(199,496)	(131,220)
Increase (decrease) in deferred inflows-OPEB	16,250	213,489	9,135	238,874	-
Increase (decrease) in deferred inflows-pension	8,895	107,793	(595)	116,093	264,797
Increase (decrease) in pension liability	(201,238)	(3,099,384)	(5,574)	(3,306,196)	236,570
Increase (decrease) in due to other funds/gov'ts	-	(36,573)	-	(36,573)	(24,526)
Increase (decrease) in deferred rent	-	28,484	-	28,484	-
Increase (decrease) in estimated cost of closure/postclosure	850,838	-	-	850,838	-
Increase (decrease) in risk management liability	-	-	-	-	2,255,161
Net cash provided (used) by operating activities	<u>\$ 5,970,459</u>	<u>\$ 7,147,722</u>	<u>\$ (7,843,733)</u>	<u>\$ 5,274,448</u>	<u>\$ 7,789,258</u>

County of Stanislaus
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Employees' Retirement Trust	Investment Trust	Agency Funds	Successor Agency Private Purpose Trust
Assets				
Cash and investments	\$ 58,048,594	\$ 930,715,052	\$ 3,080,305	\$ 1,333,543
Investments with fiscal agent	-	-	-	1,205,351
Receivables (net of allowance for uncollectables):		22,402,913	1,052,964	
Interest and dividends	6,791,291	-	-	2,420
Securities transactions	877,077	-	-	-
Contributions	6,666,983	-	-	-
Other	-	36,181,680	-	-
Advances to other governments	-	246,573	-	11,029
Prepaid	89,504	-	-	-
Loans receivable	-	-	-	586,998
Other assets	6,609,873	-	-	-
Investments:				
Bonds	479,716,064	-	-	-
Stocks	1,020,306,300	-	-	-
Private credit	95,094,309	-	-	-
Private real estate	197,966,376	-	-	-
Infrastructure	43,388,166	-	-	-
Risk Parity	309,627,036	-	-	-
Collateral on loaned securities	144,376,536	-	-	-
Total assets	<u>2,369,558,109</u>	<u>989,546,218</u>	<u>4,133,269</u>	<u>3,139,341</u>
Liabilities				
Accounts payable	14,739,629	20,635,241	167,348	126,350
Securities lending obligation	144,376,536	-	-	-
Grant deed extension fee	395,000	-	-	-
Trust obligations	-	19,874,174	3,965,921	-
Interest payable	-	-	-	340,723
Bonds and notes payable	-	-	-	13,235,000
Total liabilities	<u>159,511,165</u>	<u>40,509,415</u>	<u>4,133,269</u>	<u>13,702,073</u>
Net position restricted for pensions/investment pool participants	<u>\$ 2,210,046,944</u>	<u>\$ 949,036,803</u>	<u>\$ -</u>	<u>\$ (10,562,732)</u>

County of Stanislaus
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2019

	Employees' Retirement Trust	Investment Trust	Successor Agency Private Purpose Trust
Additions			
Contributions:			
Employer contributions	\$ 88,589,381	\$ -	\$ -
Member contributions	29,548,375	-	-
Contributions on pooled investments	-	4,353,917,751	-
Redevelopment agency property tax trust	-	-	1,057,983
Total contributions	<u>118,137,756</u>	<u>4,353,917,751</u>	<u>1,057,983</u>
Investment Income			
Net (depreciation) in fair value	54,084,769	-	-
Interest	53,382,923	25,241,866	20,343
Miscellaneous income (expense)	821,253	-	6,802
Less investment expense	(9,008,420)	-	-
Net investment income	<u>99,280,525</u>	<u>25,241,866</u>	<u>27,145</u>
Total additions	<u>217,418,281</u>	<u>4,379,159,617</u>	<u>1,085,128</u>
Deductions			
Benefit payments	129,100,668	-	-
Refunds of prior contributions	2,674,023	-	-
Distributions from pooled investments	-	4,283,195,898	-
Interest	-	-	669,755
Administrative expense	2,557,391	-	608,829
Total deductions	<u>134,332,082</u>	<u>4,283,195,898</u>	<u>1,278,584</u>
Change in net position	<u>83,086,199</u>	<u>95,963,719</u>	<u>(193,456)</u>
Net position held in trust - beginning	2,126,960,745	852,199,148	(10,956,274)
Prior period adjustment	-	873,936	586,998
Net position held in trust - beginning, restated	<u>2,126,960,745</u>	<u>853,073,084</u>	<u>(10,369,276)</u>
Net position held in trust - ending	<u>\$ 2,210,046,944</u>	<u>\$ 949,036,803</u>	<u>\$ (10,562,732)</u>



County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the County of Stanislaus (the County) is presented to assist in understanding the County's financial statements. These accounting policies conform to Generally Accepted Accounting Principles (GAAP) and have been consistently applied in the preparation of the financial statements.

A. Reporting Entity

The accounting methods and procedures adopted by the County conform to GAAP as applied to governmental entities. These financial statements present the County and its component units, legally separate entities for which the County is considered to be financially accountable, under the criteria set by Governmental Accounting Standards Board (GASB) Statement No. 61.

- Reported 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 County's operations. Blended component units are an extension of the County and so data from these units are combined with the data of the primary government. Each component unit has a June 30th year-end.

Blended Component Units

1. Stanislaus County Capital Improvements Financing Authority ("Authority"): The Authority was established on September 1, 1989, as a separate legal entity whose sole purpose is to provide financing for various County capital projects. It is governed by the five members of the Board of Supervisors, which is the same governing body as the County. The activity for the Authority is reported as a debt service fund.
2. Lighting Districts: The County has 28 different, legally separate lighting districts. It is governed by the five members of the Board of Supervisors, which is the same governing body as the County. The County's approval is needed to set the districts' budgets and to set assessment rates. The activity for the lighting districts is reported in a special revenue fund.
3. Stanislaus County Tobacco Funding Corporation ("Stanislaus Corporation"): The Stanislaus Corporation was established per Board of Supervisors resolution on November 7, 2000, as a separate legal entity pursuant to California Corporations Code. There are three directors of the Stanislaus Corporation, which is comprised of two members of the Board of Supervisors of the County and one independent member. The Corporation's purpose is to acquire from the County all of the rights of the County future tobacco settlement payments and to borrow money secured by the County tobacco assets on behalf of the California County Tobacco Securitization Agency (See Note 10). The Stanislaus Corporation provides service solely to the County and is reported as a debt service fund.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

4. In-Home Supportive Services Public Authority of Stanislaus County (IHSS): The IHSS was established on December 9, 2004, as a separate legal entity pursuant to Welfare and Institutions Code Section 12301.6. It is governed by the five members of the Board of Supervisors, which is the same governing body as the County. The County is the administrator of the IHSS and serves as the fiscal agent of the Public Authority. IHSS is reported as a special revenue fund.

Discretely Presented Component Unit

First 5 Stanislaus (formerly known as Children's Families First Commission): Following voter approval of Proposition 10 in November 1998, First 5 Stanislaus was established by the Stanislaus County Board of Supervisors on December 8, 1998, pursuant to Ordinance #687. The ordinance provides that First 5 Stanislaus operate as an independent "County agency." A governing board compiled of nine Commissioners, whose composition is defined in the enabling ordinance, is appointed by the Board of Supervisors. First 5 Stanislaus is treated as an agency of the County having independent authority over the strategic plan. The administrative functions such as the fiscal, legal and human resources are performed by the County through a professional services agreement. The County serves as the fiscal agent for First 5 Stanislaus. The purpose of First 5 Stanislaus is to promote the development and well-being of children zero through age five in Stanislaus County.

B. **Basis of Presentation**

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display 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. The government-wide statements distinguish between the governmental and business-type activities of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

In the government-wide statements, eliminations have been made to minimize the double counting of certain internal activities. In the Statement of Net Position, all internal balances have been eliminated except those representing the net balance due between governmental and business-type activities. This residual balance is reported as "internal balances." Internal service fund activity has been eliminated in the statement of activities.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated administrative overhead. Program revenues include 1) 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.

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

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

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as non-major 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. Non-operating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the following major governmental funds:

- The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, health and sanitation, public assistance, education and recreation and cultural services.
- The Tobacco Settlement Fund was established to account for the proceeds from securitizing the County's share of tobacco settlement revenues. Currently, the proceeds are restricted to use for capital expenditures. The intent is to preserve the initial amount and to distribute 80% of the annual investment earnings to the General Fund.
- The *Behavioral Health and Recovery Services Fund* was established to provide mental health services to the residents of the County under the provisions of Welfare and Institutions Codes 5600 and 5000. This includes residential/support treatment services, outpatient treatment services, and an array of education and prevention services. The primary source of revenues is from intergovernmental sources and charges for services.
- The *Community Services Agency Fund* was established for the administration of the three major public social programs including financial assistance, social services, and employment services. Intergovernmental revenue is the primary source of financing for this fund.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

- *In Home Supportive Services* was established on December 9, 2004, as a separate legal entity pursuant to Welfare and Institutions Code Section 12301.6. It is governed by the five members of the Board of Supervisors, which is the same governing body as the County. The County is the administrator of the IHSS and serves as the fiscal agent of the Public Authority. The primary source of revenue is from governmental sources. IHSS is reported as a special revenue fund.

The County reports the following major enterprise funds:

- The *Fink Road Landfill Fund* was established to account for the operation of Fink Road Landfill, which provides a dumping site for the disposal of solid wastes. Revenues are derived from fees generated for the disposal of waste at the site.
- The *Health Clinics and Ancillary Services Fund* was established to account for health care operations in outpatient clinics throughout the County. Revenues are derived from fees for patient services, payments from federal and state programs such as Medicare and Medi-Cal, private insurance, and subsidies from the County.

The County reports the following additional fund types:

- *Internal Service Funds* account for the County's fleet and facility maintenance, purchasing, communication, technology, and other services provided to departments or other governments. They also account for self-insurance programs – workers' compensation, long-term disability, employee benefits, and personal injury and
- The *Employees' Retirement Trust* accumulates contributions from the County, its employees, and other participating employers, and earnings from the fund's investments. Disbursements are made from the fund for retirement, disability and death benefits (based on a defined benefit formula) and administrative expenses. This fund includes all assets of the Stanislaus County Employees' Retirement Association (StanCERA).
- The *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer in an investment portfolio for the benefit of all participants. These entities include school and community college districts and other special districts governed by local boards, regional boards, and authorities. The fund represents 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 individuals, private organizations, or other governments. These funds have no equity account since all assets are due to individuals or entities at some future time. These funds are tax collection funds.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

- The *Private-Purpose Trust Fund* is a fiduciary fund type used by the County to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities, and activities of the Stanislaus County Redevelopment Successor Agency (Successor Agency).

C. Basis of Accounting

The government-wide, proprietary, employees' retirement trust, private-purpose trust, and investment trust 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. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

Revenues from sales tax 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 funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available ("susceptible to accrual"), the County considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, sales taxes, interest, special assessments, charges for services and other miscellaneous revenue are all considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. The County considers revenues available if they are collected within 180 days after year-end, except for property taxes. Property taxes are considered available if they are collected within 60 days after year-end. Expenditures are generally recorded when a liability is incurred, as under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded 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.

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

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

D. Cash and Cash Equivalents

Cash and cash equivalents include cash in bank and investments held by the County Treasurer in a cash management pool. The amounts classified as "Investments with Fiscal Agent" represent loan proceeds held by the trustees for various borrowings (See Note 3) and securitized tobacco settlement proceeds invested outside the County Pool.

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

E. Investments

California Government Code Section 53600, et seq., authorizes the County to invest in obligations of the State of California (the State) or any local agency of the State, bankers' acceptances, commercial paper, negotiable certificates of deposits, repurchase agreements, medium-term notes issued by corporations and the State of California Local Agency Investment Fund.

The County may also invest in certain open-ended mutual funds permitted by the Government Code. All investments are carried at fair value unless the investment has a remaining maturity of one year or less at time of purchase. In that case, the investment would be reported at amortized cost. Interest earned on pooled investments is apportioned quarterly to certain participating funds based upon each fund's average daily deposit balance with all remaining interest deposited in the General Fund.

The tobacco securitization proceeds are invested under a separate policy approved by the County Board of Supervisors on June 26, 2018. The policy authorizes the County to invest in obligations outlined in California Government Code Section 53600, et seq., with no investment having a greater maturity date than the final maturity of any tobacco settlement asset-backed bond. All investments are reported at fair value.

The Employees' Retirement Trust (StanCERA) funds are invested pursuant to policy guidelines established by the StanCERA Board of Retirement. The objective of the investment policy is to invest in a manner that provides the safeguards and diversity that a prudent investor would adhere to. The policy of StanCERA is to invest in the following asset classes: Large Cap US Stocks, Small Cap US Stocks, Non-U.S. Stocks and Fixed Income. Investments are stated at fair value.

F. Deferred Outflows/Inflows of Resources

Pursuant to GASB Statement No. 63, "*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*", and GASB Statement No. 65, "*Items Previously Reported as Assets and Liabilities*", the County recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. The County is reporting deferred pension in this category (See Note 16 for more detail).

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. The County is reporting deferred pension and deferred other post-employment benefits in this category (See Note 16 and Note 17 for more detail).

G. Inventory

In governmental funds, inventories are valued at cost. In proprietary funds, they are valued at lower of cost or market. Cost is determined by using either the weighted average or the first-in, first-out method. The consumption method of accounting for inventory is used for the governmental funds and the proprietary funds. For the governmental funds, the fund balance related to inventory is categorized as non-spendable (See Note 12).

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

I. 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 acquisition value. Capital assets include public domain assets (infrastructure) consisting of roads, bridges, lighting systems, drainage systems, and flood control improvements. The County defines capital assets, other than infrastructure, as assets with an initial, individual cost equal to or greater than \$5,000 and an estimated useful life in excess of one year, with the exception of the Health Clinics and Ancillary Services Enterprise Fund. The Health Clinics and Ancillary Services Enterprise Fund defines capital assets as assets with an initial, individual cost equal to or greater than \$1,000 and an estimated useful life in excess of three years. In addition to these individual assets, the library's books are capitalized together as one collection.

Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide and proprietary funds statements, with the exception of landfill cell development. The units of production method is used for depreciation on landfill cells.

The estimated useful lives are as follows:

Infrastructure	20 to 60 years
Structures and improvements	15 to 60 years
Equipment (including vehicles and books)	3 to 20 years
Landfill Cell-4	1,960,000 cubic yards
Landfill Cell-5	1,550,000 cubic yards

The County has seven networks of infrastructure assets – roads, bridges, lighting systems, storm drains, signs, signals, and beacons.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

J. Intangible Assets

On July 13, 2010, the Board of Supervisors approved a \$50,000 capitalization threshold for intangible assets.

GASB Statement No. 51 was issued in June of 2007. The objective of this statement is to establish accounting and financial reporting requirements for intangible assets to reduce inconsistencies in reporting among state and local governments. County financial statements must comply with all statements issued by the Governmental Accounting Standards Board. This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. As such, existing accounting and financial reporting requirements are to be applied to intangible assets. Capital assets are expensed over their useful lives rather than being charged in the specific financial period in which they are purchased.

The existing capital asset policy for the County includes intangible assets. Currently, the capitalization threshold for other capital assets is \$5,000.

The threshold amount represents the minimum amount at which an asset should be capitalized.

GASB Statement No. 51 does not specifically identify a methodology for establishing a threshold amount. A survey of other California counties was performed which indicated a wide variation, depending on the size of the county, in the threshold amounts being implemented. Given the County's relative size and exposure, a \$50,000 threshold is considered to be a reasonable amount.

K. Compensated Absences (Accrued Vacation, Sick Leave, and Compensatory Time)

All regular employees of the County earn vacation and sick leave with pay every year. The amount of vacation and sick hours earned is based on the years of continuous service and the bargaining unit to which the employee belongs. All employee bargaining units have vacation accumulation limits. Regular employees are given credit for eight hours sick leave each month of employment with limited accumulation.

Regular employees, upon separation, are entitled to all unused accumulated vacation time. Most regular employees are eligible to have a portion of their sick leave cashed out after six years of service. The amount depends on the length of service and if it is at retirement or a regular separation.

Extra help employees shall accrue one (1) hour of sick leave for every 30 hours worked and may accumulate a total of not more than 48 hours. Extra help employee will not receive compensation for unused accrued paid sick leave upon termination, resignation, retirement or other separation from employment from the County. Certain extra help employees can accrue vacation hours based on their bargaining unit's Memorandum of Understanding (MOU).

At the close of each fiscal year, the balance of this accumulated time is computed for each employee at the current salary range. In the financial statements, these amounts are

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

referred to as “compensated absences.” A 10 year average of all termination payments is used to compute the amount that is expected to be liquidated in the next year with expendable available financial resources. This current portion and the balance of the long-term liability are reported in the government-wide statements, and the enterprise and internal service funds financial statements, and are generally liquidated by the General Fund.

L. **Interfund Transactions**

Interfund transactions include 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/due from” (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 to other funds, as reported in the fund financial statements, are reported as non-spendable fund balance.

Services or supplies provided can result, at year-end, in receivables and payables referred to as “due to/from other funds.” These receivables and payables are eliminated in the governmental-wide consolidation with residual balances reported as “internal balances” when they are between funds of the County.

Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the government-wide presentation.

M. **Estimates**

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

N. **Fund Balance**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*.” This statement is effective for financial statements with periods beginning after June 15, 2010. The objective of this statement is to improve the usefulness, including the understandability, of governmental fund balance information. The statement provides more clearly defined categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The statement impacts governmental fund types.

The fund balance is reported in five categories: Non-spendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance and Unassigned Fund Balance.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Non-Spendable Fund Balance – amounts cannot be spent because they are a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted Fund Balance – amounts are restricted by external parties, i.e., creditors, grantors, contributors or laws/regulations of other governments or restricted by law through constitutional provisions or enabling legislation.

Committed Fund Balance – amounts that can only be used for specific purpose pursuant to constraints imposed by formal action of the government's highest level of decision making authority. By majority vote, Board of Supervisors approval is required to set and remove the constraints. 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 - amounts constrained by the government's intent to be used for specific purposes that are neither restricted nor committed. The intent can be expressed by a) the governing body itself or b) a body or official to which the governing body has delegated the authority, i.e., budget/finance committee. Monies set aside for debt service, carryover appropriations, Teeter plan, retirement obligation, contingencies, and tobacco settlement are some of the examples to be included in the assigned category.

Assigned fund balance can be used to eliminate the projected budgetary deficit in the subsequent year's budget.

Unassigned Fund Balance – a residual classification for the general fund. The total fund balance less non-spendable, restricted, committed, and assigned equals unassigned fund balance. General fund is the only fund that should report a positive unassigned fund balance amount. A negative fund balance is possible in other governmental funds.

When both restricted and unrestricted resources are available for use it is the County's policy to use restricted fund balance resources first, followed by the unrestricted resources in the committed and unassigned fund balances, as they are needed.

O. 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 Stanislaus County Employees' Retirement Association (StanCERA). 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 assumptions or other inputs and differences between

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

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 of resources relating to pensions and pension expense, information about the fiduciary net position of the County's pension plan with StanCERA and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by StanCERA. 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 of 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.

P. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County's OPEB Plan (OPEB Plan) and additions to/deduction from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by StanCERA. For this purpose, the OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Q. Deferred Rent

Deferred rent represents the difference between rent expense and rental payments on operating leases as the Health Services Agency Fund records rent expense on a straight-line basis over the life of the lease.

NOTE 2 INDIVIDUAL DEFICITS

For the year ended June 30, 2019, the Individual Fund Deficits are as follows:

Proprietary Funds	
ISF - General Liability Insurance	\$ 1,187,975
ISF - Central Services	139,622

The Central Services deficit is due to GASB Statement No. 68 "Accounting and Financial Reporting for Pension" adjustments recorded in prior years. Deficit amount has decreased from FY 17/18 due to an increase in net position (excluding GASB Statement No. 68

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

adjusting entries). General Liability Insurance deficit is due to higher than expected claims and expenses.

NOTE 3 CASH AND INVESTMENTS

The County maintains a cash and investment pool, Stanislaus County Treasurer's Pool, for the purpose of increasing interest income through investment activities. This pool, which is available for use by all funds, is displayed on the Statement of Net Position/Balance Sheet as "cash and investments." The Stanislaus County Treasurer's Pool generally limits participation in the pool to those agencies and districts required to participate by legal provisions of the California State Government Code for those agencies and districts. Voluntary participation is limited to the Stanislaus County Employees' Retirement System (StanCERA) and independent special districts, which represent approximately 3% of the pool. While StanCERA participates in the County Treasurer's Pool, the majority of its cash and investments are managed separately from the County Pool. The County has no legally binding guarantees to support the shares in the County Treasurer's Pool.

The share of each fund in the Stanislaus County Treasurer's Pool is separately accounted for and interest is apportioned quarterly based on the relationship of the fund's average daily cash balance to the total of the pooled cash and investments. In accordance with Government Code Section 53647, interest on all money deposited in the County Treasury belongs to the County and participating schools unless otherwise directed by law or the County Board of Supervisors.

The County has numerous funds in which the interest earned is deposited into the General Fund to comply with the above code section.

The Stanislaus County Treasurer's Pool is not SEC-registered, but is invested in accordance with California State Government Code Section 53600 et. seq. The California State Government Code no longer requires the formation of an Investment Oversight Committee to oversee activity in the pool for compliance and code requirements. However, Stanislaus County does still maintain an active committee.

To this end, the Oversight Committee reviews the monthly investment report prior to presentation to the Board of Supervisors and causes an audit of investments to occur annually.

In addition to the restrictions and guidelines of the Government Code, cash and investments with the County Treasurer are invested pursuant to investment policy guidelines established by the County Treasurer and accepted by the Board of Supervisors. The objectives of the policy are, in order of priority, legality of investment, safety of principal, liquidity, and yield.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Total County cash and investments are as follows:

Cash and Investments	
Imprest cash	\$ 157,866
Cash in banks-department administered	4,458,940
In custody of Treasurer:	
Cash on hand	122,763
Cash in bank	14,893,142
Investments held by Treasurer	1,542,247,976
Less outstanding checks	<u>(51,533,970)</u>
Total in custody of Treasurer	1,505,729,911
Investments held by fiscal agents:	
Tobacco settlement	80,956,146
Tobacco funding corporation	<u>6,024,861</u>
Subtotal investments held by agents	86,981,007
Private-Purpose Trust investments held by fiscal agents	<u>1,205,351</u>
Total investments held by agents	88,186,358
Employees' retirement trust:	
Cash (outside Treasurer's pool)	42,414,141
Investments	<u>2,290,474,787</u>
Total cash and investments	<u><u>\$ 3,931,422,003</u></u>

Total County cash and investments are reported as follows:

Primary government:	
Cash and investments	\$ 521,678,966
Investments with fiscal agent	86,981,007
Restricted cash & investments	31,882,886
Employees' retirement trust:	
Cash and investments	58,048,594
Other investments	2,290,474,787
Investment trust - cash and investments	930,715,052
Agency funds - cash and investments	3,080,305
Private-purpose trust:	
Cash and investments	1,333,543
Investments with fiscal agent	1,205,351
Component Unit - First 5 Stanislaus	<u>6,021,512</u>
Total cash and investments	<u><u>\$ 3,931,422,003</u></u>

Interest Rate Risk - This is the risk of loss due to the fair value of an investment falling because of rising interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

- *Stanislaus County Treasurer's Pool.* The County's policy for interest rate risk allows investments to be sold prior to maturity at a loss if such sale will allow investment in

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

a higher yield vehicle and any loss upon sale can be more than compensated by additional interest earning within a six-month period. Of the County's \$1.5 billion portfolio, over 46% of the investments have a maturity of one year or less. No investment has a maturity greater than two and a half years.

- *Stanislaus County Tobacco Settlement Investment Portfolio.* This portfolio, under a separate investment policy, includes Municipal bonds with maturities of up to 18 years that are sensitive to interest rate changes. Of these bonds, 4% are insured, which tends to reduce interest rate risk.
- *StanCERA's Investment Portfolio.* Highly Sensitive Investments are certain debt investments whose terms may cause their fair value to be highly sensitive to market interest rate changes. Terms include such variables as embedded options, coupon multipliers, benchmark indices and reset dates. StanCERA's fixed income investments have embedded prepayment options that will typically cause prepayments by the obligees of the underlying investments when interest rates fall. Prepayments eliminate the stream of future interest payments and, therefore, diminish the fair value of the fixed income investment.

Credit Risk - This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

- *Stanislaus County Treasurer's Pool.* The County is permitted to hold investments of issuers with a short-term rating of "A-1" and a minimum long-term rating of "A-" by two of the top nationally recognized statistical rating organizations (rating agencies). Additionally, the County is permitted to invest in U.S. Treasuries, Government Sponsored Enterprises (Agencies), and the State's Local Agency Investment Fund.
- *Stanislaus County Tobacco Settlement Investment Portfolio.* This portfolio includes insured and non-insured bonds that are rated single A, double A and triple A. The bonds make up 96% of the portfolio. The rest of the portfolio is currently being held in an interest-bearing Stanislaus County trust account.
- *StanCERA's Investment Portfolio.* Under StanCERA policy, the fixed income portfolio must have an average quality rating of A or better in the aggregate as measured by at least one credit rating service. Investment grade quality is defined as a Standard and Poor's rating of BBB or higher at time of purchase. In cases where credit rating agencies assign different quality ratings to a security, the lower rating will be used.

Should the rating of a fixed income security fall below investment grade, the manager may continue to hold the security if they believe the security will be upgraded in the future, there is a low risk of default, and buyers will continue to be available throughout the anticipated holding period. The manager has the responsibility of notifying the StanCERA Retirement Board whenever an issue falls below investment grade. The notification should include the manager's assessment of the issue's credit rating and its ongoing role in the portfolio.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

The following table shows the quality of StanCERA's investments in fixed income securities on June 30, 2019:

Credit Rating	Active Management	Fixed Income Securities Amount
Aaa / AAA	2.47 %	\$ 11,830,506
Aa1 / AA+	1.22	5,831,461
Aa2 / AA	0.84	4,022,701
Aa3 / AA-	6.41	30,731,875
A1 / A+	8.01	38,444,477
A2 / A	3.96	19,013,866
A3 / A-	8.54	40,983,675
Baa1 / BBB+	16.25	77,971,974
Baa2 / BBB	15.75	75,572,514
Baa3 / BBB-	7.94	38,099,541
N/R	14.99	71,926,187
N/A	13.62	65,287,287
	<u>100.00 %</u>	<u>\$ 479,716,064</u>

*N/A Represents securities that are not applicable to the rating disclosure requirements

Custodial Credit Risk-deposits - In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

- Stanislaus County Treasurer's Pool and other deposits.* At fiscal year-end, Stanislaus County had no custodial credit risk exposure to any depository financial institution. As per State of California Government Code (Section 53630 – 53683), the depository bank, i.e., Bank of the West, collateralized Stanislaus County public funds with eligible securities having a market value of at least 110% of the actual amount on deposit. These securities are maintained with a third-party custodian. The collateral is held in a pool based on the bank's total public deposits. The County did not have deposits in any foreign currency.
- StanCERA's Investment Portfolio.* At fiscal year-end, StanCERA had no custodial credit risk exposure to any depository financial institution. All deposits are placed with a custodial bank. The custodian is responsible for maintaining an adequate level of collateral in an amount equal to 102% of the market value of loaned securities. Collateral received may include cash, letters of credit, or securities. If securities collateral is received, StanCERA cannot pledge or sell securities collateral unless the borrower defaults.

Custodial Credit Risk-investments - For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

- Stanislaus County Treasurer's Pool and Stanislaus County Tobacco Settlement Investment Portfolio.* All negotiable instruments are held by the County's custodian or a third party in the County's name. The County did not participate in securities

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

lending activities. The investment policy prohibits investment in instruments denominated in a foreign currency.

- *StanCERA's Investment Portfolio.* State statutes and Board of Retirement Investment Policy permit StanCERA to participate in a securities lending program. StanCERA's custodial bank administers its securities lending program. At fiscal year-end, StanCERA had no custodial credit risk exposure to borrowers because the amounts StanCERA owed to borrowers exceeded the amounts the borrowers owed to StanCERA. StanCERA's contract with the custodian requires it to indemnify StanCERA if the borrower fails to return the securities and the collateral is inadequate to replace the securities lent or fail to pay StanCERA for income distributions by securities issuers while securities are on loan.

As of June 30, 2019, StanCERA had securities on loan with a carrying value of \$141,300,000 and collateral of \$144,400,000. The types of securities lent were U.S. and Non-U.S. Government and Agencies, U.S. and Corporate Fixed Income and U.S. and Non-U.S. Equities. There are no restrictions on the amount of securities that may be lent.

Foreign Currency Risk – This is the risk that changes in exchange rates may adversely affect the fair value of an investment.

- *StanCERA's Investment Portfolio.* StanCERA's external investment managers may invest in international securities and must follow StanCERA's Investment Guidelines pertaining to these types of investments.

The fair value, in US dollars, of StanCERA's foreign currency at June 30, 2019, was \$553,218,608, distributed as follows:

Currency	Fair Value (in U.S. Dollars)	Currency	Fair Value (in U.S. Dollars)
Australian Dollar	\$ 24,696,796	New Israeli Shekel	\$ 208,126
Brazilian Real	6,605,690	New Taiwan Dollar	10,129,517
British Pound	57,702,550	New Zealand Dollar	935,039
Canadian Dollar	38,168,668	Norwegian Krone	5,142,485
Chilean Peso	1,501,431	Singapore Dollar	4,758,179
Danish Krone	1,625,246	South African Rand	2,329,773
Euro Dollars	130,617,045	South Korean Won	12,712,983
Hong Kong Dollar	44,237,396	Swedish Krona	10,618,115
Hungarian Forint	2,141,903	Swiss Franc	32,707,910
Indonesian Rupiah	2,447,002	Thailand Baht	1,590,847
Japanese Yen	83,953,251	Turkish Lira	1,875,577
Malaysian Renggit	1,484,859	US Dollar	75,028,220

Concentration of Credit Risk - This is the risk of loss due to a large concentration of investments in any one issuer. Investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are not considered at risk.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

- *Stanislaus County Treasurer's Pool.* Over 54% of the County's investments were in the U.S. Government or Government Sponsored Enterprises (Agencies). The following Agencies each comprised more than 5% of the pool investments:

US Treasury Securities	33 %
Federal Home Loan Bank	11 %
Federal Farm Credit Bank	10 %

Of the 46% of the portfolio invested in other types of investments, no issuer exceeded 5% of the portfolio in each investment type at the time of investment.

- *Stanislaus County Tobacco Settlement Investment Portfolio.* This portfolio includes California State Municipal bonds that comprise 35% of the portfolio.
- *StanCERA's Investment Portfolio.* Investments issued or explicitly guaranteed by the US Government and investments in mutual funds, external investment pools, and other pooled investments are exempt from the disclosure requirements. As of June 30, 2019, for separately managed investment accounts, StanCERA did not have investments in any one issuer representing 5% or more of the total portfolio.

At June 30, 2019, StanCERA had the following investments:

Fixed Income Securities:

U.S. Treasuries	\$ 65,287,287
Emerging Market / Non-U.S. Bonds	120,066,422
Corporate and Other Credit	231,402,588
Government Agencies	62,959,767
Total	<u>479,716,064</u>

Equities:

Domestic	496,946,459
International	486,264,078
Total	<u>983,210,537</u>

Real Estate Securities	37,095,763
Private Credit	95,094,309
Private Real Estate	197,966,376
Infrastructure	43,388,166
Securities Lending Collateral	144,376,536
Risk Parity	309,627,036
Total Other Investments	<u>\$ 2,290,474,787</u>

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

The following schedule indicates the credit and interest rate risk at June 30, 2019. The credit ratings listed are for Standard and Poor's (S&P) and Moody's Investors Service (Moody's). Certain investments, such as the State's Local Agency Investment Fund, are unrated.

Stanislaus County Treasury Pool
Fair Value Maturity Distribution
For the Year Ended June 30, 2019
(Dollar amounts in thousands)

	S&P Credit Rating	Moody's Credit Rating	Maturity								Total	Total %
			≤ 30 Days	31 - 60 Days	61 - 90 Days	91 - 180 Days	181 - 365 Days	1 - 2 Years	2 - 5 Years			
Triple A												
Medium Term Notes	AAA	Aaa	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	- %
			-	-	-	-	-	-	-	-	-	0.00%
Double A												
Money Market	AA+	Aaa	26,447								26,447	1.71%
US Treasuries	AA+	Aaa	19,989	19,962		59,788	54,816	185,402	171,582	511,538	33.17%	
Medium Term Notes	AA	Aa2						3,102	15,600	18,701	1.21%	
Medium Term Notes	AA-	Aa3				17,893	9,985	25,344	28,800	82,022	5.32%	
Negotiable Cert of Deposit	AA-	Aa2	25,000							25,000	1.62%	
Federal Agencies	AA-	A1	-	44,942	19,942	20,036	79,986	85,305	69,944	320,155	20.76%	
Medium Term Notes	AA-	A1							9,991	9,991	0.65%	
			71,435	64,904	19,942	97,717	144,787	299,152	295,917	993,854	64.44%	
Single A												
Medium Term Notes	A+	Aa3							30,229	30,229	1.96%	
Negotiable Cert of Deposit	A+	Aa3			25,027					25,027	1.62%	
Medium Term Notes	A+	A2							10,095	10,095	0.65%	
Commercial Paper	A+	A1	14,990	24,898						39,888	2.59%	
Medium Term Notes	A+	A1						1,259	9,965	11,224	0.73%	
Negotiable Cert of Deposit	A+	A1				25,020	35,079			60,099	3.90%	
Medium Term Notes	A	A3					10,082	6,020	14,686	30,787	2.00%	
Medium Term Notes	A	A2					8,977	24,815	35,910	69,701	4.52%	
Commercial Paper	A	A1	-	-	19,902	39,659	-	-	-	59,561	3.86%	
Medium Term Notes	A	A1						28,801	20,858	49,659	3.22%	
Negotiable Cert of Deposit	A	A1	25,000			25,000				50,000	3.24%	
Medium Term Notes	A-	A3							27,125	27,125	1.76%	
Medium Term Notes	A-	A2				10,000	9,998			19,998	1.30%	
			39,990	24,898	44,929	99,679	64,136	91,123	118,639	483,393	31.35%	
Unrated												
Stanislaus Trust Account	N/R	N/R	65,000	-	-	-	-	-	-	65,000	4.21%	
			65,000	-	-	-	-	-	-	65,000	4.21%	
Total Treasury Pool Investments			\$ 176,425	\$ 89,802	\$ 64,871	\$ 197,396	\$ 208,923	\$ 390,275	\$ 414,556	\$ 1,542,248	100.00%	

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

Stanislaus County Tobacco Settlement Investment Portfolio
Fair Value Maturity Distribution
For the Year Ended June 30, 2019
(Dollar amounts in thousands)

	S&P Credit Rating	Moody's Credit Rating	Maturity							Total	Total Percent
			≤ 30 Days	31-365 Days	1 - 3 Years	3 - 5 Years	5 - 10 Years	10 - 15 Years	15 - 20 Years		
Triple A											
Municipal Bonds	AAA	Aaa	\$ -	\$ -	\$ -	\$ -	\$ 6,697	\$ -	\$ -	\$ 6,697	7.91%
Municipal Bonds	AAA	Aa1	-	-	-	-	-	2,652	-	2,652	3.13%
			-	-	-	-	6,697	-	-	9,349	11.04%
Double A											
Municipal Bonds	AA+	Aa1	-	-	-	-	-	4,202	-	4,202	4.97%
Municipal Bonds	AA	Aa2	-	2,120	-	-	4,481	4,224	5,010	15,835	18.70%
Municipal Bonds	AA	Aa3	-	-	-	-	8,004	-	-	8,004	9.45%
Municipal Bonds	AA	Aaa	-	-	-	-	-	-	3,340	3,340	3.94%
Municipal Bonds	AA-	Aa2	-	-	-	-	4,515	-	-	4,515	5.33%
Municipal Bonds	AA-	Aa3	-	2,009	2,047	3,011	6,993	14,924	3,403	32,387	38.25%
			-	4,129	2,047	3,011	23,993	23,350	11,753	68,283	80.64%
Single A											
Municipal Bonds	A+	Aa3	-	-	-	-	2,278	-	-	2,278	2.69%
Municipal Bonds	A-	A33	-	-	-	1,046	-	-	-	1,046	1.24%
			-	-	-	1,046	2,278	-	-	3,324	3.93%
Unrated											
Stanislaus Tobacco Trust Account	N/R	N/R	3,717	-	-	-	-	-	-	3,717	4.39%
			3,717	-	-	-	-	-	-	3,717	4.39%
Combined Endowment Totals			\$ 3,717	\$ 4,129	\$ 2,047	\$ 4,057	\$ 32,968	\$ 23,350	\$ 11,753	\$ 84,673	100.00%

Stanislaus County Treasury Pool
Summary of Investments
As of June 30, 2019
(Dollar amounts in thousands)

	Fair Value	Dollar Cost	Interest Rate Range	Maturity Range
Negotiable Cert. of Deposit	\$ 160,209	\$ 160,000	2.37% - 3.19%	07/25/19 - 4/2/20
Commercial Paper	99,488	98,891	2.18% - 2.57%	7/11/19 - 11/25/19
Managed Funds - LAIF	65,000	65,000	Variable	N/A
Federal Agencies - Coupons	320,155	318,903	0.88% - 2.88%	08/5/19 - 2/22/24
US Treasuries - Coupons	511,538	506,849	0.75% - 2.75%	7/15/19 - 2/28/22
Medium Term Notes	359,452	356,775	1.55% - 4.88%	10/18/19 - 4/28/23
Money Market	26,406	26,406	Variable	N/A
Total Investments	\$ 1,542,248	\$ 1,532,824		

In accordance with GASB Statement No. 31, investments are reported on the Statement of Net Position/Balance Sheet at their fair value and all changes in fair value are reflected in income of the period in which they occur. Fair values were obtained from our custodial statement for all investments having greater than 360 days to maturity in the following categories:

- Negotiable Certificates of Deposit
- U.S. Agency and GSE Bonds and Notes
- U.S. Treasury Bonds, Notes, and Bills
- Corporate Bonds and Notes

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Amortized cost was used for all investments having 360 days or less to maturity, which may include the following categories:

- Negotiable Certificates of Deposit
- Commercial Paper
- State of California Local Agency Investment Fund
- U.S. Agency and GSE Bonds and Notes
- U.S. Treasury Bonds, Notes, and Bills
- Corporate Bonds and Notes
- Money Market Funds

The Stanislaus County Treasurer's Pool normally maintains a reserve balance in the State of California Local Agency Investment Fund (L.A.I.F.). The total amount invested by all public agencies in L.A.I.F. at June 30, 2019, was \$105.74 billion. L.A.I.F. is part of the State of California Pooled Money Investment Account (P.M.I.A.) whose balance at June 30, 2019, was \$106.59 billion. No amount was invested in any derivative financial products.

P.M.I.A. is not SEC-registered, but is required to invest according to California State Code. The average maturity of P.M.I.A. investments was 173 days as of June 30, 2019.

The Local Investment Advisory Board (Board) has oversight responsibility for L.A.I.F. The Board consists of five members as designated by state statute. The value of the pool shares in L.A.I.F., which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the pooled treasury's portion in the pool. Withdrawals from L.A.I.F. are done on a dollar to dollar basis.

In accordance with GASB Statement No. 31, investments are marked to fair values annually and an adjustment is made to each fund accordingly. However, actual daily activity is done on a dollar for dollar basis and only a withdrawal from the pool of a size that jeopardizes pool participants would cause the withdrawal to be done at market value.

The following represents a condensed statement of net position and changes in net position for the Treasurer's investment pool at June 30, 2019:

Statement of Net Position

Net position held for pool participants	<u>\$ 1,505,729,911</u>
Equity of external pool participants	930,715,051
Equity of internal pool participants	<u>575,014,860</u>
Total Equity	<u><u>\$ 1,505,729,911</u></u>

Statement of Changes in Net Position

Net position at July 1, 2018	\$ 1,348,023,305
Net investment income	34,246,543
Net contributions and withdrawals	<u>123,460,063</u>
Net position at June 30, 2019	<u><u>\$ 1,505,729,911</u></u>

GASB Statement No. 79 establishes specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria will provide qualifying external investment pools and

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. The statement also establishes additional note disclosures for qualifying external investment pools. There was no material impact on the County's financial statement as a result of the implementation of GASB Statement No. 79.

Fair Value Measurements

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

Level 1 – Investments reflect prices quoted in active markets;

Level 2 – Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and

Level 3 – Investments reflect prices based upon unobservable sources.

The pool has the following recurring fair value measurements as of June 30, 2019:

	(Dollar amounts in thousands)		
	Fair Value Measurements		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:			
Debt Securities			
Negotiable Certs of Deposit	\$ 160,209	\$ -	\$ 160,209
Commercial Paper	99,488	-	99,488
Federal Agencies	320,155	-	320,155
US Treasuries	511,538	511,538	-
Medium Term Notes	359,452	-	359,452
Total Investments measured at fair value	\$ 1,450,842	\$ 511,538	\$ 939,304
Investments measured at amortized cost:			
L.A.I.F.	\$ 65,000		
Money Market	26,406		
Total Investments	\$ 1,542,248		
Reconciliation to Statement of Net Position:			
Outstanding Items	\$ (51,534)		
Cash/Bank Balances	15,016		
Stan Co tobacco Funding Corp	-		
Net assets held for pool participants	\$ 1,505,730		

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

NOTE 4 INTERFUND TRANSACTIONS

Interfund Receivables/Payables

The compositions of interfund balances as of June 30, 2019, are as follows:

Due To/From Other Funds

Receivable Fund	Payable Fund	Amount	
General Fund	In-Home Supportive Services	\$ 1,030,409	To cover deficit cash balance
Behavioral Health and Recovery Services	General Fund	1,406,030	State realignment
Other governmental funds: Public health	Health Clinics and Ancillary Services	<u>129,620</u>	Reimbursement for service
	Total	<u>\$ 2,566,059</u>	

Advances to/From

Receivable Fund	Payable Fund	Amount	
General Fund	Other governmental funds	\$ 100,000	Long-term loan

The balance of the loan between the General Fund and the Public Works department for dangerous building abatement is \$100,000.

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

Transfers to/From

Transfer from	Transfer to	Amount	Purpose
General Fund	Behavioral Health and Recovery Services	\$ 3,708,292	County program contributions
General Fund	Community Services Agency	29,498,137	County program contributions
General Fund	Health Clinics and Ancillary Services	3,665,111	County program contributions
General Fund	In-Home Supportive Services	5,692,143	County program contributions
General Fund	Other governmental funds	3,321,234	Contributions to capital projects
General Fund	Other governmental funds	10,901,204	County program contributions
General Fund	Other governmental funds	51,300	Contributions to public works
General Fund	Other governmental funds	586,744	Contributions to capital projects
	Subtotal	<u>57,424,165</u>	
Tobacco Settlement	General Fund	<u>6,686,123</u>	Interest distribution and debt service
Community Services Agency	Other governmental funds	<u>5,100,000</u>	Contributions to capital projects
Other governmental funds	General Fund	2,232,839	Country program contributions
Other governmental funds	Health Clinics and Ancillary Services	85,484	Country program contributions
Other governmental funds	Other governmental funds	2,416,709	Contributions to capital projects
Other governmental funds	Other governmental funds	301,304	Country program contributions
Other governmental funds	Other governmental funds	10,492,604	Contributions to public works
	Subtotal	<u>15,528,940</u>	
Fink Road Landfill	Other enterprise funds	<u>1,375,283</u>	Geer Road Landfill closure/postclosure
Other enterprise funds	Other governmental funds	<u>250,000</u>	Contributions to public works
	Total	<u>\$ 86,364,511</u>	

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

	Balance June 30, 2018	Additions	Retirements	Adjustments and Transfers	Balance June 30, 2019
Governmental Activities					
Capital assets, not being depreciated:					
Land and right of ways	\$ 45,746,250	\$ 642,548	\$ (40)	\$ -	\$ 46,388,758
Construction in progress	172,030,093	6,351,208	(325,313)	(171,585,807)	6,470,181
Total capital assets, not being depreciated	217,776,343	6,993,756	(325,353)	(171,585,807)	52,858,939
Capital assets, being depreciated:					
Infrastructure	828,413,454	7,158,110	(4,145,389)	-	831,426,175
Structures and improvements	254,205,182	10,410,340	(359,811)	171,038,287	435,293,998
Equipment	109,314,365	7,925,478	(4,518,052)	2,716,318	115,438,109
Intangible assets	3,351,336	-	-	-	3,351,336
Total capital assets, being depreciated	1,195,284,337	25,493,928	(9,023,252)	173,754,605	1,385,509,618
Total capital assets	1,413,060,680	32,487,684	(9,348,605)	2,168,798	1,438,368,557
Less accumulated depreciation for:					
Infrastructure	(707,037,917)	(7,757,550)	4,145,389	-	(710,650,078)
Structures and improvements	(113,909,242)	(17,220,417)	251,996	-	(130,877,663)
Equipment	(75,524,034)	(7,094,814)	4,487,532	(2,486,795)	(80,618,111)
Intangible assets	(2,659,884)	(335,134)	-	-	(2,995,018)
Total accumulated depreciation	(899,131,077)	(32,407,915)	8,884,917	(2,486,795)	(925,140,870)
Total capital assets, being depreciated, net	296,153,260	(6,913,987)	(138,335)	171,267,810	460,368,748
Governmental activities capital assets, net	<u>\$ 513,929,603</u>	<u>\$ 79,769</u>	<u>\$ (463,688)</u>	<u>\$ (317,997)</u>	<u>\$ 513,227,687</u>
Business-type Activities					
Capital assets, not being depreciated:					
Land and right of ways	\$ 15,462,882	\$ -	\$ -	\$ -	\$ 15,462,882
Construction in progress	257,448	4,435,317	-	(63,801)	4,628,964
Total capital assets, not being depreciated	15,720,330	4,435,317	-	(63,801)	20,091,846
Capital assets, being depreciated:					
Structures and improvements	18,558,911	-	(63,854)	-	18,495,057
Equipment	24,625,850	1,510,772	(235,594)	(2,054,493)	23,846,535
Total capital assets, being depreciated	43,184,761	1,510,772	(299,448)	(2,054,493)	42,341,592
Total capital assets	58,905,091	5,946,089	(299,448)	(2,118,294)	62,433,438
Less accumulated depreciation for:					
Structures and improvements	(15,612,167)	(668,130)	22,235	-	(16,258,062)
Equipment	(14,771,436)	(1,560,068)	223,534	2,058,037	(14,049,933)
Total accumulated depreciation	(30,383,603)	(2,228,198)	245,769	2,058,037	(30,307,995)
Total capital assets, being depreciated, net	12,801,158	(717,426)	(53,679)	3,544	12,033,597
Business-type activities capital assets, net	<u>\$ 28,521,488</u>	<u>\$ 3,717,891</u>	<u>\$ (53,679)</u>	<u>\$ (60,257)</u>	<u>\$ 32,125,443</u>
First 5 Stanislaus Component Unit Activities:					
Equipment	\$ 25,125	\$ -	\$ (17,029)	\$ -	\$ 8,096
Less accumulated depreciation	(23,911)	(1,214)	17,029	-	(8,096)
First 5 Stanislaus (Component Unit) capital assets, net	<u>\$ 1,214</u>	<u>\$ (1,214)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Depreciation expense was charged to the governmental functions as follows:

	Equipment	Structures and Improvements	Intangible	Infrastructure	Total
General government	\$ 54,177	\$ 1,768,283	\$ -	\$ -	\$ 1,822,460
Public protection	3,150,827	12,388,439	64,675	-	15,603,941
Public ways	20,432	305,588	-	7,757,550	8,083,570
Health and sanitation	561,905	387,771	-	-	949,676
Public assistance	435,983	981,837	-	-	1,417,820
Education	1,488,268	225,690	-	-	1,713,958
Recreation and Cultural Services	269,589	857,281	-	-	1,126,870
Internal service funds	1,113,633	305,528	270,459	-	1,689,620
Total	<u>\$ 7,094,814</u>	<u>\$ 17,220,417</u>	<u>\$ 335,134</u>	<u>\$ 7,757,550</u>	<u>\$ 32,407,915</u>

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

	Equipment	Structures and Improvements	Total
Fink Road Landfill	\$ 150,465	\$ 560,846	\$ 711,311
Health Clinics and Ancillary Services	185,884	88,734	274,618
Inmate Welfare/Commissary	656	5,396	6,052
Transit	1,223,063	13,154	1,236,217
Total	<u>\$ 1,560,068</u>	<u>\$ 668,130</u>	<u>\$ 2,228,198</u>

Depreciation expense was charged to the First 5 Stanislaus (Component Unit) as follows:

	Equipment
First 5 Stanislaus (Component Unit)	<u>\$ 1,484</u>

NOTE 6 RECEIVABLES

The governmental activities accounts receivable amount of \$97,757,424 includes receivables from federal, state, and local governments in the amount of \$61,735,363.

The accounts receivable balance, net allowance, in the business-type activities is \$6,835,237. This balance includes \$4,638,286 for Health Clinics and Ancillary Services.

NOTE 7 NOTE RECEIVABLE

As of June 30, 2019, a total of \$158,198 has been recorded as notes receivable.

On August 26, 2014, the Board of Supervisors approved \$200,000 for loans designed to help citizens living within unincorporated areas of Stanislaus County with repairs or replacement costs of water wells which provide supply for domestic use. The loans are to be repaid within five to seven years with a 1% interest rate. The qualifying applicants sign a promissory note, secured by a recorded lien, deed of trust or similar instrument. As of June 30, 2019, the amount of \$70,723 has been loaned and recognized as notes receivable.

The remaining \$87,475 is a reimbursement for an overpayment.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

NOTE 8 PROPERTY TAXES

The County's property taxes are levied July 1 (Unsecured Roll) and October 1 (Secured Roll) on assessed values established on the lien date of the previous January 1 for all taxable property located within the County. Local assessed values are determined, subject to appeal before the Assessment Appeals Board, by the County Assessor's Office. Locally assessed real property is appraised at the base year value and is adjusted each year after 1975 by the change in the California Consumer Price Index (CPI) not to exceed an increase of 2%. Property is re-appraised from the 1975-1976 base year value to current full value upon either (1) a change in ownership, or (2) new construction, as of the date of such transaction or completion of construction (only the newly constructed portion of the property is re-appraised). Thereafter, it continues to be increased annually by the change in the CPI not to exceed 2%. The total gross assessed value for Fiscal Year 2018-2019 is \$49,529,052,879.

The County is permitted by Section 93 of the California Revenue and Taxation Code to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on general obligation bonds or other indebtedness approved by a two-thirds vote of its voters after June 4, 1986. Taxes are allotted to local agencies and school districts as outlined in Sections 95 through 100 of the California Revenue and Taxation Code.

Taxes are due in one installment (Unsecured Roll) on billing and are subject to late payment penalties if paid after August 31, or two installments (Secured Roll) due on November 1 and February 1, and again subject to the late payment penalties if paid after December 10 and April 10, respectively.

The County and its political subdivisions operate under the provisions of Sections 4701- 4717 of the California Revenue and Taxation Code (otherwise known as the Teeter Plan). Under this method, the accounts of all political subdivisions that levy taxes on the County tax roll are credited with 100% of their respective secured ad valorem tax levy, regardless of the actual payments and delinquencies. This method then provides for all the delinquent penalties and redemptions to flow to the County's General Fund. In addition, Sections 4703 and 4703.2 of the California Revenue and Taxation Code require that a property tax loss reserve fund be maintained at 1% of the total of all taxes and assessments levied on the secured roll for that year for participating entities in the County, or 25% of the total delinquent secured taxes. By Board of Supervisors resolution, dated September 9, 2008, the County has elected to maintain the tax loss reserve at 1% of the secured roll.

Taxes receivable balance of \$19,775,063 in the General Fund is comprised of Teeter property tax receivable of \$19,654,946 and \$120,117 receivable balance for unsecured property taxes.

Unsecured taxes are accrued in the period when they are levied and are recognized when they become available. "Available" means due, or past due, and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Unsecured property taxes receivable that do not meet the "available" criteria are recorded as deferred inflow of resources.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

NOTE 9 LEASES

Operating Leases

The County is committed under various operating leases for building and office space and business and data processing equipment.

Aggregate rental expense for all operating leases approximated \$7,314,157 for all fund types for the year ended June 30, 2019. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining non-cancelable lease terms in excess of one year as of June 30, 2019.

<u>Fiscal Year Ending June 30.</u>	<u>Amount</u>
2020	\$ 3,978,041
2021	4,293,884
2022	3,775,049
2023	2,565,433
2024	2,326,875
2025-2028	6,533,605
Total Minimum Lease Revenues	<u>\$ 23,472,887</u>

Revenue Leases

Effective July 1, 2012, the County of Stanislaus entered into a new facility site lease agreement with Covanta Stanislaus, Inc. (formerly Stanislaus Waste Energy Company). The original lease with Stanislaus Waste Energy Company was established in June 1986 with initial term of 35 years with an option to renew the lease for additional 15 years. This lease was to expire August 2021. The lease covers a 16.55-acre site owned by the County.

The new lease agreement extends the terms by six additional years with a one-time termination option on December 31, 2016. Covanta Stanislaus, Inc. retains a 15-year renewal option. The annual lease payment is \$198,000. If Covanta Stanislaus, Inc. exercises its 15-year renewal option, the annual rent would convert to the market rate for the highest and best use of land.

On March 1, 2016, the County of Stanislaus entered into a new concession lease agreement with PFD Management Inc. to provide cafeteria services at the Community Services Facility. The lease with PFD Management Inc. includes a minimum base rent of \$6,480 per year, an additional 3% commission based on annual gross sales over \$216,000, an additional 3% commission on vending machine annual gross sales over \$24,000 and an annual flat \$500 commission on catering sales. Per the amendment executed on February 27, 2017, the rent and commissions are now due on a monthly basis instead of annually. The initial lease term began on March 1, 2016 and terminated February 28, 2017. The first of the four one-year renewable term commenced on March 1, 2017 and terminated on February 28, 2018. The second of the four one-year renewable terms commenced on March 1, 2018, and terminated on February 28, 2019. The third of the four one-year renewable terms commenced on March 1, 2019 and terminates on February 28, 2020.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

The total maximum term of this lease is limited to five years, terminating on February 28, 2021.

On January 1, 1997, the County of Stanislaus entered into a lease agreement with Mr. Dave Brown to lease 35 acres of agriculture land located at 3312 Crows Landing Road, Ceres, California. The lease was renewed on January 1, 2017. The annual rent is \$4,415 per year. The term of the lease is five years, terminating on December 31, 2021.

The County of Stanislaus and The Gallo Center for the Arts, LLC, and the Central Valley Center for the Arts entered into an agreement on February 17, 2004. The annual rent is one dollar. The leased property is located at 1030 11th Street, Modesto, California. The agreement expires 40 years from the date the Gallo Center for the Arts was completed and ready for occupancy. The completion date of the Gallo Center for the Arts was November 20, 2007.

Effective May 20, 2013, the County of Stanislaus entered into a Lease Agreement and Land Option with Golden Hills Solar, LCC for a long-term Solar and Farming Lease on county-owned land adjacent to the Fink Road Landfill. The terms of the agreement include a lease for 1,675 acres for a 70MW solar energy project. The option term is for 48 months total \$300,000 paid in quarterly advance installments of \$18,750. The lease term is one 25-year term, plus two additional optional terms of one-year each. Upon exercise of the Option, the Solar Lease rent is \$400,000 annually, with a 1.5% escalator every year.

The Agreement with Golden Hills Solar, LLC was Amended and Restated on May 9, 2017. The terms of the agreement include a lease for 1,691 acres for a 225MW solar energy project. The option term is for 60 months with a total of \$500,000 paid in quarterly advance installments of \$25,000. The lease term is one 25-year term, plus two additional optional terms of five-years each. Upon exercise of the option the Solar Lease rent is \$660 per acre annually, 1,000 up to 1,100 acres, with a 0.5% escalator every year; with a Solar Benefit of an additional \$80 per acre annually. Upon exercise of the Option, the long-term farm lease rent is \$100 per acre annually, with a 0.5% escalator every year.

The following is a schedule of future lease revenue on these noncancelable leases at June 30, 2019:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 198,001
2021	198,001
2022	198,001
2023	198,001
2024	198,001
2025-2047	396,023
Total Minimum Lease Revenues	<u>\$ 1,386,028</u>

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Capital Lease

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

	Stated Interest Rate	Present Value of Remaining Payments At June 30, 2019
Governmental activities:		
Equipment	0.00 - 7.7%	\$ 225,483
Total capital lease obligations		\$ 225,483

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019, were as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>
2020	\$ 122,159
2021	70,296
2022	39,509
2023	1,232
Total minimum lease payments	233,196
Less: amounts representing interest	(7,713)
Present value of minimum lease payments	225,483
less: current portion of capital lease	(117,348)
Long-term capital lease obligation	\$ 108,135

Equipment and related accumulated amortization under capital leases are as follows:

	<u>Governmental Activities</u>
Equipment	\$ 1,341,178
Less: accumulated depreciation	(1,040,659)
Net Value	\$ 300,519

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

NOTE 10 LONG-TERM DEBT

A. Summary of Long-Term Debt

The following is a summary of long-term liability transactions for the year ended June 30, 2019:

	Balance June 30, 2018	Additions	Deletions	Adjustments	Balance June 30, 2019	Accounts Due within One Year
Governmental Activities						
2016 Lease HVAC Financing	\$ 5,435,000	\$ -	\$ (465,000)	\$ -	\$ 4,970,000	\$ 475,000
Tobacco securitization note	79,578,611	-	(3,360,000)	-	76,218,611	6,560,000
2006 tobacco accreted interest	46,678,793	5,634,310	-	-	52,313,103	-
Subtotal	<u>131,692,404</u>	<u>5,634,310</u>	<u>(3,825,000)</u>	<u>-</u>	<u>133,501,714</u>	<u>7,035,000</u>
Capital lease payable	350,459	-	(124,976)	-	225,483	117,348
Compensated absences	32,541,490	5,991,925	(4,978,325)	-	33,555,090	10,204,255
Net Pension Liability	555,914,833	-	(8,752,766)	-	547,162,067	-
Other post-employment benefits (OPEB)	30,980,193	-	(5,799,773)	-	25,180,420	-
Risk management liability	37,223,668	10,445,053	(8,212,425)	-	39,456,296	16,835,785
Subtotal	<u>657,010,643</u>	<u>16,436,978</u>	<u>(27,868,265)</u>	<u>-</u>	<u>645,579,356</u>	<u>27,157,388</u>
Total governmental activities	<u>\$ 788,703,047</u>	<u>\$ 22,071,288</u>	<u>\$ (31,693,265)</u>	<u>\$ -</u>	<u>\$ 779,081,070</u>	<u>\$ 34,192,388</u>
Business-type activities:						
Compensated absences	\$ 1,009,180	\$ 66,193	\$ (92,044)	\$ -	983,329	\$ 519,426
Net Pension Liability	22,151,889	-	(3,306,197)	-	18,845,692	-
Other post-employment benefits (OPEB)	1,238,795	-	(199,497)	-	1,039,298	-
Estimated cost of landfill closure/postclosure	9,577,020	850,838	-	-	10,427,858	-
Risk management liability	218,923	66,580	(44,047)	-	241,456	185,769
Total business-type activities	<u>\$ 34,195,807</u>	<u>\$ 983,611</u>	<u>\$ (3,641,785)</u>	<u>\$ -</u>	<u>\$ 31,537,633</u>	<u>\$ 705,195</u>
First 5 Stanislaus County Component unit activities:						
Compensated absences	\$ 111,010	\$ 75,787	\$ (77,932)	\$ -	108,865	\$ 75,040
Net Pension Liability	706,274	12,000	-	-	718,274	-
Total governmental activities	<u>\$ 817,284</u>	<u>\$ 87,787</u>	<u>\$ (77,932)</u>	<u>\$ -</u>	<u>\$ 827,139</u>	<u>\$ 75,040</u>

With the exception of the Professional Liability Insurance Fund, which serves the Health Clinics and Ancillary Services Enterprise Fund, internal service funds serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities.

In governmental activities, the liability for the majority of employee compensated absences, litigation, net OPEB, and net pension are liquidated by the General Fund. The self-insurance claims liability is reported in the risk management and insurance internal service funds and will be liquidated by these funds.

County of Stanislaus

Notes to the Basic Financial Statements June 30, 2019

As of June 30, 2019, annual debt service requirements of governmental activities to maturity are as follows:

<u>Year Ending June 30.</u>	Governmental Activities			
	2017 Lease (HVAC)			
	Principal	Interest		
2020	\$ 475,000	\$ 111,328		
2021	485,000	100,688		
2022	500,000	89,824		
2023	510,000	78,624		
2024	520,000	67,200		
2025-2029	2,480,000	156,016		
Totals	\$ 4,970,000	\$ 603,680		

<u>Year Ending June 30.</u>	Tobacco Securitization Note		2006 Tobacco Accreted Interest	
	Principal	Interest	Principal	Interest
	2020	\$ 6,560,000	\$ 959,314	\$ -
2021	7,055,000	573,474	-	2,935,222
2022	20,450,000	228,317	-	7,781,534
2023	-	41,566	-	7,878,350
2024	-	-	-	7,971,693
2025-2029	-	-	20,965,835	41,459,309
2030-2034	-	-	2,827,546	45,605,692
2035-2039	-	-	9,446,325	49,467,982
2040-2044	-	-	-	54,201,054
2045-2048	-	-	8,913,905	8,830,260
Totals	\$ 34,065,000	\$ 1,802,671	\$ 42,153,611	\$ 226,131,096

The above Tobacco Securitization Note amortization schedule assumes that the accelerated payments will be made. If the projected tobacco sales do not occur, then the amortization schedule will change to reflect less principal being paid each year, maturing in 2045.

B. Long-Term Obligations

A summary of lease refunding outstanding at year-end is as follows:

	Interest Rate Percentage	Date of Issue	Maturity	Amount of Original Issue	Outstanding June 30, 2019
Governmental activities:					
2016 Lease HVAC Financing	2.24 %	8/31/2016	6/1/2029	\$ 7,775,000	\$ 4,970,000
Total governmental activities				\$ 7,775,000	\$ 4,970,000

A summary of notes payable follows:

	Interest Rate Percentage	Date of Issue	Maturity	Amount of Original Issue	Outstanding June 30, 2019
2002 Tobacco Securitization Note	5.50 - 7.50 %	3/21/2002	6/1/2043	\$ 67,305,000	\$ 34,065,000
2006 Tobacco Securitization Note	5.75 - 7.25 %	3/29/2006	6/1/2055	42,153,611	42,153,611
Tobacco securitization note				109,458,611	76,218,611
2006 Tobacco Accreted Interest				-	52,313,103
Total				\$ 109,458,611	\$ 128,531,714

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Purpose for County Borrowings

2016 HVAC Financing	Heating Ventilation Air Conditioning and Emergency Generator at Community Services Agency building
Tobacco Securitization Note	To purchase future tobacco settlement revenue
2006 Tobacco Accreted Interest	To purchase future tobacco settlement revenue

C. **Tobacco Settlement Asset Backed Bonds**

The County has issued two series of capital appreciation bonds. The first series is the Series 2002 Tobacco Settlement Asset-Backed Bonds and the second is the Series 2006 Tobacco Settlement Asset-Backed Bonds. Capital appreciation bonds are debt securities on which the investment return on an initial principal amount is reinvested at a stated compounded rate until maturity, at which time the investor receives a single payment (the maturity value) representing both the initial principal amount and the total investment return.

The California County Tobacco Securitization Agency (CCTSA) issued bonds and loaned the proceeds to a nonprofit corporation formed by the County called the Stanislaus County Tobacco Funding Corporation (the Stanislaus Corporation) which, in turn paid the proceeds to the County. The bonds are limited obligations of the CCTSA payable solely from payments made by the Stanislaus Corporation from tobacco settlement revenues purchased from the County.

In April 2002, the CCTSA issued the Tobacco Settlement Asset-Backed Bonds on behalf of the Stanislaus Corporation, which is reported as a blended component unit of the County. The original issue amount of the bonds was \$67,305,000 and the expected maturity dates were from June 1, 2019-2043. The bonds' interest rates range from 5.5% to 7.5%.

In April 2006, the CCTSA issued the Tobacco Settlement Asset-Backed Bonds, Subordinate Series 2006 in the amount of \$42,153,611 and the expected maturity dates were from June 1, 2046-2055. The bonds' interest rates range from 5.75% to 7.25%.

D. **Arbitrage**

Arbitrage regulation pertain to the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable arbitrage rebates are not reported and paid to the Internal Revenue Service at least every five years. The County did not have any outstanding liability for arbitrage as of June 30, 2019.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

NOTE 11 SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

There are two solid waste landfill sites in the County. The Fink Road Landfill is owned by the County and is currently operating. The Geer Road Landfill is on land jointly owned by the City of Modesto and the County of Stanislaus. This landfill has reached capacity and closed to the public in July 1990. The County of Stanislaus, by and through its Board of Supervisors, administered the closure operations of the Geer Road Landfill. Both landfills are reported in their entirety as enterprise funds.

State and federal laws require the County to close a landfill once its capacity has been reached and to monitor and maintain the site for a minimum of thirty subsequent years. The County recognizes a portion of the closure and postclosure care costs in each operating period even though actual payouts will not occur until a landfill is closed. The amount recognized each year to date is based on the landfill capacity used as of the financial statement date.

	Fink Road	Geer Road	Total
Estimated total liability for closure/ postclosure at June 30, 2019	\$ 23,176,352	\$ 29,296,094	\$ 52,472,446
Liability recognized as of June 30, 2019	\$ 10,427,858	\$ -	\$ 10,427,858
Landfill capacity used to date	44.99 %	100 %	
Estimated remaining useful life	7 years		

Restricted Cash and Investments Held for Closure/Postclosure

The estimated costs of closure and postclosure care are subject to changes such as the effects of inflation, technology, revision of laws and other variables including corrective action which is required when a release has been detected. State and federal laws require the County to establish a closure fund to accumulate assets needed for the actual payout of closure, postclosure care, and corrective action costs. Of the restricted cash and investments in the proprietary funds, the following amounts are held for this purpose:

Fink Road Sanitary Landfill	\$ 21,034,938
Geer Road Sanitary Landfill	\$ 5,657,805

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

NOTE 12 NET POSITION/FUND BALANCES

The government-wide and proprietary funds financial statements utilize a net position presentation. Net position components are as follows:

- *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 net position with external restrictions on its use 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.

As of June 30, 2019, the County had the following restrictions to net position:

	Governmental Activities	Business-type Activities
Restricted for:		
Capital projects	\$ 44,885,062	\$ -
Debt service	6,073,747	-
Other purposes:		
Landfill closure/postclosure		26,801,688
Tobacco settlement	89,399,781	-
Behavioral Health & Recovery	43,724,707	-
Probation grants	27,026,190	-
Road and bridge	16,162,723	-
Community Services Agency	15,925,349	-
Health services	13,847,042	-
Library	9,178,500	-
Planning	8,055,367	-
Environmental resources	6,624,371	-
Tax loss reserve fund	5,190,143	-
Alliance Worknet	4,512,881	-
Probation	4,169,234	-
Storm drain & service area districts	3,313,899	-
Chief Executive Office	3,687,911	-
Sheriff's Office	3,481,954	-
Public works	2,921,341	-
Clerk-Recorder - capital assets	2,310,017	-
Indigent health care	2,079,273	-
Department of Child Support	1,678,130	-
Other	1,447,843	-
Lighting districts	1,143,931	-
Area Agency on Aging	1,126,710	-
Court security	983,563	-
Parks	666,178	-
Subtotal other purposes	268,657,038	26,801,688
Total restricted net position	\$ 319,615,847	\$ 26,801,688
Amount of total restricted by enabling legislation	\$ 39,771	

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Fund Balances

Fund balances are presented in the following categories: non-spendable, restricted, committed, assigned, and unassigned (see Note 1 for a description of these categories). A detail schedule of fund balances at June 30, 2019, is as follows:

	General Fund	Tobacco Settlement	Behavioral Health and Recovery Services	Community Services Agency	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Teeter receivable	\$ 12,085,826	\$ -	\$ -	\$ -	\$ -	\$ 12,085,826
Advances to government and other funds	1,306,346	-	-	-	-	1,306,346
Inventory	-	-	-	-	689,183	689,183
Prepaid Items	175,301	-	-	-	132,917	308,218
Imprest cash	85,655	-	8,550	25,650	14,299	134,154
Total nonspendable	<u>13,653,128</u>	<u>-</u>	<u>8,550</u>	<u>25,650</u>	<u>836,399</u>	<u>14,523,727</u>
Restricted:						
Tobacco	-	89,399,781	-	-	6,073,747	95,473,528
Public facility fees	-	-	-	-	44,885,062	44,885,062
Program funds	-	-	43,716,157	15,899,699	106,428,578	166,044,434
AC tax loss	5,190,143	-	-	-	-	5,190,143
Special districts	-	-	-	-	4,024,779	4,024,779
Chief Executive Office County fire services	-	-	-	-	2,143,739	2,143,739
Court security	-	-	-	-	983,563	983,563
Total restricted	<u>5,190,143</u>	<u>89,399,781</u>	<u>43,716,157</u>	<u>15,899,699</u>	<u>164,539,468</u>	<u>318,745,248</u>
Committed:						
Capital acquisitions	225,766	-	-	-	-	225,766
Parks and litigation	1,435,526	-	-	-	-	1,435,526
General plan maintenance	-	-	-	-	-	-
Total committed	<u>1,661,292</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,661,292</u>
Assigned:						
Encumbrances	4,116,135	-	-	-	2,315,973	6,432,108
Housing and community development	32,356,000	-	-	-	-	32,356,000
Revenue stabilization	23,000,000	-	-	-	-	23,000,000
Teeter plan	21,117,046	-	-	-	-	21,117,046
Contingencies	16,675,000	-	-	-	-	16,675,000
Capital projects	-	-	-	-	15,295,768	15,295,768
Performance visioning carryover savings	12,391,537	-	-	-	-	12,391,537
Carryover appropriations 2019-2020 Year 2 Budget	11,490,801	-	-	-	-	11,490,801
Balancing	9,000,000	-	-	-	-	9,000,000
Retirement obligation	7,410,573	-	-	-	-	7,410,573
Strategic Projects Pending	8,423,000	-	-	-	-	8,423,000
Budget balance	6,736,011	-	-	-	-	6,736,011

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

	General Fund	Tobacco Settlement	Behavioral Health and Recovery Services	Community Services Agency	Other Governmental Funds	Total Governmental Funds
Assigned (continued):						
Enterprise Resource						
Planning Project	\$ 6,000,000	\$ -	\$ -	\$ -	\$ -	\$ 6,000,000
Juvenile Court Remodel	6,000,000	-	-	-	-	6,000,000
Future budget balancing	5,190,116	-	-	-	-	5,190,116
Jail Life-Safety System						
Failure	5,000,000	-	-	-	-	5,000,000
Cash out obligation	4,000,000	-	-	-	-	4,000,000
Library projects	3,000,000	-	-	-	-	3,000,000
Public Safety Facility						
Infrastructure	3,000,000	-	-	-	-	3,000,000
Enterprise and Technology						
Upgrades	2,000,000	-	-	-	-	2,000,000
ADA Transition and						
Improvements Plan	1,500,000	-	-	-	-	1,500,000
Litigation/Audit Exposures	1,500,000	-	-	-	-	1,500,000
Program funds	-	-	-	-	-	-
Deferred maintenance	1,000,000	-	-	-	-	1,000,000
Training and Workforce						
Development	1,000,000	-	-	-	-	1,000,000
Public facilities projects					637,851	637,851
Debt service	600,000	-	-	-	-	600,000
Enterprise-Wide Financial						
Management/HR System						
Needs	500,000	-	-	-	-	500,000
Security Improvements	500,000	-	-	-	-	500,000
Salida Park	450,000	-	-	-	-	450,000
HSA Flood Insurance						
Proceeds	348,415	-	-	-	-	348,415
Parks Awesome Spot	250,000	-	-	-	-	250,000
JBCT Excess Revenue	116,592	-	-	-	-	116,592
Invest fair value adjustment	1,810,675	-	-	-	306,160	2,116,835
Total assigned	<u>196,481,901</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,555,752</u>	<u>215,037,653</u>
Unassigned:						
General Fund	<u>3,660,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,660,796</u>
Total unassigned	<u>3,660,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,660,796</u>
Total fund balance	<u>\$ 220,647,260</u>	<u>\$ 89,399,781</u>	<u>\$ 43,724,707</u>	<u>\$ 15,925,349</u>	<u>\$ 183,931,619</u>	<u>\$ 553,628,716</u>

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

NOTE 13 RISK MANAGEMENT

The County CEO-Risk Management Division's program encompasses workers' compensation, general, and professional liability, property, medical, dental, unemployment, and vision self-insurance. The County is self-insured for workers' compensation for the first \$500,000 per claim with excess insurance for amounts spent over \$500,000 on a statutory basis. The general liability insurance covers property damage, personal injury, auto and public officials' errors and omissions, and has a self-insured retention of \$250,000 per occurrence with excess insurance through CSAC-Excess Insurance Authority and several excess insurance carriers totaling \$25,000,000. The County's property coverage limit is \$846,072,075 subject to variable deductibles including \$10,000 for All Risk Coverage and \$10,000 for vehicles per incident. Unemployment, vision care, and dental insurance are the sole responsibility of the County. Limited exposure precludes the need for outside insurance coverage. The County is self-insured for employee medical costs and carries excess insurance for claims in excess of \$275,000 incurred in calendar year 2018 and 2019.

The Health Services Agency, Behavioral Health and Recovery Services, Probation, and the Sheriff's Office participate in the medical malpractice program subject to a deductible of \$10,000 per claim. The excess insurance through CSAC-Excess Insurance Authority and the insurance carriers is capped at \$21,500,000 per claim.

The estimation of claims liability is dependent on factors including, but not limited to; inflation, changes in legal doctrine, and damage awards. Accordingly, an actuarial study is completed each year.

The County is named in several legal actions and while management cannot predict the ultimate outcome with certainty, management does not believe there will be an adverse impact on the financial position of the County.

	Fiscal Year Ending June 30, 2019	Fiscal Year Ending June 30, 2018
Unpaid claims as of July 1	\$ 37,442,591	\$ 34,553,731
Incurred claims (including IBNRs)	9,804,282	10,896,052
Claim payments	(7,549,121)	(8,007,192)
Unpaid claims as of June 30	<u>\$ 39,697,752</u>	<u>\$ 37,442,591</u>

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

NOTE 14 CONTINGENT LIABILITIES

The County participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. Some audits of these programs prior to and for the year ended June 30, 2019, have not been conducted, or concluded. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

In O'Neal, et al v. Stanislaus County Employees Retirement Association (StanCERA), Case No. 648469, retirees have sued StanCERA alleging a breach of fiduciary, constitutional, and statutory duties to its members. The County has intervened as a defendant. The trial court granted StanCERA's and the County's motion for Summary Judgment. The Plaintiff has appealed and the case is awaiting oral argument. The potential loss is estimated to be several million in the event of an unfavorable outcome.

NOTE 15 JOINT VENTURES

Stanislaus Waste-to-Energy Financing Agency

Stanislaus Waste-to-Energy Financing Agency (SWEFA) was created May 1, 1989, pursuant to a joint exercise of powers agreement between the City of Modesto (the City) and the County of Stanislaus. The SWEFA is administered by a commission consisting of two members of the City Council and two members of the County's Board of Supervisors.

The agreement provides that the City and the County shall pay for costs associated with the operation of the SWEFA and are entitled to all rights and property of the SWEFA equally. The agreement was amended and approved by the County of Stanislaus Board of Supervisors on June 26, 2012.

On May 1, 1990, the SWEFA issued Certificates of Participation (COP) to refinance a bond issued through California Pollution Control Financing Authority. On February 1, 2000, Refunding Revenue Certificates were issued to refinance the 1990 COPs. The 2000 Refunding Revenue Certificates were paid off in full on December 3, 2008. As of June 30, 2019, the SWEFA did not have any outstanding debt.

Financial statements for the SWEFA may be obtained by writing to the County of Stanislaus, Environmental Resource Department, 3800 Cornucopia Way, Suite C, Modesto, CA 95358.

Tuolumne River Regional Park

The County participates with the City of Modesto and the City of Ceres in the operation and development of the Tuolumne River Regional Park (TRRP). TRRP is governed by the TRRP Committee which consists of two members of the County's Board of Supervisors, two members of the City of Modesto's City Council, and one member of the City of Ceres' City Council.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

The TRRP Committee prepares the annual budget, which must be approved by both cities' councils and the Board of Supervisors. Each participant has an equity interest in the assets of TRRP based on the percentage of cumulative contributions paid. As of June 30, 2019, the County's equity interest was \$1,229,924. For the fiscal year ending June 30, 2019, the County contributed \$198,402 to TRRP.

The financial statements for TRRP are prepared by the City of Modesto Finance Department and may be obtained by writing to City of Modesto, Finance Department, P.O. Box 642, Modesto, CA 95353.

Stanislaus Special Investigations Unit

Stanislaus County, California Highway Patrol-Modesto and the cities of Oakdale, Ceres, Patterson, Riverbank, Waterford, Hughson and Newman are the participants in the Stanislaus Special Investigations Unit (SIU), formerly known as the Stanislaus Drug Enforcement Agency (SDEA). The mission of Stanislaus SIU is to maintain a fully operational and specially trained police unit to assist each of the participating agencies in the enforcement of drug control laws and to investigate violent crimes within Stanislaus County.

The governing body consists of the Sheriff, the District Attorney and Chief Probation Officer of Stanislaus County, the California Highway Patrol Commander and the Chief of Police for each participating city. All participants contributed to the funding of the SIU budgeted expenditures, based on population. The County's cash contribution to the SIU for fiscal year ending June 30, 2019 was \$48,792.

The total cash plus in-kind contribution as of June 30, 2019 was \$1,164,356. Upon termination of the agreement, assets will be distributed based on total contributions from each participant.

Financial Statements may be obtained by writing to the Stanislaus County Sheriff's Office, Finance Department, 250 E. Hackett Road Modesto, CA 95358.

The City-County Capital Improvements and Financing Agency

The City-County Capital Improvements and Financing Agency (CCCIFA) was created December 17, 1996, pursuant to a joint exercise of powers agreement between the City of Modesto and the County of Stanislaus. The CCCIFA is administered by a six-member commission consisting of two members of the City Council, two members of the County's Board of Supervisors, the County Chief Executive Officer and the City Manager. The CCCIFA prepares the annual and project budgets, which must be approved by both the City Council and the Board of Supervisors. Each participant has an equity interest in the assets of the CCCIFA in accordance with any project agreements or in the percentages as agreed upon by the CCCIFA which percentages shall be reviewed and approved in connection with the project and annual budgets of the CCCIFA. As of June 30, 2019, the County's equity interest in the CCCIFA was \$7,666,899 and is reported as Investments-joint ventures in the government-wide Statement of Net Position. The County's cash contribution to the CCCIFA for fiscal year ending June 30, 2019 was \$1,058,126.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

The City of Modesto was the CCCIFA's fiscal administrator after the construction phase of the City-County Administration Center through the end of June 2010. Since July 2010, the County of Stanislaus has been the CCCIFA's fiscal administrator. The Financial Statements may be obtained by writing to the County of Stanislaus, Auditor- Controller Department, P.O. Box 770, Modesto, CA 95353-0770.

The California County Tobacco Securitization Agency

In November 1998, the Attorney General of 46 states (including California) and various other public entities (collectively, the Settling States) and the four largest United States tobacco manufacturers entered into a master settlement agreement (MSA) in resolution of cigarette smoking-related litigation. The MSA effectively releases the manufacturers from past, present, and future smoking related claims in exchange for, among other things, certain payments to be made to the Settling States.

On August 5, 1998, the counsel for the State of California and various jurisdictions therein (participating jurisdictions) entered into a memorandum of understanding (MOU), made to the State of California in accordance to the MSA. However, the payments under the MSA are subject to numerous adjustments and potential delays.

On November 15, 2000, the County of Stanislaus entered into a Joint Powers Agreement (the Agreement) with the County of Kern, County of Merced, and the County of Sonoma, thereby creating the California County Tobacco Securitization Agency (CCTSA). The CCTSA then added the County of Alameda, County of Fresno, County of Los Angeles, County of Marin, and the County of Placer.

The CCTSA is governed by a Commission, which is comprised of two designees of the Board of Supervisors of each member.

The purpose of the Agreement is to provide for the exercise of powers common to each member, including, but not limited to, the power to insure, hedge or otherwise manage the risks associated with the receipt of the MSA payments. In furtherance of its purpose, the CCTSA has been empowered to issue Bonds secured by the MSA payments of one or more members, the proceeds of which will be used directly or indirectly to purchase all or a portion of the rights to the MSA payments from a member or members.

On March 1, 2002, the Stanislaus County Tobacco Funding Corporation, a component unit of the County, entered into an agreement with the CCTSA for the purpose of issuing bonds in the principal amount of \$67,305,000 to acquire the County's rights to receive the MSA payments when and as such funds are available. The County agreed to sell its rights, title, and interest of the money due under the MSA and the MOU for \$52,403,206.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

On March 1, 2006, the Stanislaus County Tobacco Funding Corporation entered into a subordinate secured loan agreement with the CCTSA to borrow the proceeds of the \$42,153,611 CCTSA 2006 bond issue. The proceeds were used to pay the issuance costs of the bond and the remainder placed in the residual trust established for the benefit of the County in connection with the sale of County tobacco assets mentioned above. The County received \$40,971,290.

The financial statements of the CCTSA are produced annually and may be obtained by writing to the County of Stanislaus, Auditor-Controller, P.O. Box 770, Modesto, CA 95353-0770. The responsibility of preparing the audited financial statements is rotated among the nine counties mentioned above.

Consolidated Emergency Dispatch Agency

The Modesto/Stanslaus Consolidated Emergency Dispatch Agency (the MSCEDA) was created on September 1, 1999, pursuant to a joint exercise of powers agreement between the City of Modesto (the City) and the County of Stanislaus (the County). The MSCEDA is administered by a seven-member commission consisting of one member of the Modesto City Council, one member of the County's Board of Supervisors, the County Chief Executive Officer, the Modesto City Manager, two members from the Dispatch Advisory Board, and one member from the City of Ceres' City Council or one member selected by the City Council of another participating City. The purpose of the MSCEDA is to consolidate the public safety communications system. The responsibilities of the County and the City include approval of the annual budget, claims, liabilities, and the use of MSCEDA property as collateral. Each participant will contribute sufficient funds to pay for all costs and expenses associated with providing Emergency Dispatch Services. Upon termination of the agreement, assets will be distributed equally to the City and County, unless otherwise approved.

The financial statements may be obtained by writing to the Modesto/Stanslaus Consolidated Emergency Dispatch, Office Manager, 3705 Oakdale Road, Modesto, California 95357.

Regional Fire Training Center

On July 1, 1992, the County, Yosemite Community College District (YCCD), and the City of Modesto (City) entered into a 20-year agreement for the joint use and management of the regional fire training center (Center) at Modesto Junior College (MJC). Although the agreement had a sunset date of June 30, 2012, all parties continued to operate under terms of the expired agreement. A new agreement was put into place effective July 1, 2015. The Center's executive board is made up of the Chancellor of YCCD, the President of MJC, the City Manager, and the Chief Executive Officer of the County. The Center was initially constructed using funds borrowed by YCCD with the City and County reimbursing a portion of these costs over 20 years. The buildings, grounds, and equipment belong to YCCD. All three entities share in the Center's operating costs with YCCD responsible for the accounting and monitoring of the Center's budget. For fiscal year ending June 30, 2019, the County paid \$50,547 to YCCD under this agreement.

Financial Statements may be obtained by writing to the Office of the Chancellor, Yosemite Community College District, 2201 Blue Gum Avenue, Modesto, CA 95352.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

California Statewide Automated Welfare System Consortium IV

The California Statewide Automated Welfare System Consortium IV (C-IV) was formed in December of 1998, pursuant to a joint exercise of powers agreement between the Counties of San Bernardino, Riverside, Merced and Stanislaus. The Authority was created for the purpose of the design, development, implementation, and ongoing operation and maintenance of a system that automates the eligibility and case management functions of various welfare programs.

On January 9, 2007, the Board of Supervisors approved the Amendment 1 of the Joint Powers Agreement to add thirty-five (35) counties to the current C-IV Joint Powers Authority (JPA). On March 30, 2010, the Board of Supervisors approved the Amendment 2 to the Joint Powers Agreement to reflect the implementation of the C-IV Automated System in the thirty-five (35) migration counties. The agreement further documents and establishes the new thirty-nine (39) C-IV Consortium County Regional Representation Model. The benefits of adding these counties create opportunities to expand and improve the current C-IV system along with lowering each county's share of costs.

On June 13, 2017, the Board of Supervisors approved the Memorandum of Understanding (MOU) which was updated to reflect the new forty County members, the new consortium name "CalACES" and to delineate the areas of understanding and agreement between the Consortium and the Members regarding matters related to the administration and fulfillment of the Consortium's purpose. This was the result of California Assembly Bill 16 being passed in September 2011 giving participating Counties the ability to begin migration to the new consortium known today, now composed of forty County members.

In 2018, the Centers for Medicare and Medicaid Services and the Food and Nutrition Services agencies of the United States Department of Agriculture directed California to move to a single statewide automated welfare system by 2023. This would require the consolidation of the two remaining automated welfare system consortiums, the CalACES Consortium and the Welfare Client Data Systems (WCDS) Consortium into one consortium and one automated system which would be called the California Statewide Automated Welfare System (CalSAWS.) The system would assist in the administration of public assistance programs which include CalWORKs (federally known as Temporary Assistance for Needy Families (TANF)), CalFresh (federally known as Supplemental Nutrition Assistance Program (SNAP)), and Medi-Cal (federally known as Medicaid) for all 58 counties in California.

On April 2, 2019 the Board of Supervisors approved per Resolution Number 2019-0178, the Second Amended and Restated Joint Exercise of Powers Agreement and the MOU which reflects the addition of all 58 Counties and changes to the Authority. Currently the Authority is governed by a Board of Directors comprised of twelve (12) County Directors, one from each of the defined CalSAWS regions and one (1) State Representative. The CalSAWS regional model ensures adequate and fair representation of all participating counties and the remaining County Directors participate as general members. All meetings are open to the public and information updates are provided on the CalACES Website <http://www.calaces.org>.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

The Community Services Agency total CalSAWS County costs for Fiscal Year 2018-2019 were \$252,882. A copy of the CalSAWS Financial Statements may be obtained by writing to the County of San Bernardino Auditor-Controller/Treasurer/Tax Collector (ATC), 222 West Hospitality Lane, 4th Floor, and San Bernardino, CA 92415 or by going to their website <http://www.sbcounty.gov/ATC/Services/Documents> and open the folder for Financial Reports.

North County Corridor Transportation Expressway Authority

On April 1, 2008, the Board of Supervisors approved the establishment of a Joint Powers Authority between the County and the cities of Modesto, Oakdale, and Riverbank to create the North County Corridor Transportation Expressway Authority (NCCTEA). The purpose of the NCCTEA is to prepare, identify, and adopt a precise alignment, and prepare and certify environmental documents for a route to improve east/west traffic circulation in the County.

The intent of the NCCTEA is to provide a high capacity high speed east-west roadway to accommodate anticipated traffic growth, alleviate traffic on parallel roads, and to accommodate multi-modal travel. Under the terms of the agreement, the County will incur 40% of the costs of the project while each of the participating cities will be contributing 20%. The preliminary project development costs are funded by State Transportation Program and Public Facility Fees. The NCCTEA Board of Directors is comprised of two directors appointed by the County, and one director from each participating city.

The board acts autonomously from the respective member agencies. The County of Stanislaus Public Works Director is designated as the NCCTEA's manager. Upon completion of the agreement, all assets will be distributed to the respective parties of the agreement as determined by the Board of Directors of the Authority.

Financial Statements may be obtained by writing to the County of Stanislaus, Public Works Department, 1716 Morgan Road, Modesto, CA 95358.

Stanislaus Animal Services Agency

Stanislaus Animal Services Agency (SASA) was created October 27, 2009, pursuant to a Joint Powers Agreement (JPA) among the cities of Ceres, Hughson, Modesto, Patterson, Waterford, and the County of Stanislaus. The SASA is governed by a Board, the members of which are the City Manager of each member agency and the Chief Executive Officer of the County.

The purpose of SASA is to operate a regional agency providing animal services to their respective communities. The SASA Executive Director is responsible for the annual budget which must be approved by the SASA Agency Board. Each partner agency will contribute sufficient funds to pay for all costs approved in the budget to provide animal services. As of June 30, 2019, the County's equity interest was \$6,425,351. The County's cash contribution to the SASA for fiscal year ending June 30, 2019, was \$1,775,847.

The financial statements may be obtained by writing to Stanislaus Animal Services Agency, Executive Director, 3647 Cornucopia Way, Modesto, CA 95358.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

NOTE 16 PENSIONS

Plan Description

The County is a major participant in the Stanislaus County Employees Retirement Association (StanCERA), a retirement system organized under the 1937 Retirement Act. StanCERA is a cost-sharing multiple-employer Public Employee Retirement System (PERS). StanCERA provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits. Health and welfare insurance for retirees and their dependents is available, however it is administered independently of StanCERA. The pension plan is administered by StanCERA. An actuarial valuation is performed for the system annually as a whole and the contribution rate is determined for each participating entity. The participating entities are the County, City of Ceres and six special districts located in the County not governed by the County's Board of Supervisors. StanCERA issues a Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for StanCERA. The CAFR may be obtained by writing to:

Stanislaus County Employees Retirement Association
P.O. Box 3150
Modesto, CA 95353-3150
or by calling (209) 525-6393

The StanCERA CAFR is prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. All other securities are valued at the last reported market price at current exchange rates.

Summary of Plans and Eligible Participants

General Tiers 1, 2, 4, 5 (not open to new members)	Vests after five years of credited service and may retire at age 50 or older with 10 or more years of membership with StanCERA or any age with 30 or more years of credited service.
General Tier 3 (not open to new members)	Vests after 10 years of credited service and may retire at age 55 with 10 or more years of credit service.
General Tier 6 (open to new members)	Vests after five years of credited service and may retire at age 52 with five years of service credit or age 70 regardless of service credit
Safety Tiers 1, 2, 4, 5 (not open to new members)	Vests after five years of credited service and may retire at age 50 or older with 10 or more years of membership with StanCERA or any age with 20 or more years of credited service.
Safety Tier 6 (open to new members)	Vests after five years of credited service and may retire at age 50 with five years of service credit or age 70 regardless of service credit

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Benefits Provided

Members terminating employment before accruing five years (ten years for Tier 3) of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within the prescribed time period. Nonvested members who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Members who terminate after earning 5 or 10 years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Difference between expected or actual experience for vested and non-vested benefits may result in an increase or decrease to pension expense and net pension liability.

For members with Tier 1, Tier 4, or Tier 5 benefits, final average salary is the average monthly salary based on the highest twelve consecutive months of earnings. For members with Tier 2, Tier 3, or Tier 6 benefits, final average salary is the average monthly salary based on the highest 36 consecutive months of earnings. The retirement benefit for Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 members includes a post-retirement cost-of-living (COL) adjustment based upon the Consumer Price Index. COL increases/decreases are limited to a maximum of 3% annually. Total COL decrease(s) cannot exceed the cumulative amount of previous COL increase(s). Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 provide death and disability benefits.

Those members participating in Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 are required by statute to contribute to the pension plan. Members' contribution rates for Tier 1, Tier 2, Tier 4, and Tier 5 are formulated on the basis of the age at date of entry and the actuarially calculated future benefits. Members' contribution rate for Tier 6 is a flat rate based on the actuarially calculated future benefit. The County is required by statute to contribute the remaining amounts necessary to finance the estimated benefits accrued to its members. Member and employer contribution rates for each plan are as follows:

<u>Plan</u>	<u>Employer Contribution Rates</u>	<u>Employee Contribution Rates</u>
General Tier 1	31.54%	5.08-8.18%
General Tier 2	27.91%	6.69-11.58%
General Tier 3	20.92%	Non-contributory
General Tier 4	34.08%	4.88-7.96%
General Tier 5	29.37%	7.95-12.88%
General Tier 6	26.24%	8.06%
Safety Tier 2	42.86%	10.10-17.43%
Safety Tier 4	24.89%	7.63-12.24%
Safety Tier 5	45.44%	11.52-18.31%
Safety Tier 6	38.34%	13.07%

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

The County's contributions to StanCERA for the past three fiscal years were equal to the required contributions for each year and are noted in the below chart. The County does not contribute towards post-employment benefits other than retirement.

<u>Fiscal Year Ended June 30,</u>	<u>Contributions</u>
2017	\$ 55,715,221
2018	68,758,500
2019	77,246,258

*Contributions made by all entities processed through County payroll including non-County entities.

The County Employees' Retirement Law of 1937 establishes the basic obligations for employer and member contributions and benefits to and of the retirement system. The actual employer and member contribution rates in effect each year are based on recommendations made by an independent actuary and opted by the Board of Retirement.

StanCERA provides a death benefit of \$5,000 paid to the beneficiary or estate if a member dies after retirement, provided that Stanislaus County was the members' last public employer.

Ad-hoc benefits are non-vested benefits determined by the Board of Retirement. Approved changes to the excess earnings policy by the Board of Retirement on June 30, 2014 placed restrictions on offering ad-hoc benefits, specifically that the system must be 100% actuarially funded prior to the Board of Retirement offering any ad-hoc benefits. StanCERA is 74.3% actuarially funded as of June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the County reported a liability of \$566,007,759 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018 and the liability used to calculate the net pension liability was determined by an actuarial valuation date June 30, 2017, updated to June 30, 2018. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At June 30, 2018, the County's proportion was 89.49%, compared to 88.75% at June 30, 2017, an increase of 0.74%.

For the fiscal year ended June 30, 2019, the County recognized pension expense of \$110,740,546. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions, or method and plan benefits.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

At June 30, 2019, 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
Difference between expected and actual experience	\$ 15,524,875	\$ 10,788,349
Change in assumptions	94,582,806	-
Net difference between projected and actual earnings	-	4,210,778
Changes in proportionate share	11,805,215	612,168
Differences between employer contributions and proportionate share	35,442	344,113
Contributions subsequent to the measurement date	77,246,258	-
Total	\$ 199,194,596	\$ 15,955,408

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

The County contributions of \$77,246,258 made subsequent to the measurement date are reported as deferred outflows of resources for fiscal year ending June 30, 2019 and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2020.

Other amounts report as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ended June 30,	Amount
2020	\$ 73,904,574
2021	59,991,880
2022	(23,337,259)
2023	(4,566,265)
Thereafter	-
Total	\$ 105,992,930

Actuarial Assumptions

The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the portion of the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

Inflation	3.00%
Salary Increase	3.25% plus merit component
Cost of living adjustment (COLA) increase	3% for those eligible for COLA
Investment rate of return	7.25%, net of investment expense
Postretirement mortality	Fully generational mortality improvement projection from base year 2009 using scale MP-2015

The actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2018.

Asset Class	2019 Long-Term Expected Real Rate of Return	2019 Target Allocation
Domestic Equities:		
U.S. Large Cap	2.40 %	18.50 %
U.S. Small Cap	2.30 %	5.50 %
International Equities:		
International Development	6.50 %	18.00 %
Emerging Market Equity	5.20 %	6.00 %
U.S. Fixed Income:		
Core fixed income	- %	- %
U.S. Treasury	0.30 %	3.00 %
Short-term Gov/Credit	0.40 %	19.00 %
Real Estate:		
Core	3.90 %	7.70 %
Value-add	5.90 %	1.70 %
Risk Parity	5.10 %	14.00 %
Private Equity	4.30 %	- %
Private Credit	4.80 %	5.00 %
Infrastructure	5.00 %	0.60 %
Cash	0.10 %	1.00 %

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability:

	1% Decrease 6.25%	Discount Rate 7.25%	1% Increase 8.25%
County's proportionate share of the net retirement plan liability	\$ 645,788,354	\$ 566,007,759	\$ 500,976,041

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued StanCERA CAFR.

NOTE 17 DEFERRED COMPENSATION PLANS

County of Stanislaus Employee Contribution Deferred Compensation Plan (PARS Plan)

The County offers to its part-time, seasonal, and temporary employees an alternate retirement plan through Public Agency Retirement Services (PARS), who otherwise are not eligible for participation in other retirement systems. All eligible employees are immediately vested in the plan. PARS plan members contribute 5.5% and the County as an employer, contributes 2.0% of the wages. The deferred compensation is not available to participants until termination, retirement, death, permanent and total disability, or changed employment status to a position covered by another retirement system.

This plan is administered through a third-party administrator. The County does not perform the investing function and has no fiduciary accountability for the plan. Thus, plan assets and any related liability to plan participants have been excluded from the County's financial statements.

County of Stanislaus Employee Contribution Deferred Compensation Plan (Mass Mutual)

The County offers to its employees an optional deferred compensation plan created in accordance with Section 457 of the Internal Revenue Code. This plan is available to all eligible employees and allows participants to defer a portion of their current income until future years, up to a maximum of \$18,500 during 2018 (calendar year), and \$19,000 during 2019 (calendar year) so as to shelter such funds and earnings from state and federal taxation until withdrawal. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

This plan is administered through a third-party administrator. The County does not perform the investing function and has no fiduciary accountability for the plan. Thus, plan assets and any related liability to plan participants have been excluded from the County's financial statements.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

NOTE 18 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

Stanislaus County is a participant in the Stanislaus County Employees Retirement Association (StanCERA), a cost-sharing multiple-employer defined benefit public employee retirement system. StanCERA is a public employees' retirement system operating under the California State Government Code, County Employees Retirement Law of 1937, Section 31450 et seq. StanCERA administers the retirement benefits for employees of Stanislaus County. Stanislaus County offers post-employment health and welfare benefits to its retirees. While the County does not directly contribute towards the cost of premiums for retirees, the ability to obtain coverage at an active employee rate constitutes a significant economic benefit, called an "implicit subsidy" under GASB Statement No. 75.

StanCERA issues a Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for StanCERA. The CAFR may be obtained by writing to:

Stanislaus County Employees Retirement Association
P.O. Box 3150
Modesto, CA 95353-3150
or by calling (209) 525-6393.

Stanislaus County offers medical insurance plans to retirees that mirror those that are offered to active County employees. Retirees pay 100% of the premium costs for themselves and their dependents plus a 2% administration fee. County employees who attain age 50 and complete five years of service with the County and have 10 years of StanCERA membership, are eligible to retire and participate in the County's medical insurance program. Eligibility for coverage under the County's medical plans ends when the retiree or surviving spouse reaches age 65.

The inclusion of the retirees increases the County's overall health insurance rates. The amount of this subsidy is calculated in the actuarial valuation report.

Inactive plan members or beneficiaries currently receiving benefit payments	177
Vested deferred plan members	629
Active plan members	4,053
Total	<u>4,859</u>

Contributions

The County does not make direct contributions to the plan. All contributions are a result of the implicit subsidy.

Net OPEB Liability

At June 30, 2019, the County reported a net OPEB liability of \$26,219,718. The County's net OPEB liability was measured as of June 30, 2019 and the Total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2017, updated to June 30, 2018.

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at June 30, 2018	\$ 32,218,988	\$ -	\$ 32,218,988
Changes for the year:			
Service cost	1,382,374	-	1,382,374
Interest cost	1,189,604	-	1,189,604
Changes in assumptions	(6,980,038)	-	(6,980,038)
Benefit payments (implicit subsidy)	(1,591,210)	-	(1,591,210)
Balances at June 30, 2019	<u>\$ 26,219,718</u>	<u>\$ -</u>	<u>\$ 26,219,718</u>

Actuarial Assumptions

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

Salary Increase Rate	3.00%
Investment rate of return	4.00%
Health cost trends rates	7.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
Mortality rates	Pre-retirement mortality rates were based on the CalPERS 1997-2015 Experience Study. Post-retirement mortality projected fully generational with Scale MP-2018.

Discount Rate

GASB Statement No. 75 requires a discount rate then reflects the following:

- a) The long-term expected rate of return on OPEB plan investments - to the extent that OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year. Tax-exempt general obligation municipal bonds with an average rating of AA/aa or higher – to the extent that the conditions in (a) are not met.

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

The net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1- percentage point lower (2.13%) or 1- percentage point higher (4.13%) than the current discount rate:

	1% Decrease 2.13%	Discount Rate 3.13%	1% Increase 4.13%
County's proportionate share of the net OPEB liability	<u>\$ 29,087,887</u>	<u>\$ 26,219,718</u>	<u>\$ 23,658,544</u>

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

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

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.50% decreasing to 3.00%) or 1-percentage-point higher (8.50% decreasing to 5.00%) than the current healthcare cost trend rates:

	1% Decrease (6.50% decreasing to 3.00%)	Discount Rate (7.50% decreasing to 4.00%)	1% Increase (8.50% decreasing to 5.00%)
County's proportional share of the net retirement plan liability	<u>\$ 22,632,873</u>	<u>\$ 26,219,718</u>	<u>\$ 30,557,220</u>

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the County recognized OPEB expense of \$1,382,374. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At June 30, 2019, the County reported deferred inflow of resources related to changes of assumptions of \$7,057,608.

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Amount</u>
2020	\$ (1,062,585)
2021	(1,062,585)
2022	(1,062,585)
2023	(1,062,585)
2024	(1,062,585)
Thereafter	(1,744,683)
Total	<u>\$ (7,057,608)</u>

NOTE 19 TAX ABATEMENTS

The California Land Conservation Act of 1965, also known as the Williamson Act, was adopted by the State Legislature in 1965 and voluntarily implemented by the Stanislaus County Board of Supervisors in January of 1969. The Act permits a landowner, whose land is used for agriculture, to enter into a contract with the County guaranteeing that the land will continue to remain in farming for a period of at least ten years. In return for this guarantee, the County assesses taxes based on the agricultural value of the land rather than the market value.

For the Fiscal Year Ended June 30, 2019, the County's portion of the tax abatements related to the Williamson Act was \$567,280.

County of Stanislaus
Notes to the Basic Financial Statements
June 30, 2019

NOTE 20 PRIOR PERIOD ADJUSTMENTS

Adjustments resulting from implementation of new standards, entity changes or errors that require a change to prior year accounting previously reported are treated as prior period adjustments. Accordingly, the County reports these changes as restatements of beginning fund balances / net position. Restatements as of the beginning of the fiscal year were made to restate the reporting of prior year revenues and expenses / expenditures.

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

	Government-Wide Statements		Governmental Funds	
	Governmental Activities	Business Type Activities	General Fund	Behavioral Health and Recovery Services
Fund balance / net position, June 30, 2018, as previously reported	\$ 497,724,342	\$ 81,356,059	\$ 204,095,234	\$ 21,080,047
Entity Reclassification:				
To reclassify First 5 Stanislaus as a discretely presented component unit	(6,027,293)	-	-	-
Corrections:				
FQHC revenue accrual	-	927,590	-	-
Contractual adjustment error	-	393,576	-	-
Deferred rent	-	(2,243,503)	-	-
Retirement payments to StanCERA Trust Fund that were due in prior years	(1,682,486)	-	(1,305,024)	(377,462)
Record loans receivable recognized as expenditures in a prior period	3,048,094	-	-	-
Recognize revenue incorrectly reported as unearned in a prior period	42,647,144	-	-	30,818,213
Total corrections	<u>37,985,459</u>	<u>(922,337)</u>	<u>(1,305,024)</u>	<u>30,440,751</u>
Fund balance / net position, June 30, 2018, as restated	<u>\$ 535,709,801</u>	<u>\$ 80,433,722</u>	<u>\$ 202,790,210</u>	<u>\$ 51,520,798</u>

County of Stanislaus

Notes to the Basic Financial Statements

June 30, 2019

	Governmental Funds		Enterprise Funds
	Community Services Agency	Other Governmental Funds	Health Clinics and Ancillary Services
Fund balance / net position, June 30, 2018, as previously reported	\$ 327,560	\$ 179,054,741	\$ 14,047,174
Entity Reclassification:			
To reclassify First 5 Stanislaus as a discretely presented component unit	-	(6,027,293)	-
Corrections:			
FQHC revenue accrual	-	-	927,590
Contractual adjustment error	-	-	393,576
Deferred rent	-	-	(2,243,503)
Record loans receivable recognized as expenditures in a prior period	-	3,048,094	-
Recognize revenue incorrectly reported as unearned in a prior period	11,297,037	531,894	-
Total corrections	11,297,037	(2,447,305)	(922,337)
Fund balance / net position, June 30, 2018, as restated	\$ 11,624,597	\$ 176,607,436	\$ 13,124,837

NOTE 21 SUBSEQUENT EVENTS

On September 23, 2003, the Stanislaus County Board of Supervisors adopted the Stanislaus County Retirement Replacement Benefit Plan (RRBP) and concurrently entered into a Memorandum of Understanding (“MOU”) with StanCERA for support of the plan while appointing the County Auditor-Controller as the Plan Administrator. A recent review of the Plan by StanCERA, its actuary, and tax counsel, revealed that the County funded the Plan through charges to the StanCERA Trust fund, since inception through calendar year 2018. The use of the trust funds for the Plan violates the MOU and the Internal Revenue Code. StanCERA trust assets were understated as a result of these charges. Consequently, on November 26, 2019, the Board of Supervisors accepted the staff report on the status and workings of the Stanislaus County Replacement Benefits Plan and authorized a repayment of \$1,805,512 to Stanislaus County Employees’ Retirement Association (StanCERA) for past benefits paid through this program. In addition, the Board authorized payments for current and future plan benefits to be paid by the Auditor Controller’s Office. Finally, the Chairman of the Board of Supervisors was authorized to sign the revised Memorandum of Understanding with StanCERA for the Stanislaus County Replacement Benefits Plan to ensure the program design and operating plan is in compliance with the Internal Revenue Code.

Effective June 30, 2019, the County transferred \$1,805,512 to the StanCERA Trust Fund, which is part of the County’s pooled cash. As the cash payment was made, the County will not recognize a liability.

*Required
Supplementary
Information*

**County of Stanislaus
Required Supplementary Information (Unaudited)
For the Year Ended June 30, 2019**

Stanislaus County OPEB Schedule of the County's Proportionate Share of the Liability

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
County's proportion of the OPEB liability (asset)	98.07 %	97.90 %
County's proportionate share of the OPEB liability (asset)	\$ 26,219,718	\$ 32,218,988
County's covered payroll	\$ 261,050,691	\$ 235,201,080
County's proportionate share of the OPEB liability (asset) as a percentage of its covered payroll	10.04 %	13.70 %
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	- %	- %

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.

Stanislaus County OPEB Schedule of the County's Contributions

Actuarially determined contribution	\$ (82,116)	\$ 2,438,662
Actual contributions	<u>1,591,210</u>	<u>1,683,014</u>
Contribution deficiency (excess)	<u>(1,673,326)</u>	<u>755,648</u>
County's covered payroll	<u>\$ 261,050,691</u>	<u>\$ 235,201,080</u>
Actual contributions as a percentage of County's covered payroll	0.61%	0.72%

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.

County of Stanislaus
Required Supplementary Information (Unaudited)
For the Year Ended June 30, 2019

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

	Fiscal Year Ended					
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
County's proportion of the net pension liability (asset)	89.49 %	88.75 %	88.26 %	88.73 %	88.6947 %	88.4162 %
County's proportionate share of the net pension liability (asset)	\$ 566,007,759	\$ 578,066,722	\$ 637,287,750	\$ 256,442,634	\$ 202,065,617	\$ 329,072,460
County's covered payroll	\$ 235,227,075	\$ 222,133,345	\$ 211,526,725	\$ 205,719,027	\$ 196,780,722	\$ 192,297,278
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	240.93 %	260.23 %	301.28 %	124.66 %	102.69 %	171.13 %
Plan fiduciary net position as a percentage of the total pension liability (asset)	76.71 %	74.98 %	70.63 %	86.13 %	88.49 %	80.23 %

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.

Schedule of County's Contributions

	Fiscal Year Ended				
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$ 68,879,527	\$ 55,931,524	\$ 51,365,402	\$ 47,779,167	\$ 41,477,186
Actual contributions	68,667,118	55,715,221	51,455,859	47,521,000	41,313,088
Contribution deficiency (excess)	\$ 212,409	\$ 216,303	\$ (90,457)	\$ 258,167	\$ 164,098
County's covered payroll	\$ 235,227,075	\$ 222,133,345	\$ 211,526,725	\$ 205,719,027	\$ 196,780,722
Actual contributions as a percentage of County's covered payroll	29.19 %	25.08 %	24.33 %	23.10 %	20.99 %

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 159,462,000	\$ 159,462,000	\$ 164,389,689	\$ 4,927,689
Licenses, permits and franchises	2,534,795	2,749,795	2,552,045	(197,750)
Fines, forfeitures and penalties	3,889,412	5,089,412	4,914,575	(174,837)
Revenue from use of money and property	5,495,154	7,343,021	13,020,453	5,677,432
Intergovernmental revenue	94,704,626	93,233,341	93,777,056	543,715
Charges for services	64,199,985	65,566,073	63,334,393	(2,231,680)
Miscellaneous revenue	855,877	1,194,366	1,914,591	720,225
Total revenues - General Fund	331,141,849	334,638,008	343,902,802	9,264,794
Expenditures: General Government				
Assessor				
Salaries and employee benefits	6,165,296	6,188,040	5,848,572	339,468
Services and supplies	469,674	469,674	443,782	25,892
Other charges	465,566	490,916	443,638	47,278
Intrafund transfer	1,225	1,225	760	465
Total expenditures	7,101,761	7,149,855	6,736,752	413,103
Auditor-Controller				
Salaries and employee benefits	4,910,887	4,896,988	4,571,089	325,899
Services and supplies	293,373	323,373	283,065	40,308
Other charges	333,898	333,898	323,618	10,280
Intrafund transfer	200	200	77	123
Total expenditures	5,538,358	5,554,459	5,177,849	376,610
Board of Supervisors				
Salaries and employee benefits	1,150,878	1,204,006	1,072,410	131,596
Services and supplies	117,800	117,800	109,951	7,849
Other charges	89,295	89,295	79,936	9,359
Intrafund transfer	-	-	15	(15)
Total expenditures	1,357,973	1,411,101	1,262,312	148,789
Chief Executive				
Salaries and employee benefits	7,980,647	8,001,933	7,636,748	365,185
Services and supplies	2,745,227	2,744,912	2,093,897	651,015
Other charges	578,069	578,069	464,986	113,083
Intrafund transfer	-	315	(498)	813
Total expenditures	11,303,943	11,325,229	10,195,133	1,130,096
Economic Development				
Services and supplies	63,047	277,070	127,425	149,645
Total expenditures	63,047	277,070	127,425	149,645
Risk Management				
Salaries and employee benefits	1,710,276	1,677,582	1,606,460	71,122
Services and supplies	103,245	138,245	42,529	95,716
Other charges	104,400	107,400	103,484	3,916
Intrafund transfer	31	531	434	97
Total expenditures	1,917,952	1,923,758	1,752,907	170,851

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
CEO - Cannabis Program				
Other charges	\$ 1,189,755	\$ 1,189,755	\$ 78,013	\$ 1,111,742
Total expenditures	<u>1,189,755</u>	<u>1,189,755</u>	<u>78,013</u>	<u>1,111,742</u>
CEO - Focus on Prevention				
Services and supplies	991,720	1,783,106	821,436	961,670
Other charges	783,090	783,090	694,781	88,309
Total expenditures	<u>1,774,810</u>	<u>2,566,196</u>	<u>1,516,217</u>	<u>1,049,979</u>
CEO - ADA Self-Evaluation and Transition Plan Project				
Services and supplies	1,018,116	1,018,116	100,231	917,885
Total expenditures	<u>1,018,116</u>	<u>1,018,116</u>	<u>100,231</u>	<u>917,885</u>
CEO - Discretionary Revenue				
Intrafund transfer	-	-	33,690	(33,690)
Total expenditures	<u>-</u>	<u>-</u>	<u>33,690</u>	<u>(33,690)</u>
Capital Improvement Financing Authority				
Services and supplies	140,633	140,633	39,255	101,378
Total expenditures	<u>140,633</u>	<u>140,633</u>	<u>39,255</u>	<u>101,378</u>
Plant Acquisition				
Salaries and employee benefits	83,325	220,113	220,112	1
Services and supplies	6,203,275	5,854,334	2,284,819	3,569,515
Other charges	89,460	14,592	14,592	-
Fixed assets	-	287,021	287,021	-
Total expenditures	<u>6,376,060</u>	<u>6,376,060</u>	<u>2,806,544</u>	<u>3,569,516</u>
General Fund Contribution to Other Programs				
Other charges	6,846,487	4,986,275	4,736,190	250,085
Total expenditures	<u>6,846,487</u>	<u>4,986,275</u>	<u>4,736,190</u>	<u>250,085</u>
Appropriations for Contingencies				
Appropriations for contingencies	7,915,499	4,808,556	-	4,808,556
Total expenditures	<u>7,915,499</u>	<u>4,808,556</u>	<u>-</u>	<u>4,808,556</u>
County Facilities				
Salaries and employee benefits	-	1,507	1,506	1
Services and supplies	854,343	842,649	252,812	589,837
Other charges	624,974	674,056	674,055	1
Intrafund transfer	40,000	40,000	58,562	(18,562)
Fixed assets	-	5,767,001	5,729,852	37,149
Total expenditures	<u>1,519,317</u>	<u>7,325,213</u>	<u>6,716,787</u>	<u>608,426</u>
Elections Division				
Salaries and employee benefits	1,049,457	1,144,887	1,139,622	5,265
Services and supplies	1,500,543	1,855,829	1,437,239	418,590
Other charges	103,656	120,959	120,959	-
Intrafund transfer	700	700	15	685
Total expenditures	<u>2,654,356</u>	<u>3,122,375</u>	<u>2,697,835</u>	<u>424,540</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
County Counsel				
Salaries and employee benefits	\$ 2,882,723	\$ 3,184,713	\$ 2,815,672	\$ 369,041
Services and supplies	219,337	219,337	145,113	74,224
Other charges	213,992	213,992	200,286	13,706
Intrafund transfer	30	30	195	(165)
Total expenditures	3,316,082	3,618,072	3,161,266	456,806
Treasurer and Tax Collector				
Salaries and employee benefits	1,238,345	1,396,645	1,359,146	37,499
Services and supplies	277,379	312,174	250,393	61,781
Other charges	177,179	177,179	158,167	19,012
Intrafund transfer	(130,365)	(130,365)	(99,904)	(30,461)
Fixed assets	-	-	(247)	247
Total expenditures	1,562,538	1,755,633	1,667,555	88,078
Revenue Recovery				
Salaries and employee benefits	1,449,167	1,499,611	1,084,034	415,577
Services and supplies	464,901	511,034	376,878	134,156
Other charges	151,076	151,076	147,217	3,859
Intrafund transfer	(426,373)	(426,373)	(391,589)	(34,784)
Fixed assets	12,187	12,187	(213)	12,400
Total expenditures	1,650,958	1,747,535	1,216,327	531,208
Treasury				
Salaries and employee benefits	379,555	468,422	350,405	118,017
Services and supplies	340,473	340,473	188,373	152,100
Other charges	50,240	50,240	42,855	7,385
Intrafund transfer	42,000	42,000	42,000	-
Fixed assets	-	-	(653)	653
Total expenditures	812,268	901,135	622,980	278,155
General Services Agency				
Salaries and employee benefits	700,900	838,363	745,295	93,068
Services and supplies	14,900	19,900	16,510	3,390
Other charges	39,400	39,400	38,168	1,232
Total expenditures	755,200	897,663	799,973	97,690
Expenditures: Public Protection				
Agricultural Commissioner				
Salaries and employee benefits	4,382,966	4,414,169	4,131,929	282,240
Services and supplies	326,908	391,006	377,690	13,316
Other charges	497,553	488,553	482,620	5,933
Intrafund transfer	70,761	70,761	70,028	733
Fixed assets	165,872	165,872	101,688	64,184
Total expenditures	5,444,060	5,530,361	5,163,955	366,406

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Office of Emergency Services				
Salaries and employee benefits	\$ 859,625	\$ 884,313	\$ 882,759	\$ 1,554
Services and supplies	938,317	915,317	805,705	109,612
Other charges	223,060	223,060	195,600	27,460
Intrafund transfer	500	550	518	32
Fixed assets	80,000	80,000	54,753	25,247
Total expenditures	2,101,502	2,103,240	1,939,335	163,905
County Court Funding				
Salaries and employee benefits	-	11,400	11,372	28
Services and supplies	169,485	169,485	109,364	60,121
Other charges	5,917,218	5,917,218	5,510,311	406,907
Intrafund transfer	399,910	399,910	344,959	54,951
Total expenditures	6,486,613	6,498,013	5,976,006	522,007
Recorder Division				
Salaries and employee benefits	2,271,842	2,135,525	2,046,649	88,876
Services and supplies	206,764	226,764	173,052	53,712
Other charges	348,257	388,021	388,021	-
Intrafund transfer	439	439	1,942	(1,503)
Fixed assets	36,530	36,530	-	36,530
Total expenditures	2,863,832	2,787,279	2,609,664	177,615
District Attorney				
Salaries and employee benefits	18,218,545	17,265,571	15,943,454	1,322,117
Services and supplies	1,225,797	1,963,635	1,795,831	167,804
Other charges	1,335,880	1,335,880	1,275,826	60,054
Intrafund transfer	(9,108)	(8,908)	262	(9,170)
Fixed assets	188,800	226,800	97,386	129,414
Total expenditures	20,959,914	20,782,978	19,112,759	1,670,219
Planning				
Salaries and employee benefits	2,105,776	2,101,738	2,044,091	57,647
Services and supplies	183,095	408,095	333,901	74,194
Other charges	263,116	263,116	261,692	1,424
Intrafund transfer	2,261	2,261	(19,481)	21,742
Total expenditures	2,554,248	2,775,210	2,620,203	155,007
Probation Administration				
Salaries and employee benefits	2,629,824	2,638,334	2,518,504	119,830
Services and supplies	373,173	373,173	319,052	54,121
Other charges	491,751	491,751	419,385	72,366
Total expenditures	3,494,748	3,503,258	3,256,941	246,317

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Probation Community Corrections Partnership				
Salaries and employee benefits	\$ 4,292,598	\$ 4,292,598	\$ 3,426,089	\$ 866,509
Services and supplies	866,341	866,341	559,084	307,257
Other charges	56,055	56,055	55,106	949
Total expenditures	<u>5,214,994</u>	<u>5,214,994</u>	<u>4,040,279</u>	<u>1,174,715</u>
Probation Juvenile Commitment Facility				
Salaries and employee benefits	3,445,381	3,457,958	2,672,071	785,887
Services and supplies	463,779	441,779	280,705	161,074
Other charges	461,761	483,761	481,636	2,125
Fixed assets	100,000	100,000	96,986	3,014
Total expenditures	<u>4,470,921</u>	<u>4,483,498</u>	<u>3,531,398</u>	<u>952,100</u>
Probation - Field Services				
Salaries and employee benefits	11,188,054	11,273,375	10,729,119	544,256
Services and supplies	1,697,052	1,697,052	1,155,660	541,392
Other charges	1,014,879	1,014,879	950,193	64,686
Intrafund transfer	14,533	14,533	8,531	6,002
Fixed assets	428,500	428,500	406,629	21,871
Total expenditures	<u>14,343,018</u>	<u>14,428,339</u>	<u>13,250,132</u>	<u>1,178,207</u>
Probation - Institutions				
Salaries and employee benefits	5,806,103	5,827,055	5,741,218	85,837
Services and supplies	1,176,038	1,171,038	1,083,690	87,348
Other charges	563,422	568,422	564,682	3,740
Total expenditures	<u>7,545,563</u>	<u>7,566,515</u>	<u>7,389,590</u>	<u>176,925</u>
Public Defender				
Salaries and employee benefits	7,227,836	7,243,807	6,622,429	621,378
Services and supplies	770,996	770,996	333,694	437,302
Other charges	613,160	613,160	598,173	14,987
Intrafund transfer	69,922	69,922	47,541	22,381
Fixed assets	19,297	19,297	-	19,297
Total expenditures	<u>8,701,211</u>	<u>8,717,182</u>	<u>7,601,837</u>	<u>1,115,345</u>
Indigent Defense				
Salaries and employee benefits	-	50,000	7,297	42,703
Services and supplies	4,483,953	4,433,953	3,567,017	866,936
Total expenditures	<u>4,483,953</u>	<u>4,483,953</u>	<u>3,574,314</u>	<u>909,639</u>
Sheriff's Administration				
Salaries and employee benefits	9,263,189	9,293,387	8,743,443	549,944
Services and supplies	1,561,443	1,615,899	1,529,871	86,028
Other charges	845,617	801,160	801,160	-
Intrafund transfer	(31,000)	(31,000)	(31,729)	729
Appropriations for contingencies	860,000	860,000	-	860,000
Fixed assets	941,597	941,597	681,815	259,782
Total expenditures	<u>13,440,846</u>	<u>13,481,043</u>	<u>11,724,560</u>	<u>1,756,483</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Sheriff's Operations				
Salaries and employee benefits	\$ 28,144,058	\$ 28,423,915	\$ 28,129,704	\$ 294,211
Services and supplies	6,516,617	7,128,168	6,832,167	296,001
Other charges	2,298,094	2,532,549	2,532,549	-
Intrafund transfer	(687,040)	(687,040)	(721,263)	34,223
Fixed assets	3,274,502	3,274,502	2,005,085	1,269,417
Total expenditures	<u>39,546,231</u>	<u>40,672,094</u>	<u>38,778,242</u>	<u>1,893,852</u>
Sheriff's Detention				
Salaries and employee benefits	36,438,180	35,613,711	35,398,472	215,239
Services and supplies	15,427,275	15,060,227	14,118,211	942,016
Other charges	4,191,953	3,979,001	3,979,001	-
Intrafund transfer	20,000	20,000	3,856	16,144
Appropriations for contingencies	1,460,000	1,460,000	-	1,460,000
Fixed assets	446,065	586,889	427,287	159,602
Total expenditures	<u>57,983,473</u>	<u>56,719,828</u>	<u>53,926,827</u>	<u>2,793,001</u>
Sheriff's Adult Detention				
Salaries and employee benefits	10,599,489	11,411,564	11,411,564	-
Services and supplies	5,918,152	5,892,136	5,758,080	134,056
Other charges	615,276	741,292	741,292	-
Fixed assets	716,159	716,159	-	716,159
Total expenditures	<u>17,849,076</u>	<u>18,761,151</u>	<u>17,910,936</u>	<u>850,215</u>
Sheriff's Contract Cities				
Salaries and employee benefits	9,763,293	10,064,321	10,059,377	4,944
Services and supplies	1,259,274	1,274,274	1,249,881	24,393
Other charges	635,565	682,548	682,548	-
Intrafund transfer	206,500	206,500	203,943	2,557
Fixed assets	195,485	195,485	55,193	140,292
Total expenditures	<u>12,060,117</u>	<u>12,423,128</u>	<u>12,250,942</u>	<u>172,186</u>
Grand Jury				
Salaries and employee benefits	64,486	64,486	45,059	19,427
Services and supplies	83,627	81,627	26,278	55,349
Other charges	14,862	16,862	16,481	381
Intrafund transfer	300	300	-	300
Total expenditures	<u>163,275</u>	<u>163,275</u>	<u>87,818</u>	<u>75,457</u>
Expenditures: Public Ways				
Airport				
Services and supplies	190,000	190,000	180,756	9,244
Total expenditures	<u>190,000</u>	<u>190,000</u>	<u>180,756</u>	<u>9,244</u>
CEO Crows Landing Air Facility				
Services and supplies	3,703,130	3,739,130	629,022	3,110,108
Other charges	24,900	74,900	63,593	11,307
Intrafund transfer	-	-	19,788	(19,788)
Total expenditures	<u>3,728,030</u>	<u>3,814,030</u>	<u>712,403</u>	<u>3,101,627</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Expenditures: Public Assistance				
Veterans' Services				
Salaries and employee benefits	\$ 500,385	\$ 501,322	\$ 500,157	\$ 1,165
Services and supplies	35,350	55,350	49,405	5,945
Other charges	51,911	51,911	43,147	8,764
Total expenditures	<u>587,646</u>	<u>608,583</u>	<u>592,709</u>	<u>15,874</u>
Expenditures: Education				
Cooperative Extension				
Salaries and employee benefits	490,805	463,243	418,235	45,008
Services and supplies	38,286	38,286	24,690	13,596
Other charges	139,318	169,459	169,459	-
Intrafund transfer	-	-	125	(125)
Fixed assets	54,500	53,050	53,047	3
Total expenditures	<u>722,909</u>	<u>724,038</u>	<u>665,556</u>	<u>58,482</u>
Expenditures: Recreation and Cultural Services				
Parks and Recreation				
Salaries and employee benefits	4,009,485	4,026,509	3,644,096	382,413
Services and supplies	1,974,731	1,774,298	1,491,188	283,110
Other charges	1,167,675	1,368,108	1,368,107	1
Intrafund transfer	518,723	518,723	497,101	21,622
Fixed assets	338,046	338,046	323,163	14,883
Total expenditures	<u>8,008,660</u>	<u>8,025,684</u>	<u>7,323,655</u>	<u>702,029</u>
Tuolumne River Regional Park				
Services and supplies	198,402	198,402	198,402	-
Total expenditures	<u>198,402</u>	<u>198,402</u>	<u>198,402</u>	<u>-</u>
Expenditures: Debt Service				
Debt Service				
Intrafund transfer	(69,878)	(69,878)	(69,878)	-
Total expenditures	<u>(69,878)</u>	<u>(69,878)</u>	<u>(69,878)</u>	<u>-</u>
 Total expenditures - General Fund	 <u>307,888,477</u>	 <u>312,680,887</u>	 <u>275,794,582</u>	 <u>36,886,305</u>
Excess (deficiency) of revenues over (under) expenditures	<u>23,253,372</u>	<u>21,957,121</u>	<u>68,108,220</u>	<u>46,151,099</u>
Other financing sources (uses)				
Transfers in	8,681,152	11,286,980	8,918,962	(2,368,018)
Transfers out	(57,933,170)	(62,685,843)	(57,424,165)	5,261,678
Total other financing sources (uses)	<u>(49,252,018)</u>	<u>(51,398,863)</u>	<u>(48,505,203)</u>	<u>2,893,660</u>
 Net change in fund balance	 <u>(25,998,646)</u>	 <u>(29,441,742)</u>	 <u>19,603,017</u>	 <u>49,044,759</u>
Fund balance - beginning	<u>202,790,210</u>	<u>202,790,210</u>	<u>202,790,210</u>	<u>-</u>
Fund balance - ending	<u>\$ 176,791,564</u>	<u>\$ 173,348,468</u>	<u>\$ 222,393,227</u>	<u>\$ 49,044,759</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Behavioral Health and Recovery Services-Special Revenue Fund
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, forfeitures, and penalties	\$ 71,675	\$ 71,675	\$ 49,473	\$ (22,202)
Revenue from use of money and property	922,687	922,987	1,762,739	839,752
Intergovernmental revenue	74,703,615	75,631,471	66,756,191	(8,875,280)
Charges for services	43,604,214	43,624,757	40,477,472	(3,147,285)
Miscellaneous revenue	-	200	27,677	27,477
Total revenues - Behavioral Health and Recovery	<u>119,302,191</u>	<u>120,251,090</u>	<u>109,073,552</u>	<u>(11,177,538)</u>
Expenditures: Public Protection				
Salaries and employee benefits	962,631	1,039,631	1,019,481	20,150
Services and supplies	93,825	87,825	78,151	9,674
Other charges	140,524	190,524	187,685	2,839
Intrafund transfer	130,778	130,778	127,571	3,207
Total expenditures	<u>1,327,758</u>	<u>1,448,758</u>	<u>1,412,888</u>	<u>35,870</u>
Expenditures: Health and Sanitation				
Salaries and employee benefits	48,946,148	48,666,149	44,736,248	3,929,901
Services and supplies	71,539,818	72,649,117	67,281,214	5,367,903
Other charges	7,713,492	7,793,492	7,153,396	640,096
Fixed assets	378,113	419,213	126,832	292,381
Intrafund transfer	(130,778)	(130,778)	(127,571)	(3,207)
Total expenditures	<u>128,446,793</u>	<u>129,397,193</u>	<u>119,170,119</u>	<u>10,227,074</u>
Total expenditures - Behavioral Health and Recovery	<u>129,774,551</u>	<u>130,845,951</u>	<u>120,583,007</u>	<u>10,262,944</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,472,360)</u>	<u>(10,594,861)</u>	<u>(11,509,455)</u>	<u>(914,594)</u>
Other financing sources (uses)				
Transfers in	2,302,262	2,302,262	3,708,292	1,406,030
Total other financing sources (uses)	<u>2,302,262</u>	<u>2,302,262</u>	<u>3,708,292</u>	<u>1,406,030</u>
Net change in fund balance	<u>(8,170,098)</u>	<u>(8,292,599)</u>	<u>(7,801,163)</u>	<u>491,436</u>
Fund balance - beginning, as restated	<u>51,520,798</u>	<u>51,520,798</u>	<u>51,520,798</u>	<u>-</u>
Fund balance - ending	<u>\$ 43,350,700</u>	<u>\$ 43,228,199</u>	<u>\$ 43,719,635</u>	<u>\$ 491,436</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Community Services Agency-Special Revenue Fund
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Licenses, permits and franchises	\$ 96,600	\$ 96,600	\$ 84,873	\$ (11,727)
Revenue from use of money and property	133,462	133,462	142,994	9,532
Intergovernmental revenue	248,181,752	255,785,016	229,618,962	(26,166,054)
Charges for services	2,319,116	2,580,965	1,668,016	(912,949)
Miscellaneous revenue	1,705	1,705	73,791	72,086
Total revenues - Community Services Agency	250,732,635 -	258,597,748 -	231,588,636	(27,009,112)
Expenditures: Public Assistance				
Salaries and employee benefits	99,279,184	99,369,297	94,020,646	5,348,651
Services and supplies	30,064,927	32,344,715	24,381,294	7,963,421
Other charges	144,478,998	144,917,777	132,573,985	12,343,792
Fixed assets	1,001,886	1,001,886	674,944	326,942
Total expenditures - Community Services Agency	274,824,995	277,633,675	251,650,869	25,982,806
Excess (deficiency) of revenues over (under) expenditures	(24,092,360) -	(19,035,927) -	(20,062,233)	(1,026,306)
Other financing sources (uses)				
Transfers in	24,315,471	24,326,193	29,498,137	5,171,944
Transfers out	(251,657)	(5,318,812)	(5,100,000)	218,812
Total other financing sources (uses)	24,063,814 -	19,007,381 -	24,398,137	5,390,756
Net change in fund balance	(28,546) -	(28,546) -	4,335,904	4,364,450
Fund balance - beginning, as restated	11,624,597	11,624,597	11,624,597	-
Fund balance - ending	<u>\$ 11,596,051</u>	<u>\$ 11,596,051</u>	<u>\$ 15,960,501</u>	<u>\$ 4,364,450</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
In-Home Supportive Services Special Revenue Fund
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Revenue from use of money and property	\$ -	\$ -	\$ 128	\$ 128
Intergovernmental revenue	106,482,350	106,461,842	105,648,441	(813,401)
Miscellaneous revenue	319,897	319,897	15,558	(304,339)
Total revenues - Community Services Agency	<u>106,802,247</u>	<u>106,781,739</u>	<u>105,664,127</u>	<u>(1,117,612)</u>
Expenditures: Public Assistance				
CSA-IHSS Administration				
Services and supplies	48,675	48,675	23,122	25,553
Other charges	610,439	610,439	588,495	21,944
Total expenditures	<u>659,114</u>	<u>659,114</u>	<u>611,617</u>	<u>47,497</u>
CSA-IHSS Benefits				
Services and supplies	1,048,801	1,048,801	602,110	446,691
Other charges	94,296	94,296	94,296	-
Total expenditures	<u>1,143,097</u>	<u>1,143,097</u>	<u>696,406</u>	<u>446,691</u>
CSA-IHSS Provider wages				
Other charges	110,684,933	110,684,933	110,048,247	636,686
Total expenditures	<u>110,684,933</u>	<u>110,684,933</u>	<u>110,048,247</u>	<u>(636,686)</u>
Total expenditures - In-Home Supportive Services	<u>112,487,144</u>	<u>112,487,144</u>	<u>111,356,270</u>	<u>1,130,874</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,684,897)</u>	<u>(5,705,405)</u>	<u>(5,692,143)</u>	<u>13,262</u>
Other financing sources (uses)				
Transfers in	5,684,897	5,705,405	5,692,143	(13,262)
Total other financing sources (uses)	<u>5,684,897</u>	<u>5,705,405</u>	<u>5,692,143</u>	<u>(13,262)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

County of Stanislaus
Required Supplementary Information
Note to Budgetary Comparison Schedules
For the Fiscal Year Ended June 30, 2019

Budgetary Basis of Accounting

In accordance with the provisions of Sections 29000 and 29144, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year, publishes notice in general circulation and makes the budget documents available to members of the public, on or before September 8. Budgeted expenditures are enacted into law through the passage of the Adopted Budget.

An operating budget is adopted each fiscal year for the General Fund and all special revenue funds except the Tobacco Settlement Fund. An operating balanced budget is adopted for the capital projects funds for the life of the project, except for the Courthouse Construction Fund and the Criminal Justice Facilities Fund, which adopt an operating budget each fiscal year.

A budget is not adopted for the Public Facility Fees capital projects fund as those dollars are transferred and budgeted in other funds. Expenditures are controlled at the object level within budget units. A budget unit may be (1) a single department, (2) a division of a large department having multiple divisions, or (3) an entire fund. The object level within a budget unit is the level at which expenditures may not legally exceed appropriations. Any transfers of appropriations between object levels within the same budget unit may be authorized by the Chief Executive Office, with the exception of transfers related to capital assets exceeding \$10,000. Budget amendments or supplementary appropriations normally financed by unanticipated revenues during the year or transfers of appropriations between budget units must be approved by the Board of Supervisors. Budgeted amounts in the budgetary comparison schedules are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

The budgets for the governmental funds may include an object level known as "expenditure transfers." This object level is an accounting mechanism used by the County to show reimbursements between operations within the same fund (an example would be the General Fund).

The amounts reported on the budgetary basis differ from the basis used to present the basic financial statements in accordance with generally accepted accounting principles (GAAP). Annual budgets are prepared on the modified accrual basis of accounting except that current year encumbrances and commitments are budgeted as expenditures.

The following schedules reconcile the amounts on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual on Budgetary Basis to the amounts on the Statement of Revenues, Expenditures, and Changes in Fund Balances:

County of Stanislaus
Required Supplementary Information
Note to Budgetary Comparison Schedules (Continued)
For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds			
	General Fund	Behavioral Health and Recovery Services	Community Services Agency	In-Home Supportive Services
Total expenditures (budgetary basis)	\$ 275,794,582	\$ 120,583,007	\$ 251,650,869	\$ 111,356,270
Basis difference - net encumbrances (prior year less current year encumbrances)	1,745,967	(5,072)	35,152	-
Total expenditures (GAAP)	<u>\$ 277,540,549</u>	<u>\$ 120,577,935</u>	<u>\$ 251,686,021</u>	<u>\$ 111,356,270</u>

	Non Major Special Revenue Funds			
	Environmental Resources	Public Works Engineering	Road and Bridge	Employment and Training
Total expenditures (budgetary basis)	\$ 11,993,856	\$ 8,373,053	\$ 49,618,774	\$ 16,358,583
Basis difference - net encumbrances (prior year less current year encumbrances)	247	7,402	(1,411,905)	-
Total expenditures (GAAP)	<u>\$ 11,994,103</u>	<u>\$ 8,380,455</u>	<u>\$ 48,206,869</u>	<u>\$ 16,358,583</u>

	Child Support Services	Public Health	Indigent Health Care	Library
	Total expenditures (budgetary basis)	\$ 14,766,951	\$ 31,792,118	\$ 851,576
Basis difference - net encumbrances (prior year less current year encumbrances)	132,610	(252,108)	(99,068)	249,453
Total expenditures (GAAP)	<u>\$ 14,899,561</u>	<u>\$ 31,540,010</u>	<u>\$ 752,508</u>	<u>\$ 12,311,976</u>

	Lighting Districts	All Other Special Revenue Funds
	Total expenditures (budgetary basis)	\$ 349,725
Basis difference - net encumbrances (prior year less current year encumbrances)	4,880	1,978,108
Total expenditures (GAAP)	<u>\$ 354,605</u>	<u>\$ 51,528,201</u>

*Other
Supplementary
Information*

*Non-major
Governmental
Funds*

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Capital Project Funds

The Capital Projects funds were established to account for financial resources for the acquisition or construction of major capital facilities. Public Facility Fees (PFF) is also included in this category.

Debt Service Fund

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Debt service funds include:

Capital Improvement Financing Authority

The Capital Improvement Financing Authority is used to accumulate resources for payment of principal and interest incurred by the sale of Certificates of Participation issued to finance various capital projects.

Stanislaus County Tobacco Funding Corporation

This fund is used to account for the receipt and disbursement of tobacco securitization revenues from the State. The Stanislaus County Tobacco Funding Corporation acquired all the rights to the future County tobacco settlement payments and borrowed money secured by these tobacco payments.



**County of Stanislaus
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019**

	Debt Service Funds				Totals
	Special Revenue Funds	Capital Projects	Capital Improvement	Stan County Tobacco	
			Finance Authority	Funding Corp	
Assets					
Cash and investments	\$ 101,673,250	\$ 63,858,163	\$ -	\$ 51,399	\$ 165,582,812
Investments with fiscal agent	-	-	-	6,024,861	6,024,861
Account receivable	20,246,885	-	-	3,313,226	23,560,111
Interest and other receivables	4,385,706	207,219	-	43	4,592,968
Inventory	689,183	-	-	-	689,183
Due from other funds	129,620	-	-	-	129,620
Due from other governments	232,556	-	-	-	232,556
Prepaid items	132,917	-	-	-	132,917
Total assets	<u>\$ 127,490,117</u>	<u>\$ 64,065,382</u>	<u>\$ -</u>	<u>\$ 9,389,529</u>	<u>\$ 200,945,028</u>
Liabilities					
Accounts payable	\$ 8,345,717	\$ 617,799	\$ -	\$ 3,315,782	\$ 12,279,298
Salaries and benefits payable	4,241,080	6,769	-	-	4,247,849
Advances from grantors & third parties	386,262	-	-	-	386,262
Advances from other funds	100,000	-	-	-	100,000
Total liabilities	<u>13,073,059</u>	<u>624,568</u>	<u>-</u>	<u>3,315,782</u>	<u>17,013,409</u>
Fund balances					
Non-spendable	836,399	-	-	-	836,399
Restricted	113,580,659	44,885,062	-	6,073,747	164,539,468
Assigned	-	18,555,752	-	-	18,555,752
Total fund balances	<u>114,417,058</u>	<u>63,440,814</u>	<u>-</u>	<u>6,073,747</u>	<u>183,931,619</u>
Total liabilities and fund balances	<u>\$ 127,490,117</u>	<u>\$ 64,065,382</u>	<u>\$ -</u>	<u>\$ 9,389,529</u>	<u>\$ 200,945,028</u>

County of Stanislaus
Combining Statement of Revenue, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2019

	Debt Service Funds				Totals
	Special Revenue Funds	Capital Projects	Capital	Stan County	
			Improvement Finance Authority	Tobacco Funding Corp	
Revenues					
Taxes	\$ 19,854,567	\$ -	\$ -	\$ -	\$ 19,854,567
Licenses, permits and franchises	1,807,059	-	-	-	1,807,059
Fines, forfeitures and penalties	2,241,149	697,842	-	-	2,938,991
Revenue from use of money and property	1,915,889	1,587,521	-	253,901	3,757,311
Intergovernmental revenue	115,294,263	1,831,136	-	-	117,125,399
Charges for services	36,249,172	6,393,465	-	-	42,642,637
Miscellaneous revenue	3,068,464	160,000	-	5,314,000	8,542,464
Total revenues	<u>180,430,563</u>	<u>10,669,964</u>	<u>-</u>	<u>5,567,901</u>	<u>196,668,428</u>
Expenditures					
General government	787,208	-	-	-	787,208
Public protection	76,029,920	-	-	-	76,029,920
Public ways and facilities	53,966,500	-	-	-	53,966,500
Health and sanitation	32,292,518	-	-	-	32,292,518
Public assistance	20,216,799	-	-	-	20,216,799
Education	12,312,533	-	-	-	12,312,533
Recreation and cultural services	721,393	-	-	-	721,393
Capital outlay	-	4,709,768	-	-	4,709,768
Debt service:					
Interest and fiscal charges	-	-	121,744	2,253,021	2,374,765
Principal	-	-	465,000	3,360,000	3,825,000
Total expenditures	<u>196,326,871</u>	<u>4,709,768</u>	<u>586,744</u>	<u>5,613,021</u>	<u>207,236,404</u>
Excess (deficiency) of revenues over (under) expenditures	(15,896,308)	5,960,196	(586,744)	(45,120)	(10,567,976)
Other financing sources (uses)					
Transfers in	22,294,898	10,539,457	586,744	-	33,421,099
Transfers out	(4,373,355)	(11,155,585)	-	-	(15,528,940)
Total other financing sources (uses)	<u>17,921,543</u>	<u>(616,128)</u>	<u>586,744</u>	<u>-</u>	<u>17,892,159</u>
Net changes in fund balances	<u>2,025,235</u>	<u>5,344,068</u>	<u>-</u>	<u>(45,120)</u>	<u>7,324,183</u>
Fund balances - beginning	108,811,835	58,096,746	-	6,118,867	173,027,448
Prior period adjustment	3,579,988	-	-	-	3,579,988
Fund balances at beginning of year, as restated	<u>112,391,823</u>	<u>58,096,746</u>	<u>-</u>	<u>6,118,867</u>	<u>176,607,436</u>
Fund balances - ending	<u>\$ 114,417,058</u>	<u>\$ 63,440,814</u>	<u>\$ -</u>	<u>\$ 6,073,747</u>	<u>\$ 183,931,619</u>



*Non-major
Special
Revenue Funds*

NON-MAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. Special revenue funds include:

Environmental Resources

This fund was established as a Comprehensive Environmental Department whose mandated goal was to control those factors in our physical environment, which exercise or may exercise a deleterious effect on our health and environment. Its revenues come from charges for services and federal and state sources.

Public Works Engineering

This fund was established to provide engineering services to other divisions in the Public Works Department and other County departments. Revenue consists primarily of charges for services.

Road and Bridge

This fund was established to provide maintenance and construction of roadways and bridges. Revenue consists primarily of the County's share of state highway users taxes and is supplemented by federal funds, vehicle code fines, and reimbursements for services provided.

Employment and Training

This fund was established to account for the Workforce Incentive Act. The County serves as the grant recipient and administrator. The federal government funds the program for the purposes of providing employment and training services to youth and adults, who are unskilled, economically disadvantaged, unemployed, or underemployed.

Child Support Services

This fund was established to account for the Department of Child Support Services, which is responsible for locating absent parents, establishing paternity, establishing child and medical support orders, collecting and distributing child support from absent parents and initiating remedial actions to collect on delinquencies. Federal and state funding are the primary source of revenues.

Public Health

This fund was established to oversee the delivery of health care to Stanislaus County residents. It includes the Public Health and Managed Care divisions and oversees the Health Clinics and Ancillary Services (enterprise fund). The revenues for this fund are primarily intergovernmental sources and charges for services, supplemented by transfers from the General Fund.

NON-MAJOR SPECIAL REVENUE FUNDS

Indigent Health Care

This fund was established to administer state and county funds for the delivery for quality medical care for indigent and medically indigent county residents. The primary funding source is the State.

Library

This fund was established to account for library services in thirteen branches throughout the county. Support is derived principally from 1/8% sales tax increment beginning in July 1995, and from general fund discretionary revenues.

Lighting Districts

This fund was established for lighting districts that are controlled by the Board of Supervisors. The revenue sources are property taxes and direct assessments.

All Other Special Revenue Funds

Accounts for the activities of several special revenue funds, including:

- Area Agency on Aging
- Federal & State Grants
- County Service Areas
- Storm Drain Districts
- Landscape and Lighting Districts
- County Fire Service

County of Stanislaus
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2019

	Environmental Resources	Public Works Engineering	Road and Bridge	Employment and Training	Child Support Services	Public Health	Indigent Health Care	Library	Lighting Districts	All Other Special Revenue Funds	Totals
Assets											
Cash and investments	\$ 7,044,566	\$ 3,235,757	\$ 15,061,243	\$ 4,117,514	\$ 2,259,587	\$ 9,052,073	\$ 2,047,210	\$ 8,302,273	\$ 1,168,709	\$ 49,384,318	\$ 101,673,250
Account receivable	631,754	77,657	3,107,071	1,422,301	25,039	6,128,119	-	1,554,140	-	7,300,804	20,246,885
Interest and other receivables	9,681	-	69,127	-	10,723	1,131,954	44,678	-	5,050	3,114,493	4,385,706
Inventory	-	-	507,303	7,875	-	174,005	-	-	-	-	689,183
Due from other funds	-	-	-	-	-	129,620	-	-	-	-	129,620
Due from other governments	-	-	-	-	-	232,556	-	-	-	-	232,556
Prepaid items	-	-	-	4,348	-	128,569	-	-	-	-	132,917
Total assets	\$ 7,686,001	\$ 3,313,414	\$ 18,744,744	\$ 5,552,038	\$ 2,295,349	\$ 16,976,896	\$ 2,091,888	\$ 9,856,413	\$ 1,173,759	\$ 59,799,615	\$ 127,490,117
Liabilities											
Accounts payable	\$ 274,486	\$ 50,344	\$ 2,342,840	\$ 686,430	\$ 40,961	\$ 1,970,937	\$ 12,615	\$ 281,128	\$ 29,828	\$ 2,657,148	\$ 8,345,717
Salaries and benefits payable	422,525	339,414	239,181	353,727	576,258	1,158,917	-	396,785	-	754,273	4,241,080
Advances from grantors and third parties	364,619	2,315	-	-	-	-	-	-	-	19,328	386,262
Advances from other funds	-	-	-	-	-	-	-	-	-	100,000	100,000
Total liabilities	1,061,630	392,073	2,582,021	1,039,157	617,219	3,129,854	12,615	677,913	29,828	3,530,749	13,073,059
Fund Balances											
Non spendable	900	300	507,303	12,223	100	306,874	-	3,499	-	5,200	836,399
Restricted	6,623,471	2,921,041	15,655,420	4,500,658	1,678,030	13,540,168	2,079,273	9,175,001	1,143,931	56,263,666	113,580,659
Total fund balances	6,624,371	2,921,341	16,162,723	4,512,881	1,678,130	13,847,042	2,079,273	9,178,500	1,143,931	56,268,866	114,417,058
Total liabilities and fund balances	\$ 7,686,001	\$ 3,313,414	\$ 18,744,744	\$ 5,552,038	\$ 2,295,349	\$ 16,976,896	\$ 2,091,888	\$ 9,856,413	\$ 1,173,759	\$ 59,799,615	\$ 127,490,117

County of Stanislaus
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2019

	Environmental Resources	Public Works Engineering	Road and Bridge	Employment and Training	Child Support Services	Public Health	Indigent Health Care	Library	Lighting Districts	All Other Special Revenue Funds	Totals
Revenues											
Taxes	\$ -	\$ -	\$ 7,804,051	\$ -	\$ -	\$ -	\$ -	\$ 10,256,929	\$ 100,199	\$ 1,693,388	\$ 19,854,567
Licenses, permits and franchises	-	1,744,127	24,694	-	-	15,568	-	-	-	22,680	1,807,059
Fines, forfeitures and penalties	26,413	-	-	-	-	88,648	557,986	-	-	1,568,102	2,241,149
Revenue from use of money and property	60,943	477	1,200,420	-	77,327	21,961	15,453	836	34,628	503,844	1,915,889
Intergovernmental revenue	810,188	44,996	30,335,345	8,283,935	14,731,972	15,885,080	(301,304)	327,569	570	45,175,912	115,294,263
Charges for services	7,353,971	5,724,091	855,654	8,442,356	-	9,278,896	203,022	593,679	341,997	3,455,506	36,249,172
Miscellaneous revenue	51,618	32,978	609,795	5,682	362	1,788,609	-	129,170	-	450,250	3,068,464
Total revenues	8,303,133	7,546,669	40,829,959	16,731,973	14,809,661	27,078,752	475,157	11,308,183	477,394	52,869,682	180,430,563
Expenditures											
General government	-	-	-	-	-	-	-	-	-	787,208	787,208
Public protection	11,994,103	2,624,799	-	-	14,899,561	-	-	-	354,605	46,156,852	76,029,920
Public ways and facilities	-	5,755,656	48,206,869	-	-	-	-	-	-	3,975	53,966,500
Health and sanitation	-	-	-	-	-	31,540,010	752,508	-	-	-	32,292,518
Public assistance	-	-	-	16,358,583	-	-	-	-	-	3,868,216	20,216,799
Education	-	-	-	-	-	-	-	12,311,976	-	557	12,312,533
Recreation and cultural services	-	-	-	-	-	-	-	-	-	721,393	721,393
Total expenditures	11,994,103	8,380,455	48,206,869	16,358,583	14,899,561	31,540,010	752,508	12,311,976	354,605	51,528,201	196,326,871
Excess revenues over (under) expenditures	(3,690,970)	(833,786)	(7,376,910)	373,390	(89,900)	(4,461,258)	(277,351)	(1,003,793)	122,789	1,341,481	(15,896,308)
Other financing sources (uses)											
Transfers in	1,862,082	281,920	10,511,984	-	298,486	5,940,118	601,304	491,810	-	2,307,194	22,294,898
Transfers out	-	-	-	-	-	(1,586,788)	-	(918,223)	-	(1,868,344)	(4,373,355)
Total other financing sources (uses)	1,862,082	281,920	10,511,984	-	298,486	4,353,330	601,304	(426,413)	-	438,850	17,921,543
Net change in fund balance	(1,828,888)	(551,866)	3,135,074	373,390	208,586	(107,928)	323,953	(1,430,206)	122,789	1,780,331	2,025,235
Fund balances - beginning	8,453,259	3,473,207	13,027,649	4,139,491	1,469,544	13,423,076	1,755,320	10,608,706	1,021,142	51,440,441	108,811,835
Prior period restatement	-	-	-	-	-	531,894	-	-	-	3,048,094	3,579,988
Fund balances at beginning of year, as restated	8,453,259	3,473,207	13,027,649	4,139,491	1,469,544	13,954,970	1,755,320	10,608,706	1,021,142	54,488,535	112,391,823
Fund balances - ending	\$ 6,624,371	\$ 2,921,341	\$ 16,162,723	\$ 4,512,881	\$ 1,678,130	\$ 13,847,042	\$ 2,079,273	\$ 9,178,500	\$ 1,143,931	\$ 56,268,866	\$ 114,417,058

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Environmental Resources
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, forfeitures and penalties	\$ 31,000	\$ 31,000	\$ 26,413	\$ (4,587)
Revenue from use of money and property	15,000	15,000	60,943	45,943
Intergovernmental revenue	917,340	917,340	810,188	(107,152)
Charges for services	7,404,467	7,404,467	7,353,971	(50,496)
Miscellaneous revenue	48,800	48,800	51,618	2,818
Total revenues - Environmental Resources	<u>8,416,607</u>	<u>8,416,607</u>	<u>8,303,133</u>	<u>(113,474)</u>
Expenditures: Public Protection				
Environmental Resources				
Salaries and employee benefits	9,291,448	9,534,441	8,978,741	555,700
Services and supplies	1,587,359	1,587,359	843,660	743,699
Other charges	1,064,299	1,064,299	1,030,929	33,370
Intrafund transfer	(1,960,910)	(1,960,910)	(1,452,291)	(508,619)
Fixed assets	194,002	194,002	174,163	19,839
Total expenditures	<u>10,176,198</u>	<u>10,419,191</u>	<u>9,575,202</u>	<u>843,989</u>
Beverage Container Recycling				
Services and supplies	20,000	16,501	16,501	-
Intrafund transfer	10,000	13,499	7,330	6,169
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>23,831</u>	<u>6,169</u>
Household Hazardous Waste				
Services and supplies	407,515	293,439	216,264	77,175
Other charges	2,049	2,049	1,008	1,041
Intrafund transfer	548,990	663,066	663,065	1
Fixed assets	234,000	234,000	229,492	4,508
Total expenditures	<u>1,192,554</u>	<u>1,192,554</u>	<u>1,109,829</u>	<u>82,725</u>
Vehicle Registration Fee Surcharge				
Services and supplies	68,000	68,000	-	68,000
Total expenditures	<u>68,000</u>	<u>68,000</u>	<u>-</u>	<u>68,000</u>
AB 939/Source Reduction and Recycle				
Services and supplies	406,000	367,058	367,017	41
Other charges	-	70,712	70,712	-
Intrafund transfer	517,600	485,831	278,603	207,228
Total expenditures	<u>923,600</u>	<u>923,601</u>	<u>716,332</u>	<u>207,269</u>
Disclosure Program				
Services and supplies	17,500	17,500	12,604	4,896
Intrafund transfer	430,000	430,000	288,991	141,009
Total expenditures	<u>447,500</u>	<u>447,500</u>	<u>301,595</u>	<u>145,905</u>
Code Enforcement Abatement				
Services and supplies	9,217	9,217	-	9,217
Other charges	10,783	10,783	-	10,783
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Environmental Resources (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Used Oil Recycling				
Services and supplies	\$ 60,000	\$ 51,988	\$ 51,614	\$ 374
Intrafund transfer	25,000	33,012	33,012	-
Total expenditures	<u>85,000</u>	<u>85,000</u>	<u>84,626</u>	<u>254,626</u>
Environmental Enforcement				
Services and supplies	5,300	5,300	-	5,300
Total expenditures	<u>5,300</u>	<u>5,300</u>	<u>-</u>	<u>5,300</u>
Waste Tire Enforcement Grant				
Services and supplies	17,816	774	774	-
Intrafund transfer	108,184	125,226	118,026	7,200
Total expenditures	<u>126,000</u>	<u>126,000</u>	<u>118,800</u>	<u>7,200</u>
Abandoned Vehicle Abatement				
Services and supplies	1,980	1,980	-	1,980
Other charges	898	898	377	521
Intrafund transfer	53,816	73,816	63,264	10,552
Total expenditures	<u>56,694</u>	<u>76,694</u>	<u>63,641</u>	<u>13,053</u>
Total expenditures - Environmental Resources	<u>13,130,846</u>	<u>13,393,840</u>	<u>11,993,856</u>	<u>38,518,542</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,714,239)</u>	<u>(4,977,233)</u>	<u>(3,690,723)</u>	<u>(13,382,195)</u>
Other financing sources (uses)				
Transfers in	1,880,916	1,880,916	1,862,082	(18,834)
Total other financing sources (uses)	<u>1,880,916</u>	<u>1,880,916</u>	<u>1,862,082</u>	<u>(18,834)</u>
Net change in fund balance	<u>(2,833,323)</u>	<u>(3,096,317)</u>	<u>(1,828,641)</u>	<u>(13,401,029)</u>
Fund balance - beginning	8,453,259	8,453,259	8,453,259	-
Fund balance - ending	<u>\$ 5,619,936</u>	<u>\$ 5,356,942</u>	<u>\$ 6,624,618</u>	<u>\$ 17,601,496</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Public Works Engineering
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Licenses, permits and franchises	\$ 2,000,200	\$ 1,792,134	\$ 1,744,127	\$ (48,007)
Revenue from use of money and property	300	300	477	177
Intergovernmental revenue	56,000	56,000	44,996	(11,004)
Charges for services	6,628,090	6,628,090	5,724,091	(903,999)
Miscellaneous revenue	2,300	2,300	32,978	30,678
Total revenues - Public Works Engineering	<u>8,686,890</u>	<u>8,478,824</u>	<u>7,546,669</u>	<u>(932,155)</u>
Expenditures: Public Protection				
Salaries and employee benefits	1,932,767	1,907,667	1,819,200	88,467
Services and supplies	337,070	358,170	310,671	47,499
Other charges	444,977	448,977	448,788	
Fixed assets	50,000	50,000	46,140	3,860
Total expenditures	<u>2,764,814</u>	<u>2,764,814</u>	<u>2,624,799</u>	<u>139,826</u>
Expenditures: Public Ways				
Salaries and employee benefits	5,762,490	5,762,490	4,815,703	946,787
Services and supplies	628,471	628,471	290,920	337,551
Other charges	719,900	719,900	641,631	78,269
Intrafund transfer	71,170	71,170	-	71,170
Total expenditures	<u>7,182,031</u>	<u>7,182,031</u>	<u>5,748,254</u>	<u>1,433,777</u>
Total expenditures - Public Works Engineering	<u>9,946,845</u>	<u>9,946,845</u>	<u>8,373,053</u>	<u>1,573,603</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,259,955)</u>	<u>(1,468,021)</u>	<u>(826,384)</u>	<u>641,448</u>
Other financing sources (uses)				
Transfers in	976,000	976,000	281,920	(694,080)
Total other financing sources (uses)	<u>976,000</u>	<u>976,000</u>	<u>281,920</u>	<u>(694,080)</u>
Net change in fund balance	<u>(283,955)</u>	<u>(492,021)</u>	<u>(544,464)</u>	<u>(52,632)</u>
Fund balance - beginning	<u>3,473,207</u>	<u>3,473,207</u>	<u>3,473,207</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,189,252</u>	<u>\$ 2,981,186</u>	<u>\$ 2,928,743</u>	<u>\$ (52,632)</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Road and Bridge
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 6,776,313	\$ 6,776,313	\$ 7,804,051	\$ 1,027,738
Licenses, permits and franchises	22,000	22,000	24,694	2,694
Revenue from use of money and property	112,700	112,700	1,200,420	1,087,720
Intergovernmental revenue	79,012,149	79,012,149	30,335,345	(48,676,804)
Charges for services	888,500	898,500	855,654	(42,846)
Miscellaneous revenue	-	-	609,795	609,795
Total revenues - Road & Bridge	<u>86,811,662</u>	<u>86,821,662</u>	<u>40,829,959</u>	<u>(45,991,703)</u>
Expenditures: Public Ways and Facilities				
Salaries and employee benefits	5,541,727	5,691,827	5,292,055	399,772
Services and supplies	94,578,136	94,578,136	35,397,205	59,180,931
Other charges	9,134,341	9,134,341	8,445,864	688,477
Fixed assets	3,068,547	2,918,447	483,650	2,434,797
Total expenditures - Road & Bridge	<u>112,322,751</u>	<u>112,322,751</u>	<u>49,618,774</u>	<u>62,703,977</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,511,089)</u>	<u>(25,501,089)</u>	<u>(8,788,815)</u>	<u>16,712,274</u>
Other financing sources (uses)				
Transfers in	19,819,055	19,819,055	10,511,984	(9,307,071)
Total other financing sources (uses)	<u>19,819,055</u>	<u>19,819,055</u>	<u>10,511,984</u>	<u>(9,307,071)</u>
Net change in fund balance	<u>(5,692,034)</u>	<u>(5,682,034)</u>	<u>1,723,169</u>	<u>7,405,203</u>
Fund balance - beginning	<u>13,027,649</u>	<u>13,027,649</u>	<u>13,027,649</u>	<u>-</u>
Fund balance - ending	<u>\$ 7,335,615</u>	<u>\$ 7,345,615</u>	<u>\$ 14,750,818</u>	<u>\$ 7,405,203</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Employment and Training
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental revenue	\$ 8,968,421	\$ 10,021,437	\$ 8,283,935	\$ (1,737,502)
Charges for services	8,536,375	8,036,375	8,442,356	405,981
Miscellaneous revenue	-	-	5,682	5,682
Total revenues - Employment and Training	<u>17,504,796</u>	<u>18,057,812</u>	<u>16,731,973</u>	<u>(1,325,839)</u>
Expenditures: Public Assistance				
Workforce Development				
Salaries and employee benefits	4,154,360	4,544,574	4,233,135	311,439
Services and supplies	4,915,836	5,506,040	3,998,811	1,507,229
Other charges	262,927	315,525	312,064	3,461
Fixed assets	-	20,000	-	20,000
Total expenditures	<u>9,333,123</u>	<u>10,386,139</u>	<u>8,544,010</u>	<u>1,842,129</u>
Workforce Development - Stanworks				
Salaries and employee benefits	5,658,665	4,844,038	4,844,038	-
Services and supplies	2,309,587	2,646,312	2,646,312	-
Other charges	334,221	313,115	313,115	-
Fixed assets	-	11,108	11,108	-
Total expenditures	<u>8,302,473</u>	<u>7,814,573</u>	<u>7,814,573</u>	<u>-</u>
Total expenditures - Employment and Training	<u>17,635,596</u>	<u>18,200,712</u>	<u>16,358,583</u>	<u>1,842,129</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(130,800)</u>	<u>(142,900)</u>	<u>373,390</u>	<u>516,290</u>
Other financing sources (uses)				
Transfers out	(19,200)	(7,100)	-	7,100
Total other financing sources (uses)	<u>(19,200)</u>	<u>(7,100)</u>	<u>-</u>	<u>7,100</u>
Net change in fund balance	<u>(150,000)</u>	<u>(150,000)</u>	<u>373,390</u>	<u>523,390</u>
Fund balance - beginning	<u>4,139,491</u>	<u>4,139,491</u>	<u>4,139,491</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,989,491</u>	<u>\$ 3,989,491</u>	<u>\$ 4,512,881</u>	<u>\$ 523,390</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Child Support Services
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Revenue from use of money and property	\$ 25,000	\$ 32,000	\$ 77,327	\$ 45,327
Intergovernmental revenue	15,427,111	15,548,987	14,731,972	(817,015)
Miscellaneous revenue	-	-	362	362
Total revenues - Child Support Services	15,452,111	15,580,987	14,809,661	(771,326)
Expenditures: Public Protection				
Salaries and employee benefits	13,338,067	12,802,041	12,333,021	469,020
Services and supplies	962,838	1,137,892	861,003	276,889
Other charges	1,073,212	1,073,212	1,041,615	31,597
Fixed assets	362,993	566,964	531,312	35,652
Total expenditures - Child Support Services	15,737,110	15,580,109	14,766,951	813,158
Excess (deficiency) of revenues over (under) expenditures	(284,999)	878	42,710	41,832
Other financing sources (uses)				
Transfers in	-	-	298,486	298,486
Total other financing sources (uses)	-	-	298,486	298,486
Net change in fund balance	(284,999)	878	341,196	340,318
Fund balance - beginning	1,469,544	1,469,544	1,469,544	-
Fund balance - ending	\$ 1,184,545	\$ 1,470,422	\$ 1,810,740	\$ 340,318

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Public Health
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Licenses, permits and franchises	\$ 15,000	\$ 15,000	\$ 15,558	\$ 558
Fines, forfeitures and penalties	101,143	101,143	88,648	(12,495)
Revenue from use of money and property	550	550	21,961	21,411
Intergovernmental revenue	16,654,130	15,827,130	15,885,080	57,950
Charges for services	12,128,383	12,239,876	9,278,896	(2,960,980)
Miscellaneous revenue	14,675	14,675	1,788,609	1,773,934
Total revenues - Health Services Agency	<u>28,913,881</u>	<u>28,198,374</u>	<u>27,078,752</u>	<u>(1,119,622)</u>
Expenditures: Health and Sanitation				
EMS - Discretionary Fund				
Salaries and employee benefits	16,545,515	16,545,515	16,214,984	330,531
Services and supplies	5,002,846	4,964,691	3,733,030	1,231,661
Other charges	844,219	854,219	849,185	5,034
Intrafund transfer	5,020,719	5,020,719	4,442,563	578,156
Fixed assets	233,500	233,500	-	233,500
Total expenditures	<u>27,646,799</u>	<u>27,618,644</u>	<u>25,239,762</u>	<u>2,378,882</u>
Administration				
Salaries and employee benefits	8,486,990	8,486,990	7,576,566	910,424
Services and supplies	2,305,313	2,305,313	1,629,402	675,911
Other charges	2,049,836	2,049,836	1,767,046	282,790
Intrafund transfer	(5,027,990)	(5,027,990)	(4,447,646)	(580,344)
Fixed assets	200,000	200,000	26,988	173,012
Total expenditures	<u>8,014,149</u>	<u>8,014,149</u>	<u>6,552,356</u>	<u>1,461,793</u>
Total expenditures - Health Services Agency	<u>35,660,948</u>	<u>35,632,793</u>	<u>31,792,118</u>	<u>3,840,675</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,747,067)</u>	<u>(7,434,419)</u>	<u>(4,713,366)</u>	<u>2,721,053</u>
Other financing sources (uses)				
Transfers in	6,640,411	6,640,411	5,940,118	(700,293)
Transfers out	(20,000)	(1,283,155)	(1,586,788)	(303,633)
Total other financing sources (uses)	<u>6,620,411</u>	<u>5,357,256</u>	<u>4,353,330</u>	<u>(1,003,926)</u>
Net change in fund balance	<u>(126,656)</u>	<u>(2,077,163)</u>	<u>(360,036)</u>	<u>1,717,127</u>
Fund balance - beginning, as restated	<u>13,954,970</u>	<u>13,954,970</u>	<u>13,954,970</u>	<u>-</u>
Fund balance - ending	<u>\$ 13,828,314</u>	<u>\$ 11,877,807</u>	<u>\$ 13,594,934</u>	<u>\$ 1,717,127</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Indigent Health Care
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Fines, forfeitures and penalties	\$ 615,923	\$ 615,923	\$ 557,986	\$ (57,937)
Revenue from use of money and property	5,304	5,304	15,453	10,149
Intergovernmental revenue	-	-	(301,304)	(301,304)
Charges for services	232,900	232,900	203,022	(29,878)
Miscellaneous revenue	750	750	-	(750)
Total revenues - Indigent Health Care	<u>854,877</u>	<u>854,877</u>	<u>475,157</u>	<u>(379,720)</u>
Expenditures: Health and Sanitation				
EMS Hospital				
Services and supplies	380,550	380,550	379,735	815
Total expenditures	<u>380,550</u>	<u>380,550</u>	<u>379,735</u>	<u>815</u>
Indigent Health Care Program				
Services and supplies	436,031	436,031	413,667	22,364
Total expenditures	<u>436,031</u>	<u>436,031</u>	<u>413,667</u>	<u>22,364</u>
Administration				
Salaries and employee benefits	28,706	28,706	5,506	23,200
Services and supplies	123,750	123,750	10,406	113,344
Other charges	80,692	80,692	37,178	43,514
Intrafund transfer	7,271	7,271	5,084	2,187
Total expenditures	<u>240,419</u>	<u>240,419</u>	<u>58,174</u>	<u>182,245</u>
Total expenditures - Indigent Health Care	<u>1,057,000</u>	<u>1,057,000</u>	<u>851,576</u>	<u>205,424</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(202,123)</u>	<u>(202,123)</u>	<u>(376,419)</u>	<u>(174,296)</u>
Other financing sources (uses)				
Transfers in	300,000	300,000	601,304	301,304
Total other financing sources (uses)	<u>300,000</u>	<u>300,000</u>	<u>601,304</u>	<u>301,304</u>
Net change in fund balance	<u>97,877</u>	<u>97,877</u>	<u>224,885</u>	<u>127,008</u>
Fund balance -- beginning	<u>1,755,320</u>	<u>1,755,320</u>	<u>1,755,320</u>	<u>-</u>
Fund balance -- ending	<u>\$ 1,853,197</u>	<u>\$ 1,853,197</u>	<u>\$ 1,980,205</u>	<u>\$ 127,008</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Library
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 10,254,497	\$ 10,254,497	\$ 10,256,929	\$ 2,432
Revenue from use of money and property	2,850	2,850	836	(2,014)
Intergovernmental revenue	366,000	386,400	327,569	(58,831)
Charges for services	550,001	551,501	593,679	42,178
Miscellaneous revenue	62,450	75,450	129,170	53,720
Total revenues - Library	<u>11,235,798</u>	<u>11,270,698</u>	<u>11,308,183</u>	<u>37,485</u>
Expenditures: Public Ways and Facilities				
Salaries and employee benefits	8,204,714	8,204,714	7,954,312	250,402
Services and supplies	2,910,172	3,149,298	2,679,284	470,014
Other charges	1,293,007	1,390,007	1,377,322	12,685
Fixed assets	201,511	136,218	51,605	84,613
Total expenditures - Library	<u>12,609,404</u>	<u>12,880,237</u>	<u>12,062,523</u>	<u>817,714</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,373,606)</u>	<u>(1,609,539)</u>	<u>(754,340)</u>	<u>855,199</u>
Other financing sources (uses)				
Transfers in	491,810	491,810	491,810	-
Transfers out	-	(918,223)	(918,223)	-
Total other financing sources (uses)	<u>491,810</u>	<u>(426,413)</u>	<u>(426,413)</u>	<u>-</u>
Net change in fund balance	<u>(881,796)</u>	<u>(2,035,952)</u>	<u>(1,180,753)</u>	<u>855,199</u>
Fund balance - beginning	<u>10,608,706</u>	<u>10,608,706</u>	<u>10,608,706</u>	<u>-</u>
Fund balance - ending	<u>\$ 9,726,910</u>	<u>\$ 8,572,754</u>	<u>\$ 9,427,953</u>	<u>\$ 855,199</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Lighting Districts
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 54,692	\$ 54,692	\$ 100,199	\$ 45,507
Revenue from use of money and property	-	-	34,628	34,628
Intergovernmental revenue	-	-	570	570
Charges for services	339,595	340,801	341,997	1,196
Total revenues - Lighting Districts	<u>394,287</u>	<u>395,493</u>	<u>477,394</u>	<u>81,901</u>
Expenditures: Public Ways and Facilities				
Services and supplies	406,337	482,744	349,725	133,019
Total expenditures - Lighting Districts	<u>406,337</u>	<u>482,744</u>	<u>349,725</u>	<u>133,019</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,050)</u>	<u>(87,251)</u>	<u>127,669</u>	<u>214,920</u>
Net change in fund balance	<u>(12,050)</u>	<u>(87,251)</u>	<u>127,669</u>	<u>214,920</u>
Fund balance - beginning	<u>1,021,142</u>	<u>1,021,142</u>	<u>1,021,142</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,009,092</u>	<u>\$ 933,891</u>	<u>\$ 1,148,811</u>	<u>\$ 214,920</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Balance All Other Special Revenue Funds
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Taxes	\$ 1,426,970	\$ 1,426,970	\$ 1,693,388	\$ 266,418
Licenses, permits and franchises	5,000	5,000	22,680	17,680
Fines, forfeitures and penalties	149,100	542,437	1,568,102	1,025,665
Revenue from use of money and property	229,131	229,131	503,844	274,713
Intergovernmental revenue	44,808,820	48,857,217	45,175,912	(3,681,305)
Charges for services	3,698,253	3,564,457	3,455,506	(108,951)
Miscellaneous revenue	187,100	275,021	450,250	175,229
Total revenues - Other	<u>50,504,374</u>	<u>54,900,233</u>	<u>52,869,682</u>	<u>(2,030,551)</u>
Expenditures: General				
Assessor State Grants:				
Services and supplies	-	555,000	-	555,000
Total expenditures	<u>-</u>	<u>555,000</u>	<u>-</u>	<u>555,000</u>
12th Street Office Building:				
Services and supplies	8,500	8,500	7,566	934
Other charges	31,800	31,800	27,215	4,585
Total expenditures	<u>40,300</u>	<u>40,300</u>	<u>34,781</u>	<u>5,519</u>
Stanislaus Veterans Center:				
Services and supplies	635,296	665,296	643,319	21,977
Other charges	163,904	163,904	109,172	54,732
Total expenditures	<u>799,200</u>	<u>829,200</u>	<u>752,491</u>	<u>76,709</u>
Expenditures: Public Protection				
Stanislaus Family Justice Center:				
Salaries and employee benefits	52,945	57,145	57,101	44
Services and supplies	339,441	335,241	181,252	153,989
Other charges	7,167	7,167	4,254	2,913
Total expenditures	<u>399,553</u>	<u>399,553</u>	<u>242,607</u>	<u>156,946</u>
County Fire Service Fund:				
Salaries and employee benefits	958,210	958,210	944,416	13,794
Services and supplies	718,823	643,823	619,317	24,506
Other charges	113,524	188,524	179,109	9,415
Fixed assets	155,894	805,894	519,648	286,246
Total expenditures	<u>1,946,451</u>	<u>2,596,451</u>	<u>2,262,490</u>	<u>333,961</u>
Department of Justice Drug and Alcohol:				
Services and supplies	102,014	102,014	92,010	10,004
Total expenditures	<u>102,014</u>	<u>102,014</u>	<u>92,010</u>	<u>10,004</u>
Homeland Security Grant:				
Salaries and employee benefits	195,022	270,921	54,196	216,725
Services and supplies	292,453	568,420	142,718	425,702
Fixed assets	127,633	401,968	183,323	218,645
Total expenditures	<u>615,108</u>	<u>1,241,309</u>	<u>380,237</u>	<u>861,072</u>
Office of Emergency Services Water Resources:				
Salaries and employee benefits	203,378	203,378	187,937	15,441
Total expenditures	<u>203,378</u>	<u>203,378</u>	<u>187,937</u>	<u>15,441</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Balance All Other Special Revenue Funds (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Clerk Recorder Modernization Trust Fund:				
Salaries and employee benefits	\$ 940,532	\$ 940,532	\$ 708,595	\$ 231,937
Services and supplies	2,185,565	2,185,565	62,793	2,122,772
Fixed assets	150,000	150,000	-	150,000
Total expenditures	3,276,097	3,276,097	771,388	2,504,709
Clerk Recorder Vital and Health Statistics:				
Services and supplies	184,284	184,284	(6,409)	190,693
Total expenditures	184,284	184,284	(6,409)	190,693
Arson Task Force:				
Services and supplies	82,659	82,659	71,124	11,535
Total expenditures	82,659	82,659	71,124	11,535
Elder Abuse Advocacy and Outreach:				
Salaries and employee benefits	80,795	125,795	100,431	25,364
Services and supplies	127,467	133,465	120,577	12,888
Total expenditures	208,262	259,260	221,008	38,252
Federal Asset Forfeiture:				
Services and supplies	8,731	6,136	4,390	1,746
Total expenditures	8,731	6,136	4,390	1,746
Unservd/Underservd Victim Advocacy and Outreach Program:				
Salaries and employee benefits	171,000	199,135	197,828	1,307
Services and supplies	17,876	10,208	9,851	357
Total expenditures	188,876	209,343	207,679	1,664
Impaired Driver Vertical Prosecution Program:				
Salaries and employee benefits	-	262,680	266,605	(3,925)
Services and supplies	-	7,380	4,279	3,101
Total expenditures	-	270,060	270,884	(824)
Auto Insurance Fraud Program:				
Salaries and employee benefits	167,520	178,983	178,774	209
Services and supplies	40,367	11,225	8,253	2,972
Total expenditures	207,887	190,208	187,027	3,181
Victim Services Program:				
Salaries and employee benefits	683,150	683,150	649,141	34,009
Services and supplies	407,608	404,708	358,158	46,550
Other charges	-	8,900	8,252	648
Fixed assets	-	-	(9)	9
Total expenditures	1,090,758	1,096,758	1,015,542	81,216
Victim Compensation and Government Claims:				
Salaries and employee benefits	86,881	96,881	96,325	556
Total expenditures	86,881	96,881	96,325	556

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Balance All Other Special Revenue Funds (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Real Estate Fraud Prosecution:				
Salaries and employee benefits	\$ 259,229	\$ 390,898	\$ 390,855	\$ 43
Services and supplies	1,000	1,460	1,459	1
Total expenditures	<u>260,229</u>	<u>392,358</u>	<u>392,314</u>	<u>44</u>
Planning Special Revenue Grants:				
Services and supplies	8,765,861	11,209,200	2,540,351	8,668,849
Other charges	761,918	813,199	454,226	358,973
Total expenditures	<u>9,527,779</u>	<u>12,022,399</u>	<u>2,994,577</u>	<u>9,027,822</u>
Planning General Plan Maintenance:				
Services and supplies	108,000	58,000	10,482	47,518
Other charges	208,000	258,000	227,176	30,824
Total expenditures	<u>316,000</u>	<u>316,000</u>	<u>237,658</u>	<u>78,342</u>
Juvenile Justice Crime Prevention Act:				
Salaries and employee benefits	1,923,571	1,923,571	1,671,046	252,525
Services and supplies	455,707	360,707	103,970	256,737
Other charges	67,129	162,129	137,776	24,353
Fixed assets	209,217	209,217	-	209,217
Total expenditures	<u>2,655,624</u>	<u>2,655,624</u>	<u>1,912,792</u>	<u>742,832</u>
Juvenile Accountability Block Grant:				
Services and supplies	129,104	129,104	14,326	114,778
Total expenditures	<u>129,104</u>	<u>129,104</u>	<u>14,326</u>	<u>114,778</u>
Youthful Offender Block Grant:				
Salaries and employee benefits	1,600,640	1,600,640	1,149,585	451,055
Services and supplies	194,860	164,860	98,472	66,388
Other charges	51,017	51,017	31,086	19,931
Fixed assets	9,217	9,217	-	9,217
Total expenditures	<u>1,855,734</u>	<u>1,825,734</u>	<u>1,279,143</u>	<u>546,591</u>
Ward Welfare Fund:				
Services and supplies	70,000	70,000	30,465	39,535
Fixed assets	10,000	10,000	-	10,000
Total expenditures	<u>80,000</u>	<u>80,000</u>	<u>30,465</u>	<u>49,535</u>
Corrections Performance Incentive Act:				
Salaries and employee benefits	830,542	830,542	687,389	143,153
Services and supplies	605,150	449,150	109,705	339,445
Other charges	15,317	171,317	171,285	32
Fixed assets	180,000	180,000	180,000	-
Total expenditures	<u>1,631,009</u>	<u>1,631,009</u>	<u>1,148,379</u>	<u>482,630</u>
Local Community Corrections:				
Services and supplies	1,110,481	1,110,481	839,388	271,093
Other charges	23,372,235	23,372,235	20,266,931	3,105,304
Total expenditures	<u>24,482,716</u>	<u>24,482,716</u>	<u>21,106,319</u>	<u>3,376,397</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Balance All Other Special Revenue Funds (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Court Security:				
Salaries and employee benefits	\$ 5,290,215	\$ 5,267,877	\$ 5,265,681	\$ 2,196
Services and supplies	20,000	22,841	22,368	473
Other charges	238,372	224,721	224,721	-
Total expenditures	<u>5,548,587</u>	<u>5,515,439</u>	<u>5,512,770</u>	<u>2,669</u>
California Identification Program:				
Services and supplies	-	83,275	81,621	1,654
Total expenditures	<u>-</u>	<u>83,275</u>	<u>81,621</u>	<u>1,654</u>
Sherriff's Office Federal Asset Forfeiture:				
Salaries and employee benefits	73,459	80,847	80,847	-
Services and supplies	208,146	221,761	204,838	16,923
Other charges	1,996	3,996	3,145	851
Fixed assets	746,346	746,346	449,793	296,553
Total expenditures	<u>1,029,947</u>	<u>1,052,950</u>	<u>738,623</u>	<u>314,327</u>
Juvenile Accountability Grant:				
Services and supplies	131,252	131,252	131,252	-
Other charges	24,496	24,496	24,496	-
Total expenditures	<u>155,748</u>	<u>155,748</u>	<u>155,748</u>	<u>-</u>
Vehicle Theft Unit:				
Salaries and employee benefits	206,871	206,871	196,807	10,064
Services and supplies	117,525	117,525	82,585	34,940
Other charges	240,014	240,014	162,000	78,014
Total expenditures	<u>564,410</u>	<u>564,410</u>	<u>441,392</u>	<u>123,018</u>
Civil Process Fee:				
Services and supplies	165,227	165,227	133,861	31,366
Other charges	470	470	467	3
Fixed assets	105,000	105,000	24,567	80,433
Total expenditures	<u>270,697</u>	<u>270,697</u>	<u>158,895</u>	<u>111,802</u>
Driving Training Program:				
Salaries and employee benefits	116,281	89,281	59,771	29,510
Services and supplies	4,600	17,100	10,121	6,979
Other charges	34,855	49,355	47,204	2,151
Total expenditures	<u>155,736</u>	<u>155,736</u>	<u>117,096</u>	<u>38,640</u>
CAL-MMET Program:				
Salaries and employee benefits	494,602	475,455	475,455	-
Services and supplies	64,884	81,031	73,794	7,237
Other charges	170,639	173,639	172,470	1,169
Total expenditures	<u>730,125</u>	<u>730,125</u>	<u>721,719</u>	<u>8,406</u>
Special Districts:				
Services and supplies	1,797,285	1,894,434	943,724	950,710
Total expenditures	<u>1,797,285</u>	<u>1,894,434</u>	<u>943,724</u>	<u>950,710</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Balance All Other Special Revenue Funds (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Dangerous Building Abatement:				
Services and supplies	\$ 30,000	\$ 54,000	\$ 36,200	\$ 17,800
Other charges	18,000	18,000	14,064	3,936
Total expenditures	<u>48,000</u>	<u>72,000</u>	<u>50,264</u>	<u>21,736</u>
Expenditures: Public Ways and Facilities				
Airport Sewer Project:				
Services and supplies	3,975	3,975	(3,801)	7,776
Total expenditures	<u>3,975</u>	<u>3,975</u>	<u>(3,801)</u>	<u>7,776</u>
Expenditures: Public Assistance				
Area Agency on Aging:				
Salaries and employee benefits	1,854,028	2,058,149	1,930,488	127,661
Services and supplies	162,446	392,084	179,234	212,850
Other charges	1,732,795	1,908,941	1,814,495	94,446
Total expenditures	<u>3,749,269</u>	<u>4,359,174</u>	<u>3,924,217</u>	<u>434,957</u>
Expenditures: Education				
Coop-Extension Farm and Home Advisors				
Research:				
Services and supplies	5,000	5,000	557	4,443
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>557</u>	<u>4,443</u>
Expenditures: Recreation & Cultural Services				
Off Highway Vehicle Parks:				
Services and supplies	309,722	324,722	270,432	54,290
Other charges	507,621	492,621	380,675	111,946
Fixed assets	30,000	65,000	59,149	5,851
Total expenditures	<u>847,343</u>	<u>882,343</u>	<u>710,256</u>	<u>172,087</u>
Fish and Game:				
Services and supplies	20,000	20,000	737	19,263
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>737</u>	<u>19,263</u>
Modesto Reservoir Patrol:				
Services and supplies	23,000	23,000	23,000	-
Total expenditures	<u>23,000</u>	<u>23,000</u>	<u>23,000</u>	<u>-</u>
Regional Water Safety Training Center:				
Services and supplies	32,888	32,888	32,191	697
Other charges	33,600	33,600	33,600	-
Total expenditures	<u>66,488</u>	<u>66,488</u>	<u>65,791</u>	<u>697</u>
Total expenditures - Other	<u>65,394,244</u>	<u>71,028,629</u>	<u>49,550,093</u>	<u>21,478,536</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,889,870)</u>	<u>(16,128,396)</u>	<u>3,319,589</u>	<u>19,447,985</u>

County of Stanislaus
Statement of Revenues, Expenditures, and Changes in Fund Balance
Balance All Other Special Revenue Funds (Continued)
Budget and Actual on Budgetary Basis
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amount on Budgetary Basis	Variance with Final Budget
	Original Budget	Final Budget		
Other financing sources (uses)				
Transfers in	\$ 863,565	\$ 2,304,138	\$ 2,307,194	\$ 3,056
Transfers out	(1,513,316)	(1,853,378)	(1,868,344)	(14,966)
Total other financing sources (uses)	(649,751) -	450,760 -	438,850	(11,910)
Net change in fund balance	(15,539,621) -	(15,677,636) -	3,758,439	19,436,075
Fund balance - beginning, as restated	54,488,535	54,488,535	54,488,535	-
Fund balance - ending	<u>\$ 38,948,914</u>	<u>\$ 38,810,899</u>	<u>\$ 58,246,974</u>	<u>\$ 19,436,075</u>



*Non-major
Enterprise
Funds*

NON-MAJOR ENTERPRISE FUNDS

Enterprise funds are established to account for the financing of self-supporting activities of governmental units, which render services on a user-charge basis to the general public.

County Transit System

This fund was established to account for the operation of a transit system within the county which performs intra-city transit service, medical transportation, and Senior Opportunity Services Program's nutrition deliveries. Revenues are generated from state grants and fees to transit users.

Geer Road Landfill

The Geer Road Landfill Fund was established to account for the operation of Geer Road Sanitary Landfill, which provided a dumping site for the disposal of solid wastes. The landfill was closed in July 1990 and is jointly owned with the City of Modesto.

Inmate Welfare/Commissary

This fund was established to account for the activity of the Jail Commissary and the use of revenue generated from the sale of goods for the benefit of inmates.



County of Stanislaus
Combining Statement of Net Position
Non-major Enterprise Funds
June 30, 2019

	County Transit System	Geer Road Sanitary Landfill	Inmate Welfare/ Commissary	Total
Assets				
Current assets:				
Cash and investments	\$ 17,630,444	\$ 100,627	\$ 1,731,496	\$ 19,462,567
Accounts receivable, net	498,832	-	46,162	544,994
Interest and other receivables	73,032	23,273	7,156	103,461
Inventory	-	-	4,137	4,137
Total current assets	<u>18,202,308</u>	<u>123,900</u>	<u>1,788,951</u>	<u>20,115,159</u>
Noncurrent assets:				
Restricted cash and investments	-	5,657,805	-	5,657,805
Capital assets				
Land and right of ways	-	1,906,261	-	1,906,261
Structures and improvements	131,545	-	153,060	284,605
Equipment	13,363,263	-	144,907	13,508,170
Construction in progress	386,957	-	-	386,957
Less: Accumulated depreciation	<u>(7,069,749)</u>	<u>-</u>	<u>(230,782)</u>	<u>(7,300,531)</u>
Net capital assets	<u>6,812,016</u>	<u>1,906,261</u>	<u>67,185</u>	<u>8,785,462</u>
Total noncurrent assets	<u>6,812,016</u>	<u>7,564,066</u>	<u>67,185</u>	<u>14,443,267</u>
Total assets	<u>25,014,324</u>	<u>7,687,966</u>	<u>1,856,136</u>	<u>34,558,426</u>
Deferred outflows of resources				
Deferred pensions	<u>128,055</u>	<u>-</u>	<u>399,430</u>	<u>527,485</u>
Total deferred outflows of resources	<u>128,055</u>	<u>-</u>	<u>399,430</u>	<u>527,485</u>
Liabilities				
Current liabilities:				
Accounts payable	481,486	203,817	45,864	731,167
Salaries and benefits payable	13,961	-	22,571	36,532
Compensated absences - current	14,171	-	12	14,183
Total current liabilities	<u>509,618</u>	<u>203,817</u>	<u>68,447</u>	<u>781,882</u>
Noncurrent liabilities:				
Other post-employment benefits (OPEB)	20,719	-	19,253	39,972
Compensated absences	18,858	-	27,501	46,359
Net pension liability	378,568	-	496,228	874,796
Total noncurrent liabilities	<u>418,145</u>	<u>-</u>	<u>542,982</u>	<u>961,127</u>
Total liabilities	<u>927,763</u>	<u>203,817</u>	<u>611,429</u>	<u>1,743,009</u>
Deferred inflows of resources				
Deferred OPEB	4,828	-	6,048	10,876
Deferred pensions	17,182	-	13,983	31,165
Total deferred inflows of resources	<u>22,010</u>	<u>-</u>	<u>20,031</u>	<u>42,041</u>
Net position				
Net investment in capital assets	6,812,016	1,906,261	67,185	8,785,462
Restricted	-	5,679,681	-	5,679,681
Unrestricted	<u>17,380,590</u>	<u>(101,793)</u>	<u>1,556,921</u>	<u>18,835,718</u>
Total net position	<u>\$ 24,192,606</u>	<u>\$ 7,484,149</u>	<u>\$ 1,624,106</u>	<u>\$ 33,300,861</u>

County of Stanislaus
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Non-major Enterprise Funds
For the Fiscal Year Ended June 30, 2019

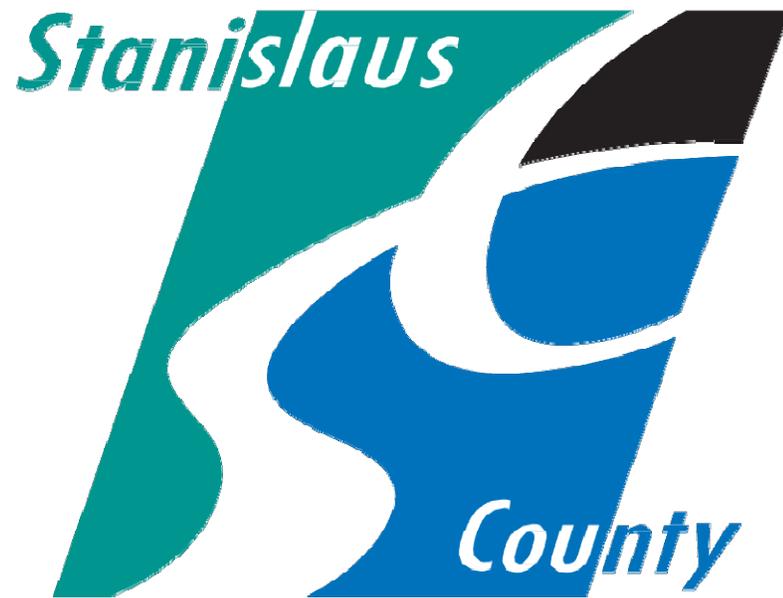
	County Transit System	Geer Road Sanitary Landfill	Inmate Welfare/ Commissary	Total
Operating revenues				
Charges for services	\$ 586,728	\$ -	\$ 1,835,020	\$ 2,421,748
Total operating revenues	<u>586,728</u>	<u>-</u>	<u>1,835,020</u>	<u>2,421,748</u>
Operating expenses				
Salaries and benefits	329,266	-	437,914	767,180
Services and supplies	5,943,352	1,643,771	1,705,925	9,293,048
Depreciation	1,236,217	-	6,052	1,242,269
Total operating expenses	<u>7,508,835</u>	<u>1,643,771</u>	<u>2,149,891</u>	<u>11,302,497</u>
Operating income (loss)	<u>(6,922,107)</u>	<u>(1,643,771)</u>	<u>(314,871)</u>	<u>(8,880,749)</u>
Nonoperating revenues (expenses)				
Investment income	491,175	139,316	55,365	685,856
Insurance reimbursement	-	5,423,949	-	5,423,949
Intergovernmental	10,381,012	-	-	10,381,012
Total nonoperating revenues (expenses)	<u>10,872,187</u>	<u>5,563,265</u>	<u>55,365</u>	<u>16,490,817</u>
Income (loss) before contributions and transfers	<u>3,950,080</u>	<u>3,919,494</u>	<u>(259,506)</u>	<u>7,610,068</u>
Transfers in	-	1,375,283	-	1,375,283
Transfers (out)	<u>(250,000)</u>	<u>-</u>	<u>-</u>	<u>(250,000)</u>
Transfer in (out), net	<u>(250,000)</u>	<u>1,375,283</u>	<u>-</u>	<u>1,125,283</u>
Change in net position	<u>3,700,080</u>	<u>5,294,777</u>	<u>(259,506)</u>	<u>8,735,351</u>
Total net position - beginning	20,492,526	2,189,372	1,883,612	24,565,510
Total net position - ending	<u>\$ 24,192,606</u>	<u>\$ 7,484,149</u>	<u>\$ 1,624,106</u>	<u>\$ 33,300,861</u>

County of Stanislaus
Combining Statement of Cash Flows (Continued)
Non-major Enterprise Funds
For the Fiscal Year Ended June 30, 2019

	County Transit System	Geer Road Landfill	Inmate Welfare/ Commissary	Total
Cash flows from operating activities:				
Cash received from customers and users	\$ 566,588	\$ -	\$ 1,849,014	\$ 2,415,602
Cash paid to suppliers	(5,973,855)	(1,764,165)	(1,714,068)	(9,452,088)
Cash paid to employees	(346,665)	-	(460,582)	(807,247)
Net cash provided (used) by operating activities	<u>(5,753,932)</u>	<u>(1,764,165)</u>	<u>(325,636)</u>	<u>(7,843,733)</u>
Cash flows from noncapital financing activities:				
Transfers in	-	1,375,283	-	1,375,283
Subsidy from state and federal grant	10,381,012	-	-	10,381,012
Transfers out activities	(250,000)	-	-	(250,000)
	<u>10,131,012</u>	<u>1,375,283</u>	<u>-</u>	<u>11,506,295</u>
Cash flows from capital and related financing activities:				
Insurance reimbursement	-	5,423,949	-	5,423,949
Purchase of capital assets	(138,445)	-	-	(138,445)
Net cash (used) by capital and related financing activities	<u>(138,445)</u>	<u>5,423,949</u>	<u>-</u>	<u>5,285,504</u>
Cash flows from investing activities:				
Interest received	491,175	139,316	55,365	685,856
Net cash provided by investing activities	<u>491,175</u>	<u>139,316</u>	<u>55,365</u>	<u>685,856</u>
Net increase (decrease) in cash and cash equivalents	<u>4,729,810</u>	<u>5,174,383</u>	<u>(270,271)</u>	<u>9,633,922</u>
Cash and equivalents - beginning	12,900,634	584,049	2,001,767	15,486,450
Cash and equivalents - ending	<u>\$ 17,630,444</u>	<u>\$ 5,758,432</u>	<u>\$ 1,731,496</u>	<u>\$ 25,120,372</u>
Reconciliation of cash and cash equivalents to the Statement of Net Assets				
Cash and investments	\$ 17,630,444	\$ 100,627	\$ 1,731,496	\$ 19,462,567
Restricted cash and investments and investment with fiscal agent	-	5,657,805	-	5,657,805
Total cash and cash equivalents	<u>\$ 17,630,444</u>	<u>\$ 5,758,432</u>	<u>\$ 1,731,496</u>	<u>\$ 25,120,372</u>

County of Stanislaus
Combining Statement of Cash Flows (Continued)
Non-major Enterprise Funds
For the Fiscal Year Ended June 30, 2019

	County Transit System	Geer Road Landfill	Inmate Welfare/ Commissary	Total
Cash provided (used) by operating activities				
Operating income (loss)	\$ (6,922,107)	\$ (1,643,771)	\$ (314,871)	\$ (8,880,749)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,236,217	-	6,052	1,242,269
(Increase) decrease in accounts receivable	(20,140)	-	13,994	(6,146)
(Increase) decrease in other receivables	(38,498)	(20,849)	(2,158)	(61,505)
(Increase) decrease in inventory	-	-	2,984	2,984
(Increase) decrease in deferred outflows-pension	48,331	-	(94,564)	(46,233)
Increase (decrease) in accounts payable and accrued liabilities	7,995	(99,545)	(8,969)	(100,519)
Increase (decrease) in salaries and benefits payable	(3,413)	-	2,389	(1,024)
Increase (decrease) in liability for compensated absences	8,746	-	4,738	13,484
Increase (decrease) in other post-employment benefits (OPEB)	(4,007)	-	(5,253)	(9,260)
Increase (decrease) in deferred inflows-OPEB	3,953	-	5,182	9,135
Increase (decrease) in deferred inflows-pension	(7,417)	-	6,822	(595)
Increase (decrease) in pension liability	(63,592)	-	58,018	(5,574)
Net cash provided (used) by operating activities	<u>\$ (5,753,932)</u>	<u>\$ (1,764,165)</u>	<u>\$ (325,636)</u>	<u>\$ (7,843,733)</u>



*Internal
Service Funds*

INTERNAL SERVICE FUNDS

Internal service funds were established to finance and account for the services and commodities furnished by a designated agency of a governmental unit to other departments of the same governmental unit. Since the services and commodities are supplied exclusively to other departments of a governmental jurisdiction, they are distinguishable from the public services which are rendered to the public in general and which are accounted for in general, special revenue, or enterprise funds.

General Liability Insurance

This fund is a risk management fund which was established to account for administrative cost, insurance premiums and the cost of claims for the County's property damage, general liability, auto liability, fiduciary, bonds, dishonesty, and legal defense. Revenues are generated by premiums paid by other funds and interest on investments.

Unemployment Insurance

This fund is a risk management fund which accounts for administrative cost and cost for the County's unemployment claims. Revenues are generated by premiums paid by other funds and interest on investments.

Workers' Compensation Insurance

This fund is a risk management fund which accounts for administrative cost, loss control and cost of Workers' Compensation claims and benefits. Revenues are generated by premiums paid by other funds and interest on investments.

Medical Self-Insurance

This fund is a risk management fund to account for the cost of County health benefit claims. Revenues are generated by premiums paid by other funds.

Other Employee Benefits

This fund is a risk management fund to account for employee benefits such as basic life insurance, long-term disability insurance and deferred compensation. Revenues are generated by premiums paid by other funds and interest on investments.

Dental Insurance

This fund is a risk management fund to account for administrative cost and the cost for the County's employee dental claims. Revenues are generated by premiums paid by other funds and interest on investments.

INTERNAL SERVICE FUNDS

Vision Care Insurance

This fund is a risk management fund to account for administrative cost and the cost for the County's employee vision care claims. Revenues are generated by premiums paid by other funds and interest on investments.

Professional Liability Insurance

This fund is a risk management fund to account for the purchase of insurance and the cost of claims for medical malpractice cases, administrative costs and legal defense. Revenues are generated by premiums paid predominantly by the Health Services Agency Clinics and Ancillary Services Enterprise Fund, and interest on investments.

Central Services

This fund was established to account for the cost of purchasing services, printing, duplication, postage, mail room service, warehouse storage and salvage and messenger service. Revenues are generated based on billings for services provided.

Fleet Services

This fund was established to account for the cost of maintaining all County-owned automobiles, trucks, and heavy equipment for County departments. Revenues are based on fee charges for services provided.

Technology and Communications

This fund was established to account for the costs of providing information services, computer processing and communication services. Revenues are based on billings to customers for services provided.

Morgan Shop Garage

This fund was established to account for the cost of maintaining Public Works light and heavy equipment. Revenues are based on fee charges for services provided.

Facility Maintenance

This fund was established to account for the costs of providing maintenance on all County buildings. Revenues are based on fee charges for services provided.

County of Stanislaus
Combining Statement of Net Position
Internal Service Funds
June 30, 2019

	Self Insurance Funds													
	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance	Medical Self-Insurance	Other Employee Benefits	Dental Insurance	Vision Care Insurance	Professional Liability Insurance	Central Services	Fleet Services	Technology and Communications	Morgan Shop Garage	Facility Maintenance	Total
Assets														
Current assets:														
Cash and investments	\$ 5,206,378	\$ 346,257	\$ 24,390,618	\$ 18,185,313	\$ 234,150	\$ 780,744	\$ 205,559	\$ 306,486	\$ 503,089	\$ 1,036,770	\$ 5,146,546	\$ 573,340	\$ 2,829,336	\$ 69,744,586
Accounts receivable, net	-	-	5,205	385,368	48,908	-	-	-	279	-	18,200	8,233	-	454,140
Interest and other receivables	21,412	1,570	103,667	83,665	881	4,715	840	1,221	-	-	217,971	-	-	217,971
Inventory	-	-	-	-	-	-	-	-	40,810	71,872	-	304,956	-	418,335
Total current assets	5,227,790	347,827	24,499,490	18,634,366	283,939	785,459	206,399	307,707	544,178	1,108,642	5,164,746	886,529	2,837,960	60,835,032
Capital assets:														
Intangible assets	-	-	-	-	-	-	-	-	-	-	2,704,597	-	-	2,704,597
Structures and improvements	-	-	-	-	-	-	-	-	11,735	960,773	-	8,965,476	-	9,967,984
Equipment	-	-	-	-	-	-	-	-	2,243,924	3,442,951	2,479,121	15,428,125	297,742	23,891,863
Less: Accumulated depreciation	-	-	-	-	-	-	-	-	(2,229,984)	(3,851,285)	(3,932,943)	(11,147,352)	(179,391)	(21,340,955)
Net capital assets	-	-	-	-	-	-	-	-	25,675	582,439	1,250,775	13,246,249	118,351	15,223,489
Total assets	5,227,790	347,827	24,499,490	18,634,366	283,939	785,459	206,399	307,707	569,853	1,691,081	6,415,521	14,132,778	2,956,311	76,058,521
Deferred outflows of resources														
Deferred pensions	-	-	-	-	-	-	-	-	784,112	822,683	3,789,540	894,298	2,013,636	8,304,269
Total deferred outflows of resources	-	-	-	-	-	-	-	-	784,112	822,683	3,789,540	894,298	2,013,636	8,304,269
Liabilities														
Current liabilities:														
Accounts payable	391,525	157,773	75,374	1,565,990	65,952	75,876	44,460	2,746	9,025	186,417	2,019,135	121,465	389,034	5,104,802
Salaries and benefits payable	-	-	-	-	29,121	-	-	-	51,614	48,052	204,463	49,912	136,587	519,749
Risk management liability	1,840,888	139,200	4,050,963	10,500,000	-	239,214	65,520	185,769	-	-	-	-	-	17,021,554
Compensated absences	-	-	-	-	-	-	-	-	21,582	26,116	115,054	24,957	77,131	264,840
Total current liabilities	2,232,413	296,973	4,126,337	12,065,990	95,073	315,090	109,980	188,515	82,221	260,585	2,338,652	196,364	602,752	22,910,945
Noncurrent liabilities:														
Risk management liability	4,183,352	-	18,437,159	-	-	-	-	55,687	-	-	-	-	-	22,676,198
Other post-employment benefits (OPEB)	-	-	-	-	-	-	-	57,363	58,601	58,601	214,911	56,654	161,227	548,756
Compensated absences	-	-	-	-	-	-	-	61,005	120,306	410,684	98,118	165,127	165,127	855,250
Net pension liability	-	-	-	-	-	-	-	1,242,517	1,246,201	5,390,492	1,315,566	1,315,566	3,203,010	12,395,786
Total noncurrent liabilities	4,183,352	-	18,437,159	-	-	-	-	35,897	1,360,895	1,425,108	6,016,097	1,468,338	3,529,364	36,475,990
Total liabilities	6,415,765	296,973	22,563,496	12,065,990	95,073	315,090	109,980	244,202	1,443,106	1,686,693	8,354,749	1,664,702	4,132,116	59,386,935
Deferred inflows of resources														
Deferred OPEB	-	-	-	-	-	-	-	-	15,470	15,554	65,909	16,212	40,350	153,495
Deferred pensions	-	-	-	-	-	-	-	-	35,011	35,115	151,845	37,014	90,254	349,239
Total deferred inflows of resources	-	-	-	-	-	-	-	-	50,481	50,669	217,754	53,226	130,604	502,734
Net Position														
Net investment in capital assets	-	-	-	-	-	-	-	-	25,675	582,439	1,250,775	13,246,249	118,351	15,223,489
Unrestricted	(1,187,975)	50,854	1,935,994	6,568,376	188,866	470,369	96,419	63,505	(165,297)	194,963	381,783	62,899	588,876	9,249,632
Total net position	\$ (1,187,975)	\$ 50,854	\$ 1,935,994	\$ 6,568,376	\$ 188,866	\$ 470,369	\$ 96,419	\$ 63,505	\$ (139,622)	\$ 777,402	\$ 1,632,568	\$ 13,309,148	\$ 707,227	\$ 24,473,121

County of Stanislaus
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2019

	Self Insurance Funds													
	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance	Medical Self-Insurance	Other Employee Benefits	Denial Insurance	Vision Care Insurance	Professional Liability Insurance	Central Services	Fleet Services	Technology and Communications	Morgan Shop Garage	Facility Maintenance	Total
Operating revenues														
Charges for services	\$ 5,477,967	\$ 671,850	\$ 4,981,226	\$ 64,467,406	\$ 527,629	\$ 3,745,454	\$ 727,210	\$ 222,100	\$ 1,543,188	\$ 3,837,741	\$ 9,484,313	\$ 3,503,566	\$ 11,689,904	\$ 110,889,553
Total operating revenues	5,477,967	671,850	4,981,226	64,467,406	527,629	3,745,454	727,210	222,100	1,543,188	3,837,741	9,484,313	3,503,566	11,689,904	110,889,553
Operating expenses														
Salaries and benefits	-	-	-	-	-	-	-	-	948,854	963,415	3,843,204	934,141	2,647,244	9,336,858
Services and supplies	7,789,475	603,899	3,934,446	61,000,958	563,647	4,155,279	702,814	493,117	446,720	2,357,070	4,688,471	1,713,918	8,965,038	97,194,852
Depreciation	-	-	-	-	-	-	-	-	3,300	30,507	462,288	1,172,579	20,936	1,689,620
Total operating expenses	7,789,475	603,899	3,934,446	61,000,958	563,647	4,155,279	702,814	493,117	1,398,874	3,550,992	8,993,973	3,820,638	11,233,218	108,221,330
Operating income (loss)	(2,291,508)	67,951	1,056,780	3,466,448	(36,018)	(409,825)	24,396	(271,017)	144,314	286,749	490,340	(317,073)	456,686	2,668,223
Nonoperating revenues (expenses)														
Investment income	140,213	11,018	752,140	559,379	7,693	36,962	6,196	10,474	-	-	-	-	10,112	1,534,187
Intergovernmental	-	-	-	-	-	-	-	-	-	-	(14,534)	61,147	-	61,147
Gain(loss) on sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	(14,534)
Total nonoperating revenues (expenses), net	140,213	11,018	752,140	559,379	7,693	36,962	6,196	10,474	-	-	(14,534)	61,147	10,112	1,580,800
Income (loss) before contributions and transfers	(2,151,295)	78,969	1,808,920	4,025,827	(28,325)	(372,863)	30,592	(260,543)	144,314	266,749	475,806	(255,926)	466,798	4,249,023
Change in net position	(2,151,295)	78,969	1,808,920	4,025,827	(28,325)	(372,863)	30,592	(260,543)	144,314	266,749	475,806	(255,926)	466,798	4,249,023
Total net position - beginning	963,320	(28,115)	127,074	2,542,549	217,191	843,232	65,827	324,048	(283,936)	490,653	1,156,752	13,565,074	240,429	20,224,098
Total net position (deficit) - ending	\$ (1,187,975)	\$ 50,854	\$ 1,935,994	\$ 6,568,376	\$ 188,866	\$ 470,369	\$ 96,419	\$ 63,505	\$ (139,622)	\$ 777,402	\$ 1,632,558	\$ 13,309,148	\$ 707,227	\$ 24,473,121

County of Stanislaus
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2019

	Self Insurance Funds											Total		
	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance	Medical Self-Insurance	Other EE Employee Benefits	Dental Insurance	Vision Care Insurance	Professional Liability Insurance	Central Services	Fleet Services	Technology and Communications		Morgan Shop Garage	Facility Maintenance
Cash flows from operating activities:														
Cash received from interfund services	\$ 5,480,404	\$ 671,168	\$ 4,943,016	\$ 64,070,033	\$ 478,612	\$ 3,744,205	\$ 726,857	\$ 222,203	\$ 1,543,136	\$ 3,837,741	\$ 9,477,493	\$ 3,548,215	\$ 11,892,240	\$ 110,435,323
Cash paid to suppliers	(5,752,009)	(715,723)	(4,589,493)	(59,865,945)	(541,748)	(4,188,505)	(704,317)	(467,838)	(410,553)	(2,488,786)	(2,782,053)	(1,726,457)	(8,474,214)	(92,687,641)
Cash paid to employees	-	-	-	-	16,767	-	-	-	(1,028,875)	(1,030,012)	(4,068,779)	(1,028,240)	(2,817,285)	(9,958,624)
Net cash provided (used) by operating activities	(271,605)	(44,555)	353,523	4,204,088	(46,369)	(424,300)	22,540	(245,635)	103,708	318,943	2,625,661	792,518	400,741	7,789,258
Cash flows from noncapital financing activities:														
Subsidy from state & federal grant	-	-	-	-	-	-	-	-	-	-	-	61,147	-	61,147
Net cash provided (used) by noncapital financing activities	-	-	-	-	-	-	-	-	-	-	-	61,147	-	61,147
Cash flows from capital and related financing activities:														
Purchase of capital assets	-	-	-	-	-	-	-	-	(23,254)	(42,303)	(234,601)	(280,325)	(70,263)	(650,746)
Net cash provided (used) by capital and related financing activities	-	-	-	-	-	-	-	-	(23,254)	(42,303)	(234,601)	(280,325)	(70,263)	(650,746)
Cash flows from investing activities:														
Interest received	140,213	11,018	752,140	559,379	7,693	36,962	6,196	10,474	-	-	-	-	10,112	1,534,187
Net cash provided (used) by investing activities	140,213	11,018	752,140	559,379	7,693	36,962	6,196	10,474	-	-	-	-	10,112	1,534,187
Net increase (decrease) in cash and cash equivalents	(131,392)	(33,537)	1,105,663	4,763,467	(38,676)	(387,338)	28,736	(235,161)	80,454	276,640	2,391,060	573,340	340,590	8,733,646
Beginning Cash Balance	5,337,770	379,794	23,284,955	13,421,846	272,826	1,188,082	176,823	541,647	422,635	780,130	2,755,486	-	2,488,746	51,010,740
Ending Cash Balance	\$ 5,206,378	\$ 346,257	\$ 24,390,618	\$ 18,185,313	\$ 234,150	\$ 780,744	\$ 205,559	\$ 306,486	\$ 503,089	\$ 1,056,770	\$ 5,146,546	\$ 573,340	\$ 2,829,336	\$ 59,744,586

County of Stanislaus
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Fiscal Year Ended June 30, 2019

	Self Insurance Funds											Total		
	General Liability Insurance	Unemployment Insurance	Workers' Compensation Insurance	Medical Self-Insurance	Other EE Employee Benefits	Dental Insurance	Vision Care Insurance	Professional Liability Insurance	Central Services	Fleet Services	Technology and Communications		Morgan Shop Garage	Facility Maintenance
Cash provided (used) by operating activities:														
Operating income	\$ (2,291,508)	\$ 67,951	\$ 1,056,780	\$ 3,466,448	\$ (36,018)	\$ (409,825)	\$ 24,396	\$ (271,017)	\$ 144,314	\$ 286,749	\$ 490,340	\$ (317,073)	\$ 456,686	2,668,223
Adjustments to reconcile operating income to net cash provided (used) by operating activities:														
Depreciation	-	-	-	-	-	-	-	-	3,300	30,507	462,298	1,172,579	20,936	1,689,620
(Increase) decrease in accounts receivable	10,123	-	(5,205)	(356,581)	(48,908)	-	-	-	(51)	-	(6,826)	44,652	2,337	(360,459)
(Increase) decrease in inventory	(7,696)	(662)	(43,005)	(40,792)	(108)	(1,249)	(353)	103	-	-	-	-	-	(93,772)
(Increase) decrease in deferred outflow-pension	-	-	-	-	-	-	-	-	35,682	-	-	(80,886)	-	(45,304)
Increase (decrease) in accounts payable and accrued liabilities	(215,747)	(110,024)	50,505	435,013	21,898	(19,488)	(2,008)	2,746	(70,390)	(51,197)	(937,245)	(146,919)	61,234	(1,144,517)
Increase (decrease) in salaries and benefits payable	-	-	-	-	16,767	-	-	-	7,898	2,776	36,722	2,863	11,323	78,439
Increase (decrease) in liability for compensated absences	-	-	-	-	-	-	-	-	(13,402)	5,457	90,434	5,438	10,965	98,882
Increase (decrease) in other post-employment benefits (OPEB)	-	-	-	-	-	-	-	-	(13,153)	(13,192)	(57,063)	(13,905)	(33,907)	(131,220)
Increase (decrease) in deferred inflow-pension	-	-	-	-	-	-	-	-	27,380	27,150	113,477	30,111	66,679	264,797
Increase (decrease) in pension liability	-	-	-	-	-	-	-	-	(18,445)	(37,690)	527,101	51,839	(286,335)	236,570
Increase (decrease) in due to other funds/gov't	-	-	-	-	-	-	-	-	-	-	-	(24,526)	-	(24,526)
Increase (decrease) in risk management liability	2,233,213	(1,800)	(705,552)	700,000	-	6,262	505	22,533	-	-	-	-	-	2,255,161
Net cash provided (used) by operating activities	\$ (271,605)	\$ (44,555)	\$ 353,523	\$ 4,204,088	\$ (46,369)	\$ (424,300)	\$ 22,540	\$ (245,635)	\$ 103,708	\$ 318,943	\$ 2,625,661	\$ 792,518	\$ 400,741	\$ 7,789,268



*Agency
Funds*

County of Stanislaus
Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2019

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
Assets				
Cash and investments	\$ 2,168,733	\$ 814,733,173	\$ (813,821,601)	\$ 3,080,305
Receivables (net of allowance for uncollectables)	1,455,975	1,402,964	(1,805,975)	1,052,964
Total assets	<u>\$ 3,624,708</u>	<u>\$ 816,136,137</u>	<u>\$ (815,627,576)</u>	<u>\$ 4,133,269</u>
Liabilities				
Accounts payable	\$ 102,990	\$ 103,382,918	\$ (103,318,560)	\$ 167,348
Trust obligations	3,521,718	814,121,473	(813,677,270)	3,965,921
Total liabilities	<u>\$ 3,624,708</u>	<u>\$ 917,504,391</u>	<u>\$ (916,995,830)</u>	<u>\$ 4,133,269</u>

*Successor
Agency*

County of Stanislaus
Successor Agency to the Stanislaus County Redevelopment Agency
For the Fiscal Year Ended June 30, 2019

The Agency had the following long-term debt liabilities as of June 30, 2019

	Beginning Principal Balance	Deletions	Ending Principal Balance	Due Within One Year
Notes Payable:				
United States Department of Agriculture	\$ 3,605,000	\$ 90,000	\$ 3,515,000	\$ 95,000
Bonds Payable:				
2005 tax allocation bonds	10,180,000	460,000	9,720,000	465,000
Total long-term liabilities	<u>\$ 13,785,000</u>	<u>\$ 550,000</u>	<u>\$ 13,235,000</u>	<u>\$ 560,000</u>

Debt service requirements for principal and interest of long-term liabilities for future years are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 560,000	\$ 653,805	\$ 1,213,805
2021	570,000	626,079	1,196,079
2022	585,000	596,633	1,181,633
2023	595,000	566,682	1,161,682
2024	610,000	535,874	1,145,874
2025-2029	3,255,000	2,189,944	5,444,944
2030-2034	3,625,000	1,305,050	4,930,050
2035-2039	2,760,000	394,422	3,154,422
2040-2044	675,000	43,817	718,817
Total	<u>\$ 13,235,000</u>	<u>\$ 6,912,306</u>	<u>\$ 20,147,306</u>

County of Stanislaus
Successor Agency to the Stanislaus County Redevelopment Agency
For the Fiscal Year Ended June 30, 2019

United States Department of Agriculture Note – The Agency refinanced a tax revenue anticipation loan in 2001. The loan was used to finance a storm drainage system in Salida, California. The principal amount of the note is \$4,525,000 to be paid in 40 years. Principal payments are due each August. The interest rate for the note is 5.125% with payments due February and August each year. The note matures in August 2041.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 95,000	\$ 147,352	\$ 242,352
2021	95,000	143,713	238,713
2022	100,000	139,170	239,170
2023	105,000	134,813	239,813
2024	110,000	130,243	240,243
2025-2029	625,000	575,879	1,200,879
2030-2034	765,000	428,387	1,193,387
2035-2039	945,000	247,013	1,192,013
2040-2044	675,000	43,817	718,817
Total	<u>\$ 3,515,000</u>	<u>\$ 1,990,387</u>	<u>\$ 5,505,387</u>

2005 Tax Allocation Bonds – The Agency issued bonds to finance construction of a storm drainage collection and transfer system within the Agency’s project area. The bonds will be paid and secured with future tax increment revenues derived from the project area. The principal amount of the bonds is \$15,615,000 to be paid in 30 years. Principal payments are due each August. The interest rate for the bonds ranges from 3.5% to 5.375% with payments due February and August each year. The bonds maturing on or after August 1, 2014, are subject to redemption at the option of the Agency. The bonds maturing on August 1, 2026, and August 1, 2036, are also subject to mandatory sinking fund redemption. The bonds mature in August 2036.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 465,000	\$ 506,453	\$ 971,453
2021	475,000	482,366	957,366
2022	485,000	457,463	942,463
2023	490,000	431,869	921,869
2024	500,000	405,631	905,631
2025-2029	2,630,000	1,614,065	4,244,065
2030-2034	2,860,000	876,663	3,736,663
2035-2039	1,815,000	147,409	1,962,409
Total	<u>\$ 9,720,000</u>	<u>\$ 4,921,919</u>	<u>\$ 14,641,919</u>

*Statistical
Information*

Statistical Section

INTRODUCTION

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the readers of the Comprehensive Annual Financial Report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess the County's economic condition.

Financial Trends Pages 135-140

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 Pages 141-144

These schedules contain trend information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity Page 145-146

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 Pages 147-149

These schedules offer economic and demographic indicators to help the reader understand the socioeconomic environment within which the County's financial activities take place.

Operating Information Page 150

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the county provides and the activities it performs.

Miscellaneous Statistics Page 151

These schedules present information regarding the County's location, cities, and special districts.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.



County of Stanislaus
Net Position by Component
(Accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 397,176,565	\$ 393,212,996	\$ 385,331,672	\$ 383,152,489	\$ 380,595,362	\$ 411,359,448	\$ 447,336,350	\$ 494,299,857	\$ 509,578,026	\$ 508,032,204
Restricted	182,467,381	291,389,268	312,275,044	306,281,464	310,193,664	308,311,889	304,416,103	297,608,836	305,378,378	319,615,847
Unrestricted (deficit)	53,951,001	(47,246,228)	(42,965,529)	(10,910,256)	(1,978,513)	(244,384,302)	(197,360,931)	(250,775,999)	(308,359,785)	(303,101,007)
Total governmental activities net position	633,594,947	637,356,036	654,641,187	678,523,697	688,810,513	475,287,035	554,391,522	541,132,694	506,596,619	524,547,044
Business-type activities										
Net investment in capital assets	24,537,140	24,275,953	23,350,343	26,864,465	28,812,078	27,149,973	30,387,822	29,793,861	28,521,488	32,125,443
Restricted	20,697,693	20,453,722	20,711,930	19,457,319	20,102,454	20,111,762	19,393,530	20,969,868	20,517,119	26,801,688
Unrestricted (deficit)	(14,739,508)	(13,181,272)	(8,194,825)	(1,263,633)	3,778,008	16,825,936	24,697,283	32,854,917	32,317,452	35,445,492
Total business-type activities net position	30,495,325	31,548,403	35,867,448	45,058,151	52,692,540	64,087,671	74,478,635	83,618,646	81,356,059	94,372,623
Net position										
Net investment in capital assets	421,713,705	417,488,949	408,682,015	410,016,954	409,407,440	438,509,421	477,724,172	524,093,718	538,099,514	540,157,647
Restricted	203,165,074	311,842,990	332,986,974	325,738,783	330,296,118	328,423,651	323,809,633	318,578,704	325,895,497	346,417,535
Unrestricted (deficit)	39,211,493	(60,427,500)	(51,160,354)	(12,173,889)	1,799,495	(227,558,366)	(172,663,648)	(217,921,082)	(276,042,333)	(267,655,515)
Total net position	\$ 664,090,272	\$ 668,904,439	\$ 690,508,635	\$ 723,581,848	\$ 741,503,053	\$ 539,374,706	\$ 628,870,157	\$ 624,751,340	\$ 587,952,678	\$ 618,919,667

County of Stanislaus
Change in Net Position
(Accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 53,939,423	\$ 39,047,915	\$ 31,262,204	\$ 34,640,462	\$ 29,418,322	\$ 34,068,208	\$ 39,924,809	\$ 45,365,643	\$ 92,712,837	\$ 50,378,728
Public protection	187,171,627	178,821,359	172,544,110	180,757,835	203,134,867	208,625,928	226,360,587	300,326,244	260,007,457	317,170,751
Public ways and facilities	48,937,845	35,995,934	49,480,040	52,929,458	61,684,798	59,796,563	70,723,726	36,073,544	49,081,627	52,208,478
Health and sanitation	123,260,103	130,897,663	114,881,433	131,314,972	128,083,298	133,992,756	151,320,780	161,381,957	155,476,200	155,476,200
Public assistance	280,497,676	280,276,073	265,885,829	282,044,591	294,889,889	306,804,683	325,543,153	328,149,912	366,132,957	393,466,222
Education	12,784,666	9,726,317	8,149,446	9,738,776	9,738,776	10,001,794	10,575,336	13,664,296	13,211,024	13,914,015
Recreation	6,986,331	5,171,457	5,669,167	7,123,274	6,466,131	6,506,067	7,130,168	8,372,919	8,414,732	10,451,831
Interest and fiscal charges on long-term debt	16,481,243	14,148,048	11,308,210	11,492,957	12,441,241	(14,796,048)	(15,049,070)	8,381,196	8,148,825	8,108,736
Total governmental activities expenses	730,059,914	693,885,766	659,180,439	710,041,725	745,575,800	735,233,250	799,201,465	891,654,534	959,091,416	1,001,174,961
Business-type activities:										
Landfills	8,600,466	5,020,344	3,285,042	3,486,212	4,570,478	6,252,577	7,353,713	5,215,062	14,678,915	8,987,429
Health Clinics and Ancillary	47,269,019	42,109,590	39,470,220	34,752,868	37,029,440	38,176,229	38,183,676	41,048,228	42,664,812	37,808,333
Inmate Welfare and Commissary	1,820,149	1,344,932	1,239,584	1,404,060	1,389,576	1,506,293	1,642,511	1,769,487	1,832,920	2,149,891
Transit	3,784,351	3,971,811	4,262,806	4,655,628	6,165,247	6,141,560	6,348,722	7,523,667	7,375,199	7,508,835
Total business-type activities expenses	61,474,015	52,446,677	48,257,452	44,298,758	49,154,741	52,076,659	53,528,622	55,556,444	66,551,846	56,454,488
Total primary government expenses	791,532,929	746,332,443	707,437,891	754,340,483	794,730,541	787,309,909	852,730,087	947,210,978	1,025,643,262	1,057,629,449
Program revenues										
Governmental activities:										
Charges for services:										
General government	25,288,833	21,461,403	16,844,922	17,831,574	17,702,441	19,053,035	19,503,916	19,483,419	22,920,329	23,230,297
Public protection	40,563,656	39,900,420	38,134,653	44,846,489	47,801,929	48,427,401	48,864,976	50,897,678	53,230,063	57,993,006
Public ways and facilities	6,969,697	5,782,680	5,782,815	6,916,936	6,835,337	8,161,907	8,190,648	10,641,483	10,366,902	10,964,817
Health and sanitation	35,071,044	34,607,863	33,689,959	34,539,726	38,459,900	43,037,345	48,465,224	49,896,007	53,657,829	50,725,256
Public assistance	7,475,063	8,130,839	6,336,221	6,962,414	8,408,836	10,627,429	12,578,244	12,979,298	10,376,038	10,507,245
Education	456,577	365,953	325,092	439,237	486,531	571,470	736,246	804,946	845,868	802,265
Recreation	2,791,644	2,841,387	3,359,825	3,451,645	3,060,901	3,056,431	3,559,754	4,942,058	4,740,516	5,330,261
Operating grants and contributions	415,579,530	422,599,832	435,135,939	456,187,128	485,384,295	493,130,740	515,871,262	526,433,610	595,290,654	614,367,849
Capital grants and contributions	19,331,088	18,457,150	6,662,251	22,426,787	16,423,263	43,111,386	67,291,846	36,710,716	10,105,017	23,082,139
Total governmental activities program revenues	553,527,132	554,147,527	546,271,677	593,601,936	624,563,433	689,177,144	725,062,116	712,789,215	761,523,216	797,003,135
Business-type activities:										
Charges for services:										
Landfills	4,220,903	4,208,446	4,588,277	5,217,737	5,598,975	6,489,463	6,969,365	7,789,485	9,182,481	8,898,325
Health Clinics and Ancillary	44,994,702	39,625,230	38,216,020	34,807,751	32,587,731	37,510,027	38,369,412	42,031,823	40,652,270	36,866,463
Inmate Welfare and Commissary	1,379,595	1,180,418	1,369,506	1,688,466	1,528,952	1,670,882	1,859,908	2,401,183	1,783,507	1,835,020
Transit	346,729	502,139	465,005	667,089	506,184	539,266	510,822	559,730	583,114	586,728
Operating grants and contributions	1,296,301	1,470,103	1,519,071	1,307,816	4,312,029	3,339,513	1,491,073	1,395,579	2,411,096	4,096,629
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	52,238,230	46,986,336	46,157,879	43,708,859	44,533,871	49,559,151	49,200,580	54,177,800	54,612,468	52,283,165
Total primary government program revenues	605,765,362	601,133,863	592,429,556	637,310,795	669,097,304	718,736,295	774,262,696	766,967,015	816,135,684	849,286,300
Net (expense)/revenue	(176,531,782)	(139,736,240)	(112,906,762)	(116,439,789)	(121,012,367)	(66,056,106)	(74,139,349)	(178,865,319)	(197,568,200)	(204,171,826)
Governmental activities	(9,235,785)	(5,460,341)	(2,099,573)	(689,899)	(4,620,870)	(2,517,508)	(4,328,042)	(1,378,644)	(11,939,378)	(4,171,323)
Business-type activities	(185,767,567)	(145,199,581)	(115,006,335)	(117,029,689)	(125,633,237)	(68,573,614)	(78,467,391)	(180,243,963)	(209,507,578)	(208,343,149)

County of Stanislaus
Change in Net Position (Continued)
(Accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	83,397,110	90,486,468	86,124,943	94,552,082	90,233,301	97,990,771	111,785,574	119,517,121	126,399,978	134,315,494
Sales taxes	20,677,876	23,329,577	26,796,833	30,024,222	32,606,659	32,819,560	34,211,664	36,578,957	44,802,366	46,121,261
Other taxes	2,220,643	2,157,019	2,284,530	2,298,871	2,607,534	3,264,767	3,451,718	3,898,466	3,884,785	3,807,502
Franchise fees	958,324	1,005,292	1,013,027	1,008,261	1,111,071	1,235,724	1,189,904	1,129,666	1,190,064	1,045,737
Unrestricted investment earnings	9,327,724	8,173,086	9,608,355	1,975,516	818,300	884,347	718,321	935,445	730,314	598,975
Miscellaneous	7,719,050	21,020,693	8,077,436	9,950,570	8,952,442	13,269,382	8,465,542	6,728,972	9,752,619	10,620,695
Transfers	(5,250,856)	(2,673,525)	(2,432,361)	512,777	(5,030,124)	(20,466,733)	(6,578,887)	(3,182,136)	(3,370,262)	(3,500,595)
Total governmental activities	119,049,871	143,498,600	131,472,763	140,322,899	131,299,183	128,997,818	153,243,836	165,606,491	183,389,864	193,009,069
Business-type activities:										
Sales taxes	2,962,729	3,026,730	3,490,576	5,863,652	6,537,281	4,895,572	6,886,640	6,609,799	6,022,663	7,173,141
Unrestricted investment earnings	95,463	813,164	495,681	374,703	687,854	758,618	1,345,053	726,720	862,268	2,012,099
Sale of fixed assets	-	-	-	-	-	12,985	(61,574)	-	-	-
Franchise fees	-	-	-	-	-	-	-	-	-	440
Miscellaneous	-	-	-	-	-	-	-	-	-	5,423,949
Transfers	5,250,856	2,673,525	2,432,361	(512,777)	5,030,124	20,466,733	6,578,887	3,182,136	3,370,262	3,500,595
Total business-type activities	8,309,048	6,513,419	6,418,618	5,725,578	12,255,259	26,133,908	14,719,006	10,518,655	10,255,193	18,110,224
Total primary government	127,358,919	150,012,019	137,891,381	146,047,877	143,554,442	155,131,726	167,962,842	176,125,146	193,645,057	211,119,293
Change in net position excluding extraordinary items										
Governmental activities	(57,481,911)	3,760,360	18,564,001	23,882,510	10,286,816	62,941,712	79,104,487	(13,258,828)	(14,178,336)	(11,162,757)
Business-type activities	(926,737)	1,053,078	4,319,045	5,135,679	7,634,389	23,616,400	10,390,964	9,140,011	(1,684,185)	(13,988,901)
Total primary government	(58,408,648)	4,813,438	22,883,046	29,018,189	17,921,205	86,558,112	89,495,451	(4,118,817)	(15,862,521)	2,776,144
Extraordinary items										
RDA debt write-off	-	-	18,141,513	-	-	-	-	-	-	-
RDA due to successor agency	-	-	(19,421,089)	-	-	-	-	-	-	-
Net extraordinary loss	-	-	(1,279,576)	-	-	-	-	-	-	-

**County of Stanislaus
Governmental Activities – Tax Revenues by Source
(Accrual basis of accounting)
Last Ten Fiscal Years**

Fiscal Year	Property Tax	Sales Tax	Other Tax	Total
2010	\$ 83,397,110	\$ 20,677,876	\$ 2,220,643	\$ 106,295,629
2011	90,486,461	23,329,577	2,157,019	115,973,057
2012	86,124,943	26,796,833	2,284,530	115,206,306
2013	94,552,082	30,024,222	2,298,871	126,875,175
2014	90,233,301	32,606,659	2,607,534	125,447,494
2015	97,990,771	32,819,560	3,264,767	134,075,098
2016	111,785,574	34,211,664	3,451,718	149,448,956
2017	119,517,121	36,578,957	3,898,466	159,994,544
2018	126,399,978	44,802,363	3,884,785	175,087,126
2019	134,315,498	46,121,261	3,807,497	184,244,256

County of Stanislaus
Fund Balances of Governmental Funds
(Modified accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund										
Reserved	\$ 33,648,284	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	72,768,168	-	-	-	-	-	-	-	-	-
Non-spendable	-	22,816,700	21,106,188	19,683,239	15,515,016	14,029,333	14,137,929	11,408,264	12,949,362	13,653,128
Restricted	-	3,902,067	3,766,553	3,728,477	3,872,119	4,240,486	4,506,356	4,632,178	4,934,185	5,190,143
Committed	-	7,360,782	2,835,387	7,460,200	4,510,888	6,933,209	7,772,769	7,322,789	14,695,821	1,661,292
Assigned	-	53,427,519	71,991,359	92,656,760	97,448,659	101,215,033	128,572,135	152,285,335	162,118,737	196,481,901
Unassigned	-	20,761,362	16,066,425	9,599,149	16,765,674	15,945,066	9,966,047	8,717,151	9,397,129	3,660,796
Total general fund	106,416,452	108,268,430	115,765,912	133,127,825	138,112,356	142,363,127	164,955,236	184,365,717	204,095,234	220,647,260
All other governmental funds										
Reserved	38,392,864	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Special Revenue	166,634,879	-	-	-	-	-	-	-	-	-
Capital Projects	107,615,020	-	-	-	-	-	-	-	-	-
Debt Service	343,325	-	-	-	-	-	-	-	-	-
Non-spendable	-	604,486	629,283	567,030	567,922	567,757	568,132	770,976	809,280	870,599
Restricted	-	275,406,521	275,903,217	258,631,067	277,156,074	278,069,806	289,243,780	265,308,919	280,669,730	313,555,105
Committed	-	7,673,957	8,006,919	5,958,731	3,700,637	3,657,838	3,657,838	3,652,900	3,652,900	-
Assigned	-	31,321,622	23,969,078	37,470,379	24,896,916	21,776,005	26,439,995	23,243,865	16,830,029	18,555,752
Unassigned	-	(606,674)	(1,309,161)	(1,166,409)	(1,036,901)	(372,416)	(224,116)	-	(2,343,786)	-
Total all other governmental funds	\$ 312,986,088	\$ 314,399,912	\$ 307,199,336	\$ 301,460,798	\$ 305,284,648	\$ 303,698,990	\$ 299,685,629	\$ 292,976,660	\$ 299,618,153	\$ 332,981,456

Notes:

(1) In FY 10/11 the County implemented GASB Statement No. 54 which resulted in a change in categories.

County of Stanislaus
Changes in Fund Balances of Governmental Funds
(Modified accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 106,302,266	\$ 116,024,106	\$ 115,217,548	\$ 126,869,802	\$ 125,522,743	\$ 134,075,103	\$ 149,448,956	\$ 159,994,544	\$ 175,087,126	\$ 184,244,256
Licenses, permits and franchises	3,779,539	3,346,635	3,251,371	3,427,357	4,528,028	4,316,195	4,597,396	4,501,367	5,098,511	4,443,977
Fines, forfeitures and penalties	15,853,039	14,102,259	11,277,500	11,731,463	11,250,391	9,913,309	8,444,144	8,081,083	8,137,049	7,903,039
Revenue from use of money and property	11,628,724	10,951,594	12,046,180	3,544,350	14,961,376	7,231,730	14,398,251	743,626	17,887,703	23,599,199
Intergovernmental revenue	432,391,862	437,920,991	439,019,276	476,840,206	487,407,449	529,630,722	568,977,461	563,135,025	587,787,965	612,926,049
Charges for services	99,969,868	96,719,319	90,939,405	100,787,593	108,153,835	119,742,371	130,012,070	138,122,330	144,207,511	148,122,518
Miscellaneous revenue	7,700,801	20,758,655	8,053,236	9,831,879	8,932,426	13,207,716	6,693,645	6,681,654	9,696,744	10,574,081
Donation	-	188,052	-	-	-	-	-	-	-	-
Total revenues	677,626,099	700,011,611	679,804,516	733,032,650	760,756,248	818,117,146	882,571,923	881,259,629	947,902,609	991,813,119
Expenditures										
General	32,492,953	32,199,947	27,597,103	30,181,242	27,206,222	31,258,034	35,856,602	37,387,007	43,550,377	52,520,142
Public protection	184,488,026	164,981,273	165,575,535	183,212,316	195,378,255	207,452,347	220,974,865	233,255,786	253,960,821	293,790,838
Public ways and facilities	24,836,257	33,152,617	29,360,660	28,921,543	37,490,486	46,219,528	45,967,327	31,085,519	44,868,273	54,595,159
Health and sanitation	117,204,330	128,343,261	114,687,805	130,738,595	127,482,966	125,835,208	134,725,048	147,406,576	159,582,579	151,452,641
Public assistance	278,429,040	278,379,256	264,657,512	280,991,671	292,431,366	308,531,925	326,933,459	339,250,164	363,313,160	383,732,741
Education	11,426,521	8,439,844	7,945,714	8,565,946	9,020,692	9,509,756	10,167,303	12,209,085	12,860,906	12,983,443
Recreation and cultural services	5,180,469	5,147,480	5,454,792	4,915,595	5,578,898	5,353,945	6,450,793	7,091,792	8,032,979	8,282,629
Capital outlay	17,536,137	13,993,830	13,759,973	22,696,280	13,175,917	44,074,289	61,736,561	43,593,843	16,089,642	4,709,768
Debt Service	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	11,420,042	10,220,117	9,296,468	7,436,146	5,570,802	3,954,070	3,517,796	3,535,852	2,674,756	2,382,409
Principal	18,546,652	19,887,473	20,159,733	32,516,086	49,618,106	12,734,637	13,112,133	16,723,691	12,160,419	3,947,409
Total expenditures	701,560,427	694,745,098	658,495,295	730,175,420	762,953,710	794,923,739	859,441,887	871,539,315	917,093,912	968,997,179
Excess of revenues over (under) expenditures	(23,934,328)	5,266,513	21,309,221	2,857,230	(2,197,462)	23,193,407	23,130,036	9,720,314	30,808,697	23,415,940
Other financing sources (uses)										
Capital lease proceeds	1,224,693	363,711	-	370,612	394,368	-	247,658	303,918	22,199	-
Transfers in	67,347,196	74,906,929	66,041,234	78,625,650	74,412,744	83,460,934	79,002,346	76,260,282	76,514,007	81,238,633
Transfers (out)	(71,247,366)	(77,346,060)	(67,656,660)	(79,035,846)	(83,361,274)	(104,050,890)	(85,573,189)	(81,405,320)	(81,122,964)	(84,739,228)
Loan proceeds	-	-	-	8,687,050	19,540,000	61,662	-	7,775,000	-	-
Sale of capital assets	18,266	73,981	24,200	118,679	20,005	-	1,771,897	47,318	55,876	-
Total other financing sources (uses)	(2,657,211)	(2,001,439)	(1,591,226)	8,766,145	11,005,843	(20,528,294)	(4,551,288)	2,981,198	(4,530,882)	(3,500,595)
Extraordinary items										
Amount due to Successor Agency	-	-	(19,421,089)	-	-	-	-	-	-	-
Net change in fund balances	\$ (26,591,539)	\$ 3,265,074	\$ 296,906	\$ 11,623,375	\$ 8,808,381	\$ 2,665,113	\$ 18,578,748	\$ 12,701,512	\$ 26,277,815	\$ 19,915,345
Debt service as a percentage of noncapital expenditures	4.65 %	4.82 %	5.13 %	5.79 %	7.42 %	2.34 %	2.10 %	2.50 %	1.67 %	0.68 %

**County of Stanislaus
Net Assessed and Estimated Actual Value
Of Taxable Property
Last Ten Fiscal Years**

Fiscal Year	Secured	Unsecured	Unitary	Exemption	Total Assessed Value	(1) Total Direct Tax Rate
2009/2010	\$ 36,721,899,745	\$ 1,974,607,091	\$ 409,095,572	\$ (1,808,453,455)	\$ 37,297,148,953	1.0 %
2010/2011	35,013,648,694	1,939,997,482	393,961,387	(1,788,699,500)	35,558,908,063	1.0 %
2011/2012	33,922,860,970	1,894,647,699	428,218,674	(1,470,636,584)	34,775,090,759	1.0 %
2012/2013	33,453,356,537	1,922,433,762	437,990,226	(1,889,181,108)	33,924,599,417	1.0 %
2013/2014	35,144,058,624	1,942,053,158	459,071,732	(1,944,954,990)	35,600,228,524	1.0 %
2014/2015	38,926,957,292	2,099,919,013	493,095,264	(1,844,694,448)	39,675,277,121	10.0 %
2015/2016	41,481,258,519	2,209,060,152	529,533,521	(1,865,008,788)	42,354,843,404	10.0 %
2016/2017	43,807,012,877	2,392,355,386	542,400,723	(1,914,281,221)	44,827,487,765	1.0 %
2017/2018	46,232,938,085	2,461,810,459	574,602,249	(1,884,233,561)	47,385,117,232	1.0 %
2018/2019	48,855,410,302	2,656,557,435	606,820,452	(1,982,914,858)	50,135,873,331	1.0 %

Note: Exemption field includes all exemptions except the Homeowners Property Tax Relief Exemption which is State subvented.

The assessed value does not include adjustments and cancellations after lien date. The assessed value includes non-commercial aircraft.

Due to the passage of the property tax initiative Proposition 13 (Prop 13) in 1978, the County does not track the estimated actual value of all County properties. Under Prop 13, property is assessed at the 1975 market value with an annual increase limited to the lesser of 2% or the California Consumer Price Index (CCPI), unless there is a change in ownership or property has undergone construction. Property involving change of ownership is assessed at market value. Property which has undergone construction will include the value of the additional parcel plus the existing base value.

Prop 13 limits the property tax rate to 1% of assessed value plus the rate necessary to fund local voter approved bonds and special assessments.

**County of Stanislaus
Property Tax Rates and Distributions
Of General Levy Property Tax Rate
Among Direct and Overlapping Governments
Last Ten Fiscal Years**

Fiscal Year	Property Tax Rates Per \$100 of Assessed Valuation		Allocation Percentages				
	(Low)	(High)	County	Cities	(1) School District	(2) Special District	Total
2009/2010	1.0202	1.2168	11.09 %	6.37 %	71.23 %	11.31 %	100.00 %
2010/2011	1.0259	1.2440	11.07 %	6.39 %	71.57 %	10.97 %	100.00 %
2011/2012	1.0246	1.2541	11.10 %	6.39 %	71.89 %	10.62 %	100.00 %
2012/2013	1.0213	1.2731	11.20 %	6.32 %	71.91 %	10.57 %	100.00 %
2013/2014	1.0194	1.2707	11.23 %	6.40 %	71.84 %	10.53 %	100.00 %
2014/2015	1.0160	1.2751	10.59 %	6.37 %	72.67 %	10.37 %	100.00 %
2015/2016	1.0269	1.2757	13.00 %	6.37 %	70.28 %	10.35 %	100.00 %
2016/2017	0.9821	1.2820	13.00 %	6.40 %	70.10 %	10.50%	89.61 %
2017/2018	1.0163	1.2974	12.98%	6.36 %	70.00 %	10.65 %	87.14 %
2018/2019	0.9796	1.3438	12.97 %	6.34 %	69.87 %	10.82 %	100.00 %

Note: County is divided into approximately 1,630 Tax Rate Areas, which are unique combinations of various jurisdictions serving a specific geographical area. The above Property Tax Rates, which include levies for general obligation bonds, represent the lowest and highest tax rates levied through the County.

The above allocation percentages are for general levies only and exclude general obligation bond rates and special assessments,

The passage of Proposition 13 on June 6, 1978, enacted Article XIII(A) of the State Constitution. This prohibits the levying of any tax rate, except for existing voter-approved bonded debt, in excess of the general tax rate of 1% of assessed value (4% prior to year ended June 30, 1982). The proceeds of this tax rate are shared by all overlapping government entities.

(1) Includes Superintendent of Schools

(2) Includes independent special districts, dependent school districts, redeveloper successor agencies and County Fire Service

**County of Stanislaus
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Secured Assessed Value	2018/2019			2009/2010		
		Property Taxes Billed	Rank	Percentage of Total Property Taxes Billed	Property Taxes	Rank	Percentage of Total Property Taxes
E & J Gallo Winery	\$ 491,115,121	\$ 5,681,884	1	0.9031 %	\$ 1,980,255	3	0.4433 %
Pacific Gas and Electric Company	366,532,062	4,925,324	2	0.7828	1,838,227	4	0.4115
World International LLC	22,442,489	4,096,727	3	0.6511	3,584,105	1	0.8023
Gallo Glass Co	309,367,313	3,437,967	4	0.5464	2,542,542	2	0.5692
Doctor's Medical Center of Mod Inc	231,435,839	2,565,355	5	0.4077	1,250,723	6	0.2800
Excel Monte Vista LP	142,948,949	1,806,813	6	0.2872	-	-	-
Frito Lay Inc	149,557,140	1,676,044	7	0.2664	-	-	-
G3 Interprises Inc	144,454,357	1,621,466	8	0.2577	-	-	-
WR Griffin Patterson LLC	102,202,076	1,597,399	9	0.2539	-	-	-
Bronco Wine Company	129,376,238	1,465,004	10	0.2328	1,090,374	10	0.2441
SBC California	-	-	-	-	1,378,681	5	0.3086
Recot Inc	-	-	-	-	1,215,949	7	0.2722
Del Monte Corp	-	-	-	-	1,099,179	8	0.2461
Hunt Wesson Foods Inc	-	-	-	-	1,096,631	9	0.2455
Total	\$ 2,089,431,584	\$ 28,873,982		4.5891	\$ 17,076,666		3.8228

**County of Stanislaus
Property Tax Levy and Collections*
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2009/2010	\$ 446,704,648	\$ 430,564,452	95.20 %	\$ 13,523,440	\$ 444,087,892	99.39 %
2010/2011	436,493,485	424,593,296	96.39 %	10,123,214	434,716,510	99.54 %
2011/2012	426,313,135	416,034,209	97.27 %	7,581,088	423,615,297	99.27 %
2012/2013	427,774,039	417,419,791	97.59 %	6,134,350	423,554,141	98387.00 %
2013/2014	448,139,124	438,298,281	97.58 %	5,030,938	443,329,220	1405.43 %
2014/2015	491,947,597	482,999,011	97.80 %	4,722,172	487,721,183	98.74 %
2015/2016	526,506,616	515,308,358	98.18 %	4,480,192	519,788,550	98.91 %
2016/2017	557,726,852	548,386,591	97.87 %	4,251,785	552,638,376	98.38 %
2017/2018	593,209,301	579,232,498	97.64 %	3,092,017	582,324,515	97.64 %
2018/2019	629,166,024	612,916,389	97.42 %	-	612,916,389	97.42 %

*Includes all taxing authorities within the County excluding Airplane Tax.

For Fiscal Year Ending June 30 of given year.

County of Stanislaus
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
Certificates of participation	\$ 82,497,584	\$ 74,775,944	\$ 66,765,000	\$ 58,242,612	\$ 15,930,000	\$ 11,725,000	\$ 7,275,000	\$ -	\$ -	\$ -
2012 Lease Refunding	-	-	-	-	6,065,970	4,598,695	3,127,429	1,562,703	-	-
2013 Lease Refunding	-	-	-	-	19,540,000	14,765,000	9,915,000	4,990,000	-	-
Plus issuance premium	1,124,669	980,326	835,983	691,641	502,193	362,046	221,899	-	-	-
2016 Lease HVAC financing	-	-	-	-	-	-	-	7,390,000	5,435,000	4,970,000
Bonds payable	53,785,000	44,420,000	21,310,000	11,035,000	-	-	-	-	-	-
RDA loans	5,734,785	5,520,620	-	-	-	-	-	-	-	-
Interest RDA CalHFA loan	65,827	82,702	-	-	-	-	-	-	-	-
Tobacco securitization note	99,268,611	97,718,611	96,118,611	91,563,611	89,503,611	87,448,611	85,343,611	83,003,611	79,578,611	76,218,611
2006 Tobacco accreted interest	12,241,056	15,674,559	19,325,022	23,210,698	27,339,863	31,738,345	36,413,839	41,385,756	46,678,793	52,313,103
Total governmental activities	254,717,532	239,172,762	204,354,616	184,743,562	158,881,637	150,637,697	142,296,778	138,332,070	131,692,404	133,501,714
Business-type activities:										
Certificates of participation	377,416	194,056	-	-	-	-	-	-	-	-
Capital lease payable	982,022	663,281	340,820	-	-	-	-	-	-	-
Total business-type activities	1,359,438	857,337	340,820	-	-	-	-	-	-	-
Total primary government	256,076,970	240,030,099	204,695,436	184,743,562	158,881,637	150,637,697	142,296,778	138,332,070	131,692,404	133,501,714
Percentage of personal income (1)	1.97%	1.80%	1.53%	1.35%	1.16%	1.02%	0.99%	0.97%	0.62%	0.63%
Per capita (2)	\$ 595	\$ 580	\$ 520	\$ 474	\$ 425	\$ 401	\$ 386	\$ 383	\$ 243	\$ 240

Note:

(1) FYE 2016, 2017, & 2018 were calculated based on FYE 2015 personal income. Personal income was not available for FYE 2016, 2017, & 2018 at the time schedule was completed.

(2):

Population	530,584	517,685	522,651	526,546	530,327	538,388	541,560	555,624	558,972	N/A
Personal income (in thousands)	\$ 15,980,924	\$ 16,652,338	\$ 17,810,902	\$ 18,528,026	\$ 19,341,120	\$ 21,236,783	N/A	N/A	N/A	N/A
Per capita income	\$ 31,006	\$ 32,115	\$ 34,138	\$ 35,259	\$ 36,356	\$ 39,445	N/A	N/A	N/A	N/A

Source: EDD, CA.GOV.Labor Market Report

**County of Stanislaus
Legal Debt Margin Information
Last Ten Fiscal Years**

Fiscal Year	Assessed Value	Debt Limit Percentage	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Debt Applicable to the Limit as a Percentage of Debt Limit
2009/2010	\$ 37,297,148,953	1.25 %	\$ 466,214,362	-	\$ 466,214,362	-
2010/2011	35,558,908,063	1.25 %	444,486,351	-	444,486,351	-
2011/2012	34,775,090,759	1.25 %	434,688,634	-	434,688,634	-
2012/2013	33,924,599,417	1.25 %	424,057,493	-	424,057,493	-
2013/2014	35,600,228,524	1.25 %	445,002,857	-	445,002,857	-
2014/2015	39,675,277,121	1.25 %	495,940,964	-	495,940,964	-
2015/2016	42,354,843,404	1.25 %	529,435,543	-	529,435,543	-
2016/2017	44,827,487,765	1.25 %	560,343,597	-	560,343,597	-
2017/2018	47,385,117,232	1.25 %	592,313,965	-	592,313,965	-
2018/2019	50,135,873,331	1.25 %	626,698,417	-	626,698,417	-

Note: The legal debit limit percentage is set by statute. Debt includes only general obligation bonded debts supported by property taxes

**County of Stanislaus
Demographic and Economic Statistics
Last Ten Fiscal Years**

Calendar Year	Population (2)	Personal Income (in thousands) (1)	Per Capita Personal Income (1)	School Enrollment (3)	Unemployment Rate (2)
2009	526,383	\$ 15,948,738	\$ 31,248	105,165	15.3 %
2010	530,584	15,980,924	31,006	104,802	16.4 %
2011	517,685	16,652,338	32,115	104,935	15.1 %
2012	522,651	17,810,902	34,138	105,588	15.2 %
2013	526,549	18,528,026	35,259	106,126	13.0 %
2014	530,327	19,341,120	36,356	106,920	7.6 %
2015	538,388	21,236,783	29,445	107,653	5.5 %
2016	541,560	22,346,161	41,417	109,513	7.5 %
2017	555,624	23,094,445	42,354	109,990	6.2 %
2018	558,972	24,257,921	44,120	110,405	7.4 %

Detail of estimated population, as of January 1, 2018:

(2) Incorporated Cities

Ceres	49,510
Hughson	8,017
Modesto	215,201
Newman	11,738
Oakdale	23,807
Patterson	23,764
Riverbank	25,318
Turlock	74,471
Waterford	9,100
Total of incorporated	<u>440,926</u>
Total of unincorporated areas	<u>118,046</u>
Total population	<u><u>558,972</u></u>

Sources: (1) U.S. Department of Commerce, Bureau of Economic Analysis

(2) California Employment Development Department, Labor market Information (data shown is for the County)

(3) California Department of Education

**County of Stanislaus
Principal Employers
Current Year and Nine Years Ago**

(1) Employer	2019			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
E & J Gallo Winery	6,700	1	2.89 %	3,308	2	1.63 %
Stanislaus County	4,048	2	1.75 %	3,990	1	1.96 %
Modesto City Schools	3,200	3	1.38 %	3,113	3	1.53 %
Doctors Medical Center	2,600	4	1.12 %	1,984	7	0.98 %
Memorial Medical Center	2,400	5	1.04 %	3,013	4	1.48 %
Foster Farms	2,200	6	0.95 %			
Del Monte Foods	2,010	7	0.87 %	1,700	8	0.84 %
Stanislaus Food Products	1,875	8	0.81 %			
Save Mart Supermarkets	1,650	9	0.71 %			
Turlock Unified School District	1,500	10	0.65 %	2,120	5	1.04 %
Ceres Unified School District	-		- %	1,561	10	0.77 %
Seneca (Signature) Foods	-	-	N/A	2,100	6	1.03 %
Modesto Junior College	-	-	N/A	1,643	9	0.81 %
Total ten largest	28,183		12.17 %	24,532		12.07 %
Total all other (2)	203,417		87.83 %	N/A		N/A
Total companies or organizations	<u>231,600</u>		<u>100.00 %</u>			

Source:

- (1) Opportunity Stanislaus
- (2) CA.EDD.Gov civilian employment numbers

County of Stanislaus Full-time Employees by Function Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Paid employees (1)										
Governmental activities										
General government	N/A	299	287	284	292	297	304	324	332	340
Public protection	N/A	1,405	1,304	1,301	1,345	1,396	1,288	1,482	1,551	1,574
Public ways and facilities	N/A	105	76	100	99	100	119	94	98	102
Health and sanitation	N/A	717	642	639	653	667	850	732	737	741
Public assistance	N/A	948	983	992	1,025	1,074	1,125	1,133	1,145	1,177
Education	N/A	137	130	134	139	142	148	158	165	166
Recreation	N/A	48	40	43	44	45	48	52	44	53
Total governmental activities	0	3,659	3,462	3,493	3,597	3,721	3,882	3,975	4,072	4,153
Business-type activities										
Landfill	N/A	17	16	16	17	16	6	16	17	17
Health Clinics & Ancillary	N/A	262	249	254	259	261	268	266	264	256
Transit	N/A	4	4	4	3	4	4	4	4	3
Inmate Welfare/Commissary	N/A	0	5	6	5	3	2	3	6	5
Behavioral Health	N/A	0	0	0	0	0	0	0	0	0
Total business-type activities	0	283	274	280	284	284	280	289	291	281
Total Stanislaus County	0	3,942	3,736	3,773	3,881	4,005	4,162	4,264	4,363	4,434
Actual full-time equivalent employees (2)										
Governmental activities										
General government	337	270	281	268	272	279	288	289	311	321
Public protection	1,418	1,224	1,215	1,208	1,235	1,399	1,426	1,317	1,427	1,494
Public ways and facilities	107	99	73	98	97	99	96	90	94	98
Health and sanitation	664	568	622	576	547	608	645	586	622	669
Public assistance	927	913	962	969	1,003	1,059	1,106	1,016	1,075	1,121
Education	86	71	70	68	68	102	108	74	79	125
Recreation	23	20	20	20	20	40	44	34	39	50
Total governmental activities	3,562	3,165	3,243	3,207	3,242	3,586	3,713	3,406	3,647	3,878
Business-type activities										
Landfill	17	14	13	14	15	16	17	12	13	17
Health Clinics & Ancillary	220	186	185	182	178	226	239	168	174	222
Transit	3	3	3	3	3	4	4	3	4	3
Inmate Welfare/Commissary	0	4	5	4	4	4	4	3	8	6
Behavioral Health	0	0	0	0	0	0	0	0	0	0
Total business-type activities	240	207	206	203	200	250	264	186	199	248
Total Stanislaus County	3,802	3,372	3,449	3,410	3,442	3,836	3,977	3,592	3,846	4,126

Note:

- (1) Paid employees: Count of employees paid, including terminated employee. Employees with more than one job will be counted once for each job for which the employee was paid.
- (2) Actual full-time equivalent employees: Count of number of full-time equivalents paid. For full-time and part-time, the full-time equivalent (FTE) used is from the employee's assigned work schedule. For extra help and contractors, the FTE is calculated as the number of hours worked this pay period divided by 80

**County of Stanislaus
Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public safety:										
Other:										
Filed felonies-District Attorney	10,405	8,447	7,363	7,464	8,022	4,399	4,235	3,631	3,544	3,548
Filed misdemeanors-District Attorney	6,368	5,300	5,598	6,097	6,243	9,141	10,069	9,976	8,627	7,876
Public Defender's total new caseload	10,084	8,358	8,343	8,490	10,218	9,178	10,636	14,915	13,276	13,440
Fire emergency responses	38,114	37,897	41,208	42,741	44,404	46,443	51,634	53,966	58,298	63,004
Sheriff:										
Total miles patrolled	1,944,926	1,473,670	1,355,504	1,446,670	1,575,282	1,646,848	1,572,574	1,429,668	1,123,064	1,631,640
Processed and booked adult offenders	21,464	18,391	18,417	20,472	21,997	19,025	18,850	18,926	19,078	19,658
Probation										
Juvenile referrals processed	4,883	4,280	3,554	2,868	2,611	2,307	2,022	2,005	1,631	1,385
Juvenile bookings processed	2,031	1,803	1,453	1,160	1,022	931	909	820	725	743
Adult and juvenile cases supervised	24,216	22,627	21,663	21,173	21,166	20,646	20,902	21,668	21,059	20,257
Health & public assistance										
ADMHS clients served	2,017	1,845	1,661	1,857	2,037	2,243	2,315	2,457	2,385	2,132
Established orders for child support	4,596	2,858	2,463	1,787	1,892	1,761	1,527	1,369	1,251	1,114
Assistance claims paid to eligible recipients	164,172	174,764	170,956	217,837	218,617	207,236	209,626	195,435	183,244	166,584
Patient encounters at public health clinics	N/A	16,979	28,009	25,427	23,562	21,555	19,221	16,216	14,069	9,239
Community resources & public facilities										
Building inspections	7,079	7,198	7,633	7,334	9,441	11,472	10,833	11,788	13,638	12,363
Building permits (calendar year)	2,313	2,138	2,134	2,452	2,811	N/A	3,285	3,016	2,927	2,929
Cost of building permits (calendar year)	\$1,420,550	\$1,253,989	\$1,368,633	\$1,576,289	\$1,748,652	N/A	\$2,122,923	\$2,004,964	\$1,911,855	\$1,628,793
Enhanced or maintained road lanes (miles)	1,546	1,524	1,521	1,513	1,513	1,511	1,511	1,511	1,511	1,507
General government & support services										
Clerk-Recorder-Assessor										
Recorded documents & vital copies issued	123,366	116,213	113,461	122,290	99,919	101,090	96,437	96,490	135,831	128,098
Elections										
Registered voters	224,513	229,057	232,887	232,887	211,227	175,821	219,255	243,983	475,040	252,547
Number voting	71,405	122,490	156,935	156,935	55,835	39,176	97,511	177,884	141,161	159,226
Percent voting	31.80%	53.48%	67.39%	67.39%	26.43%	22.28%	44.47%	72.91%	29.72%	63.05%
Resource recovery										
Waste recycled (tons per month)	556	313	261	245	259	270	404	416	560	457
Landfill waste disposal (tons per month)	169,779	160,972	159,487	266,086	184,759	185,030	267,159	282,105	296,223	282,635

**County of Stanislaus
Miscellaneous Statistical Data
June 30, 2019**

Geographical location : Stanislaus County is located in the central part of the state of California, about 300 miles north of Los Angeles and 90 miles east of San Francisco. The County is bordered on the north by San Joaquin County, on the east by Calaveras and Tuolumne Counties, on the south by Merced County, and on the west by Santa Clara County.

Area of County: Approximately 1,521 square miles

County seat: Modesto, California

Form of government: General Law, County governed by five-member Board of Supervisors

Date County formed: April 1, 1854

Fiscal year begins: July 1

Incorporated cities:	Ceres	Newman	Riverbank
	Hughson	Oakdale	Turlock
	Modesto	Patterson	Waterford

Number of special districts		
Controlled by Board of Supervisors :	County Service Areas	21
	Drainage	7
	Lighting	30
	Landscape and Lighting	<u>8</u>
	Total	<u><u>66</u></u>

Number of other special districts :	Irrigation	5	Cemetery	3
	Mosquito Abatement	2	Sanitation	1
	Resource Conservation	2	Reclamation	4
	Community Services	8	Healthcare & Hospital	3
	Flood Control	2	Drainage	1
	Fire Protection	14	Water	<u>6</u>
			Total	<u><u>51</u></u>