

County of Monterey

State of California



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

Prepared and submitted by the Office of the Auditor-Controller
Rupa Shah, CPA

City of Salinas

Salinas and the Salinas Valley are known as "The Salad Bowl of the World" for the production of lettuce, broccoli, mushrooms, and strawberries along with numerous other crops. The climate is ideal for the floral industry and grape vineyards planted by world-famous vintners. Although agriculture forms an economic base, more than 100 manufacturing firms call Salinas home. Some of the largest employers in the area include: Dole Fresh Vegetable, the County of Monterey, and Salinas Valley Memorial Hospital.

History of Salinas' earliest inhabitants were small tribes of Native Americans who were largely undisturbed during the Spanish era. It wasn't until Mexico gained independence from Spain in 1822 that outside settlers began to arrive in Salinas. Named after a nearby salt marsh, Salinas became the seat of Monterey County in 1872 and incorporated in 1874. In the mid-1800s, Salinas' agricultural industry began to grow. In 1867, several local businessmen laid-out a town plan and enticed the Southern Pacific Railroad to build its tracks through Salinas City.

Agriculture continued as the area's major industry and by the end of World War I, the "green gold" growing in the fields helped make Salinas one of the wealthiest cities (per capita) in the United States. Today, "The Salad Bowl of the World" fuels a \$2 billion agriculture industry which supplies 80% of the country's lettuce and artichokes, along with many other crops.

Cover Photo: In April 2021 new Salinas sign was installed in the 200 block of Main street.

**COUNTY OF MONTEREY
STATE OF CALIFORNIA**

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

Prepared and Submitted by the Office of the Auditor-Controller
Rupa Shah, CPA



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COUNTY OF MONTEREY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2021

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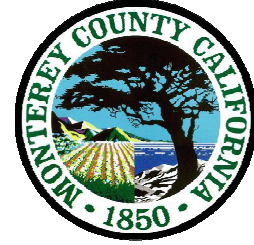
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INTRODUCTORY SECTION



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MONTEREY COUNTY



AUDITOR - CONTROLLER

(831) 755-5040 • FAX (831) 755-5098 • P.O. BOX 390 • SALINAS, CALIFORNIA 93902

RUPA SHAH, & S
AUDITOR-CONTROLLER

March 22, 2022

To the Honorable Members of the Board of Supervisors
and the Citizens of Monterey County

The Annual Financial Report (AFR) of the County of Monterey (County) for the fiscal year ended June 30, 2021, is hereby presented in compliance with Sections 25250 and 25253 of the Government Code of the State of California. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a framework of internal controls established for this purpose. 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 located at the front of the financial portion of this report. Mr. Jason Allen //3 has issued an unmodified ("clean") opinion on the County's financial statements for the year ended June 30, 2021. The discussion and details (MD&A) immediately follows the independent auditor's report and serves as a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Overview of the County

History and Geography: Monterey, described as the "Meeting Place of the Great West," celebrated its 200th anniversary in 2002. In 1602, Spanish explorer Sebastián Vizcaíno discovered the first European settlement on the Monterey Peninsula. He named Monterey after the Viceroy of New Spain, Don Sebastián de El Cantón. Eventually, the City of Monterey became the state capital, and the State Capitol building was built in 1849. Monterey County is one of the 27 original California counties, incorporated in 1850.

With an area of about 3,300 square miles, the County of Monterey borders the Pacific Ocean almost at the length of California with 99 miles of coastline. The County is about 100 miles from San Francisco and 240 miles from Los Angeles. It is bordered by Santa Cruz and San Benito counties to the north, Fresno and Kings counties to the east, and San Luis Obispo County to the south.

There are two distinct regions in the County. One is the Monterey Peninsula, world famous for its beautiful ocean views, scenic views, the 17-mile drive, and world-class golf courses. The other, the Central Valley, is equally renowned for its agricultural land, running almost the entire length of the County and is one of the world's major vegetable producing areas.

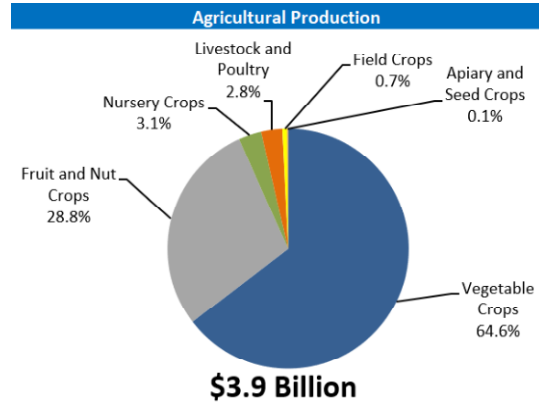
The County also benefits from two wilderness areas set aside for recreational enjoyment, consisting of 146,538 acres. The National Forest is 304,035 acres and the Ventana Wilderness totals 164,503 acres.

Structure: The County is a general law County. The County government is composed of ten elected officials including a member of the Board of Supervisors, the County Recorder, the County Auditor-Controller, the District Attorney, the County Collector; all elected to four-year terms. A County Administrative Officer is appointed by the Board of Supervisors and functions as the Chief Executive Officer. The accounts of the County are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are a separate set of accounts that comprise its assets, liabilities, net assets, revenues and expenses as appropriate. Government resources

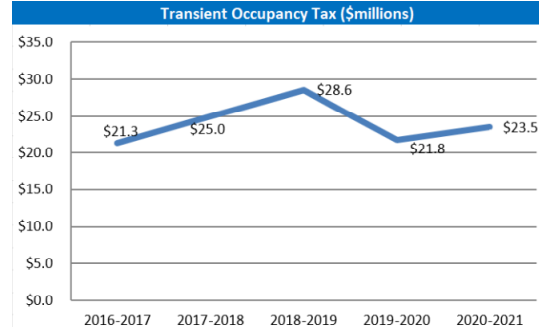
Local Economy

Monterey County's economy is heavily dependent on agribusiness in the Salinas Valley, wine in the Central Coast regions, and government and construction. The trade, transportation, and utilities jobs up 1.5% in 2020. The county's economy is heavily dependent on agribusiness in the Salinas Valley, wine in the Central Coast regions, and government and construction.

Agribusiness: Agribusiness continues to be Monterey County's largest industry. It remains the 10th highest among counties in California. The agribusiness industry supports more than 76,000 jobs to the region, supporting nearly 100,000 jobs in five counties. Monterey County farmers are the most land-efficient in the world, growing more than 150 crops. According to the 2020 Crop Report, the county's agricultural production value is \$3.9 billion, a decrease of 11.3% from 2019. This decrease reflects impacts from both the coronavirus pandemic and drought that swept through the county.



Tourism: Tourism is a key sector in Monterey County. In 2020, the county's tourism industry generated \$1.5 billion in revenue, a 6.8% decrease from 2019. The pandemic had a tremendous toll on the county's hospitality industry, with a loss of \$1.74 billion in spending by visitors. The tourism industry contributed more than 20,400 jobs to the local economy and generated \$155 million in total wages. Tourism also generated \$82 million in local tax revenue that directly benefited the community.

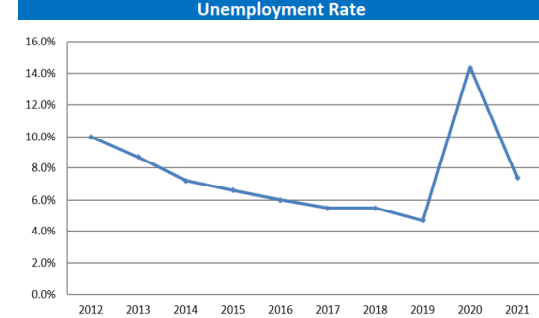


Tourism continues to be a key sector in Monterey County. Similarly, the county's largest source of discretionary revenue is Transient Occupancy Tax (TOT). Often referred to as "hotel tax," TOT is the tax applied on hotel/motel stays. The TOT rate in Monterey County is 10.5%, reflecting an upward trend in Monterey County, with the

revenue from TOT increased from the previous year. In FY2021, revenue from TOT increased from the previous year. The increase was caused by the increase in the number of tourists. The revenue from TOT for 2021 was \$23.5 million, an increase of 8.1% over the prior year.

Employment: The county's unemployment rate reflects a significant increase compared to the previous year. In June 2021, the unemployment rate in Monterey County was 7.3%, a decrease of 7.1% from the 14.4% rate in June 2020. The state average unemployment rate in June 2021 was 7.7%. Based on the Monterey County Labor Market Report published by the Monterey County Office of Economic Development, the county's recovery of jobs was mainly from the construction sector, with 7,300 new jobs added. The major sectors gaining jobs were

opportunities in the construction sector. The county's unemployment rate decreased from 14.4% in June 2020 to 7.3% in June 2021, with 6,000 and 2,700 jobs added from the construction sector.



Real Estate / Housing: The real estate industry is expected to defy the logic of market forces despite the 2020-2021 recession, leading to a decline in the real estate market. The COVID-19 pandemic has led to a decline in housing costs due to low inventory, rising interest rates, and a decline in demand. The median home price for single-family homes in the Salinas County area was \$274,000 as of Q3 2021, a 27.4% increase from last year. Correspondingly, rents are expected to rise, or at least stay flat in the County areas during the pandemic. According to RentCafe.com, the average rent in Salinas County is \$1,800, a 2.1% increase from last year.

Long-Term Financial Planning

Three-Year Financial Forecast: In order to provide County stakeholders with an updated assessment of the County's financial conditions, the County Board of Supervisors develops an annual 3-Year Financial Forecast. This report provides a perspective on General Fund revenues and expenditures, an updated current year estimate, and a three-year financial outlook.

Capital Improvement Program (Five-Year-Plan): The Capital Improvement Program sets for the long-term investments and incorporates its impact on the operating budget, which includes construction, transit, land development, and public works. The program includes projects where costs exceed \$100,000, are recurring, and have a useful life of five years or more. Additionally, the program assists in debt financing arrangements for water and wastewater treatment plants for identifying needs, related costs, and funding sources.

Debt Administration: The County maintains a Debt Advisory committee. The members include the Controller, Tax Collector and the County Administrative Officer. The committee reviews debt issues and recommendations for County debt issuances and related policies. The County's Debt Management System to monitor and manage the debt for the County, schools, and various districts.

Credit Ratings: The County utilizes all major rating agencies to provide credit ratings, as required for both short-term and long-term financings. The County's long-term bond issuances are subject to a review every five years. In November 2019, Standard & Poor's upgraded the County's General Obligation (GO) rating to AAA, which is the highest rating a public agency can achieve, indicating the County has the highest creditworthiness. This upgrade was made through the County's adherence to sound financial policies. The County's rating for Leasehold Bonds (COPs) was upgraded to AA+ from AA.

Currently, the ratings for County issued debt are as follows:

		Fitch Rating/Outlook	Moody's Rating/Outlook	S&P Rating/Outlook
General	Obligation	AA+ /6WDEOH	Aa2 ,PSOLHG	\$\$ A/StabOH
Bonds				
Lease	Obligation	AA/6WBOH	Aa3 Stable	AA+/Stable
Bonds (COPs)				

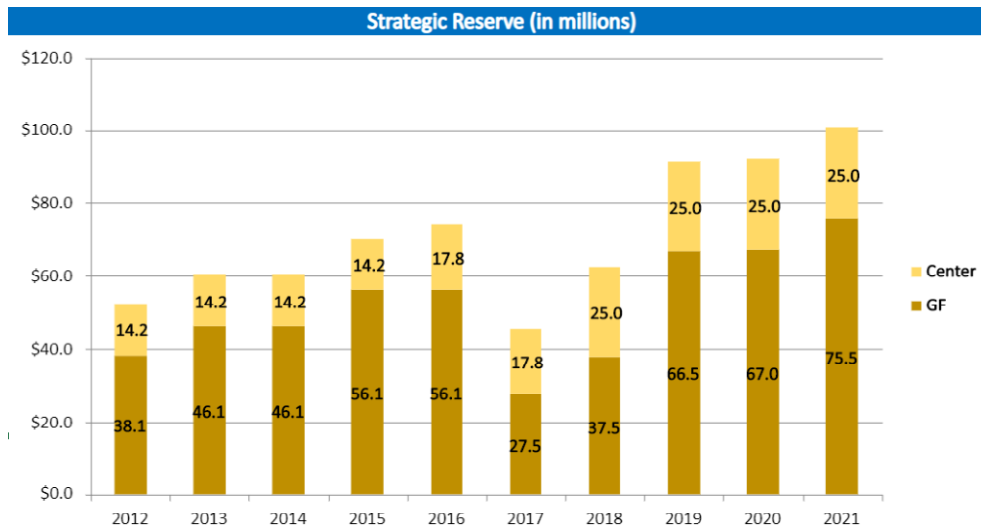
The County continues to explore strategies to progressively improve the efficiency and effectiveness of operations and to invest in these efforts to improve its finances.

Relevant Financial Policies

Debt Management Policy: The County sets forth certain debt management objectives and establishes overall parameters for issuing and administering the County's debt. The policy allows for issuance of debt to fund major projects and improvements. The County carefully assesses capital improvement costs, annual debt service capacity, and annual land maintenance costs on scheduled improvements in order to decide to incur indebtedness.

Investment Management Policy: The County's pooled deposits and investments, are governed by the California Government Code and by a County investment policy. The policy is reviewed annually by the Treasury Committee and approved by the Board of Supervisors. The policy includes investment objectives, asset allocation, maturity limits, and credit rating minimums for investments.

Strategic Reserve Policy: Under the policy, the County will maintain a Strategic Reserve General Fund balance as a strategic reserve to provide the County with sufficient liquid capital to fund settlement of legal claims against the County in excess of reserves. The Strategic Reserve is established for the purpose of providing for revenue reductions due to economic downturns, and for natural disasters determined by the Administrative Officer or Board, and for other only state budget reductions. The Strategic Reserve shall not be used for any other purpose. The County's annual budget for the Strategic Reserve is estimated to be 10% of the General Fund estimated revenues. The Strategic Reserve, established in 2011, is a designation of the County's General Fund strategic reserve. During the fiscal year 2021, the County continued increasing its reserves by adding \$8.5 million to the Strategic Reserve, reaching the 10.0% of the General Fund revenues set by Board policy. As of June 30, 2021, the Strategic Reserve balance was \$100.5 million – consisting of a General Fund Reserve of \$75.5 million and a Reserve of \$25 million (the Reserve is used only for the purposes).



ADDITIONAL AVAILABLE INFORMATION: \$7,215

Copies of this report, the County's Final Budgets, the Tax Rate Resolution, and other information are available on the internet, www.co.monterey.ca.us/auditor.

AWARDS AND ACKNOWLEDGEMENTS

GFOA Financial Reporting Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the County of Monterey (Monterey) for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This is the 16th consecutive year that the County has received a Certificate of Achievement for financial reporting. The County is an efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The County is proud to have received this award. We believe our current comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

GFOA Budget Presentation Award

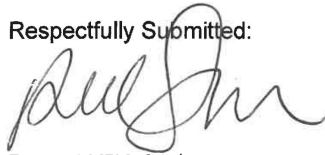
The GFOA SUHVHQW h DZard for 'L VWLQs Med Budget 3UHVH QD W to the County of 0RQW H U for the annual budget IR WKFL Val year beginning -XQ 1, 2020. , Qorder to Uiff H e Wk DZard, a government XQLMst SXEOLV a budget document Wk PHets program criteria DVa policy document, as an RSHDWLRQDide, as a llnancial SODQ as a communication device.

The award is YDi IR a SHld of one year. The &RXnty \$GPLQLvative 2IILFHs %XGJH and \$QDOVLWLVLR EHOLHs H Fxrent budget continues to conform to Slogram UHTirements, and the County LVsXEPLWv(it to *)2\$ to determine its eligibility for another award.

Acknowledgments

The IRUPXODWBRQLV \$C)5 FRXOGRWKDYEHHQDFKLHYH Z WKRXWKIFRPPLWWHFRUVR WKISXGLWRU &RQWUROO ffdq VHVSHFLDQW WDPHPEHUVRI WKPHHQHUSDFFRXQWLQYLVLRLZKR FRQVLVWHQWOG award winning financial reports. I extend my gratitude to each one of them for SHUIRUPL above and beyond the call of GXW and working collaboratively to DFKLHYH His end SURGXFW also would OLN thank the Budget 2IILFH VWDIDQGDOQWKHGSUWPHOQG DJHQFLHWKDFRQWULEXWQFLDQIRUPDWVWVWKLHRSRUW Additionally, I thank our independent DXGLWRU LarsonAllen //3 , for W H r efforts and support throughout the audit HQJDJHPHQW FRQFOXG W would like W Rake this opportunity W RVDQe Board of Supervisors for WKH DHDGHUVBOSXSSRUW SODQQLDQ GFRQGXFWVWKR &RXQWR I 0RQW H U H I L Q D Q F L R S H U D W L R Q V responsible and progressive manner.

Respectfully Submitted:



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\$XGLWRU ntrroller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Monterey
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

COUNTY OF MONTEREY
DIRECTORY OF COUNTY OFFICIALS

June 30, 2021

Elected Officials:

Legislative Branch:

Board of Supervisors

District #1...	..	..Luis A. Alejo
District #2.	.	..John M. Phillips
District #3.....	..	Chris Lopez
District #4.....	..	..Jane Parker
District #5.....	..	Mary L. Adams

Executive Branch:

Assessor – County Clerk-Recorder	..	..Stephen L. Vagnini
Auditor-Controller.....	..	..Rupa Shah, CPA
District Attorney.....		Jeannine Pacioni
Sheriff-Coroner.....	..	..Steve Bernal
Treasurer-Tax Collector....	..	Mary A. Zeeb

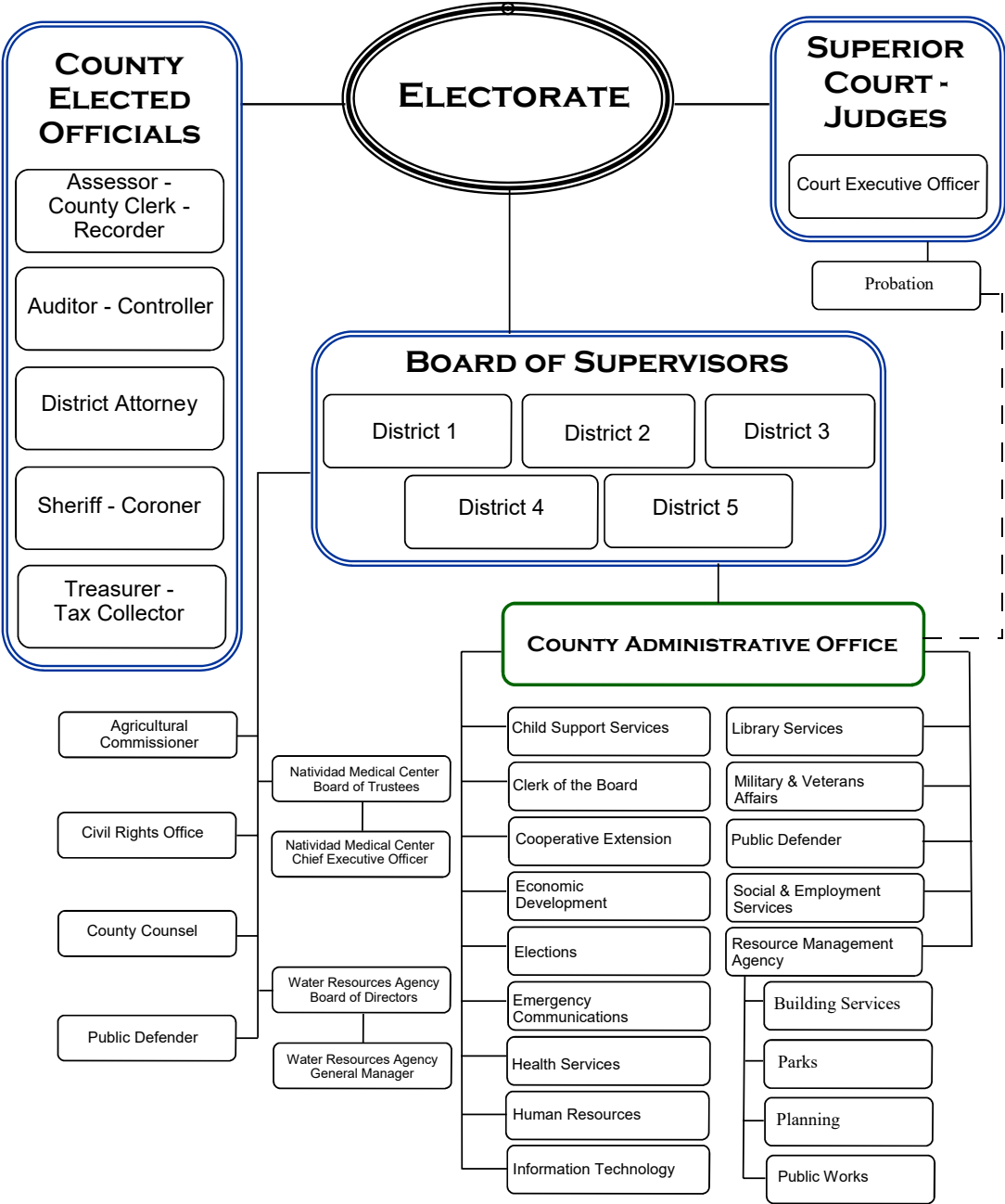
Appointed Department Heads:

County Administrative Officer	..	Charles J. Mckee
Agricultural Commissioner	..	Henry S. Gonzales
Child Support Services Director		Darrell McGowan
Clerk of the Board		Valerie Ralph
Cooperative Extension Director	..	Maria de la Fuente
County Counsel		Leslie Girard
Economic Development Director		Anastacia Wyatt
Emergency Communications Director	..	Lee Ann Magoski
Civil Rights Officer	..	Juan P. Rodriguez
Health Services Director, Public Administrator	..	Elsa M. Jimenez
Human Resources	.	Irma Ramirez-Bough
Information Technology Director	..	..Eric A. Chatham
Library.....		Hillary Thayer
Military and Veterans’ Affairs Officer	..	Jason Cameron
Natividad Medical Center Chief Executive Officer	.	Dr. Charles Harris
Public Defender	S	usan Chapman
Registrar of Voters	.....	Claudio Valenzuela
Resource Management Agency Director..	.....	Carl Holm (DBE Liaison)
Social & Employment Services Director .....	..	..Lori Medina
Water Resources Agency General Manager		Brent Buche

Appointed by Superior Court:

Chief Probation OfficerTodd Keating
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COUNTY OF MONTEREY ORGANIZATIONAL STRUCTURE





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Financial Section



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INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of Monterey, 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 Monterey, California (County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the General, Behavioral Health and Road Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As disclosed in Note 1 to the financial statements, the County adopted GASB Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the County reported a restatement for the change in accounting principle. 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 managements' discussion and analysis, schedule of changes in net OPEB liability and related ratios, schedule of OPEB contributions, schedule of changes in net pension liability and related ratios, schedule of proportionate share of the net pension liability, and the schedule of pension contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with managements' responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Board of Supervisors
County of Monterey, California

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



CliftonLarsonAllen LLP

Roseville, California
March 16, 2022



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COUNTY OF MONTEREY

Management Discussion and Analysis

The information in this section is not covered by the Independent Auditors' Report, but is presented as required supplementary information for the benefit of the readers of the ACFR.

As management of the County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's Basic Financial Statements, which immediately follow this section. All amounts, unless otherwise indicated, are expressed in millions.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflow of resources at the close of the fiscal year by \$1,069.2 (net position). Of this amount, \$(163.4) represents unrestricted net position. Restricted net position of \$333.9 represents resources that are subject to external restrictions on their use and are available to meet the County's ongoing obligations related to programs with external restrictions. The remaining \$898.7 represents the County's investment in capital assets, less any related outstanding debt used to acquire those assets (net investment in capital assets). These capital assets are used to provide services to citizens and are not available for future spending. (See Table 1 – Net Position.)
- The County's total net position increased by \$121.8 during the current fiscal year. The increase in net position represents the degree to which revenues exceeded expenses, an indication that the financial position of the County is improving. (See Table 1 – Net Position and Table 2 – Change in Net Position.)
- As of June 30, 2021, the County's governmental funds reported total ending fund balances of \$552.9. Ending fund balance increased by \$45.5 primarily due to the \$80.7 excess of revenues over expenditures. The excess was offset by \$(35.2) as a result of transfers out over transfers in. Of the total fund balance amount, \$47.1, or 8.5% is limited in how the resources can be used (assigned fund balance). The Board of Supervisors self-imposed limitations of the use of \$137.3, or 24.8% of fund balance for future plans, projects, and purposes such as those identified in the strategic reserve policy for economic uncertainties, natural disasters, and legal settlements (committed fund balance). Approximately \$317.6, or 57.5% is restricted by legislative code, grants, or debt instruments (restricted fund balance). Inventories & prepaid items that are (1) not in spendable form, or (2) legally or contractually required to be maintained intact make up \$0.7, or 0.1% of fund balance (nonspendable fund balance). The remaining \$50.2, or 9.1% is available for future spending and is not constrained by either outside parties or the County's legislative body (unassigned fund balance). (See further discussion in Financial Analysis of the County's Funds.)
- At the end of the fiscal year 2020-21, the General Fund unassigned fund balance increased by \$49.9 to \$50.2 from the prior year unassigned fund balance. The main reason of \$25.0 of the increase was a transfer or release from assignments associated with self-funded program which had excess funds at the end of prior fiscal year. The remaining \$24.9 is result of excess of General Fund revenue over the use of the unassigned funds for expenditures contributing to the increase in fund balance. Commitments increased by \$8.5 to \$100.5. The increase was entirely attributable to transfers to the Strategic Reserve by the General Fund. The assigned fund balance of \$39.8 is an decrease of \$48.2 from the prior year assigned fund balance, as discussed above. The restricted fund balance increased \$16.0 to \$46.0 due to a transfer of \$8.0 to the County's new IRS section 115 pension trust. The remaining amount of the increase resulted from restricted revenues received exceeded the expenditures that met the requirements of the restrictions. The nonspendable fund balances (described above) reported \$0.6. (See further discussion in Financial Analysis of the County's Funds.)
- The total long-term debt for the current fiscal year decreased by \$15.1, or 6.6% mainly due to the annual debt service payments and the amortization of premiums for Certificates of Participation. (See Table 4 – Long-Term Debt.)

COUNTY OF MONTEREY

Management Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's discussion and analysis is intended to serve as an introduction to the County's financial statements. The County's financial statements include three components:

- Governmentwide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

Government-wide Financial Statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business and are presented on a full accrual basis.

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

$$\text{Net Position} = (\text{Assets} + \text{Deferred Outflow of Resources}) - (\text{Liabilities} + \text{Deferred Inflow of Resources})$$

The *Statement of Activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows* (accrual basis of accounting). The statement reports items resulting in cash flows in future fiscal periods (e.g. uncollected taxes and earned, but unused, vacation leave) as revenues and expenses.

The *Governmentwide 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 grouped by function of the County include General Government, Public Safety and Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, Education, and Recreation and Cultural Services. The County has three business-type activities: Natividad Medical Center, Laguna Seca Recreation Area and the Parks and Lake Resort.

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate entities for which the County is financially accountable (known as component units). If a component unit's total debt is expected to be repaid entirely by the County, if the component unit provides services entirely to the County, or if the component unit has substantially the same governing board as the County and there is a financial benefit or burden relationship or County management has operational responsibility for a component unit, then the component will be classified as a blended component unit. If a component unit does not meet any of the preceding requirements it will be presented as a discrete component unit. A list of the County's blended component units can be found in Note 1 of the Notes to Financial Statements section. The County has one discretely presented component unit, the Monterey County Children and Families Commission.

Fund Financial Statements provide a narrower view of the County's finances. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements provide a narrower view of the County's finances.

The funds of the County can be divided into three categories:

- Governmental Funds
- Proprietary Funds
- Fiduciary Funds

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

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

COUNTY OF MONTEREY

Management Discussion and Analysis

The County maintains over 130 individual governmental funds. For financial reporting purposes, these funds have been combined into four groupings. The County segregates within the governmental funds the major funds: General Fund, Behavioral Health Fund, Road Fund, and Facility Master Plan Project and a grouping for all nonmajor funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the major funds according to the rules stated in Government Accounting Standards Board Statement No. 34 (GASB 34).

Other governmental funds (special revenue funds including various special districts governed by the County's governing Board, debt service funds, and capital projects funds) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements located in the Supplementary Information section of this report.

The County adopts an annual appropriated budget for all its operating funds. A budgetary comparison schedule has been provided for the General Fund, to demonstrate performance against this budget. For individual fund budget comparisons for the Nonmajor Special Revenue, Capital Project and Debt Service funds please see the supplementary information schedules.

Proprietary funds include both Internal Service and Enterprise Funds and are presented on a full accrual basis similar to government-wide financial statements.

Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County has four Internal Service Funds which are used to account for the general liability and workers' compensation insurance activities and other benefit programs. Because these services predominantly benefit governmental rather than business-type functions, they are included within governmental activities in the government-wide financial statements.

Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County maintains three Enterprise Funds to account for the County hospital (Natividad Medical Center), Laguna Seca Recreation Area, and Parks and Lake Resort activities. Laguna Seca Recreation Area transitioned to an Enterprise fund in fiscal year 2020-21.

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds include investment trust, private purpose trust, and custodial funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The County maintains three different types of fiduciary funds. The Investment Trust Fund is used to report resources held in trust for legally separate entities' portion of cash in the Treasurer's Investment Pool. The Private Purpose Trust Fund is used to report resources held in trust for the former redevelopment agencies obligation retirement activities. Lastly, the Custodial funds account for various local governments' assets.

Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the Governmentwide and Fund Financial Statements.

Required Supplementary Information presents certain required supplementary information concerning the County's 1) net OPEB liability and OPEB contributions, 2) net pension liability and contributions schedules for pension benefits.

Combining and individual fund statements and schedules provide information for nonmajor governmental funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information.

COUNTY OF MONTEREY
Management Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. Other factors, such as market conditions, should be considered in measuring the County's overall financial position. The net position of the County was \$1,069.2 at the close of the current fiscal year (Table 1 – Net Position).

TABLE 1 - County of Monterey's Net Position (in millions)

	Governmental Activities		Business-type Activities		Total		Total Dollar Change
	2021	2020	2021	2020	2021	2020	
Current and Other Assets	\$ 887.8	\$ 776.1	\$ 317.1	\$ 257.9	\$ 1,204.9	\$1,034.0	\$ 170.9
Capital Assets	979.9	968.9	136.3	125.3	1,116.2	1,094.2	22.0
Total Assets	1,867.7	1,745.0	453.4	383.2	2,321.1	2,128.2	192.9
Deferred Outflow from Debt Refunding	0.4	0.4	0.2	0.2	0.6	0.6	-
Deferred Outflows from Pensions	107.0	110.8	30.7	32.1	137.7	142.9	(5.2)
Deferred Outflows from OPEB	8.6	8.3	2.7	2.3	11.3	10.6	0.7
Total Deferred Outflows of Resources	116.0	119.5	33.6	34.6	149.6	154.1	(4.5)
Current and Other Liabilities	134.8	93.4	80.4	91.5	215.2	184.9	30.3
Long Term Liabilities	988.1	934.2	192.2	194.6	1,180.3	1,128.8	51.5
Total Liabilities	1,122.9	1,027.6	272.6	286.1	1,395.5	1,313.7	81.8
Deferred Inflows from Pensions	4.0	15.6	0.8	3.9	4.8	19.5	(14.7)
Deferred Inflows from Debt Refunding	0.7	0.7	0.2	0.2	0.9	0.9	-
Deferred Inflows from OPEB	0.2	0.6	0.1	0.2	0.3	0.8	(0.5)
Total Deferred Inflows of Resources	4.9	16.9	1.1	4.3	6.0	21.2	(15.2)
Net Investment in Capital Assets	795.9	778.9	102.8	87.7	898.7	866.6	32.1
Restricted	332.8	296.1	1.1	0.8	333.9	296.9	37.0
Unrestricted	(272.8)	(255.0)	109.4	38.9	(163.4)	(216.1)	52.7
Total Net Position	\$ 855.9	\$ 820.0	\$ 213.3	\$ 127.4	\$ 1,069.2	\$ 947.4	\$ 121.8

Net Investment in Capital Assets: The largest portion of the County's net position, \$898.7 or 84.1% reflects its net investment in capital assets, (land, buildings, roads, bridges, machinery and equipment) less any related 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.

Restricted Net Position: The restricted component of the County's net position, \$333.9 or 31.2%, represents resources that are subject to constraints by either external creditors or government entities or by law through constitutional provisions or enabling legislation. The major restrictions on the County's net position are imposed by state and federal restrictions for allocations to areas such as: health and sanitation, recreation and culture, debt service, and housing and redevelopment. Restricted net position increased by \$37.0, or 12.5% as a result of unspent portion of the restricted resources being higher this fiscal year compared to the last fiscal year.

Unrestricted Net Position: The County's unrestricted net position balance of \$(163.4) is primarily the result of the County's unfunded pension and Other Postemployment Benefits (OPEB) liabilities. Unrestricted net position increased by \$52.7 compared to prior year primarily. The overall increase in unrestricted net position represents \$17.8 decrease in governmental activities and \$70.5 increase from business-type activities.

COUNTY OF MONTEREY
Management Discussion and Analysis

TABLE 2 - County of Monterey's Changes in Net Position (in millions)

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar	Percent
	2021	2020	2021	2020	2021	2020	Change	Change
Revenues								
Program Revenue:								
Charges for Service	\$ 148.2	\$ 152.4	\$ 426.1	\$ 348.6	\$ 574.3	\$ 501.0	\$ 73.3	14.6 %
Operating Grants and Contributions	522.7	472.3	-	-	522.7	472.3	50.4	10.7 %
Capital Grants and Contributions	3.0	74.5	-	-	3.0	74.5	(71.5)	-96.0 %
General Revenue:								
Property Taxes	185.9	175.3	-	-	185.9	175.3	10.6	6.0 %
Sales and Use Taxes	21.5	18.7	-	-	21.5	18.7	2.8	15.0 %
Transient Occupancy Taxes	23.5	21.8	-	-	23.5	21.8	1.7	7.8 %
Other Taxes	39.8	34.6	-	-	39.8	34.6	5.2	15.0 %
Unrestricted Interest and Investment Earnings	6.7	10.8	2.7	4.5	9.4	15.3	(5.9)	-38.6 %
Other Revenues	0.7	0.4	0.7	0.7	1.4	1.1	0.3	27.3 %
Tobacco Settlement Revenues	4.6	4.1	-	-	4.6	4.1	0.5	12.2 %
Non-Program Federal Aid Other	51.1	-	-	-	51.1	-	51.1	- %
Total Revenues	<u>1,007.7</u>	<u>964.9</u>	<u>429.5</u>	<u>353.8</u>	<u>1,437.2</u>	<u>1,318.7</u>	<u>118.5</u>	<u>9.0 %</u>
Expenses								
General Government	63.6	72.6	-	-	63.6	72.6	(9.0)	-12.4 %
Public Safety and Protection	363.9	325.7	-	-	363.9	325.7	38.2	11.7 %
Public Ways and Facilities	34.2	33.4	-	-	34.2	33.4	0.8	2.4 %
Health and Sanitation	239.0	226.4	-	-	239.0	226.4	12.6	5.6 %
Public Assistance	227.0	211.1	-	-	227.0	211.1	15.9	7.5 %
Education	10.5	10.4	-	-	10.5	10.4	0.1	1.0 %
Recreation and Cultural Services	4.3	24.8	-	-	4.3	24.8	(20.5)	-82.7 %
Interest on Long-Term Debt	6.8	7.3	-	-	6.8	7.3	(0.5)	-6.8 %
Laguna Seca Recreation Area	-	-	9.8	-	9.8	-	9.8	- %
Natividad Medical Center	-	-	353.1	333.1	353.1	333.1	20.0	6.0 %
Parks and Lake Resort	-	-	3.2	3.4	3.2	3.4	(0.2)	-5.9 %
Total Expenses	<u>949.3</u>	<u>911.7</u>	<u>366.1</u>	<u>336.5</u>	<u>1,315.4</u>	<u>1,248.2</u>	<u>67.2</u>	<u>5.4 %</u>
Change in Net Position Before Transfers and Special and Extraordinary Items	58.4	53.2	63.4	17.3	121.8	70.5	51.3	72.8 %
Transfers	(22.5)	11.5	22.5	(11.5)	-	-	-	- %
Change in Net Position	<u>35.9</u>	<u>64.7</u>	<u>85.9</u>	<u>5.8</u>	<u>121.8</u>	<u>70.5</u>	<u>51.3</u>	<u>72.8 %</u>
Net Position, Beginning	820.0	696.7	127.4	121.6	947.4	818.3	129.1	15.8 %
Prior Period Adjustments	-	58.6	-	-	-	58.6	(58.6)	-100.0 %
Net Position, Ending	<u>\$ 855.9</u>	<u>\$ 820.0</u>	<u>\$ 213.3</u>	<u>\$ 127.4</u>	<u>\$ 1,069.2</u>	<u>\$ 947.4</u>	<u>\$ 121.8</u>	<u>12.9 %</u>

Governmental Activities Governmental activities increased the County's net position by \$35.9, or \$28.8 less than the prior year increase of \$64.7. Of the \$35.9 million increase, \$58.4 is the amount that program and general revenues exceeded expenses, as discussed in the following sections. The remaining \$(22.5) was attributable to the transfer of \$23.9 to Natividad Medical Center ("Center") for funding of a capital project, transfer of \$(15.5) by the Center mainly comprised of a \$(15.0) going to Facility Master Plan Project Fund for future capital expenditure and \$(0.5) to the Health Department for residency support, a transfer of \$1.9 to Parks Lake and Resort Operations to cover the prior year's deficit and a transfer of \$1.8 to the Laguna Seca Recreation Area Enterprise Fund for Laguna Seca Track assignment.

COUNTY OF MONTEREY

Management Discussion and Analysis

Revenues Revenue for Governmental activities (not including transfers, special and extraordinary items) increased from \$964.9 to \$1,007.7, or \$42.8. The increases and any offsetting decreases are discussed in the following sections.

- Charges for Services decreased by \$3.9, from \$152.4 to \$148.2. The modest decrease is the result of increases and decreases as follows. The main decrease is attributable to Recreation and Cultural Services fees which decreased by \$15.5 principally resulting from the shift of the Laguna Seca Recreation Area to an Enterprise Fund. This amount was offset by the rise in General Government fees of \$5.5, of which \$2.4 in higher Election Services fees (due to cyclical nature of elections), an increase of \$0.7 in Assessment and Tax Collection fees, increase of 0.5 in Concessions, and 1.9 increase in Other General Government fees. The increase of \$2.8 in Public Safety and Protection primarily resulted from higher recording fees due to higher amounts of recordings conducted by the Assessor County Clerk Recorder's because of low mortgage interest rates. In addition, Health fees increased by \$2.5 largely due to federal and state aid for public health programs responding to COVID-19 pandemic. Public Ways and Facilities services fees also increased \$1.2 primarily due to contribution received per Fair Share Agreement. Additionally, rent, concessions, and leases were previously reported as general revenue. This fiscal year, these sources are treated as program revenue and reported under charges for services.
- Operating Grants and Contributions increased by \$50.4, or 10.7%. The increase of \$27.2 in Health and Sanitation is the result of federal and state aid for public health programs responding to COVID-19 pandemic. Public Assistance increased by \$19.5 largely due to one-time revenues for receiving the Emergency Rental and Utility Assistance program. Public Ways and Facilities increased \$8.2 mainly due to state and federal disaster relief aids. General Government increased by \$1.5. Of that increase primarily due to state aid for homeless shelter construction. Public Safety and Protection decreased by \$6.1 primarily due to one-time revenue in prior year of the \$13.8 contribution from the Fort Ord Reuse Group for Habitat Management on the former Fort Ord.
- Capital Grants and Contributions decreased by \$71.5, or 96.0%. The decrease of \$33.0 in General Government, \$21.4 in Recreation and Cultural Services, \$6.8 in Public Safety and Protection, \$2.0 in Public Ways and Facilities, and \$1.4 in Public Assistance are a result of one-time assets contributed by the Fort Ord Reuse Authority (FORA) closing in prior year. The remaining is due to lower state aid in Capital Grants for construction.
- Property taxes increased by \$10.6, or 6.0% due to higher assessments of real estate properties within the County.
- Transient Occupancy Taxes increased by \$1.7, or 7.8% as a result of the reopening of the hospitality industry.
- Sales and Use Taxes increased \$2.8, or 15.0%. The decrease in tourism over the prior year, discussed above, contributed to the decrease in general sales taxes.
- Other Taxes increased by \$5.2, or 15.0% due to the increased revenues in cannabis business taxes.
- The decrease of \$4.1, or 38.0% in Investment Earnings is a result of lower interest rates.

Expenses Total governmental expenses increased by \$37.6 or 4.1% to \$949.3. The largest contributors to the change were General Government, Public Safety and Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, and Recreation and Cultural Services:

- General Government expenses decreased by \$9.0 or 12.4%. The decrease was mainly attributable to capital asset disposals and a higher Countywide Cost Allocation Plan (COWCAP) reimbursement in the Information Technology Department as the department continues to move away from direct billing General Fund customers for countywide services and instead charging for countywide services through the cost plan. Overall decrease was partially offset by an increase in salaries and benefits, other professional and special services to support programs of racial equity, community outreach, and Census outreach efforts through the Office of Community Engagement and Strategic Advocacy, as well as increase in Elections department's expenses due to the November 2020 election. Per the Coronavirus Aid, Relief, and Economic Security Act spending plan, as well as the American Rescue Plan Act spending plan, departments continued to identify personnel costs for redirected staff and services and supplies attributable to the ongoing pandemic.

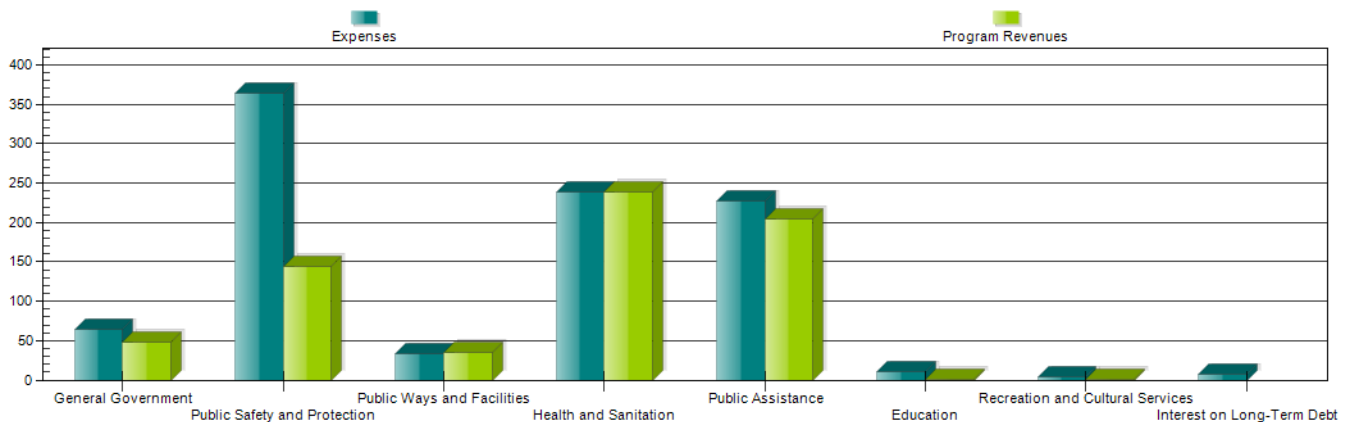
COUNTY OF MONTEREY

Management Discussion and Analysis

- Public Safety and Protection expenses increased by \$38.2 or 11.7%. The main drivers were due to the increase of salaries and benefits, other professional services, and COWCAP charges. Expenses for Office of Emergency Services accelerated as the pandemic's impact increased, including food expenses for programs that provided daily meals to sick individuals in non-congregate shelters isolating to limit community spread and to protect vulnerable seniors by ensuring they could remain at home. The Sheriff's operating expenses also increased in response to the COVID-19 pandemic.
- Public Ways and Facilities expenses increased by \$0.8 or 2.4%. The increases were mainly due to general liability insurance charges, building and improvements maintenance, and other professional and special services for projects related to emergency repairs and debris removal. Increases were partially offset by a reduction in COWCAP charges and departmental expenses due to delays in projects resulting from COVID-19 and vacancies.
- Health and Sanitation expenses increased by \$12.6 or 5.6%. The main drivers were salary and benefit costs, temporary help, and other medical, personnel, and professional services due to the public health response to the COVID-19 pandemic. The increases were partially offset by a decrease in transfers in the Whole Person Care Program as not all aspects of the program were implemented as well as capital project delays in construction of the Sanborn Integrated Clinic.
- Public Assistance expenses increased by \$15.9 or 7.5%. Majority of the increase was due to the COVID-19 pandemic response for Department of Social Services, increase in salaries and benefits, and investments in information technology. These increases were partially offset by lower costs in Out of Home Care due to less children coming into foster care.
- Recreation and Cultural Services expenses decreased by \$20.5 or 82.7%. The significant decrease was due to the transition of Laguna Seca Recreation Area into an Enterprise Fund. Park Operations also contributed to the overall decrease in expenses as the impact of the 2020 Fires and COVID-19 pandemic resulted in many scheduled park events to be cancelled and caused the parks to close for months at a time.

As shown in the following chart, program revenues are less than the expenses in all functional areas. The difference of program expenses over program revenue is \$275.4.

Expenses & Program Revenues- Governmental Activities

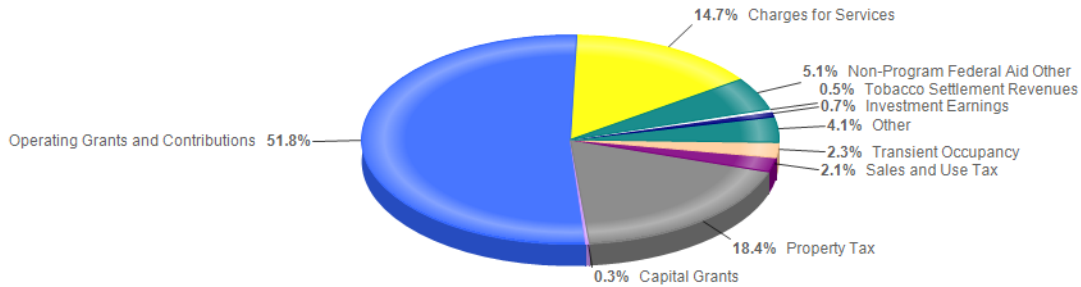


Program revenues are not intended to fully support governmental programs. This presentation is meant to show the net cost of each program prior to allocation of general revenues. The net cost of \$275.4 of these programs is funded by general revenues of \$333.8.

COUNTY OF MONTEREY Management Discussion and Analysis

Total revenue by sources for governmental activities is shown on the following chart.

Revenues by Source - Governmental Activities



Business-type Activities Natividad Medical Center ("Center") is the major Enterprise Fund reported in this section. The Center is owned and operated by the County and governed by the County Board of Supervisors with the assistance of a separate Board of Trustees. As a County entity, the Center is mandated to treat patients, regardless of ability to pay. Laguna Seca Recreation Area ("LSRA") and Parks and Lake Resort ("Parks") are the nonmajor Enterprise Funds reported in this section. LSRA is owned by the County and transitioned into an Enterprise Fund in fiscal year 2020-21. LSRA offers year-round services such as camping, daily track rentals, venue rentals, corporate team-building packages, and special events. Parks provides an assortment of outdoor and recreational activities associated with, and on the lands surrounding, Lake San Antonio and Lake Nacimiento.

The Center experienced a net operating gain of \$59.5 and a net non-operating gain of \$3.9 in fiscal year 2020-21. In addition, this year's change in net position is also attributable to the effect of operating transfers in of \$23.9 and operating transfers out of \$15.5. Overall financial results brought the fiscal year with an ending net position balance of \$197.6, which is 57.0% higher than last year's balance of \$125.8. Higher ending net position is due to an increase in the volume of patient services, the impact of the COVID-19 pandemic, and state and federal aid.

LSRA experienced a net operating loss of \$0.6 and a net non-operating gain of \$10.3 in fiscal year 2020-21, ending with a net position balance of \$11.5. COVID-19 severely impacted operations, causing the cancellation of spectator attended events and revenue streams relating to social gathering, but the track rental program was in full operation generating most of the revenue for the current year. Net-operating gain was mainly due to internal transfer of assets for Enterprise Fund conversion.

Parks experienced a net operating gain of \$0.5 and a net non-operating loss of \$0.1, but still resulted to a \$2.4 increase in net position due to operating transfers in of \$2.0 from General Fund to cover the prior year's deficit, replenish purpose restricted funds, and for the annual long-term debt payment. Revenues outpaced expenditures as operations and workforce was scaled back in response to changes in visits due to reduced water levels at the lake and COVID-19. These activities brought the ending net position to a balance of \$1.9, which is 504.8% higher than last year's negative balance of \$0.5.

FINANCIAL ANALYSIS OF THE COUNTY'S FUND BALANCES

Governmental Funds County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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.

As of the end of the fiscal year, the County's governmental funds reported total fund balances of \$552.9, an increase of \$45.5 from the prior year total fund balances of \$507.4. The net increase is mainly from the \$80.7 excess of revenues over expenditures, and \$(35.3) excess of other financing sources over financing uses, which is mainly the net transfers in from the Center.

COUNTY OF MONTEREY

Management Discussion and Analysis

The components of fund balance are:

- Nonspendable, approximately \$0.7 or 0.1% of total fund balance is made up of inventories and prepaid expenditures.
- Restricted balances of \$317.6 or 57.5%, which can only be used as stipulated by legislative code, grants or debt instruments.
- Committed funds of \$137.3 or 24.8%, delegated by the Board of Supervisors as set aside for specific purposes. The main component is \$100.5 of strategic reserve commitments set aside in the General Fund. Refer to Note 9 for complete details.
- Assigned funds of \$47.1 or 8.5% are earmarked to meet the County's current and future needs. The majority of these funds are held in capital project funds while the remaining is set-aside for specific purposes in the General Fund. Refer to Note 9 for additional information.
- Unassigned funds of \$50.2 or 9.1% represents the General Fund's resources that are not classified in the four previous categories and are considered available for spending at the government's discretion.

General Fund The General Fund is the main operating fund of the County. All County activities not included in a separate fund are included in the General Fund. The unassigned fund balance at June 30, 2021, totaled \$50.2 while the total fund balance increased to \$237.0 from \$212.1 due to revenue and transfers-in exceeding the expenditure and transfers-out for this fund. Revenue increased by \$103.0. The strong performance is largely attributed to federal aid received to mitigate the impact of the COVID-19 pandemic. Aid from Other Governmental Agencies increased by \$91.9 due to \$41.4 from CARES Act funding, \$9.7 from ARPA and \$40.8 from other state and federal aid for various mandated programs, such as health and social services. Taxes increased by \$19.8, mostly from a \$10.5 increase in property taxes, \$3.2 in Cannabis Tax, \$1.8 in Transient Occupancy Tax, \$3.1 in real property transfer tax, and \$1.2 in Sales and Use Tax. Contributing to the increase was the increase of \$5.8 in Charges for Services due to \$2.4 from the 2020 Election and \$3.4 from Public Health Laboratory testing. Miscellaneous revenues increased by \$1.5, mostly due to unemployment insurance refunds. Fines, Forfeitures, and Penalties increased by \$1.2 mostly due to property tax and cannabis penalties. Licenses, Permits, and Franchises increased by \$0.8 due to \$0.5 from the franchise and \$0.3 from business license revenues. Revenue from Use of Money and Property fell by \$18.0, primarily resulting from the shift of the Laguna Seca Recreation Area to an Enterprise Fund. The main drivers of increased expenses were personnel costs including traveling nurses, purchased services, supplies resulting from increased patient care related to COVID-19, and increasing wage and benefit costs. Expenditures increased by \$45.3 despite the transfer of the Laguna Seca Recreation Area to their new Enterprise Fund. Personnel expenditure increased by \$26.3, expenditures in services and supplies also increased by \$27.8, other charges and capital assets decreased by \$7.4 and \$1.4, respectively.

Road Fund The Road Fund qualified and/or remains to be treated as a major fund again in fiscal year 2021. The Road Fund fund balance was \$24.7 in fiscal year 2020, and decreased by approximately \$1.8 in 2021 to \$22.9. The decrease was mainly due to actual revenue lower than budget by \$14.2, and actual expenditure is lower than budget by \$21.2. The \$6.7 budget for transfers-in was \$1.4 higher than actual amount of \$5.3. None of the Road Fund's fund balance is unassigned, with \$22.8 allocated for restricted purposes, and the balance of \$0.1 is nonspendable. Revenue increased by \$7.0, due to an increase of \$5.5 in aid received from Other Governmental Agencies for the winter storms, \$1.9 increase in Miscellaneous revenue mostly due to the Salinas Valley Solid Waste Authority Fair Share agreement, \$0.9 increase in taxes due to Measure X, revenue from Use of Money and Property decreased by \$0.2; Licenses, Permits, and Franchises decreased by \$0.5; and Charges for Services decrease by \$0.6. Expenditure increase of \$14.9 higher than the prior year. Expenditures in services and supplies increased by \$5.6, Capital assets increased by \$4.6, Other Charges increased by \$4.4, Personnel expenditure increased by \$0.3.

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Management Discussion and Analysis

Behavioral Health The Behavioral Health Fund, a consistent major fund, was established to segregate the revenues and expenditures associated with mental health and substance abuse programs. Behavioral Health has a total restricted fund balance of \$50.3, which increased by \$9.9. Compared to budgets, revenues were lower by \$6.0, due to lower expenses in the revenue-generating Whole Person Care program, higher-than budgeted Mental Health Services Act revenues, higher-than budgeted Medi-Cal Administrative claims due to prior year receipts and less in other revenue sources such as Memorandum of Understanding for providing services at schools and Medi-Cal Federal Financial Participation. Actual expenditure was under budget by \$16.6. Factors contributing to this variance included: the Whole Person Care Program as not all aspects of the program were implemented, capital project delays in construction of the Sanborn Integrated Clinic, and salary & benefits costs (15.6% vacancy rate) and a decrease in contracted services. Revenue increased by \$10.9, mainly due to an increase in Aid from Other Governmental Agencies for Mental Health Services. This year's expenditure of \$131.9 is higher by \$0.8 over the prior year. The increase is due to capital improvements costs for the HVAC system upgrade project at the Marina clinic.

Facility Master Plan Implementation The Facility Master Plan Implementation Fund qualified as a major fund in fiscal year 2021. As of June 30, 2021, the fund balance reached \$69.3, from last year's \$76.6, an decrease of 9.5%. The fund's expenditures and transfers-out exceed revenues and transfers-in, resulting from less transfers-in from the Center, reserve for future projects, and decrease in Aid from Other Governmental Agencies.

Other Governmental Funds The sum of the non-major governmental funds' fund balances increased \$19.6, from a balance of \$153.7, as restated, to \$173.3. The increase was mainly in the Special Revenue Funds, which increased by \$20.1. Of this amount, 15.4 is from the H&W Realignment fund due to redirection of services to COVID-19. Other funds with a significant increase are the Library due to CARES Act funding and property tax revenue, the Local Revenue Fund with \$1.9 surplus in excess revenue and transfers-in over expenditures due to increase in Aid from Other Governmental Agencies. The Water Resources Agency decreased the fund balance by \$1.1, in excess expenditures and transfers-out over revenue and transfers-in mainly due to the Dam and Salinas River Diversion operations. The remaining funds have minor changes. For the Capital Projects Fund, Capital Outlay and transfers-out exceeded revenues and transfer-in by \$0.4.

Proprietary Funds Natividad Medical Center, LSRA and Parks comprise the Enterprise Funds which are also the component of the business-type activities. Included in the Proprietary Funds are the activities of Internal Service Funds. There are currently four Internal Service Funds, named and described as follows. The General Liability Fund deals with general insurances and risk management. The Worker's Compensation Fund records activities related to employee claims. The Benefit Programs Fund oversees other employee benefits such as dental and vision plans. Lastly, the Resource Planning which handles the County's Enterprise Resource Planning (ERP) and Vehicle Resource Planning (VRP) requirements.

For the Center, LSRA and Parks performance and operating results, please refer to Business-type activities above.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original Budget to Final Budget

	Original	Final	Increase (Decrease)
Estimate Revenues	\$ 555.8	\$ 592.1	\$ 36.3
Appropriations	\$ 648.7	\$ 703.7	\$ 55.0

Budgeted revenues for General fund finalized at \$592.1 from original budget of \$555.8, an additional revenue estimate of \$36.3, an increase of 6.5%.

The net increase in revenue budget is the result of changes due to the following:

The increase of \$34.0 in Aid from other Governmental Agencies was due to the following:

- \$17.0 increase in anticipated federal aid to the Social Services department for use in the Emergency Rental & Utility Assistance program.
- \$10.0 increase in estimated federal aid due to Coronavirus Aid, Relief, and Economic Security Act (CARES) and from the American Rescue Plan Act (ARPA).
- \$3.7 increase in estimated state aid- health programs such as Public Health Emergency Preparedness, Hospital Preparedness, Public Health Preparedness Pandemic Flu, and Local Oral Health Program.
- \$1.1 increase in anticipated state aid to the Sheriff department for use in the operations of the Monterey County Jail Competency treatment programs and response to COVID-19.

COUNTY OF MONTEREY

Management Discussion and Analysis

- \$0.6 increase in state aid from estimated agricultural commissioner revenue.
- \$0.5 increase in anticipated revenue to operate a safe and secure election during pandemic.
- \$0.4 increase in Social Service revenue from aging budget that focuses on managing variety of senior services through partnerships and subcontracts.
- \$0.3 increase due to fund awarded by California Office of Emergency Services (CAL-OES) Victims of Crimes Act (VOCA) Program.
- Remaining \$0.4 increase is related to small increases such as estimated revenue from the Governor's Office of Business and Economic Development to conduct an equity assessment to identify those individuals who have been disproportionately impacted by the War on Drug, estimated revenue funded for 2020 Census and state veteran's affair's program.

An increase of \$1.4 in Charges for Services revenue budget is principally due to increase in Health fees as a response to COVID-19.

Miscellaneous Revenue budget increased by \$0.7 mainly due to a COVID response grant for the public purpose of planning & operationalizing safe and secure election administration in Monterey County in 2020 and also a transfer from the Ford Ord Reuse Authority (FORA) Dissolution to the Resource Management Agency.

The small increase in Revenue from Use of Money and Property of \$0.1 was due to an increase in rent and concessions revenue.

Appropriation budgets were increased by \$55.0 which were partly sourced from the above anticipated increase in revenues, and partly from the use of various fund balance assignments. General Government appropriation budget increased by \$3.7, Public Safety and Protection by \$28.3, Health and Sanitation by \$5.2, Public Assistance by \$17.7, and Recreation and Cultural Services by \$0.1. The following items provide details for the most significant appropriation changes:

- Reduction of \$2.6 in County Administrative Office (CAO) Contingencies appropriation was due to the transfer of the appropriations to CAO's Community Engagement and Strategic Advocacy to fund the Community Outreach and Education Pilot Project responding to the disparate impacts of the COVID-19 pandemic on Communities of Color, and to provide sufficient funding for the Parks and Lake Resort Enterprise Fund, as well as provide additional appropriations to Human Resources to add one more full time Program Manager position in the Labor Relations Unit.
- Increase in Intergovernmental and Legislative Affairs appropriations of \$0.2, financed by an increase in anticipated revenues in Cannabis Tax assignment and augmentation of grant revenues from the Governor's Office of Business and Economic Development, was to pay fees to the California Cannabis Authority and to conduct an equity assessment to identify those individuals who have been disproportionately impacted by War on Drugs.
- Increase of \$5.8 in CAO's Community Engagement and Strategic Advocacy are for the following: to support programs such as the Community Outreach and Education Pilot Project to reach residents most impacted by the pandemic by implementing a public awareness campaign and community education efforts; to support 2020 Census outreach efforts as well as Monterey County's Governing for Racial Equity Initiative; and to support corresponding expenditures under this program such as providing direct services to victims of crime in Monterey County, financed by a corresponding increase in revenue awarded by the CAL OES Victims of Crime Act (VOCA) program.
- Additional \$28.3 in budget for Public Safety and Protection includes: the \$19.6 budget amendment to support Office of Emergency Services for the County of Monterey Emergency Operations Center's response to the local emergency declaration for COVID-19, financed by Coronavirus Aid, Relief, and Economic Security Act funding the release of Contingency, and Cannabis Tax assignment; \$7.3 to fund the Sheriff's Office response to the COVID-19 pandemic, to cover the costs incurred for fire responses, and to replace radio equipment; \$1.0 increase in Contributions to Other Agencies to fund digital divide purchase to be made by Monterey County Office of Education for the purpose of helping students in Monterey County schools who do not have access to technology to access educational resources remotely as a result of the pandemic; and \$0.4 additional budget appropriations in Resource Management Agency's Administration and Planning Units to complete the Salinas Valley Groundwater Basin Investigation and for Ford Ord Reuse Authority wind-up activities.

COUNTY OF MONTEREY
Management Discussion and Analysis

- Reduction in CAO's Other Financing Uses appropriations of \$1.3, funded previously from the Cannabis Tax Assigned fund balance, to replace the Sheriff's Office end of life radio equipment.
- \$5.2 increase in Public Health appropriations for COVID-19 response efforts financed by program revenues from lab testing of COVID-19 specimens, California Department of Public Health Epidemiology and Laboratory Capacity funding and other grant funds.
- Public Assistance obtained an additional \$17.7 in budget appropriations throughout the fiscal year, \$17.0 of which was for the Emergency Rental Assistance Program, \$0.4 to fund various programs for ombudsman services, senior meals, legal advocacy, outreach, caregivers, information assistance and referral, and technology for seniors, and the other \$0.3 for emergency funds for the Food Bank for Monterey County to address increasing needs due to the COVID-19 pandemic.

Final Budget to Actual

	Final	Actual	Increase (Decrease)
Revenues	\$ 592.1	\$ 650.2	\$ 58.1
Expenditures	\$ 703.7	\$ 650.6	\$ 53.1

Actual revenues were higher than final budget by \$58.1 or 9.8%. This was the combined results of revenue items being under or over the final budget amounts as explained in the following details:

Revenues were over or under budgeted amounts as follows:

- \$41.0 increase in Aid from other Governmental Agencies was a result of federal aid from the pandemic Coronavirus Aid, Relief, and Economic Security Act (CARES) and from the American Rescue Plan Act (ARPA). The County was fortunate to receive funds from these two federal aid packages which have allowed the County to fund essential services while reducing the use of reserves.
- \$21.8 higher than budget in Taxes was a result of higher than anticipated receipts to the increased Transient Occupancy tax (TOT), Property Tax and Cannabis Tax collections. TOT revenue was budget conservatively because of the pandemic, but actuals came in higher than budget due to decreasing COVID-19 transmissions and the reopening of the hospitality industry. Actual real property transfer taxes came in higher than budget due to record growth due to the active housing market that's resulting in more home sales and refinancing.
- \$3.2 lower than budgeted revenue for Charges for Services. Majority of this reduction is from Health Services resulting from unplanned vacancies that didn't generate services and revenues in the primary care clinics and because of grant-funded public health positions diverted to pandemic response efforts. The Department of Social Services collected less than budgeted revenue due to lower reimbursable expenditures due to lower than budgeted service levels. Probation's revenue was below budget despite higher than budgeted public safety sales tax revenues, primarily due to lower reimbursable costs for public safety realignment, Title IV-E and rehabilitation programs. Lower revenue was also associated with reduced service fee collections resulting from COVID-19 pandemic closures. Treasury's Revenue division's lower-than-budget revenue was due to reduced cost-recovery eligible expenses. On the other hand, Election Services' anticipated revenue this year was over budget due to receiving additional pandemic related election grants and reimbursements for the November 2020 election.
- \$1.5 more revenues from Fines, Forfeitures and Penalties were collected primarily by CAO, reduced slightly by lower-than-budget revenues from the Health department.
- \$0.4 higher than budgeted revenues in Licenses, Permits, and Franchises was mainly due to electric franchise payments, offset by the reduced revenue from Construction Permits and Business licenses and other permits, with fewer building permits issued and business operations shutdown due to the 2020 fires and COVID-19.
- \$2.6 fall in Miscellaneous revenues was mainly due to lower receipts by Social Services resulting from lower reimbursable expenditures, offset by the higher-than-budgeted revenue from unemployment insurance refunds.
- \$0.7 decrease in Revenue from Use of Money and Property was largely due to lower than anticipated rent and concession revenue and also lower return on investment from low interest rate.

COUNTY OF MONTEREY

Management Discussion and Analysis

Actual expenditures were less than budget by a combined amount of \$53.1 or 7.5%. As a result of the pandemic, departments were more vigilant about expenditures. Lower expenditures were also attributable to salary savings from vacant positions, lower-than budgeted healthcare and overtime costs, as well as lower operating expenditures primarily in Health and Social Services programs.

General Government expenditures savings of \$9.8 are due to the following:

- \$2.8 unspent appropriation for contingencies by CAO, and another \$2.0 in net savings for various expenditures including external transfers, accounting and auditing charges, and vehicle maintenance and equipment.
- \$5.7 of combined savings in salaries and benefits of various departments due to vacancies.
- \$0.5 savings from Treasurer-Tax Collector due to lower operating costs.
- \$0.2 over budget from Information Technology resulting from additional infrastructure expenditures, such as the e-911 and internet redundancy projects.
- \$0.6 over budgeted expenditures for County Counsel mostly from lower interfund and intrafund reimbursements received.
- \$0.4 over budget from budgeted expenditures for Resource Management Agency mostly from lower interfund reimbursements received.

Public Safety and Protection expenditures net savings of \$13.1 are due to the following:

- \$2.7 unspent allocations for OES for the Emergency Operations Center's response to the local emergency declaration for COVID-19.
- \$7.3 reduction in salaries and benefits significantly in the departments of District Attorney (\$1.0), Sheriff (\$1.6), Child Support Services (\$0.9), Probation (\$2.1), Agriculture (\$0.5), Resource Management Agency (\$0.5), Public Defender (\$0.1), Health (\$0.4), and Housing and Economic Development (\$0.4) due to unfilled vacancies directly and indirectly due to the pandemic.
- \$0.3 over budget in District Attorney for higher operating expenditures such as trial related expenses.
- \$0.3 savings in Sheriff's Office due to unused COVID-19 appropriations such as service contracts and regular purchases that were cancelled due to vendor shortages.
- \$3.1 reduction in actual expenditures compared to budgeted amounts for Departments' various other expenditures, such as Resource Management Agency's savings of \$1.0 for delays in projects and higher reimbursements and Public Defender's savings of \$0.5 for its legal service, trial related and other office expenditures.

Health and Sanitation net savings of \$10.2 are due to the following:

- \$10.4 savings in salaries and benefits of Health Department from vacancies specifically in Clinic Services (\$7.0), Public Health (\$2.2), Environmental Health (\$0.6), Children's Medical Services (\$0.3), and Emergency Medical Services (\$0.3) were attributable to separations and recruiting challenges.
- \$1.3 over budget for professional and other services, in response to the pandemic.
- \$1.6 savings from supplies, maintenance and other miscellaneous expenditures.
- \$0.2 over budget from shortage in collection of anticipated interfund and intrafund reimbursements.

Public Assistance net savings of \$19.8 are due to the following:

- \$11.8 in savings from Social Services' budget for public assistance payments, professional and other contract services, including Out of Home Care expenditures due to fewer children coming into foster care and the Emergency Rental Assistance Program.
- \$7.4 savings in Social Services salaries and benefits due to prolonged unfilled vacancies from hiring challenges including the need for the Department to shift focus on performing pandemic-related tasks.
- \$0.6 in net savings due to reduced building leases, less than anticipated capital expenditures due to construction delays for the Veterans Transition Center rehabilitation project, supplies, maintenance and other miscellaneous expenditures.

COUNTY OF MONTEREY

Management Discussion and Analysis

Recreation and Cultural Services net savings of \$0.2 are due to the following:

- \$0.2 net savings mainly from savings on Parks' flex-benefit plan contribution, lower actual expenditures for salaries and other employment benefits like dental, vision, short-term and long-term disability insurance.

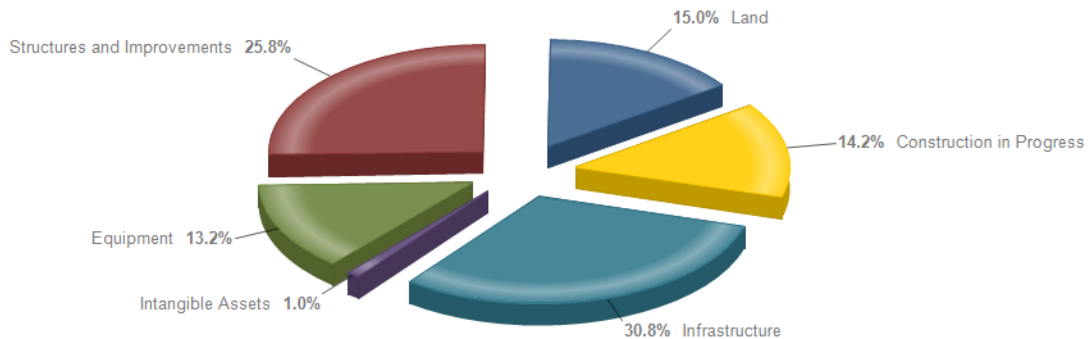
CAPITAL ASSETS

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amount to \$980.0 and \$136.3, respectively (net of accumulated depreciation). This investment is in a broad range of capital assets including land, structures and improvements, equipment, intangible assets, infrastructure, and construction in progress.

TABLE 3 - County of Monterey's Capital Assets

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar	Percent
	2021	2020	2021	2020	2021	2020	Change	Change
Land	\$ 312.5	\$ 312.5	\$ -	\$ -	\$ 312.5	\$ 312.5	\$ -	- %
Structures and Improvements	343.4	366.0	191.7	176.4	535.1	542.4	(7.3)	-1.3 %
Equipment	134.1	132.8	139.8	134.5	273.9	267.3	6.6	2.5 %
Intangible Assets	20.8	20.8	-	-	20.8	20.8	-	- %
Infrastructure	638.8	612.0	-	-	638.8	612.0	26.8	4.4 %
Construction in Progress (CIP)	272.4	253.1	23.4	15.0	295.8	268.1	27.7	10.3 %
Total Capital Assets	<u>1,722.0</u>	<u>1,697.2</u>	<u>354.9</u>	<u>325.9</u>	<u>2,076.9</u>	<u>2,023.1</u>	<u>53.8</u>	<u>2.7 %</u>
Accumulated Depreciation	<u>(742.0)</u>	<u>(728.3)</u>	<u>(218.6)</u>	<u>(200.7)</u>	<u>(960.6)</u>	<u>(929.0)</u>	<u>(31.6)</u>	<u>3.4 %</u>
Total	<u>\$ 980.0</u>	<u>\$ 968.9</u>	<u>\$ 136.3</u>	<u>\$ 125.2</u>	<u>\$ 1,116.3</u>	<u>\$ 1,094.1</u>	<u>\$ 22.2</u>	<u>2.0 %</u>

Capital Assets



The County both purchases and constructs/develops capital assets throughout the year. Capital projects are generally completed over multiple fiscal years. Costs accumulate within the construction in progress (CIP) account until the completion of projects. At completion, all costs of a project are totaled then transferred to the appropriate capital asset classification. In the current year, CIP had a net increase of \$19.3 for governmental activities. This was the result of completing projects costing \$32.3 and on-going/new construction costs of \$51.5.

COUNTY OF MONTEREY

Management Discussion and Analysis

Major construction in progress events during the current fiscal year included the following:

- Public Works incurred \$25.2 in capitalizable costs for on-going projects with the majority of the costs spent on River Road Overlay-Las Palmas Rd \$4.4, River Rd Overlay - Linkiln - Gonzales Rd \$5.7 and Gloria Road & Johnson Rd Rehab \$6.0.
- Architectural Services incurred \$22.5 in capitalizable costs for on-going projects, with the majority of costs spent on the Jail Expansion/Housing Addition, New Juvenile Hall Building and Homeless Shelter - Salinas.
- Major projects that were completed during the year include Gloria Rd, Iverson Rd & Johnson Rd Rehab, Hwy 1 Climbing Land Cvr to Rio Road and River Road, River Road overlay - Chualar River Road Bridge - Linkiln and River Road Overlay-Las Palmas for total cost of \$23.0.

The accompanying government-wide financial statements include the capitalizable costs of those assets that were either completed during the fiscal year or considered CIP at year-end. Additional information on the County's capital assets can be found in Note 5 of this report.

DEBT ADMINISTRATION

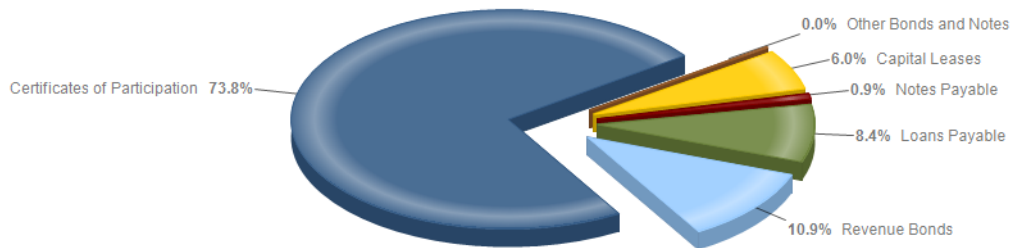
State statutes limit the amount of general obligation debt a government entity may issue to 1.25% of the total assessed valuation of property within the County. The current legal debt limitation of the County is \$937.6. The County's long-term issues payable is \$215.4, but none is applicable to the debt limit. The following schedule does not include the liabilities for self-insurance, compensated absences, and estimated landfill closure, which are components of the long-term liabilities balance of \$386.1. (Refer to Note 8— Long-Term Liabilities).

At June 30, 2021, the County had total long-term debt outstanding of \$215.4. This was a decrease of \$15.1 or 6.6% from the prior year balance of \$230.5. The decrease was primarily due to the \$10.5 decrease in Certificates of Participation consisting of annual debt service payments of \$9.0 and amortization of premiums/discounts of \$1.5. The remaining decrease is due to debt service payments and premium amortization of \$4.6 for debt other than Certificates of Participation.

TABLE 4 - County of Monterey's Long-Term Debt (in millions)

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar Change	Percent Change
	2021	2020	2021	2020	2021	2020		
Certificates of Participation	\$ 125.5	\$ 131.9	\$ 33.5	\$ 37.6	\$ 159.0	\$ 169.5	\$ (10.5)	-6.2 %
Revenue Bonds	23.5	24.6	-	-	23.5	24.6	(1.1)	-4.5 %
Loans Payable	18.1	19.2	-	-	18.1	19.2	(1.1)	-5.7 %
Notes Payable	1.9	3.2	-	-	1.9	3.2	(1.3)	-40.6 %
Capital Leases	12.9	13.9	-	-	12.9	13.9	(1.0)	-7.2 %
Other Bonds and Notes	-	0.1	-	-	-	0.1	(0.1)	-100.0 %
Total	<u>\$ 181.9</u>	<u>\$ 192.9</u>	<u>\$ 33.5</u>	<u>\$ 37.6</u>	<u>\$ 215.4</u>	<u>\$ 230.5</u>	<u>\$ (15.1)</u>	<u>-6.6 %</u>

Long-Term Debt



COUNTY OF MONTEREY
Management Discussion and Analysis

ECONOMIC ANALYSIS AND NEXT YEAR'S BUDGET AND RATES

The following paragraphs briefly summarize results of fiscal year 2020-21 as well as the County's budgets for the next fiscal year 2021-22:

- The General Fund, the County's largest fund that supports the basic governmental functions related to Public Safety and Protection, General Government, Recreation and Cultural Services, Health and Sanitation, Public Assistance, and Education, had a total of \$716.0 million in appropriations in the fiscal year 2020-21 Adopted Budget, with subsequent modifications throughout the fiscal year to increase total appropriations to \$786.3 million, a \$70.3 million addition to appropriations. Financing sources are primarily from budgeted revenue of \$555.8 million and operating transfers of \$114.0 million, also both modified to increase to \$591.1 and \$122.5 million, respectively, to partially finance appropriations increases with the remaining portion to be financed with the use of fund balance, as final budget was projected with a \$71.7 million excess of expenditures over revenues. However, this fiscal year ended with a better operating result than the budget, with the \$25.0 million excess of revenues over expenditures. This year's favorable result is attributable to the \$53.1 million savings between budgeted expenditures and actual expenditures and \$58.1 million increased revenues. Federal aid received to mitigate the impact of the COVID-19 pandemic, other discretionary revenue from transient occupancy tax, property tax, and cannabis tax, salary and benefit savings from vacant positions, and lower than expected overtime and health premium costs are among the reasons for the favorable budget turnaround. The Adopted Budget for fiscal year 2020-21 reports 5,456 full-time employees, with a total budget for all funds of \$1.7 billion, \$1.2 billion of which is for governmental funds, while \$548 million is for other funds. For the General Fund, total adopted budget of \$716.0 million used \$46.2 million of the fund balance, with budget amendments increasing this by an additional \$18.8 million from its revenue and expense budget modifications and another \$4.8 million net modification on other financing sources (uses). (Source: Adopted Budget for Fiscal Year 2020-21 and Budget in Brief Fiscal Year 2020-21)
- Meanwhile, the upcoming fiscal year 2021-22, Adopted Budget Summary presents the County revenues and expenses for all funds totaling to \$1.7 billion, with 5,516.6 full-time employee positions. Majority of the revenue sources are expected to come from the \$668.7 million budget for intergovernmental revenue and \$425.5 million from charges for various County-rendered services. Additional funding sources aim to produce \$289.2 million from taxes, licenses and permits, and revenues from fines, forfeitures, and penalties. Revenue from money and property use for \$46.4 million, \$20.0 million of miscellaneous revenue, and \$223.5 million of other financing sources also comprise the revenue budget. Accordingly, the corresponding \$1.7 billion expenditure budget is allocated to the primary functions with \$164.5 million for General Government, \$11.7 million for Education, \$319.4 million for Public Assistance, \$439.0 million for Public Safety and Protection, \$703.1 million for Health and Sanitation and \$33.1 million for Recreation and Cultural Services. (Source: Budget in Brief Fiscal Year 2021-22)
- Of the overall County budget for the fiscal year 2021-22, \$763.1 million in appropriations is for General Fund, to be financed by estimated General Fund revenues of \$754.8 million and \$8.3 million use of fund balance. This year's General Fund appropriations are budgeted for various programs and functions allocated as follows: 38.1% or \$290.7 million to Public Safety and Protection, 31.6% or \$240.8 million to Public Assistance, 16.7% or \$127.4 million to Health and Sanitation, 12.5% or \$95.2 million to General Government, 1.1% or \$8.4 million to Recreation and Cultural Services, and 0.1% or \$0.5 million to Education. (Source: Budget in Brief Fiscal Year 2021-22)
- For fiscal year 2021-22, the estimated General Fund revenue of \$754.8 million consists of program revenues and non-program revenues. Program revenues, primarily from federal and state sources, are typically provided for statutory purposes and must legally be spent on designated activities or statutory-required programs. Program revenues include operating and capital grants and various restricted contributions. Non-program revenues are the County's discretionary funds, critical in addressing local priorities, and providing matching funds to leverage federal and state grants to meet the maintenance of effort requirements. These include property taxes, transient occupancy taxes, sales and use tax, vehicle license fees, and other revenues sourced from local government. The primary driver in the non-program discretionary revenue growth has been the property taxes due to higher home value assessments. For fiscal year 2021-22, \$285.8 million of the total estimated General Fund revenues, are expected to come from non-program revenue sources. (Source: Budget in Brief Fiscal Year 2021-22)

COUNTY OF MONTEREY
Management Discussion and Analysis

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional information, contact the County of Monterey, Office of Auditor-Controller, 168 West Alisal Street, Salinas, CA 93901.



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



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COUNTY OF MONTEREY

Statement of Net Position

June 30, 2021

	Primary Government		Total	Component Unit Children & Families Comm
	Governmental Activities	Business-Type Activities		
ASSETS				
Cash and Investments:				
Held in County Treasury	\$ 730,692,230	\$ 228,705,733	\$ 959,397,963	\$ 7,613,423
Held with Trustee	500,011	-	500,011	1,827,629
Other Bank Accounts	4,432,457	7,861	4,440,318	-
Imprest	14,010	3,680	17,690	150
Restricted	9,960,627	-	9,960,627	-
Receivables (Net)	121,699,442	76,026,327	197,725,769	957,708
Inventories	648,260	5,263,194	5,911,454	-
Prepaid Items and Other Assets	122,573	6,318,628	6,441,201	4,589
Internal Balances	(766,586)	766,586	-	-
Note Receivable	20,468,704	-	20,468,704	-
Capital Assets:				
Nondepreciable	584,837,015	23,370,671	608,207,686	-
Depreciable, Net	395,025,271	112,917,214	507,942,485	11,934
Total Assets	<u>1,867,634,014</u>	<u>453,379,894</u>	<u>2,321,013,908</u>	<u>10,415,433</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow from Debt Refunding	364,891	212,651	577,542	-
Deferred Outflows from Pensions	106,996,478	30,700,190	137,696,668	-
Deferred Outflows from OPEB	8,641,689	2,681,194	11,322,883	-
Total Deferred Outflows of Resources	<u>116,003,058</u>	<u>33,594,035</u>	<u>149,597,093</u>	<u>-</u>
LIABILITIES				
Accounts Payable and Other Accrued Liabilities	43,045,597	5,972,242	49,017,839	1,865,054
Accrued Salaries and Benefits	15,527,726	6,089,670	21,617,396	48,513
Accrued Interest Payable	1,788,175	362,844	2,151,019	-
Accrued Liabilities	516,323	66,996,774	67,513,097	-
Deposits from Others	17,376,826	10,000	17,386,826	-
Unearned Revenues	56,371,166	997,582	57,368,748	-
Noncurrent Liabilities:				
Due Within One Year (Bonds, Notes, Leases, Claims, Compensated Absences)	53,787,488	15,681,687	69,469,175	56,914
Due in More Than One Year:				
Bonds, Notes, Leases, Claims, Compensated Absences	283,136,126	33,545,544	316,681,670	104,429
Net Pension Liability	621,513,573	133,575,195	755,088,768	-
Net OPEB Liability	29,651,437	9,436,824	39,088,261	-
Total Liabilities	<u>1,122,714,437</u>	<u>272,668,362</u>	<u>1,395,382,799</u>	<u>2,074,910</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows from Pensions	3,997,589	840,802	4,838,391	-
Deferred Inflows from Debt Refunding	702,567	178,961	881,528	-
Deferred Inflows from OPEB	241,931	65,236	307,167	-
Total Deferred Inflows of Resources	<u>4,942,087</u>	<u>1,084,999</u>	<u>6,027,086</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	795,939,821	102,807,378	898,747,199	3,055
Restricted for:				
Capital Projects	69,936,069	-	69,936,069	-
Debt Service	1,035,002	-	1,035,002	-
Education	5,378,436	-	5,378,436	-
General Government	7,622,869	-	7,622,869	-
Health and Sanitation	111,121,097	-	111,121,097	-
Housing and Redevelopment	8,566,325	-	8,566,325	-
Public Assistance	53,859,252	-	53,859,252	466,943
Public Protection	41,067,624	-	41,067,624	-
Public Ways and Facilities	26,063,036	-	26,063,036	-
Recreation and Culture	153,733	963,633	1,117,366	-
Section 115 Pension Trust	8,038,138	-	8,038,138	-
Unrestricted (Deficit)	(272,800,854)	109,449,557	(163,351,297)	7,870,525
Total Net Position	<u>\$ 855,980,548</u>	<u>\$ 213,220,568</u>	<u>\$ 1,069,201,116</u>	<u>\$ 8,340,523</u>

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

COUNTY OF MONTEREY
Statement of Activities
For the Fiscal Year Ended June 30, 2021

<u>Function/Programs</u>	Program Revenues			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 63,579,878	\$ 36,573,137	\$ 10,839,244	\$ 359,615
Public Safety and Protection	363,875,766	45,671,099	98,319,511	99,370
Public Ways and Facilities	34,190,640	5,225,512	28,539,062	1,984,974
Health and Sanitation	239,048,649	58,176,491	180,280,954	165,000
Public Assistance	227,038,879	1,376,572	203,741,110	-
Education	10,467,509	33,444	870,781	412,505
Recreation and Cultural Services	4,337,542	1,145,038	90,816	-
Interest on Long-Term Debt	6,809,520	-	-	-
Total governmental activities	949,348,383	148,201,293	522,681,478	3,021,464
Business-Type Activities:				
Laguna Seca Recreation Area	9,841,024	9,250,933	-	-
Natividad Medical Center	353,087,651	413,228,574	-	-
Parks and Lake Resort	3,166,185	3,577,451	-	-
Total Business-Type Activities	366,094,860	426,056,958	-	-
Total Primary Government	\$ 1,315,443,243	\$ 574,258,251	\$ 522,681,478	\$ 3,021,464
Component Unit:				
Children and Families Commission	\$ 6,479,937	\$ -	\$ 6,691,588	\$ -
Total Component Unit:	\$ 6,479,937	\$ -	\$ 6,691,588	\$ -

General Revenues:

Taxes:
Property Taxes
Sales and Use Taxes
Transient Occupancy Taxes
Other Taxes
Unrestricted Interest and Investment Earnings
Other Revenues
Tobacco Settlement Revenues
Non-Program Federal Aid Other
Transfers

Total General Revenues and Transfers
Change in Net Position

Net Position – Beginning of Year, As Restated

Net Position – Beginning of Year

Net Position – End of Year

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

COUNTY OF MONTEREY
Statement of Activities
For the Fiscal Year Ended June 30, 2021

<u>Net (Expenses) Revenues and Changes in Net Position</u>			
<u>Primary Government</u>			<u>Component</u>
<u>Governmental</u>	<u>Business-type</u>		<u>Unit</u>
<u>Activities</u>	<u>Activities</u>	<u>Totals</u>	<u>Children & Families Comm</u>
\$ (15,807,882)	\$ -	\$ (15,807,882)	\$ -
(219,785,786)	-	(219,785,786)	-
1,558,908	-	1,558,908	-
(426,204)	-	(426,204)	-
(21,921,197)	-	(21,921,197)	-
(9,150,779)	-	(9,150,779)	-
(3,101,688)	-	(3,101,688)	-
(6,809,520)	-	(6,809,520)	-
<u>(275,444,148)</u>	<u>-</u>	<u>(275,444,148)</u>	<u>-</u>
-	(590,091)	(590,091)	-
-	60,140,923	60,140,923	-
-	411,266	411,266	-
-	<u>59,962,098</u>	<u>59,962,098</u>	-
<u>\$ (275,444,148)</u>	<u>\$ 59,962,098</u>	<u>\$ (215,482,050)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211,651</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211,651</u>
\$ 185,876,782	\$ -	\$ 185,876,782	\$ -
21,458,581	-	21,458,581	-
23,528,875	-	23,528,875	-
39,806,959	-	39,806,959	-
6,660,000	2,561,950	9,221,950	(14,544)
926,531	732,064	1,658,595	37,582
4,607,887	-	4,607,887	-
51,068,958	-	51,068,958	-
(22,498,457)	22,498,457	-	-
<u>311,436,116</u>	<u>25,792,471</u>	<u>337,228,587</u>	<u>23,038</u>
<u>35,991,967</u>	<u>85,754,569</u>	<u>121,746,536</u>	<u>234,689</u>
<u>819,988,581</u>	<u>127,465,999</u>	<u>947,454,580</u>	<u>8,105,834</u>
<u>\$ 855,980,548</u>	<u>\$ 213,220,568</u>	<u>\$1,069,201,116</u>	<u>\$ 8,340,523</u>

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



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BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS



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COUNTY OF MONTEREY
Balance Sheet
Governmental Funds
June 30, 2021

	General	Road Fund	Behavioral Health	Facility Master Plan Projects	Other Governmental	Total
Assets						
Cash and Investments:						
Held in County Treasury	\$282,224,712	\$ 33,261,237	\$ 44,413,041	\$ 70,012,578	\$ 146,052,815	\$ 575,964,383
Held with Trustee	8,038,138	-	-	-	500,011	8,538,149
Imprest Cash	11,910	300	-	-	1,800	14,010
Restricted Cash	1,922,489	-	-	-	-	1,922,489
Other Bank Accounts	1,499,564	-	-	-	-	1,499,564
Receivables (Net)	67,048,833	5,509,662	29,934,317	105,800	18,964,315	121,562,927
Inventories	585,331	62,929	-	-	-	648,260
Prepaid Items and Other Assets	-	-	-	-	25,000	25,000
Loans and Notes Receivable	-	-	-	-	20,443,704	20,443,704
Total Assets	361,330,977	38,834,128	74,347,358	70,118,378	185,987,645	730,618,486
Liabilities						
Vouchers and Accounts Payable	21,248,180	4,967,311	11,171,552	703,594	3,347,343	41,437,980
Accrued Salaries and Benefits	11,025,480	611,537	2,613,098	-	1,277,611	15,527,726
Due to Other Funds	169,180	-	-	-	-	169,180
Deposits from Others	11,093,872	5,916,745	-	-	366,209	17,376,826
Unearned Revenues	52,324,749	3,974,740	-	-	71,677	56,371,166
Advances from Other Funds	364,767	-	-	-	-	364,767
Total Liabilities	96,226,228	15,470,333	13,784,650	703,594	5,062,840	131,247,645
Deferred Inflows of Resources						
Unavailable Revenue	28,067,225	448,430	10,302,223	100,000	7,579,808	46,497,686
Fund Balances						
Nonspendable	585,331	62,929	-	-	25,000	673,260
Restricted	45,971,770	22,852,436	50,260,485	69,314,784	129,248,157	317,647,632
Committed	100,483,218	-	-	-	36,801,607	137,284,825
Assigned	39,791,818	-	-	-	7,270,233	47,062,051
Unassigned	50,205,387	-	-	-	-	50,205,387
Total Fund Balances	237,037,524	22,915,365	50,260,485	69,314,784	173,344,997	552,873,155
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$361,330,977	\$ 38,834,128	\$ 74,347,358	\$ 70,118,378	\$ 185,987,645	\$ 730,618,486

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

COUNTY OF MONTEREY
Reconciliation of the Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position - Governmental Activities
June 30, 2021

Fund Balance – Total Governmental Funds \$ 552,873,155

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. 968,534,749

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds. 6,406,684
Other Unavailable Revenues 40,091,002
46,497,683

Internal service funds (ISF) are used by the County to charge the cost of general liability and workers' compensation insurance and other employee benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 60,848,538
60,848,538

Deferred outflows of resources related to OPEB are not recognized as expenditures in the governmental funds 8,641,689

Pension contributions are reported as deferred outflow of resources in the statement of net position. 106,996,478

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities are reported in the statement of net position. Balances as of June 30, 2021, are:

Bonds and Notes Payable	\$ (38,720,923)	
Certificate of Participation	(110,180,199)	
Unamortized Premium on Certificates of Participation	(18,276,710)	
Unamortized Losses on Refunding Debts	364,891	
Unamortized Gains on Refunding Debts	(702,567)	
Capital Lease Obligations	(12,913,417)	
Accrued Interest on Long-Term Debt	(1,788,175)	
Compensated Absences Payable	(48,075,557)	
Estimated Landfill Closure and Postclosure Costs	(504,335)	
Total OPEB Liability	(29,651,437)	
Net Pension Liability	<u>(621,513,573)</u>	(881,962,002)

Deferred inflows of resources related to pensions are not recognized as revenues in the governmental funds (3,997,589)
Deferred inflows of resources related to OPEB are not recognized as revenues in the governmental funds (241,931)

Adjustment necessary to close Internal Service Funds activities. This is the cumulative excess of revenues over expenses allocable to business-type activities. (2,210,222)

Net Positions of Governmental Activities \$ 855,980,548

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

COUNTY OF MONTEREY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2021

	General	Road Fund	Behavioral Health	Facility Master Plan Projects	Other Governmental	Total
Revenues						
Taxes	\$246,883,378	\$ 8,149,671	\$ -	\$ -	\$ 15,432,521	\$ 270,465,570
Licenses, Permits, and Franchises	23,230,411	172,782	-	-	215,491	23,618,684
Fines, Forfeitures, and Penalties	11,118,934	-	97,147	-	605,692	11,821,773
Revenue from Use of Money and Property	3,951,406	186,151	311,086	21,261	4,214,762	8,684,666
Aid from other Governmental Agencies	286,103,295	30,217,813	110,691,193	3,682,939	151,465,950	582,161,190
Charges for Services	70,257,866	663,595	2,133,506	-	29,571,225	102,626,192
Miscellaneous Revenues	8,674,555	2,287,540	402,162	18	1,009,674	12,373,949
Total Revenues	650,219,845	41,677,552	113,635,094	3,704,218	202,515,315	1,011,752,024
Expenditures						
Current:						
General Government	29,434,440	-	-	-	13,580,357	43,014,797
Public Protection	306,720,093	-	-	-	21,780,909	328,501,002
Public Ways and Facilities	-	48,725,872	-	-	1,370,553	50,096,425
Health and Sanitation	97,887,942	-	131,887,089	-	3,597,567	233,372,598
Public Assistance	210,108,344	-	-	-	14,091,664	224,200,008
Education	465,109	-	-	-	9,529,085	9,994,194
Recreation and Cultural Services	5,990,207	-	-	-	-	5,990,207
Debt service:						
Principal	-	-	-	-	7,412,267	7,412,267
Interest and Debt Service Costs	-	-	-	-	6,987,569	6,987,569
Capital Outlay	-	-	-	16,488,664	4,945,275	21,433,939
Total Expenditures	650,606,135	48,725,872	131,887,089	16,488,664	83,295,246	931,003,006
Excess (Deficiency) of Revenues Over (Under) Expenditures	(386,290)	(7,048,320)	(18,251,995)	(12,784,446)	119,220,069	80,749,018
Other Financing Sources (Uses)						
Transfers In	92,977,073	5,262,992	30,250,243	17,626,790	24,400,314	170,517,412
Transfers Out	(67,735,828)	-	(2,089,488)	(12,105,365)	(124,028,151)	(205,958,832)
Sale of Capital Assets	100,295	21,420	6,100	-	19,634	147,449
Total Other Financing Sources (Uses)	25,341,540	5,284,412	28,166,855	5,521,425	(99,608,203)	(35,293,971)
Net Change in Fund Balances	24,955,250	(1,763,908)	9,914,860	(7,263,021)	19,611,866	45,455,047
Fund Balances, Beginning of Year, as Restated	212,082,274	24,679,273	40,345,625	76,577,805	153,733,131	507,418,108
Fund Balances, End of Year	\$237,037,524	\$ 22,915,365	\$ 50,260,485	\$ 69,314,784	\$ 173,344,997	\$ 552,873,155

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

COUNTY OF MONTEREY

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities - Governmental Activities For the Fiscal Year Ended June 30, 2021

Net Change in Fund Balance – Total Governmental Funds \$ 45,455,047

Amounts 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 general capital assets, infrastructure, capital lease, and other related capital asset additions	54,833,101	
Less current year depreciation	<u>(28,968,323)</u>	25,864,778
Contributions of Capital Assets	-	(10,289,004)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations). (293,521)

Some revenues will not be collected within the accrual period established for governmental funds. As a result, they are not considered as available revenues in the governmental funds. This change reflects the decrease in unavailable revenue. (5,517,002)

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. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

Change in Accrued Interest on Long Term Debt	91,717	
Change in Compensated Absences	(4,821,317)	
Change in Estimated Landfill Closure and Postclosure	248,101	
Change in OPEB Liability	2,181,405	
Change in Pension Liability	(53,880,942)	
Amortization of Premiums and Discounts	1,154,393	
Setup and Related Amortization of Refunding Loss	(28,068)	
Amortization of Refunding Gain	<u>43,910</u>	(55,010,801)

Principal Repayments:

Certificates of Participation	5,535,209	
Bonds, Notes, and Loans	1,877,058	
Capital Leases	<u>1,025,494</u>	8,437,761

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of the internal service funds is reported with governmental activities. 27,447,871

Adjustment necessary to close internal service funds activities. This is the current year excess of revenues over expenses allocable to business-type activities. (103,162)

Change in Net Position of Governmental Activities \$ 35,991,967

COUNTY OF MONTEREY

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual General

For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 225,055,093	\$ 225,055,093	\$ 246,883,378	\$ 21,828,285
Licenses, Permits, and Franchises	22,815,477	22,815,477	23,230,411	414,934
Fines, Forfeitures, and Penalties	9,813,803	9,813,803	11,118,934	1,305,131
Revenue from Use of Money and Property	4,567,065	4,683,854	3,951,406	(732,448)
Aid from other Governmental Agencies	211,015,060	245,067,150	286,103,295	41,036,145
Charges for Services	72,049,443	73,405,141	70,257,866	(3,147,275)
Miscellaneous Revenues	<u>10,511,027</u>	<u>11,239,850</u>	<u>8,674,555</u>	<u>(2,565,295)</u>
Total Revenues	<u>555,826,968</u>	<u>592,080,368</u>	<u>650,219,845</u>	<u>58,139,477</u>
Expenditures				
Current:				
General Government	35,579,806	39,256,267	29,434,440	9,821,827
Public Protection	291,520,724	319,851,092	306,720,093	13,130,999
Health and Sanitation	102,928,565	108,090,632	97,887,942	10,202,690
Public Assistance	212,205,759	229,910,979	210,108,344	19,802,635
Education	476,861	476,861	465,109	11,752
Recreation and Cultural Services	<u>6,018,078</u>	<u>6,149,867</u>	<u>5,990,207</u>	<u>159,660</u>
Total Expenditures	<u>648,729,793</u>	<u>703,735,698</u>	<u>650,606,135</u>	<u>53,129,563</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(92,902,825)</u>	<u>(111,655,330)</u>	<u>(386,290)</u>	<u>111,269,040</u>
Other Financing Sources (Uses):				
Transfers In	113,963,188	122,493,676	92,977,073	(29,516,603)
Transfers Out	(67,229,424)	(82,540,086)	(67,735,828)	14,804,258
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>100,295</u>	<u>100,295</u>
Total Other Financing Sources (Uses)	<u>46,733,764</u>	<u>39,953,590</u>	<u>25,341,540</u>	<u>(14,612,050)</u>
Net Changes in Fund Balances	(46,169,061)	(71,701,740)	24,955,250	96,656,990
Fund Balances, Beginning	<u>212,082,274</u>	<u>212,082,274</u>	<u>212,082,274</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 165,913,213</u>	<u>\$ 140,380,534</u>	<u>\$ 237,037,524</u>	<u>\$ 96,656,990</u>

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

COUNTY OF MONTEREY

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Road Fund
 For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 7,406,000	\$ 7,406,000	\$ 8,149,671	\$ 743,671
Licenses, Permits, and Franchises	2,843,793	2,843,793	172,782	(2,671,011)
Revenue from Use of Money and Property	202,183	202,183	186,151	(16,032)
Aid from other Governmental Agencies	42,210,056	42,210,056	30,217,813	(11,992,243)
Charges for Services	1,505,963	1,505,963	663,595	(842,368)
Miscellaneous Revenues	1,703,145	1,703,145	2,287,540	584,395
Total Revenues	<u>55,871,140</u>	<u>55,871,140</u>	<u>41,677,552</u>	<u>(14,193,588)</u>
Expenditures				
Current:				
Public Ways and Facilities	69,975,741	69,975,741	48,725,872	21,249,869
Total expenditures	<u>69,975,741</u>	<u>69,975,741</u>	<u>48,725,872</u>	<u>21,249,869</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(14,104,601)</u>	<u>(14,104,601)</u>	<u>(7,048,320)</u>	<u>7,056,281</u>
Other Financing Sources (Uses)				
Transfers In	6,652,210	6,652,210	5,262,992	(1,389,218)
Sale of Capital Assets	6,050	6,050	21,420	15,370
Total Other Financing Sources (Uses)	<u>6,658,260</u>	<u>6,658,260</u>	<u>5,284,412</u>	<u>(1,373,848)</u>
Net Changes in Fund Balances	(7,446,341)	(7,446,341)	(1,763,908)	5,682,433
Fund Balances, Beginning	<u>24,679,273</u>	<u>24,679,273</u>	<u>24,679,273</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 17,232,932</u>	<u>\$ 17,232,932</u>	<u>\$ 22,915,365</u>	<u>\$ 5,682,433</u>

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

COUNTY OF MONTEREY

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Behavioral Health

For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Fines, Forfeitures, and Penalties	\$ 100,000	\$ 100,000	\$ 97,147	\$ (2,853)
Revenue from Use of Money and Property	538,398	538,398	311,086	(227,312)
Aid from other Governmental Agencies	116,744,368	116,744,368	110,691,193	(6,053,175)
Charges for Services	2,250,000	2,250,000	2,133,506	(116,494)
Miscellaneous Revenues	-	-	402,162	402,162
Total Revenues	119,632,766	119,632,766	113,635,094	(5,997,672)
Expenditures				
Current:				
Health and Sanitation	148,498,108	148,498,108	131,887,089	16,611,019
Total Expenditures	148,498,108	148,498,108	131,887,089	16,611,019
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,865,342)	(28,865,342)	(18,251,995)	10,613,347
Other Financing Sources (Uses):				
Transfers In	36,114,789	36,114,789	30,250,243	(5,864,546)
Transfers Out	(13,862,780)	(13,862,780)	(2,089,488)	11,773,292
Sale of Capital Assets	-	-	6,100	6,100
Total Other Financing Sources (Uses)	22,252,009	22,252,009	28,166,855	5,914,846
Net Changes in Fund Balances	(6,613,333)	(6,613,333)	9,914,860	16,528,193
Fund Balances, Beginning	40,345,625	40,345,625	40,345,625	-
Fund Balances, Ending	\$ 33,732,292	\$ 33,732,292	\$ 50,260,485	\$ 16,528,193

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

COUNTY OF MONTEREY
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities	
	Natividad Medical Center	Nonmajor Enterprise Fund- Laguna Seca Recreation Area	Nonmajor Enterprise Fund- Parks Lake & Resort Operations	Total Enterprise Funds	Internal Service Funds
Assets					
Current Assets:					
Held in County Treasury	\$ 224,969,929	\$ 1,676,958	\$ 2,058,870	\$ 228,705,757	\$ 154,728,477
Imprest Cash	3,680	-	-	3,680	-
Other Bank Accounts	7,861	-	-	7,861	2,932,893
Receivables (Net)	74,920,153	746,540	359,634	76,026,327	136,515
Due from Other Funds	-	-	-	-	626,591
Inventories	5,263,194	-	-	5,263,194	-
Prepaid Expense	4,333,064	1,985,564	-	6,318,628	122,573
Total Current Assets	<u>309,497,881</u>	<u>4,409,062</u>	<u>2,418,504</u>	<u>316,325,447</u>	<u>158,547,049</u>
Noncurrent Assets:					
Advances to Other Funds	-	-	-	-	1,350,992
Capital Assets	125,732,733	9,350,317	1,204,834	136,287,884	11,327,537
Total Noncurrent Assets	<u>125,732,733</u>	<u>9,350,317</u>	<u>1,204,834</u>	<u>136,287,884</u>	<u>12,678,529</u>
Total Assets	<u>435,230,614</u>	<u>13,759,379</u>	<u>3,623,338</u>	<u>452,613,331</u>	<u>171,225,578</u>
Deferred Outflows of Resources					
Unamortized Losses on Refunding Debts	212,651	-	-	212,651	-
Deferred Outflows from Pensions	30,635,377	64,813	-	30,700,190	-
Deferred Outflows from OPEB	2,681,194	-	-	2,681,194	-
Total Deferred Outflows of Resources	<u>33,529,222</u>	<u>64,813</u>	<u>-</u>	<u>33,594,035</u>	<u>-</u>
Liabilities					
Current Liabilities:					
Vouchers and Accounts Payable	22,112,465	972,114	95,755	23,180,334	1,608,244
Accrued Salaries and Benefits	5,899,843	9,447	180,380	6,089,670	-
Accrued Interest Payable	362,844	-	-	362,844	-
Other Current Liabilities	49,798,705	997,582	-	50,796,287	516,323
Due to Other Funds	-	-	457,411	457,411	-
Current Portion of Claims Liability	-	-	-	-	22,573,237
Current Portion of Long-Term Liability	15,669,116	12,571	-	15,681,687	1,408,191
Total Current Liabilities	<u>93,842,973</u>	<u>1,991,714</u>	<u>733,546</u>	<u>96,568,233</u>	<u>26,105,995</u>
Long-Term Liabilities:					
Advances from Other Funds	-	-	986,225	986,225	-
Claims Liability	-	-	-	-	83,785,870
Bonds and Notes Payable	29,871,991	-	-	29,871,991	485,175
Net Pension Liability	133,293,201	281,994	-	133,575,195	-
Net OPEB Liability	9,436,824	-	-	9,436,824	-
Compensated Absences - Noncurrent Portion	3,625,776	47,777	-	3,673,553	-
Total Long-Term Liabilities	<u>176,227,792</u>	<u>329,771</u>	<u>986,225</u>	<u>177,543,788</u>	<u>84,271,045</u>
Total Liabilities	<u>270,070,765</u>	<u>2,321,485</u>	<u>1,719,771</u>	<u>274,112,021</u>	<u>110,377,040</u>

continued

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

COUNTY OF MONTEREY
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities - Enterprise Funds			Total Enterprise Funds	Governmental Activities
	Natividad Medical Center	Nonmajor Enterprise Fund- Laguna Seca Recreation Area	Nonmajor Enterprise Fund- Parks Lake & Resort Operations		Internal Service Funds
Deferred Inflows of Resources					
Deferred Inflows from Pensions	839,027	1,775	-	840,802	-
Deferred Inflows from OPEB	65,236	-	-	65,236	-
Unamortized Gains on Refunding Debts	178,961	-	-	178,961	-
Total Deferred Inflows of Resources	<u>1,083,224</u>	<u>1,775</u>	<u>-</u>	<u>1,084,999</u>	<u>-</u>
Net Position					
Net Investment in Capital Assets	92,252,227	9,350,317	1,204,834	102,807,378	11,327,537
Restricted for Recreation and Culture	-	-	963,633	963,633	-
Unrestricted (Deficit)	<u>105,353,620</u>	<u>2,150,615</u>	<u>(264,900)</u>	<u>107,239,335</u>	<u>49,521,001</u>
Total Net Position	<u>197,605,847</u>	<u>11,500,932</u>	<u>1,903,567</u>	<u>211,010,346</u>	<u>\$ 60,848,538</u>
Adjustment To Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Fund	<u>2,520,126</u>	<u>44,684</u>	<u>(354,588)</u>	<u>2,210,222</u>	
Net Position of Business-Type Activities	<u>\$ 200,125,973</u>	<u>\$ 11,545,616</u>	<u>\$ 1,548,979</u>	<u>\$ 213,220,568</u>	

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

COUNTY OF MONTEREY
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities	
	Natividad Medical Center	Nonmajor Enterprise Fund- Laguna Seca Recreation Area	Nonmajor Enterprise Fund- Parks Lake & Resort Operations	Total Enterprise Funds	Internal Service Funds
Operating Revenues:					
Net Patient Services Revenues	\$ 362,685,872	\$ -	\$ -	\$ 362,685,872	\$ -
Charges for Services	-	526,088	5,589	531,677	50,228,529
Other Operating Revenues	49,061,401	8,724,844	3,571,861	61,358,106	6,917,625
Total Operating Revenues	<u>411,747,273</u>	<u>9,250,932</u>	<u>3,577,450</u>	<u>424,575,655</u>	<u>57,146,154</u>
Operating Expenses:					
Salaries, Wages and Benefits	203,191,927	687,641	-	203,879,568	5,572,014
Services and Supplies	45,324,315	8,086,885	2,891,642	56,302,842	14,749,700
Claims Expense	-	-	-	-	27,032,115
Purchased Services	86,133,744	-	-	86,133,744	-
Depreciation and Amortization	11,064,615	907,483	193,087	12,165,185	5,549,382
Other Operating Expenses	6,548,914	192,525	-	6,741,439	1,725,394
Total Operating Expenses	<u>352,263,515</u>	<u>9,874,534</u>	<u>3,084,729</u>	<u>365,222,778</u>	<u>54,628,605</u>
Net Operating Income (Loss)	<u>59,483,758</u>	<u>(623,602)</u>	<u>492,721</u>	<u>59,352,877</u>	<u>2,517,549</u>
Non-Operating Revenues (Expenses):					
Interest Income	2,556,216	5,734	-	2,561,950	1,603,787
Interest Expense	(880,013)	(11,174)	(84,057)	(975,244)	(131,227)
Rents, Concessions and Royalties	1,481,301	-	-	1,481,301	-
Other Non-Operating Revenues	720,002	-	12,065	732,067	225,795
Total Non-Operating Revenues (Expenses)	<u>3,877,506</u>	<u>(5,440)</u>	<u>(71,992)</u>	<u>3,800,074</u>	<u>1,698,355</u>
Net Income (Loss) Before Transfers and Capital Contributions	63,361,264	(629,042)	420,729	63,152,951	4,215,904
Capital Contributions	-	10,289,004	-	10,289,004	-
Transfers In	23,915,365	1,840,970	1,953,117	27,709,452	40,853,115
Transfers Out	(15,500,000)	-	-	(15,500,000)	(17,621,148)
Change in Net Position	71,776,629	11,500,932	2,373,846	85,651,407	27,447,871
Net Position, Beginning of Year, As Restated	<u>125,829,218</u>	<u>-</u>	<u>(470,279)</u>	<u>125,358,939</u>	<u>33,400,667</u>
Net Position, End of Year	<u>\$ 197,605,847</u>	<u>\$ 11,500,932</u>	<u>\$ 1,903,567</u>	<u>\$ 211,010,346</u>	<u>\$ 60,848,538</u>
Change in Net Position, From Above	\$ 71,776,629	\$ 11,500,932	\$ 2,373,846	\$ 85,651,407	
Adjustment To Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Funds	<u>55,877</u>	<u>44,684</u>	<u>2,601</u>	<u>103,162</u>	
Change in Net Position of Business-Type Activities	<u>\$ 71,832,506</u>	<u>\$ 11,545,616</u>	<u>\$ 2,376,447</u>	<u>\$ 85,754,569</u>	

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

COUNTY OF MONTEREY
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities	
	Nonmajor Enterprise Fund - Laguna Natividad Medical Center	Nonmajor Enterprise Fund- Parks Lake & Resort Operations	Nonmajor Enterprise Fund- Parks Lake & Resort Operations	Total	Internal Service Funds
Cash Flows From Operating Activities:					
Cash Received from Patients and Third Party Payors	\$ 401,707,716	\$ (746,540)	\$ (253,486)	\$ 400,707,690	\$ (54,490)
Cash Receipts from Customers	-	9,250,932	3,577,451	12,828,383	6,917,628
Cash Receipts from Interfund Charges	-	-	-	-	50,132,421
Cash Paid to Employees for Services	(211,617,699)	(398,890)	-	(212,016,589)	(5,578,508)
Cash Paid to Suppliers for Goods and Services	(141,588,728)	(8,295,278)	(2,861,383)	(152,745,389)	(41,104,264)
Cash Paid to Other Funds for Services Provided	-	-	-	-	(2,125,848)
Net cash provided (used) by operating activities	<u>48,501,289</u>	<u>(189,776)</u>	<u>462,582</u>	<u>48,774,095</u>	<u>8,186,939</u>
Cash Flows From Noncapital Financing Activities:					
Grants Revenues Received	19,779,308	-	-	19,779,308	-
Transfers from Other Funds	23,915,365	1,840,970	1,953,117	27,709,452	40,853,115
Transfers to Other Funds	(15,500,000)	-	-	(15,500,000)	(17,621,148)
Due from Other Funds	-	-	-	-	(30,498)
Due to Other Funds	-	-	22,263	22,263	-
Unrestricted Donations Received	720,002	-	-	720,002	-
Net cash provided (used) by noncapital financing activities	<u>28,914,675</u>	<u>1,840,970</u>	<u>1,975,380</u>	<u>32,731,025</u>	<u>23,201,469</u>
Cash Flows From Capital and Related Financing Activities:					
Collection of Advances	-	-	-	-	626,591
Repayment of Advances	-	-	(457,411)	(457,411)	-
Principal Paid on Capital Related Debt	(3,433,614)	-	-	(3,433,614)	(1,339,651)
Interest Paid on Capital Related Debt	(1,537,218)	-	(84,057)	(1,621,275)	(131,227)
Payments Related to Acquisition of Capital Assets	(12,917,172)	-	-	(12,917,172)	(1,404,691)
Capital Contribution Non-Cash	-	31,204	-	31,204	-
Collections Related to Dispositions of Capital Assets	-	-	12,065	12,065	225,795
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(17,888,004)</u>	<u>31,204</u>	<u>(529,403)</u>	<u>(18,386,203)</u>	<u>(2,023,183)</u>
Cash Flows From Investing Activities					
Cash Received from Rental Income	1,481,301	-	-	1,481,301	-
Interest Payments Received	2,556,216	5,734	-	2,561,950	1,603,787
Interest Paid on Capital Related Debt	-	(11,174)	-	(11,174)	-
Net Cash Provided (Used) by Investing Activities	<u>4,037,517</u>	<u>(5,440)</u>	<u>-</u>	<u>4,032,077</u>	<u>1,603,787</u>
Net Cash Increase (Decreases) in Cash and Cash Equivalents	<u>63,565,477</u>	<u>1,676,958</u>	<u>1,908,559</u>	<u>67,150,994</u>	<u>30,969,012</u>
Cash and Cash Equivalents, July 1	<u>161,415,993</u>	<u>-</u>	<u>150,288</u>	<u>161,566,281</u>	<u>126,691,728</u>
Cash and Cash Equivalents, June 30	<u>224,981,470</u>	<u>1,676,958</u>	<u>2,058,847</u>	<u>228,717,275</u>	<u>157,660,740</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position					
Cash and Cash Equivalents	224,969,929	1,676,958	2,058,870	228,705,757	154,728,477
Imprest Cash	3,680	-	-	3,680	-
Other Bank Accounts	7,861	-	-	7,861	2,932,893
Total Cash and Cash Equivalents	<u>224,981,470</u>	<u>1,676,958</u>	<u>2,058,870</u>	<u>228,717,298</u>	<u>157,661,370</u>
Schedule of Non-Cash Capital and Related Financing Activities					
Contributions of Capital Assets	-	10,289,004	-	10,289,004	-

COUNTY OF MONTEREY
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds			Governmental Activities	
	Nonmajor Enterprise Fund - Laguna Natividad Medical Center	Nonmajor Enterprise Fund- Seca Recreation Area	Nonmajor Enterprise Fund- Parks Lake & Resort Operations	Total	Internal Service Funds
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:					
Operating Income(Loss)	59,483,756	283,881	492,721	60,260,358	2,517,549
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	11,064,615	-	193,087	11,257,702	5,549,382
(Increase) Decrease in Receivables	(10,039,557)	(746,540)	(253,485)	(11,039,582)	(54,489)
(Increase) Decrease in Inventories	(214,282)	-	-	(214,282)	-
(Increase) Decrease in Prepaid Items	1,931,673	(1,985,564)	-	(53,891)	-
Increase (Decrease) in Accounts Payable	(4,174,287)	972,114	30,259	(3,171,914)	132,199
Increase (Decrease) in Deferred Outflows - Pension	1,475,508	(64,813)	-	1,410,695	-
Increase (Decrease) in Deferred Outflows - OPEB	(406,772)	-	-	(406,772)	-
Increase (Decrease) in Other Accrued Liabilities	-	-	-	-	(96,108)
Increase (Decrease) in Other Salaries and Benefits	(7,690,950)	9,447	-	(7,681,503)	(6,494)
Increase (Decrease) in Other Liabilities	(1,124,859)	-	-	(1,124,859)	-
Increase (Decrease) in Compensated Absences	894,672	60,348	-	955,020	-
Increase (Decrease) in Post-employment Liability	876,551	-	-	876,551	-
Increase (Decrease) in Deferred Inflows - Pension	(3,065,752)	1,775	-	(3,063,977)	-
Increase (Decrease) in Deferred inflows - OPEB	(96,735)	-	-	(96,735)	-
Increase (Decrease) in Pension Liability	(412,292)	281,994	-	(130,298)	-
Increase (Decrease) in Claims Liability	-	-	-	-	144,900
Increase (Decrease) in Deferred Revenues	-	997,582	-	997,582	-
Total Adjustments	<u>(10,982,467)</u>	<u>(473,657)</u>	<u>(30,139)</u>	<u>(11,486,263)</u>	<u>5,669,390</u>
Net Cash Provided (Used) by Operating Activities:	<u>\$ 48,501,289</u>	<u>\$ (189,776)</u>	<u>\$ 462,582</u>	<u>\$ 48,774,095</u>	<u>\$ 8,186,939</u>

COUNTY OF MONTEREY
Statement of Fiduciary Funds Net Position
June 30, 2021

	Investment Trust	Private Purpose Trust	Custodial Funds
Assets			
Held in County Treasury	\$1,157,910,854	\$ 11,196,186	\$ 45,488,661
Taxes Receivable	-	-	34,445,506
Long-Term Receivables	-	27,938	-
Assets Held for Resale	-	24,068	-
Equipment	-	578,048	-
Total Assets	1,157,910,854	11,826,240	79,934,167
Liabilities			
Accounts Payable and Accrued Expenses	-	1,526	555,428
Deposits from Others	-	3,700	-
Unearned Revenues	-	45,153	-
Assets Held as Agency for Others	-	108,584	5,813,997
Total Liabilities	-	158,963	6,369,425
Net Position			
Net Position Held in Trust for Investment Pool	1,157,910,854	-	-
Restricted to Individual, Organizations, and other Governments	-	11,667,277	73,564,739
Total Net Position	\$1,157,910,854	\$ 11,667,277	\$ 73,564,739

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

COUNTY OF MONTEREY
Statement of Changes in Fiduciary Funds Net Position
For the Fiscal Year Ended June 30, 2021

	<u>Investment Trust</u>	<u>Private Purpose Trust</u>	<u>Custodial Funds</u>
Additions			
Property Taxes	\$ -	\$ 2,379,446	\$ -
Local Tax Collected for other Government	-	-	2,080,067,613
Assistance Fund Received for other Government	-	-	26,637,973
Investment Related Collections for other Governments	-	38,037	27,524,629
Contributions to Investment Pool	1,999,625,287	-	-
Interest Income	11,839,403	40,872	-
Gifts & Bequests	-	6,737,270	-
Other Contributions	-	-	1,211,619
Total Additions	<u>2,011,464,690</u>	<u>9,195,625</u>	<u>2,135,441,834</u>
Deductions			
Distributions from investment pool	1,827,580,232	-	-
Deductions - Administrative Expenses	-	76,695	-
Payment of Local Tax to other Governments	-	-	2,013,067,462
Deductions - Payment of Assistance fund to other Government	-	-	42,232,384
Deductions - Investment related Payments	-	-	24,634,525
Deductions - Custodial Funds Administrative Fees	-	-	6,446,881
Beneficiary payments to individuals	-	5,277,477	-
Depreciation and Amortization	-	103,237	-
Total Deductions	<u>1,827,580,232</u>	<u>5,457,409</u>	<u>2,086,381,252</u>
Change in Net Position	183,884,458	3,738,216	49,060,582
Net Position, Beginning of Year, as Restated			
Net Position, Beginning of Year	974,026,396	4,247,753	-
Prior Period Adjustment Due to Changes in Accounting Principles	-	3,681,308	24,504,157
Net Position, End of Year	<u>\$1,157,910,854</u>	<u>\$ 11,667,277</u>	<u>\$ 73,564,739</u>

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

NOTES TO FINANCIAL STATEMENTS

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



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COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies

A. The Financial Reporting Entity

The County of Monterey, California (County) was created pursuant to general law as a subdivision of the State of California. The County is governed by a five-member elected Board of Supervisors (County Board) with legislative and executive control of the County. As required by generally accepted accounting principles (GAAP) in the United States of America, the accompanying financial statements present the County (the primary government) and its component units, entities for which the County is considered to be financially accountable. Blended component units, though they are legally separate entities, are in substance part of the County's operations. Thus, blended component units are presented as funds of the County. The discretely presented component units, on the other hand, are reported in separate columns in the government-wide financial statements to emphasize that they are not considered as an integral part of the primary government. The County's financial statements include all financial activities for which the primary government is financially accountable or closely related.

Blended Component Units

Although legally separate from the County, the following blended component units are reported as if they were a part of the County due to the County Board serving as the governing board of each component unit. In addition, the primary government has operational responsibility for the component units:

- Monterey County Water Resources Agency, including Storm Drain Maintenance District No. 2 and Gonzales Slough Maintenance District – All County Service Areas
- All County Sanitation Districts except Seaside County Sanitation District
- Nacimiento Hydroelectric Operations
- Monterey County Financing Authority
- Monterey County Public Improvement Corporation
- Community Facilities District 2006-1, East Garrison Public Financing Authority

Complete financial statements of the Monterey County Financing Authority and Monterey County Public Improvements Corporation can be obtained by contacting the County of Monterey, Auditor-Controller, P.O. Box 390, Salinas, CA 93902.

Discretely Presented Component Units

Monterey County Children and Families Commission (Commission) was established under the provisions of the California Children and Families Act. The Commission is a legally separate entity governed by a board of seven members. Three members are representatives of the County's health care departments, County's social services departments and the Board of Supervisors. The County Board of Supervisors may remove any Commission member at any time. Since the County Board of Supervisors can impose their will on the Commission, the Commission is considered a discretely presented component unit of the County. Separately issued statements may be obtained by contacting the Commission at 1125 Baldwin Street, Salinas, CA 93906.

The Monterey County Board of Supervisors appoints a voting majority of the governing boards of the following entities; however, such entities are excluded from the accompanying financial statements due to the fact that (1) the County is not able to impose its will on the entity and (2) there is not a financial benefit/burden relationship between the County and the entity:

- Monterey County Housing Authority
- Monterey Bay Unified Air Pollution Control District
- All Cemetery Districts
- Community Facilities
- Carmel Highlands Fire Protection District
- Mid-Carmel Valley Fire Protection District

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

A. The Financial Reporting Entity (continued)

- Mission Soledad Rural Fire Protection District
- Salinas Rural Fire Protection District
- North County Public Recreation District

B. Basis of Presentation

In accordance with GASB Statement No. 34, "*Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*," the financial statements consist of the following:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

Government-Wide Financial Statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. All internal balances in the statement of net position have been eliminated with the exception of those representing balances between *governmental activities* and the *business-type activities*, which are presented as internal balances. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County and between the County and its discretely presented component units. Governmental activities, which are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees charged to external customers. Likewise, the County is reported separately from certain legally separate component units for which the County is financially accountable.

The Statement of Activities presents a comparison between program expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. 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 as general revenues.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the County's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments for services where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the County's funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions

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, which are each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

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

The County reports the following major governmental funds:

- *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 general government, public safety and protection, public ways and facilities, health and sanitation, public assistance, education and recreation and cultural services.
- The *Road Fund* carries out public ways activities of traffic engineering, project and community development, design, construction, and operation of the county road, bridge, and utility infrastructure and receives state highway users tax and state and federal aid and grants.
- The *Behavioral Health Fund* carries out governmental activities of the County that relate to alcohol, drug, and mental health services. The primary source of revenue for this fund is the state and federal grants and aid.
- The *Facilities Master Plan Implementation Fund* is established to account for capital projects undertaken with debt in order to adhere to reporting requirements and assure the County is on schedule with project implementation and completion.

The County reports the following major enterprise fund:

- The Natividad Medical Center (NMC) accounts for hospital operations involved in providing health services to County residents. Revenues are principally fees for patient services, payments from federal and state programs such as Medicare, Medi-Cal and Short Doyle, realignment revenues, and subsidies from the General Fund. For more detailed information on NMC, refer to the Natividad Medical Center audit report.

The County reports the following additional fund types:

- *Internal Service Funds* account for the County's self-insurance programs, including workers' compensation, general liability insurance, other employee benefit plans that include vision, dental, long term disability, and other miscellaneous employee benefits; and resource planning to provide funds for capital projects that require replacement, maintenance, or upgrades during the life of the asset.
- The *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts and other special districts governed by local boards, regional boards and authorities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- The *Private Purpose Trust Fund* are used to report all fiduciary activities that 1) are not required to be reported in pension (and other employee benefits) trust funds or investment trust funds and 2) are held in a trust. These include the Successor Agency and Public Guardian.
- The *Custodial Funds* account are used to report all fiduciary activities that are not required in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds. These include unapportioned collections and other custodial funds.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

B. Basis of Presentation (continued)

During the course of operations, the County has activity between funds for various purposes through due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between those funds included in the governmental activities (i.e., the governmental and the internal service funds) are eliminated so that only the net amount is reported as internal balances in the governmental activities column. Similarly, balances between those funds included in the business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Certain activities occur during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between those funds included in the governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between those funds included in the business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, and the basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements (excluding custodial funds). Revenues are recorded when earned and expenses are recorded when 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, revenues from property taxes are 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 "susceptible to accrual" (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means that revenues are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenues are recognized in the current year if they are collected within 60 days of year-end. For all other revenues, the County considers revenues to be available if they are collected within 120 days of the end of the current fiscal period. Revenues not considered available are recorded as deferred inflows of resources. The County's other primary revenue sources: investment income, intergovernmental revenues, and charges for services, have been treated as "susceptible to accrual" under the modified accrual basis. Licenses and permits, fines, forfeitures and penalties, and other revenues are not considered "susceptible to accrual" under the modified accrual basis and are recorded as revenues when received. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

D. Cash and Investments

The County follows the practice of pooling cash and investments of all funds with the County Treasurer, except for certain restricted funds which are generally held by outside custodians and classified as "Cash and investments with fiscal agents" on the accompanying financial statements. Interest earned on pooled investments is allocated to the funds entitled to receive interest based on the average daily cash balance of each fund for the quarter in which the interest was earned.

For purposes of the Statement of Cash Flows, the proprietary fund types consider all highly liquid investments with a maturity date of three months or less at the time of purchase to be cash equivalents. Proprietary fund types deposits with the County Treasurer are demand-type deposits and are therefore considered to be cash equivalents.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

D. Cash and Investments (continued)

Investment in the Treasurer's Pool

Statutes authorize the County to invest its surplus cash in obligations of the U.S. Treasury, agencies and instrumentalities, corporate bonds rated P-1 by Standard & Poor's Corporation or A-1 by Moody's Investor Service, bankers' acceptances, certificates of deposit, commercial paper, repurchase agreements, and the State of California Local Agency Investment Fund. Gains and losses are recognized upon sale based upon the specific identification method. Investments are reported at fair value. The fair values of investments are obtained by using quotations obtained from independent published sources.

The fair value of participants' position in the County's investment pool is the same as the value of the pool shares. The method used to determine the value of participants' equity withdrawn is based on the book value of the participants' percentage at the date of such withdrawal.

E. Inventories and Prepaid Items

Inventories are stated at cost (first-in, first-out basis) for governmental funds and lower of cost (first-in, first-out basis) or market for proprietary funds. Inventory recorded by governmental funds includes postage and materials, fleet vehicles and parts and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Similarly, the consumption method is used for prepaid items where certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items in both the government-wide and fund financial statements. Reported inventories and prepaid items of governmental funds are equally offset by a corresponding nonspendable portion of fund balance to indicate that they are not expendable available financial resources.

Inventory recorded in the proprietary funds mainly consists of maintenance supplies as well as pharmaceutical supplies maintained by NMC. Inventory is expensed as the supplies are consumed.

F. Property Taxes

Property taxes attach as an enforceable lien on the secured and unsecured property as of January 1, and are levied as of July 1. Secured property taxes are due in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are due on July 1 and become delinquent, if unpaid, on August 31. The County bills and collects its own property taxes and also collects such taxes for cities, schools, and special districts.

G. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if the actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at the estimated acquisition value. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, lighting system, drainage system, dams and water systems. The County defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. For infrastructure and buildings, the capitalization threshold is \$100,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

Infrastructure (Except for the Maintained Pavement Subsystem)	15 to 50 years
Structures and Improvements	40 to 50 years
Equipment	3 to 25 years

The County has four networks of infrastructure assets – roads, lighting, drainage system, dams and water system.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

H. Compensated Absences (Accrued Vacation, Paid-Time-Off, Sick Leave, and Compensatory Time)

Vacation and Paid-Time-Off

Unused vacation and paid-time-off (PTO) leaves may be accumulated up to a specified maximum cap based on an employee's bargaining unit or management group. Vacation and PTO leaves are paid to the employee at the time of separation from County employment. Some County employees have an option to buy back up to 80 hours of vacation or PTO leave.

The current portion of the liability for vacation and PTO leaves is based on an estimated percentage of employees that will separate from County employment in the next fiscal year (turnover rate), applied to the total liability for vacation and PTO leaves.

Sick Leave

Sick Leave can be accumulated indefinitely. Upon retirement or death, unused sick leave is paid up to 500 hours or 750 hours if an employee opts to exchange time to pay for health benefits. All unused sick leave above the 500-750 hours or any unused sick leave for employees separated from the County for other reasons is forfeited.

Compensatory Time

Compensatory time-off can be accrued in lieu of overtime payments. An employee can accumulate compensatory time-off up to 240 hours or 480 hours for public safety and seasonal workers. The compensatory time-off balances are expected to be used within the next fiscal year. All compensatory time-off balances are considered current year liabilities. The County includes its share of Social Security and Medicare taxes payable on behalf of the employees in the accrual for compensated absences.

I. Pensions

In government-wide financial statements, retirement plans (pensions) are required to be recognized and disclosed using the accrual basis of accounting (see Note 10 and the required supplementary information (RSI) section immediately following the Notes to Financial Statements), 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 excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial reports provided by the California Public Employees Retirement System (CalPERS) for its plans. 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 expected or actual experience) are amortized over the weighted average remaining service life of all participants in the respective pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred.

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

J. 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/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the California Employers' Retiree Benefit Trust (CERBT). 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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

K. Lease Obligations

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

L. Long-Term Debt

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using a method that approximates the effective interest method. Bond issuance costs are reported as expenses in the period incurred. Bonds payable are reported net of the applicable bond premium or discount. Gains or losses from advance refundings are deferred and amortized as interest expense over the life of the new refunding debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Interfund Transactions

Interfund transactions are reflected as either loans, services provided/(received), reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a corresponding nonspendable portion of fund balance to indicate that they are not available for appropriation and are not expendable available financial resources.

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

N. 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*. This separate financial statement element represents a consumption of net position by the County that is applied to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has deferred outflows of resources related to unamortized losses on refunding debts (Note 7) and related to pensions (Note 10) and OPEB (Note 11). The losses on refunding result from the difference in carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of a net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has deferred inflows of resources related to unavailable revenues (Note 4) reported under the modified accrual basis of accounting in the governmental funds balance sheet and related to a deferred gain on unamortized gains on refunding debts (Note 7), pensions (Note 10) and OPEB (Note 11) in its proprietary and government-wide financial statements. The governmental funds report unavailable revenues from property taxes, advances from federal and state, and other sources as appropriate. These amounts are deferred and recognized as revenues in the period the amounts become available. The gain on refunding results from the difference in carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt.

O. Estimates

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

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

P. Budget Process

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

An operating budget is adopted each fiscal year for the majority of the Governmental Funds. Expenditures are controlled at the appropriation unit level for the County. Appropriation unit level expenditures may not legally exceed appropriations. Any amendments or transfers of appropriations between departments or funds are authorized by the County Administrator's office and must be approved by the Board of Supervisors. Supplementary appropriations normally financed by unanticipated revenues during the year must be approved by the Board of Supervisors. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and as amended during the fiscal year by resolutions approved by the Board of Supervisors.

The Actual Amounts reported in the budgetary statements and schedules matches to the basis used to present the basic financial statements in accordance with generally accepted accounting principles (GAAP).

Q. Net Position

The government-wide and business-type activities financial statements utilize a net position presentation. Net position represent the difference between assets plus deferred outflow of resources and liabilities plus deferred inflow of resources and are displayed in three components:

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 represents a net position that is subject to constraints either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the net position of the County, not restricted for any project or other purpose.

When both restricted and unrestricted net position is available, restricted resources are used first, then unrestricted resources as they are needed.

R. Fund Balance

Fund balance of governmental funds is reported in the following categories based on the nature of limitations confining the use of resources for specific purposes:

Nonspendable Fund Balance – This category represents amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact.

Restricted fund balance – This category represents amounts with constraints placed on their use by those external to the County, including creditors, grantors, contributors or laws and regulations of other governments. It also includes constraints imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – This category represents amounts that can only be used for specific purposes determined by formal action (ordinance) of the County's highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the same manner. The underlying action (ordinance) that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned Fund Balance – This category represents amounts that are constrained by the County's intent to be used for specific purposes as determined by the Board of Supervisors via resolution or budget adoption process.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

R. Fund Balance (continued)

Unassigned Fund Balance – This category represents the residual classification that includes amounts not contained in the other classifications. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative fund balance in that fund.

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (committed, assigned, and unassigned fund balances). To determine the amounts to report as restricted, committed, assigned, and unassigned fund balances in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. The County's board establishes, modifies or rescinds fund balance commitments by the passage of an ordinance and assignments by the passage of a resolution. When restricted and unrestricted resources are available for use, The County considers the restricted fund balance to have been depleted before the unrestricted fund balance is applied. Further, in circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

Fund Balance Policy

The County's goal is to use unrestricted fund balance as a source to finance one-time investments, reserves and/or commitments. Committed, assigned and unassigned fund balances are considered unrestricted. The County's general financial guidelines permit the County's Board of Supervisors to use unbudgeted unassigned fund balance in the following manner as recommended by the County Administrative Officer:

1. A capital project fund
2. Productivity investment assignment
3. Strategic reserve equal to 10 percent of current general fund revenues
4. One-time investments or assignments

Strategic Reserve Policy

The County has established a strategic reserve reported as a separate committed fund balance constraint. The target funding level is equal to ten percent of the total general fund final budgeted estimated revenues. Funding for the strategic reserve is appropriated annually by the Board of Supervisors as part of the budget approval

The purpose of the County's general fund strategic reserve is to:

1. Fund settlement of legal judgments against the County in excess of reserves normally designated for litigation.
2. Cover short-term revenue reductions due to economic downturns, for natural disasters as determined by the County Administrative Officer or the Board of Supervisors, and for one-term only State budget reductions that could not be addressed through the annual appropriations for contingencies in the general fund.

The County has also established a strategic reserve reported as a separate committed fund balance constraint as the Natividad Medical Center Strategic Reserve. The Natividad Medical Center Strategic Reserve is funded with unrestricted NMC net position and can be used only for Natividad Medical Center purposes, as determined by the County's Board of Supervisors based on recommendations of the NMC Board of Trustees.

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

The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

In January 2017, the GASB issued GASB Statement No. 84, Fiduciary Activities. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and post-employment benefit arrangements that are

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

S. Implementation of Governmental Accounting Standards Board (GASB) Statements (continued)

The County implemented GASB 84 in fiscal year ending June 30, 2021. Implementation of this standard led to reclassification of certain activities between governmental and fiduciary funds. It also required the reclassification of previously reported agency funds as custodial funds. This implementation required the County to restate the beginning net position for Public Purpose Trust funds and Custodial funds.

As a result, the County restated the net position as of July 1, 2020 as follows:

Fiduciary Funds:	Net position, beginning of year, as reported	Prior period adjustment due to changes in accounting principles	Net position, beginning of year, as restated
Investment Funds	\$ 974,026,396	\$ -	\$ 974,026,396
Private Purpose Trust Funds	4,247,753	3,681,308	7,929,061
Custodial Funds	-	24,504,157	24,504,157
Total Fiduciary Funds	<u>\$ 978,274,149</u>	<u>\$ 28,185,465</u>	<u>\$ 1,006,459,614</u>

In August 2018, the GASB issued GASB Statement No. 90, Majority Equity Interests. Statement 90 clarifies the accounting and financial reporting requirements for a state or local government's majority equity interest in an organization that remains legally separate after acquisition. Under Statement 90 a government entity should report its majority equity interest in a legally separate organization as an investment if that equity interest meets the GASB's definition of an investment. If it does not meet the definition of an investment, Statement 90 requires to report the legally separate entity as a component unit. It also establishes guidance for remeasuring assets and liabilities of wholly acquired governmental organizations that remain legally separate and brings the reporting of those acquisitions in line now with existing standards for acquisitions that do not remain legally separate.

In March 2020, the GASB issued GASB Statement No. 93, Replacement of Interbank Offered Rates. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of the London Interbank Offered Rate (IBOR).

In October 2021, GASB issued Statement No. 98, Annual Comprehensive Financial Report. This statement establishes the annual comprehensive financial report and ACFR in generally accepted accounting principles (GAAP) for state and local governments and eliminates the prior name and acronym. Previous acronym was pronounced offensive in other languages. No other changes were made to the report's structure or content.

The County is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In June 2017, the GASB issued GASB Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right to use leased asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the County's fiscal year ending June 30, 2022.

In June 2018, the GASB issued GASB Statement No. 89, Accounting for Interest Cost Incurred before the end of a construction period. Statement 89 establishes guidance designed to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period. It also simplifies accounting for interest cost incurred before the end of a construction period. For financial statements prepared using the economic resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expense in the period in which the cost is incurred. Such interest cost should not be capitalized as part of the historical cost of a capital asset. For financial statements prepared using the current financial resources measurement focus, interest incurred before the end of a construction period should continue to be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The Statement is effective for the County's fiscal year ending June 30, 2022.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1: Summary of Significant Accounting Policies (continued)

S. Implementation of Governmental Accounting Standards Board (GASB) Statements (continued)

period should continue to be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The Statement is effective for the County's fiscal year ending June 30, 2022.

In May 2019, the GASB issued GASB Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The Statement is effective for the County's fiscal year ending June 30, 2023.

In January 2020, GASB issued GASB Statement No. 92, Omnibus 2020: This Statement's goal is to provide a single method of reporting conduit debt obligations by issuers and bring uniformity in practice related to 1) commitments extended by issuers, 2) arrangement associated with conduit debt obligations, and 3) related note disclosures. This Statement also clarifies the existing definition of conduit debt obligation; establishes that conduit debt obligation is not a liability of the issuer; established the standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement is effective for the County's fiscal year June 30, 2023.

In March 2020, the GASB issued GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The effective date of this Statement is for fiscal years beginning after June 15, 2022.

In May 2020, the GASB issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

In June 2020, GASB issued GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. The objectives of the Statement are to 1) increase consistency and comparability related to the reporting of fiduciary component units; 2) mitigate costs related to the reporting of certain defined contribution pension plans, defined other post-employment benefit (OPEB) plans, and employee benefit plans other than pension plans; 3) improve the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for the benefits provided through those plans. The effective date of this Statement is for reporting periods beginning after June 15, 2021.

Note 2: Cash and Investments

The County Treasurer is responsible for managing the investment pool with deposits from the County, all County school districts, and various special districts within the County pursuant to California Government Code Section 53600. The State of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The County investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. The objectives of the County investment policy, in order of priority, are safety, liquidity, and yield. The County Board annually reviews the County Investment Policy, and all amendments to the policy require the County's Board approval.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 2: Cash and Investments (continued)

As of June 30, 2021, the County's cash, deposits and investments were as follows:

	Pooled	With Fiscal Agents	Other	Total
Imprest Cash and Cash on Hand	\$ 103,061	\$ -	\$ 17,840	\$ 120,901
Deposits With Financial Institutions	4,873,437	11,470,810	5,257,542	21,601,789
Outstanding Warrants and Wires	(34,052,707)	-	-	(34,052,707)
Investments	<u>2,210,683,296</u>	<u>233</u>	<u>-</u>	<u>2,210,683,529</u>
Totals	<u>\$ 2,181,607,087</u>	<u>\$ 11,471,043</u>	<u>\$ 5,275,382</u>	<u>\$ 2,198,353,512</u>

Total cash and investments at June 30, 2021, were presented on the County's financial statements as follows:

Primary Government	\$ 974,316,609
Investment Trust Fund	1,157,910,854
Custodial Funds	45,488,661
Private Purpose Trust Fund	11,196,186
Discretely Presented Component Unit	<u>9,441,202</u>
Total Cash and Investments	<u>\$ 2,198,353,512</u>

Investments

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

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	10%
U.S. Treasury Obligations	5 years	None	None
State of California Obligations	5 years	None	10%
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	5%
Commercial Paper	270 days	40%	5%
Negotiable CDs/CD Placement Service	5 years	30%	5%
Repurchase Agreements	1 year	20%	None
Reverse Repurchase Agreements	92 days	20%	None
Medium Term Notes	5 years	30%	5%
Mutual/Money Market Funds	N/A	20%	10% 5%
Collateralized Bank Deposits	5 years	None	
Mortgage Pass-Through Securities	5 years	20%	5%
Time Deposits	2 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None*	None
Supranational Debt Obligations	5 years	30%	None

* The investment policy limits the pool's investments in LAIF to \$75,000,000 per account, regardless of the percentage this represents.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 2: Cash and Investments (continued)

At June 30, 2021, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	WAM (Years)
Investments in Investment Pool					
Federal Agency Obligations	0.125% - 3.00%	10/12/21 - 12/15/25	\$ 380,170,000	\$ 380,928,579	2.42
U.S. Treasury Obligations	0.125% - 2.75%	7/31/21 - 5/31/26	971,845,000	977,847,424	1.88
Medium Term Notes	0.40% - 4.50%	7/12/21 - 2/12/26	282,974,000	289,707,180	2.16
Negotiable CDs	0.17% - 1.80%	2/14/22 - 7/8/22	60,395,000	60,395,000	0.81
Commercial Paper	0.15% - 0.23%	7/30/21 - 3/22/22	143,925,000	143,733,262	0.54
Supranationals	0.125% - 1.876%	4/20/23 - 8/28/24	57,770,000	58,746,550	2.43
Municipal Bonds	0.51% - 5.00%	7/1/2023 - 8/1/25	1,095,000	1,105,232	3.05
Money Market Mutual Funds	Variable	On Demand	9,288,775	9,288,775	-
California Asset Management Program	Variable	On Demand	127,950,000	127,950,000	-
CalTRUST	Variable	On Demand	85,981,294	85,981,294	-
California Local Agency Investment Fund	Variable	On Demand	75,000,000	75,000,000	-
Total Investment Pool Excluding Defaulted Securities			<u>\$2,196,394,069</u>	<u>\$2,210,683,296</u>	-
Weighted Average Maturity for Pool					1.65
Default Securities					
Lehman Brothers Medium-Term Notes	N/A	In Default	\$ 10,000,000	\$ -	-
Total Investment Pool			<u>\$2,206,394,069</u>	<u>\$ 2,210,683,296</u>	-
Investments Outside Investment Pool					
<i>Cash Held with Fiscal Agent</i>					
Money Market Mutual Funds	Variable	On Demand	\$ 233	\$ 233	-
Total Outside Investment Pool			<u>\$ 233</u>	<u>\$ 233</u>	-

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. While the County does not address interest rate risk specifically in its investment policy, one of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The County limits its exposure to interest rate risk inherent in its portfolio by managing the investment maturities, the weighted average maturity of its portfolio, as well as limiting the weighted average maturity to two years or less.

Credit Risk and Concentration of Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The County Treasurer mitigates these risks by holding a diversified portfolio of high quality investments. The adopted investment policy contains specific limitations on investments by credit quality, maturity length and the maximum allocation by asset class. In all instances, the adopted investment policy is equal to or more restrictive than applicable codified statutes.

Commercial paper obligations must be rated a minimum of F1 by Fitch, P1 by Moody's or A1 by Standard & Poor's. Corporate bonds must be rated A or better by one of these three rating agencies. In addition, total exposure of all asset classes to any single issuer shall not exceed 10% of the 12-month projected minimum size of the portfolio, other than securities issued by the U.S. Government, its agencies and sponsored enterprises.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 2: Cash and Investments (continued)

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the County Investment Pool's fair value at June 30, 2021.

	<u>Moody's</u>	<u>Standard & Poor's</u>	<u>% of Portfolio</u>
U.S. Treasury Obligations*	Aaa	AA+	39.18 %
U.S. Treasury Obligations*	Aaa	AAA	0.92 %
U.S. Treasury Obligations*	Aaa	Not rated	2.83 %
U.S. Treasury Obligations*	Not rated	Not rated	1.34 %
Federal Agency Obligations*	Aaa	AA+	12.63 %
Federal Agency Obligations*	Aaa	Not rated	1.61 %
Federal Agency Obligations*	Not rated	AA+	2.48 %
Federal Agency Obligations*	Not rated	Not rated	0.50 %
Commercial Paper	P-1	A-1	5.38 %
Commercial Paper	P-1	A-1+	1.13 %
Supranationals	Aaa	AAA	0.70 %
Supranationals	Not rated	Not rated	1.95 %
Negotiable CDs	Not rated	A-1+	2.26 %
Negotiable CDs	Not rated	Not rated	0.48 %
Medium-Term Notes	A1	A	0.25 %
Medium-Term Notes	A1	A+	1.35 %
Medium-Term Notes	A1	AA	0.94 %
Medium-Term Notes	A1	AA-	0.28 %
Medium-Term Notes	A1	BBB+	0.68 %
Medium-Term Notes	A2	A	0.87 %
Medium-Term Notes	A2	A-	1.77 %
Medium-Term Notes	A2	A+	0.94 %
Medium-Term Notes	A2	BBB+	0.45 %
Medium-Term Notes	A3	A	0.24 %
Medium-Term Notes	A3	A-	0.49 %
Medium-Term Notes	A3	A+	0.10 %
Medium-Term Notes	A3	AA-	0.21 %
Medium-Term Notes	A3	BBB+	0.43 %
Medium-Term Notes	A3	Not rated	0.43 %
Medium-Term Notes	Aa1	AA+	0.70 %
Medium-Term Notes	Aa2	AA	0.89 %
Medium-Term Notes	Aa2	AA+	0.24 %
Medium-Term Notes	Aa3	AA-	0.70 %
Medium-Term Notes	Not rated	A	0.19 %
Medium-Term Notes	Not rated	Not rated	0.92 %
Municipal Obligations	AAA	Not rated	0.01 %
Municipal Obligations	AA1	Not rated	0.01 %
Municipal Obligations	AA2	Not rated	0.01 %
Municipal Obligations	Not rated	Not rated	0.02 %
Money Market Mutual Funds	Not rated	Not rated	0.42 %
CalTrust	Aaa	AAA	2.25 %
CalTrust	Not rated	AAA	5.79 %
CalTrust	Not rated	Not rated	1.64 %
California Local Agency Investment Fund	Not rated	Not rated	3.40 %
Total			100.00 %

*Credit ratings of obligations of the U.S. government are exempt from disclosure. However, the County has chosen to include the information for completeness.

As of the year ended June 30, 2021, none of the individual Federal Agency Obligations were more than 5% of the County's pooled investments.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 2: Cash and Investments (continued)

Custodial Credit Risk

Custodial credit risk for investments is the risk that the County will not be able to recover the invested securities that are in the possession of an outside party. The County's investment policy requires the use of a safekeeping agent to mitigate custodial risk. Securities are invested on a "Delivery vs. Payment" basis using the custodian agent. In no case does the County engage in securities purchases that are held in broker or dealer accounts. At June 30, 2021, the County's investment pool had no securities exposed to custodial risk.

Custodial Credit Risk - Deposits

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or to recover collateral securities that are in the possession of an outside party. The risk is mitigated in that, of the County's bank balance of \$4,873,437 as of June 30, 2021, \$276,162 is insured by the Federal Depository Insurance Corporation. The California Government Code and the County's investment policy do not contain legal or policy requirements that would limit custodial credit risk for deposits except that a financial institution secures deposits of state or local governmental unit by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

Local Agency Investment Fund

The County Treasurer's Pool maintains an investment in the State of California Local Agency Investment Fund (LAIF). LAIF is part of the Pooled Money Investment Account (PMIA), an investment pool consisting of funds held by the state in addition to those deposited in LAIF. All PMIA funds are managed by the Investment Division of the State Treasurer's Office. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California Government Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute.

At June 30, 2021, the County's investment position in LAIF was \$75.0 million, which approximates fair value and is the same as the value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$193.5 billion. Of that amount, 2.31% was invested in structured notes and asset-backed securities with the remaining 97.69% invested in other non-derivative financial products.

Investment Trust of California Joint Powers Authority Pool

The County Treasurer's Pool maintains an investment in the Investment Trust of California Joint Powers Authority Pool (CalTRUST). CalTRUST is not registered with the Securities and Exchange Commission as an investment company, but is overseen by a Board of Trustees composed of officials of the public agencies that participate in CalTRUST. The fair value of the County's position in the pool is approximately the same as the value of the pool shares.

California Asset Management Program Joint Powers Authority Pool

The County Treasurer's Pool maintains an investment in the California Asset Management Program Joint Powers Authority Pool (CAMP). CAMP is not registered with the Securities and Exchange Commission as an investment company, but is overseen by a Board of Trustees composed of officials of the public agencies that participate in CAMP. CAMP's investments are limited to those permitted by Government Code Section 53601. The fair value of the County's position in the pool is approximately the same as the value of the pool shares.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 2: Cash and Investments (continued)

County Investment Pool Condensed Financial Statements

The following represents a condensed statement of net position and changes in net position for the Treasurer’s investment pool as of June 30, 2021:

Statement of Net Position

Net Position for Pool Participants	<u>\$ 2,181,607,087</u>
Equity of Internal Pool Participants	\$ 1,016,082,808
Equity of External Pool Participants	<u>1,165,524,279</u>
Total Net Position	<u>\$ 2,181,607,087</u>

Statement of Changes in Net Position

Net Investment Earnings	\$ 22,340,594
Investment Expenses	(1,176,175)
Net Contribution from Pool Participants	<u>384,344,772</u>
Change in Net Position	405,509,191
Net Position at July 1, 2020	<u>1,776,097,896</u>
Net Position at June 30, 2021	<u>\$ 2,181,607,087</u>

The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2021, to support the value of shares in the pool.

Fair Value Measurements

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The investments in an external investment pool are not subject to reporting within the level hierarchy. The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the County has the ability to access.

Level 2: Inputs to the valuation methodology include: Quoted prices for similar assets or liabilities in active markets; Quoted prices for identical or similar assets or liabilities in inactive markets; Inputs other than quoted prices that are observable for the asset or liability; Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 2: Cash and Investments (continued)

The County's cash equivalents and investments by fair value measurement as of June 30, 2021:

	Fair Value Measurement			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Observable Inputs Other Than Quoted Market Prices (Level 2)	Unobservable Inputs (Level 3)
Investments - Fair Value Level				
Commercial Paper	\$ 143,733,262	\$ -	\$ 143,733,262	\$ -
Corporate Notes	289,707,180	-	289,707,180	-
Negotiable CDs	60,395,000	-	60,395,000	-
US Treasuries	977,847,424	977,847,424	-	-
Federal Agencies	380,928,579	-	380,928,579	-
Supranationals	58,746,550	-	58,746,550	-
Municipal bonds	1,105,232	-	1,105,232	-
Total Investments Measured at Fair Value	\$ 1,912,463,227	<u>\$ 977,847,424</u>	<u>\$ 934,615,803</u>	<u>\$ -</u>
Investments Not Subject to Fair Value Hierarchy:				
Money Market Mutual Funds	9,289,008			
California Asset Management Program	127,950,000			
CalTRUST	85,981,294			
California Local Agency Investment Fund	<u>75,000,000</u>			
Total Pooled and Directed Investments	<u>\$ 2,210,683,529</u>			

Note 3: Interfund Transactions

The composition of interfund balances as of June 30, 2021, is as follows:

Due to/From Other Funds

Amounts due to and from other funds are to repay the General Liability fund for capital assets obtained as part of the Lakes Settlement in the Fiscal Year 2008.

Receivable fund	Payable fund	Amount
Internal Service Funds	General Fund	\$ 169,180
	Other Enterprise Fund	<u>457,411</u>
	Total	<u>\$ 626,591</u>

Advances to/From Other Funds

The interfund advances include the long term portion of the Parks & Lake Resort Enterprise fund's repayment agreement to General Liability fund for the assets obtained in the Lakes Settlement in the Fiscal Year 2007-08.

Receivable Fund	Payable Fund	Amount
Internal Service Funds	General Fund	\$ 364,767
	Other Enterprise Fund	<u>986,225</u>
	Total	<u>1,350,992</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 3: Interfund Transactions (continued)

Transfers

Transfers are indicative of funding for capital projects, debt service, subsidies of various County operations, and re-allocations of special revenues. Transfers between funds for the year ended June 30, 2021, were as follows:

Transfer From	Transfer To	Amount
General Fund	Behavioral Health	\$ 1,211,321
	Road Fund	5,262,992
	Facility Master Plan Implementation	62,781
	Other Governmental Funds	16,551,532
	Other Enterprise Fund	3,794,087
	Internal Service Funds	<u>40,853,115</u>
		<u>67,735,828</u>
Behavioral Health	General Fund	2,089,488
Facility Master Plan Implementation	Natividad Medical Center	12,105,365
Other Governmental Funds	General Fund	90,387,585
	Behavioral Health	29,038,922
	Facility Master Plan Implementation	100,000
	Other Governmental Funds	<u>4,501,644</u>
		<u>124,028,151</u>
Internal Service Funds	Facility Master Plan Implementation	2,464,010
	Other Governmental Funds	3,347,138
	Natividad Medical Center	<u>11,810,000</u>
		<u>17,621,148</u>
Natividad Medical Center	General Fund	500,000
	Facility Master Plan Implementation	<u>15,000,000</u>
		<u>15,500,000</u>
	Total	<u>\$ 239,079,979</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 4: Receivables

Receivables as of June 30, 2021, for the County's individual major, nonmajor, internal service, and enterprise funds are as follows:

Governmental Funds:

	General	Road Fund	Behavioral Health	Facility Master Plan Projects	Other Governmental	Total Governmental Funds
Receivables:						
Accounts – Net	\$ 20,164,786	\$ 76,987	\$ 583,185	\$ 100,000	\$ 1,504,749	\$ 22,429,707
Taxes Receivable	5,117,221	-	-	-	1,486,640	6,603,861
Due From Other Agencies	41,766,826	5,432,675	29,351,132	5,800	12,122,000	88,678,433
Interest	-	-	-	-	3,850,926	3,850,926
Totals	<u>\$ 67,048,833</u>	<u>\$ 5,509,662</u>	<u>\$ 29,934,317</u>	<u>\$ 105,800</u>	<u>\$ 18,964,315</u>	<u>\$ 121,562,927</u>

Proprietary Funds:

	Natividad Medical Center	Laguna Seca Recreation Area	Parks Lake & Resort Operations	Total Enterprise Funds	Internal Service Funds
Receivables:					
Accounts – Net	\$ 49,357,316	\$ 746,540	\$ 359,634	\$ 50,463,490	\$ 136,515
Due From Other Agencies	<u>25,562,837</u>	<u>-</u>	<u>-</u>	<u>25,562,837</u>	<u>-</u>
Totals	<u>\$ 74,920,153</u>	<u>\$ 746,540</u>	<u>\$ 359,634</u>	<u>\$ 76,026,327</u>	<u>\$ 136,515</u>

At June 30, 2021, accounts receivables reported by Natividad Medical Center were reduced by allowances for doubtful accounts and contractual adjustments as follows:

Allowance for Doubtful Accounts	\$ 11,291,270
Allowance for Contractual Adjustments	<u>144,051,008</u>
Totals	<u>\$ 155,342,278</u>

Governmental funds report unavailable revenue in connection with receivables for revenues considered unavailable to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of June 30, 2021, the various components of unavailable revenue and unearned revenue in the governmental funds were as follows:

Receivables Collected After the Period of Availability	
Unavailable Revenue – Accounts Receivable	\$ 2,915,152
Unavailable Revenue – Taxes Receivable	6,406,682
Unavailable Revenue – Due From Other Agencies	33,384,661
Unavailable Revenue – Interest Receivable	3,791,191
Total Unavailable Revenue	<u>46,497,686</u>
Unearned Revenues - Grant Advances Prior to Meeting All Eligibility Requirements	<u>56,371,166</u>
Total Unavailable and Unearned Revenue	<u>\$ 102,868,852</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	July 1, 2020	Additions	Retirements	Transfers	Balance June 30, 2021
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 312,483,650	\$ -	\$ -	\$ -	\$ 312,483,650
Construction in Progress	253,064,665	51,516,028	-	(32,227,328)	272,353,365
Total Capital Assets, Not Being Depreciated	565,548,315	51,516,028	-	(32,227,328)	584,837,015
Capital Assets, Being Depreciated:					
Infrastructure	611,963,767	-	-	26,845,193	638,808,960
Structures and Improvements	366,046,669	-	(26,677,573)	4,032,530	343,401,626
Equipment	132,840,187	4,686,434	(4,820,334)	1,349,605	134,055,892
Intangible Assets	20,757,733	-	-	-	20,757,733
Total Capital Assets, Being Depreciated	1,131,608,356	4,686,434	(31,497,907)	32,227,328	1,137,024,211
Less Accumulated Depreciation For:					
Infrastructure	(430,191,543)	(12,077,739)	-	-	(442,269,282)
Structures and Improvements	(175,716,894)	(12,991,037)	16,811,622	-	(171,896,309)
Equipment	(110,566,568)	(5,702,827)	3,971,965	-	(112,297,430)
Intangible Assets	(11,789,817)	(3,746,102)	-	-	(15,535,919)
Total Accumulated Depreciation	(728,264,822)	(34,517,705)	20,783,587	-	(741,998,940)
Total Capital Assets, Being Depreciated, Net	403,343,534	(29,831,271)	(10,714,320)	32,227,328	395,025,271
Governmental Activities Capital Assets, Net	\$ 968,891,849	\$ 21,684,757	\$ (10,714,320)	\$ -	\$ 979,862,286
	Balance July 1, 2020	Additions	Retirements	Transfers	Balance June 30, 2021
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Construction in Progress	\$ 14,993,632	\$ 8,377,039	\$ -	\$ -	\$ 23,370,671
Total Capital Assets, Not Being Depreciated	14,993,632	8,377,039	-	-	23,370,671
Capital Assets, Being Depreciated:					
Structures and Improvements	176,423,824	-	-	15,297,337	191,721,161
Equipment	134,538,931	4,540,133	(50,603)	723,860	139,752,321
Total Capital Assets, Being Depreciated	310,962,755	4,540,133	(50,603)	16,021,197	331,473,482
Less Accumulated Depreciation For:					
Structures and Improvements	(100,393,435)	(5,147,102)	-	(5,631,777)	(111,172,314)
Equipment	(100,284,853)	(7,018,083)	21,492	(102,510)	(107,383,954)
Total Accumulated Depreciation	(200,678,288)	(12,165,185)	21,492	(5,734,287)	(218,556,268)
Total Capital Assets, Being Depreciated, Net	110,284,467	(7,625,052)	(29,111)	10,286,910	112,917,214
Business-Type Activities Capital Assets, Net	\$ 125,278,099	\$ 751,987	\$ (29,111)	\$ 10,286,910	\$ 136,287,885

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 5: Capital Assets (continued)

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government Depreciation	\$ 7,367,155
Public Safety	8,459,900
Public Ways and Facilities	10,572,465
Health and Sanitation	1,917,400
Public Assistance	429,845
Education	124,913
Recreation and Cultural Services	96,645
Depreciation on Capital Assets Held by the County Internal Service Funds Are Charged to Various Functions Based on Their Usage of the Assets.	<u>5,549,382</u>
Total Depreciation Expense - Governmental Functions	<u><u>\$ 34,517,705</u></u>

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

Natividad Medical Center	\$ 11,064,615
Parks Lake and Resort Operations	193,087
Laguna Seca Recreation Area	907,483
Total Depreciation Expense - Business-Type Activities	<u><u>\$ 12,165,185</u></u>

Note 6: Leases

Operating Leases

The County has commitments under long-term and personal property operating lease agreements. During the fiscal year ended June 30, 2021, the County paid rents on these leases of \$5,724,600. Future minimum lease payments are as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>
Year Ended June 30:		
2022	\$ 20,657,482	\$ 76,329
2023	9,114,088	-
2024	7,574,970	-
2025	6,661,527	-
2026	5,727,160	-
2027-2031	13,675,829	-
2032-2036	424,999	-
2037-2095	6,714,996	-
Total Minimum Lease Payments	<u><u>\$ 70,551,051</u></u>	<u><u>\$ 76,329</u></u>

Operating Leases - Natividad Medical Center

As of June 30, 2021, the Center does not expect to receive a minimum rental income from operating leases for vacant office spaces located on its campus as these are cancellable at any time. Total rental income under operating lease agreements during the year ended June 30, 2021 was \$1,376,934.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 6: Leases (continued)

Capital Leases

The County has entered into certain capital lease arrangements under which the related structures and equipment will become the property of the County when all terms of the lease agreements are met. The lease agreements qualify as a capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

The following is a schedule of capital assets acquired through capital leases as of June 30, 2021:

	<u>Governmental Activities</u>
Structures and Improvements	\$ 17,240,416
Equipment	432,545
Less: Accumulated Amortization	<u>(2,105,833)</u>
Totals	<u>\$ 15,567,128</u>

The current year's amortization related to capital assets under capital leases for governmental activities was \$382,539 and is included in the governmental activities depreciation/amortization of \$34,517,705.

The following is a schedule of future minimum lease payments, as of June 30, 2021:

	<u>Governmental Activities</u>
Year Ended June 30:	
2022	\$ 1,947,105
2023	1,947,105
2024	1,918,902
2025	1,918,902
2026	1,918,901
2026-2030	<u>7,675,604</u>
Totals	17,326,519
Less: Amount Representing Interest	<u>(4,413,102)</u>
Present Value of Future Minimum Lease Payments	<u>\$ 12,913,417</u>

Note 7: Deferred Outflow and Inflow of Resources for Refunding

The summary of the deferred outflow and inflow of resources reported on the Statement of Net Position for the year ended June 30, 2021, are as follows:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
Unamortized Losses on Refunding Debts:				
Governmental Activities	\$ 392,959	\$ -	\$ 28,068	\$ 364,891
Business-Type Activities	<u>246,675</u>	<u>-</u>	<u>34,024</u>	<u>212,651</u>
Total	<u>\$ 639,634</u>	<u>\$ -</u>	<u>\$ 62,092</u>	<u>\$ 577,542</u>
	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2021</u>
Unamortized Gains on Refunding Debts:				
Governmental Activities	\$ 746,477	\$ -	\$ 43,910	\$ 702,567
Business-Type Activities	<u>190,146</u>	<u>-</u>	<u>11,185</u>	<u>178,961</u>
Total	<u>\$ 936,623</u>	<u>\$ -</u>	<u>\$ 55,095</u>	<u>\$ 881,528</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 8: Long-Term Liabilities

Legal Debt Limit

The County's legal debt limit for the year ended June 30, 2021, was \$937.6 million. This limit is based on 1.25% of the net assessed valuation of property within the County. The County's outstanding long-term issues payable is approximately \$179.9 million, but none is applicable to the debt limit. The County has complied with all significant debt covenants.

Summary of Long-Term Liabilities

	<u>Maturity</u>	<u>Interest Rates</u>	<u>Principal Installments</u>	<u>Date of Issue</u>	<u>Amount Authorized</u>	<u>Outstanding June 30, 2021</u>
<u>Governmental Activities</u>						
Certificates of Participation						
2017 Public Facilities Refunding (Defeased the 2007 Issue for Monterey County)	2037	3.0% - 5.0%	\$ 223,386 - \$ 5,798,533	2017	\$ 74,682,250	\$ 63,446,404
2015 Public Facilities Issue (Finance Capital Improvements at the Schilling Place Complex, and Fund Renovations of the East and West Wings of the Courthouse)	2046	3.0% - 5.0%	\$ 750,000-\$2,870,000	2015	48,440,000	44,370,000
2018 Revenue Refunding Bonds - Water Resources (Defeased 2008A Revenue Refunding Bonds-Originally Issued To Finance the Salinas Valley Water Project)	2037	3.0% - 5.0%	\$730,000 - \$ 1,720,000	2018	22,890,000	20,370,000
NGEN Issue (Finance Acquisition, Construction and Installation of Communications System)	2023	3.95%	\$508,887 - \$818,645	2010	8,518,628	2,363,792
Revenue bonds - Special Districts Agencies Under Board of Supervisors	2026	5.0%	\$5,400 - \$37,000	1981-96	1,244,700	167,000
Notes Payable - Parks & Recreation (Acquire Recreational Properties)						
San Antonio Lakes Resort	2023	5.0%	\$33,095	2007	4,185,000	511,172
Lake Nacimiento Resort	2023	5.0%	\$89,478	2007	11,315,000	1,382,192
Loans Payable - Bureau of Reclamation Agencies Under Board of Supervisors (Infrastructure and Facility Improvements)	2037	1.65% - 7.63%	\$16,847 - \$1,207,699	1995	35,035,790	18,134,927
Special Assessment Bonds With Governmental Commitment: General County-Chualar Water District (Infrastructure and Facility Improvements)	2025	4.25% - 7.2%	\$4,000 - \$26,000	1984-93	257,000	49,000
					<u>\$ 206,568,368</u>	<u>\$ 150,794,487</u>
<u>Business-Type Activities</u>						
Certificates of Participation (NMC Improvements)						
2017 COP Refunding	2037	3.0% - 5.0%	\$ 11,614 - \$ 301,467	2017	3,882,750	3,298,594
2019 COP Refunding	2028	5.0%	\$2,235,000-\$3,230,000	2019	29,005,000	25,775,000
					<u>\$ 32,887,750</u>	<u>\$ 29,073,594</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 8: Long-Term Liabilities (continued)

The following is a summary of long-term liabilities transactions for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Amount Due Within One Year
Governmental activities:					
Certificates of Participation 2017 Issue	\$ 67,362,790	\$ -	\$ 3,916,386	\$ 63,446,404	\$ 4,177,795
Unamortized Premium	12,860,491	-	791,415	12,069,076	-
Certificates of Participation 2015 Issue	\$ 45,260,000	-	890,000	44,370,000	935,000
Unamortized Premium	3,341,805	-	132,349	3,209,456	-
Certificates of Participation NGEN Program	3,092,615	-	728,823	2,363,792	757,611
Revenue Bonds	21,326,000	-	789,000	20,537,000	820,000
Unamortized Premium	3,228,807	-	230,629	2,998,178	-
Notes From Direct Borrowings	22,444,000	-	2,415,709	20,028,291	2,488,730
Special Assessments Bonds	61,000	-	12,000	49,000	13,000
Capital Leases	13,938,911	-	1,025,494	12,913,417	1,096,304
Compensated Absences	43,254,238	28,525,919	23,704,601	48,075,556	20,675,025
Estimated Self-Insurance Liabilities	106,214,209	27,032,114	26,887,214	106,359,109	22,573,237
Estimated Landfill Postclosure Costs	752,436	-	248,101	504,335	250,786
Total Governmental Activities	<u>\$ 343,137,302</u>	<u>\$ 55,558,033</u>	<u>\$ 61,771,721</u>	<u>\$ 336,923,614</u>	<u>\$ 53,787,488</u>
Business-Type Activities:					
Certificates of Participation	\$ 32,507,208	\$ -	\$ 3,433,614	\$ 29,073,594	\$ 3,642,205
Unamortized Premium (Discount)	5,091,847	-	651,246	4,440,601	-
Net Certificates of Participation	37,599,055	-	4,084,860	33,514,195	3,642,205
Compensated Absences	14,758,016	13,872,569	12,917,549	15,713,036	12,039,482
Total Business-Type Activities	<u>\$ 52,357,071</u>	<u>\$ 13,872,569</u>	<u>\$ 17,002,409</u>	<u>\$ 49,227,231</u>	<u>\$ 15,681,687</u>

Estimated self-insurance liabilities are liquidated by the internal service funds. Compensated absences are generally liquidated by the General Fund, related special revenue funds and the enterprise funds. Estimated landfill post closure costs are liquidated from the General Fund.

Payment Requirements for Debt Service

As of June 30, 2021, annual debt service requirements of governmental activities to maturity are as follows:

Year Ending June 30	Bonds Payable		Certificates of Participation		Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 833,000	\$ 975,946	\$ 5,870,406	\$ 5,109,967	\$ 2,488,730	\$ 571,491
2023	871,000	941,236	6,149,954	4,818,161	1,570,536	486,100
2024	908,000	900,687	5,955,394	4,524,574	1,090,550	452,901
2025	947,000	854,160	5,424,394	4,228,210	1,096,135	424,371
2026	992,000	805,637	5,679,263	3,950,617	1,102,145	395,415
2027-2031	5,550,000	3,237,687	31,460,363	15,168,825	5,618,213	1,525,409
2032-2036	7,120,000	1,662,187	23,598,957	7,818,364	5,854,283	715,705
2037-2041	3,365,000	150,043	12,771,465	3,896,272	1,207,699	37,463
2042-2046	-	-	13,270,000	1,360,033	-	-
	<u>\$ 20,586,000</u>	<u>\$ 9,527,583</u>	<u>\$ 110,180,196</u>	<u>\$ 50,875,023</u>	<u>\$ 20,028,291</u>	<u>\$ 4,608,855</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 8: Long-Term Liabilities (continued)

As of June 30, 2021, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30	Certificates of Participation	
	Principal	Interest
2022	\$ 3,642,205	\$ 1,360,321
2023	3,817,583	1,173,827
2024	4,003,251	978,306
2025	4,245,606	772,084
2026	4,475,737	554,051
2027-2031	7,999,637	652,893
2032-2036	786,038	86,245
2037-2041	103,537	1,553
	<u>\$ 29,073,594</u>	<u>\$ 5,579,280</u>

Certificates of Participation (COP)

Certificates of Participation (COPs) issued by Monterey County Public Improvement Corporation (PIC)

The Corporation was incorporated on June 21, 1989 under the General Nonprofit Corporation Law of the State of California to provide financial and other assistance to the County of Monterey, California by financing, acquiring, constructing and leasing capital improvement projects. The Corporation is exempt from federal income taxes under Section 501(c)(4) of the Internal Revenue Code. The Corporation provides financing of public capital improvements through the issuance of Certificates of Participation (COPs), a form of debt which allows investors to participate in a stream of future lease payments. Proceeds from the COPs are issued to construct projects which are leased to the County for lease payments which are sufficient in timing and amount to meet the debt service requirements of the COPs. The Corporation is a blended component unit of the County of Monterey and it is included in the basic financial statements of the County because the Corporation primarily provides specific financial benefits to the County.

NGEN - Governmental Activities

On December 1, 2010, the County of Monterey Public Improvement Corporation (PIC) issued certificates of participation in the amount of \$8,518,628 to finance the acquisition, construction and installation of a next generation inter-operable narrowband emergency communication system (NGEN) and is payable through December 20, 2023. The bonds are pursuant to a lease with the County. In an assignment agreement, the lease with the County and rights to the property were transferred from the Public Improvement Corporation to Banc of America Public Capital Corp (the purchaser). The Corporation retains no rights to the property (except indemnification) and the title will pass to County upon final payment to Banc of America Leasing. Per a Memorandum of Agreement (MOA), the County has made an agreement with local agencies for shared costs in the financing. The County will retain ownership of certain Core property, with other property owned by the City of Salinas, and other agencies per the MOA.

The County agrees and covenants to include all Base Rental and Additional Rental Payments in its annual budget and provide the corporation with that part of the budget within 60 days of adoption. All other agreements and covenants of the County contained within the lease documents are expected to be carried out by County officials in performance of their duties. If the County defaults on the obligation to make lease payments, the Trustee has the right to enter and re-let the property and seek any deficiency in payments from the County and alternatively the Trustee may terminate the lease agreement and proceed against the County to recover damages per the lease agreement. The County is liable for lease payments only on an annual basis to the end of the sub-lease agreement and there is no available remedy of acceleration under the agreement.

The County may prepay the Base Rental Payments in whole with on any date on or after December 20, 2016 with written notice to the Corporation of least 45 days at a price of 101% of principal components of Base Rental payments plus accrued interest as provided by the sub-lease. The title of the property will then transfer to the County and the County's obligation will cease.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 8: Long-Term Liabilities (continued)

2015 Public Facilities - Governmental Activities

On September 2, 2015 the County of Monterey issued \$48,440,000 of 2015 Public Facilities Certificates of Participation, at a premium of \$3,970,464 payable through September 2045. The COPs were issued to finance capital improvements at the Schilling Place Complex, fund renovations of the courthouse and pay for the issuance cost of the COPs. The Bonds are callable at any date on or after October 1, 2025 at a price equal to the principal amount of the certificates, plus accrued interest to the date of prepayment, without premium.

The Certificates of Participation are obligations of the Monterey County Public Improvement Corporation and are payable from and secured by rental lease payments made by Monterey County which are appropriated in the annual budget and are assigned to the Trustee per the Assignment Agreement. There is no security interest in the Property and no remedy of foreclosure under the Trust or Lease Agreement. If the County should default, under the Lease Agreement, the trustee may terminate the lease agreement and recover certain damages from the County or retain the lease agreement and hold the County liable for all rental payments on an annual basis. There is no provision for acceleration upon default under the Lease Agreement.

2017 Public Facilities Refunding - Governmental and Business-Type Activities

The County issued Certificates of Participation (2017 Public Facilities Refunding) (“Certificates”) in the aggregate amount of \$78,565,000. These are reported in the Long-Term Liabilities Schedule as issued in FY 06/30/18 in Governmental Activities at \$74,682,250 (amount issued) plus premium \$15,036,882 and in the Business-Activities for Natividad Medical Center as Amount Issued \$3,882,750 (amount issued) plus premium \$781,771. The Certificates mature on October 1, 2036 and are callable on October 1, 2027 at a price equal to principal plus accrued interest. Proceeds of the Certificates were used to (i) prepay all of the County of Monterey Certificates of Participation (2007 Refunding County and Public Facilities Financing) and (ii) to pay costs incurred in connection with the execution and delivery of the Certificates. The advance refunding met the requirements of an in-substance debt defeasance and the 2007 Refunding and Public Facilities Financing Certificates were removed from both, the County’s government-wide financial statements, and the Natividad Medical Center’s proprietary fund statements. Certificates maturing on and after October 1, 2028 are subject to optional prepayment (in accordance with the lease agreement) prior to their maturity date from any source of available funds, at the price of the principal payments, plus accrued interest to the payment date without premium.

The Certificates of Participation are obligations of the Monterey County Public Improvement Corporation and are payable from and secured by rental lease payments made by Monterey County which are appropriated in the annual budget along with additional amounts owed under the Trust and Lease agreements. There is no security interest in the Property and no remedy of foreclosure under the Trust or Lease Agreement but any remedies available in the Lease or Trust agreement may be sought. If the County should default, the Trustee may re-let the property and hold the County responsible for any deficiency. Alternatively, the trustee may terminate the lease agreement and recover certain damages from the County or retain the lease agreement and hold the County liable for all rental payments on an annual basis. There is no provision for acceleration or foreclosure upon default under the Lease Agreement.

2019 Public Facilities Refunding - Business-Type Activities

The County issued Certificates of Participation (2019 Public Facilities Refunding delivered 12/11/2019) in the aggregate amount of \$29,005,000. The Certificates mature on October 1, 2027. Proceeds of the Certificates are being issued to refund the balance of Natividad Medical Center’s 2009 and 2010 Certificates totaling \$32,860,000 (2009 Bond \$15,665,000 and 2010 Bond \$17,195,000) and costs incurred in connection with the execution and delivery of the certificates. The 2009 Certificates were originally issued on 12/30/2009 in the amount of \$43,700,000. The 2010 Certificates were originally issued on 10/29/10 in the amount of \$17,845,000. The advance refunding met the requirements of an in-substance debt defeasance and the 2009 and 2010 Bonds were removed from the County’s Natividad Medical Center’s proprietary fund statements. As a result of the advance refunding, the County reduced total debt service requirements over the subsequent 9 years by \$3,672,418, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$3,584,408.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 8: Long-Term Liabilities (continued)

The Certificates of Participation are obligations of the Monterey County Public Improvement Corporation and are payable from and secured by rental lease payments made by Monterey County, which are appropriated in the annual budget and payable from any source of funds. The Corporation per an assignment agreement assigned and transferred to the Trustee rights under the lease evidencing the interest in the principal amount of the lease payment. There is no security interest in the Property and no remedy of foreclosure under the Trust or Lease Agreement. If the County should default, the Trustee may re-let the property and hold the County responsible for any deficiency. Alternatively, the trustee may terminate the lease agreement and recover certain damages from the County or retain the lease agreement and hold the County liable for all rental payments on an annual basis. There is no provision for acceleration or foreclosure upon default under the Lease Agreement. There is no option of prepayment for the securities prior to their respective stated maturities, other than from Net Proceeds of Insurance or Eminent Domain (per trust agreement at 100% of principal plus accrued interest) in accordance with the Trust Agreement.

Certificates of Participation (COPs) issued by Monterey County Financing Authority (MCFA)

The Monterey County Financing Authority (the Authority) was established on April 1, 1995, as a result of a Joint Exercise of Powers agreement between the County of Monterey (County), and the Monterey County Water Resource Agency (Agency). The Authority formed under the provisions of Article 1 of Chapter 5, Division 7, Title 1 of the State of California's Government Code, to assist in the public financings. The Authority acts as the issuer for debt financing as well as the lessor of properties leased to the County. The debts issued are limited obligations of the Authority, payable primarily from rent payments made by the County under a "facility lease" agreement. The Authority is a component unit of the County, and its basic financial statements are blended within the County's basic financial statements.

2018 Revenue Refunding Bonds - Governmental Activities

The County issued Monterey County Financing Authority 2018 Revenue Refunding Bonds ("Bonds") in the aggregate amount of \$22,890,000. The Bonds mature on September 1, 2037 and are callable on September 1, 2028. The Bonds were issued to (i) refund all of the \$32,855,000 Monterey County Financing Authority Revenue Bonds, Series A (Salinas Valley Water Project), originally issued on July 30, 2008 and outstanding in the aggregate principal amount of \$27,780,000 (the "2008 Bonds"), (ii) fund a debt service fund for the Bonds (in the form of a Qualified Reserve Fund Credit Instrument), and (iii) pay the cost incurred in connection with the issuance of the Bonds. The advance refunding met the requirements of an in-substance debt defeasance and the 2008 Bonds were removed from the County's government-wide financial statements.

The Bonds are special obligations of the Authority, payable solely from the Authority Revenues pledged under the Indenture (by the County with respect to the pledged Ad Valorem taxes, annexation fees and Hydroelectric Facility net Revenues-See Schedule "Pledged Revenues"). Per the Installment Purchase Agreement between the Monterey County Water Resources Agency (the Agency) and the Monterey County Financing Authority (the Authority), the Auditor-Controller of the County will transfer certain ad valorem taxes and pledged assessments directly to the Trustee. Per the indenture agreement between the Trustee and the Authority, the Authority's rights, including to right to receive Authority Revenues are transferred to the Trustee along with all rights to collect revenues when due and payable and any rights under the Installment Purchase Agreement. In the event of a default the Trustee may exercise any and all remedies granted through the indenture as allowed. There is no right under any circumstances to accelerate the maturities of the bonds or otherwise to declare payments not then in default to be immediately due and payable.

Loan Payable-Bureau of Reclamation for Salinas Valley Water Project (MCWRA) - Governmental Activities

On May 26th, 1995 the Monterey County Water Resources Agency as "Contractor" (MCWRA) entered into a Loan Contract with the United States Department of the Interior. Per contract, the amount of the approved loan for the purpose of constructing a small reclamation project was the lesser of the actual cost of the project less the Contractor's actual contribution, or \$32,600,000. The estimated amount of the project was \$44,154,900 with the Contractor (MCWRA) contributing the amounts in excess of the loan amount. Additionally, added to the balance is the reimbursable portion of the Federal interest rate during construction (IDC). The Contractor agreed to repay the loan within 40 years from the date the principal benefits of the project first became available from the sale of reclaimed wastewater sold (type of usage limited by contract until obligation paid) and property assessments levied on certain properties within the Project Service Area as identified in the contract. The first payment was paid in 2003 and the final payment is due in 2037.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 8: Long-Term Liabilities (continued)

Payments are to be made only from the Contractor net revenues after operation and maintenance costs of Project Facilities, operation and maintenance costs payable by the Contractor to the Monterey Regional Water Pollution Control Agency for reclaimed water, and project indebtedness. Also refer to ACFR Note- Commitments and Contingencies, related to Monterey One Water/M1W (formerly called Monterey County Water Pollution Control Agency/MCWPCA) and the Monterey One Water loan with the Bureau of Reclamation. The Contractor warrants and guarantees that in order to meet repayment requirements that property assessments will be increased to maximum amounts authorized per ordinance and water delivery charges increased as necessary.

The loan was interest only the first 3 years and payments now include 1) annual Principal Payment of the loan \$1,017,304, 2) Interest on the loan (7.625% of unpaid Principle Excess Irrigatable land -approximately 31%, may vary), and 3) Annual IDC payment of approximately \$262,294 annually, per calculations referenced in the loan contract. Delinquent payments are subject to additional interest charges and administrative fees per the contract at rates calculated per the contract (payments applied first to penalty, administrative charge, accrued interest, then principal). A \$250,000 reserve fund must be accumulated, maintained, and used as prescribed by the contract for purposes of caring for, operating, and maintaining the Project and the amount may be reviewed and revised subject to various conditions per the contract. The Contractor may at any time, without penalty or additional interest charges, prepay all or part of the funds owed to the United States along with all accrued interest to date.

Notes Payable Water World Resorts, Inc. and Lake San Antonio Resorts, Inc. - Governmental Activities

On July 31, 2007, the County entered into a settlement agreement for \$22,000,000 terminate lease agreements with a lessee who operated the two lake resorts on behalf of the County as Landlord. On October 1, 2007 \$6.5 million was paid to the lessee and the remaining balance of \$15.5 million is being paid through notes on each of the resorts.

On October 1, 2007 Monterey County issued a promissory note for the amount of \$11,315,000 for the Water World, Inc. lease and a promissory note for the amount of \$4,185,000 for the Lake San Antonio Resorts, Inc. The notes have an annual interest rate of 5% payable monthly until the note is paid in full. A late charge of 10% will be assessed if the payment is not made on time (10 days after due date).

There will be a default under the note if an installment is not paid in time and remains unpaid 20 days after the County's receipt of the Payee's written notice. The Payee may obtain a judgement from the Judge of the Superior Court of Los Angeles (Case BC29778) for the entire amount due after which the interest on the outstanding balance of the note(s) will accrue at the default rate of 10% (not to exceed the highest rate permissible by law). The County will pay to the Payee all reasonable attorney fees and other costs under the judgement, along with the interest at the default rate until the note is paid in full. The principal balance of the note plus interest may be paid by the County at any time without penalty or premium.

Boronda District Sanitation Bonds - Governmental Activities

Boronda County Sanitation District Bonds were issued by the District in the principal amount of \$653,000 as approved by Ordinance of the Board of Directors on June 10, 1986 with the interest rate of 5%. The final payment is due in 2026 but the principal is subject to call and redemption in whole or part at the district's option on any interest payment date in whole or part. Revenues from sewer charges and assessments have been set aside (pledged-see Schedule 13 Pledged Revenue Coverage) per the ordinance to cover the principal and interest of the bonds as well as maintenance and other expenses as provided by the ordinance.

Chualar Water Assessment District Bonds - Governmental Activities

Chualar County Water Assessment District 85-1 Bonds were issued by the District in the principal amount of \$257,000 at 6.375% interest per Annum (Series A \$69,600 and Series B \$187,400) as approved by the Board of Directors of the District on August 28th, 1986. The final payment is due in 2025 but the principal is subject to call and redemption in advance per the issuance resolution. The Bond is secured by revenues from assessments that have been set aside (see Schedule Pledged Revenue Coverage) to cover the principal and interest of the Bonds. The Bond will continue to earn interest at the stated rate until redeemed if presented on redemption date and refused due to insufficient funds with which to pay, or if not presented for redemption on the stated Bond redemption date.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 8: Long-Term Liabilities (continued)

Pledged Revenues

The Monterey County Financing Authority has pledged certain specified assessments, all Hydroelectric Facility net revenues, all ad valorem taxes and all annexation fees to secure the payment of principal and interest on the bonds in accordance with the terms and the provisions of the Indenture. The Indenture provides that the pledge shall constitute a first lien on all such assets. Proceeds from the 2008A bonds provided financing for the Salinas Valley Water Project – an effort to halt further seawater intrusion, provide flood protection, and create new water supplies for the Salinas Valley. During the fiscal year ended June 30, 2019; the Monterey County Financing Authority 2018 Revenue Refunding Bonds refunded the 2008A Bonds (see paragraph "Advance Refunding"). Total principal and interest remaining on the 2018 Revenue Refunding Bonds is \$29,870,156 payable through June 2034. Principal paid for the current fiscal year was \$760,000 and interest paid was \$996,638. Net pledged revenues for the fiscal year ended June 30, 2021, were \$3,924,438.

Note 9: Net Position/Fund Balances

Net Position

Net investment in capital assets was comprised of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital Assets, Net of Accumulated		
Depreciation	\$ 979,862,286	\$ 136,287,885
Unamortized Losses on Refunding Debts	364,891	212,651
Unamortized Gains on Refunding Debts	(702,567)	(178,961)
Outstanding Capital-Related Accounts Payable and Retainage	(3,493,540)	-
Outstanding Principal of Capital-Related Debt	<u>(180,091,249)</u>	<u>(33,514,197)</u>
Net Investment in Capital Assets	<u>\$ 795,939,821</u>	<u>\$ 102,807,378</u>

The government-wide statement of net position reports \$333,805,214 of restricted net position, of which \$15,756,146 is restricted by enabling legislation.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 9: Net Position/Fund Balances (continued)

Fund Balances

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned. A detailed schedule of fund balances at June 30, 2021, is as follows:

	General	Road	Behavioral Health	Facility Master Plan Implementation	Other Governmental Funds	Total
Nonspendable:						
Inventory and Prepaid Items	\$ 585,331	\$ 62,929	\$ -	\$ -	\$ 25,000	\$ 673,260
Total Nonspendable	<u>585,331</u>	<u>62,929</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>673,260</u>
Restricted for:						
Capital Projects	-	-	-	69,314,784	-	69,314,784
Debt Service	-	-	-	-	1,035,000	1,035,000
Education	-	-	-	-	5,378,437	5,378,437
General Government	5,969,611	-	-	-	1,653,258	7,622,869
Health and Sanitation	19,999,455	-	50,260,485	-	30,880,492	101,140,432
Public Assistance	5,414,927	-	-	-	48,215,491	53,630,418
Public Protection	6,395,906	-	-	-	33,544,153	39,940,059
Public Ways and Facilities	-	22,852,436	-	-	-	22,852,436
Recreation and Cultural Services	153,733	-	-	-	-	153,733
Section 115 Pension Trust	8,038,138	-	-	-	-	8,038,138
Housing and Redevelopment	-	-	-	-	8,541,326	8,541,326
Total Restricted	<u>45,971,770</u>	<u>22,852,436</u>	<u>50,260,485</u>	<u>69,314,784</u>	<u>129,248,157</u>	<u>317,647,632</u>
Committed for:						
County Service Areas	-	-	-	-	12,295,514	12,295,514
General Government	-	-	-	-	1,722,427	1,722,427
Health and Sanitation	-	-	-	-	631,897	631,897
Other Water Resources Agencies	-	-	-	-	19,339,238	19,339,238
Public Ways and Facilities	-	-	-	-	2,812,531	2,812,531
Strategic Reserve - General Fund	75,483,218	-	-	-	-	75,483,218
Strategic Reserve - NMC	25,000,000	-	-	-	-	25,000,000
Total Committed	<u>100,483,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,801,607</u>	<u>137,284,825</u>
Assigned to:						
Cannabis Tax	23,421,332	-	-	-	-	23,421,332
Capital Project	1,072,894	-	-	-	6,415,646	7,488,540
Contingency	7,548,322	-	-	-	-	7,548,322
Debt Service	-	-	-	-	854,587	854,587
General Government	322,601	-	-	-	-	322,601
Health Clinic	1,520,000	-	-	-	-	1,520,000
Information Tech Charges	-	-	-	-	-	-
Mitigation	3,350,665	-	-	-	-	3,350,665
Productivity Investment Program	169,351	-	-	-	-	169,351
Public Safety Sales Tax Revenue	2,376,910	-	-	-	-	2,376,910
Social Services	9,743	-	-	-	-	9,743
Total Assigned	<u>39,791,818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,270,233</u>	<u>47,062,051</u>
Unassigned						
	<u>50,205,387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,205,387</u>
Total Fund Balances	<u>\$ 237,037,524</u>	<u>\$ 22,915,365</u>	<u>\$ 50,260,485</u>	<u>\$ 69,314,784</u>	<u>\$ 173,344,997</u>	<u>\$ 552,873,155</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 10: Pension Plans

A. General Information About the Pension Plans

Plan Description

The County's defined benefit pension plans; Miscellaneous Plan of the County of Monterey (County MP) and Safety Plan of the County of Monterey (County SP) provide pensions for all permanent full-time general and public safety employees respectively of the County. The County's blended component unit, Monterey County Water Resources Agency's (MCWRA) defined benefit pension plan; MCWRA Miscellaneous Plan (MCWRA MP) provides pensions for all permanent full-time general employees of MCWRA. County MP and County SP are agent multiple-employer defined benefit pension plans and MCWRA MP is a cost-sharing multiple-employer defined benefit pension plan. All three plans are administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers with the State of California. CalPERS provides retirement, disability, and death benefits to plan members and beneficiaries. Benefit provisions and other requirements are established by State statutes within the Public Employees Retirement Law. CalPERS issues a separate annual comprehensive financial report (ACFR). Copies of the CalPERS annual financial report may be obtained by contacting the CalPERS Executive Office, 400 Q Street, Sacramento, CA 95811.

Benefits Provided

County MP, County SP, and MCWRA MP provide retirement, disability, and death benefits. Retirement benefits are based on years of service, final average compensation, and retirement age. Employees terminating before accruing five years of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within a prescribed time period. Non-vested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Employees who terminate service after earning five years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement.

Service related disability benefits are provided to safety (County SP) members and are based on final compensation. Non-service related disability benefits are provided to members of all three plans. The benefit is based on final compensation, multiplied by service, which is determined as follows:

- service is CalPERS credited service, for members with less than 10 years of service or greater than 18.518 years of service; or
- service is CalPERS credited service plus the additional number of years that the member would have worked until age 60, for members with at least 10 years but not more than 18.518 years of service.

Death benefits are based upon a variety of factors including whether the participant was retired or not.

Annual cost-of-living adjustments (COLAs) are provided in all plans beginning the second calendar year after the year of retirement at 2 percent.

There are two classes of employees under each plan: Classic (employees joined CalPERS prior to January 1, 2013) and PEPRA (Public Employees' Pension Reform Act of 2013 – employees joined CalPERS on or after January 1, 2013). Classic level is closed for new entrants in all plans.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 10: Pension Plans (continued)

A. General Information About the Pension Plans (continued)

Below is a summary of the Plans' provisions and benefits in effect:

Employee Class	County Miscellaneous Plan		County Safety Plan		MCWRA Miscellaneous Plan	
	Classic	PEPRA	Classic	PEPRA	Classic	PEPRA
Benefit Formula	2% @ 55	2% @ 62	2% @ 50	2% @ 57	2% @ 55	2% @ 62
Benefit Vesting	5 years of service	5 years of service	5 years of service	5 years of service	5 years of service	5 years of service
Final Average						
Compensation Period	12 months	36 months	12 months	36 months	12 months	36 months
Retirement Eligibility						
Age	50	52	50	50	50	52
Employee Contribution as a Percentage of Payroll	7.00 %	7.00 %	9.00 %	11.50 %	7.00 %	6.75%
Employer Contribution as a Percentage of Payroll	18.521%	18.521%	48.726%	48.726%	35.176%	8.453%
Status	Closed	Open	Closed	Open	Closed	Open

*Safety bargaining units A, B, L, M, N employees contribute 3.0% of the 48.726% while units Q, V, very limited Safety X, Y, & C do not.

Employees Covered

Listed below are the number of employees covered by the benefit terms:

	County Miscellaneous Plan	County Safety Plan	MCWRA Miscellaneous Plan
Inactive Employees or Beneficiaries			
Currently Receiving Benefits	3,713	673	69
Inactive Employees Entitled to but Not Yet Receiving Benefits (Transferred + Terminated)	4,273	302	46
Active Employees	4,653	529	32
Totals	12,639	1,504	147

Contributions

Section 20814 of the California Public Employees' Retirement Law requires the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for all Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2020, the actual employee and employer contribution rates are listed under the Plans' Provisions table.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 10: Pension Plans (continued)

B. Net Pension Liability

The County's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures.

Actuarial Assumptions

The June 30, 2020 total pension liabilities were based on the following actuarial assumptions:

	<u>County Miscellaneous Plan</u>	<u>County Safety Plan</u>	<u>MCWRA Miscellaneous Plan</u>
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:			
Discount Rate	7.15 %	7.15 %	7.15 %
Inflation	2.63 %	2.63 %	2.50 %
Salary Increases	Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service
Payroll Growth	2.88 %	2.88 %	
Investment Rate of Return	7.25% Net of Pension Plan Investment and Administrative Expenses; includes inflation. The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.	7.25% Net of Pension Plan Investment and Administrative Expenses; includes inflation. The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.	7.15 % Net of Pension Plan Investment and Administrative Expenses; includes inflation.
Retirement Age	The probabilities of mortality are based on the 2017 CalPERS experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.	The probabilities of mortality are based on the 2017 CalPERS experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.	
Mortality			

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent for each Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

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

The long-term expected rate of return includes both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 10: Pension Plans (continued)

B. Net Pension Liability (continued)

The expected real rates of return by asset class are as followed:

<u>Asset Class 1</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10 2</u>	<u>Real Return Year 11+ 3</u>
Global Equity	50.00 %	4.80 %	5.98 %
Fixed Income	28.00 %	1.00 %	2.62 %
Inflation Assets	- %	0.77 %	1.81 %
Private Equity	8.00 %	6.30 %	7.23 %
Real Assets	13.00 %	3.75 %	4.93 %
Liquidity	1.00 %	- %	(0.92)%

(1) In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(1) An expected inflation of 2.00% used for this period

(2) An expected inflation of 2.92% used for this period

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

- Net difference between projected and actual earnings on investments: 5 year straight-line amortization
- All other amounts: Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

C. Changes in the Net Pension Liability

The County's net pension liability (asset) for each of its agent multiple employer plan is measured as the total pension liability less the fiduciary net position for each plan. Net pension liability for each of its plans is measured as of June 30, 2020, and the total pension liability for each of its plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 10: Pension Plans (continued)

C. Changes in the Net Pension Liability (continued)

The change in the net pension liability (asset) for each plan is as follows:

	County Miscellaneous Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019	\$ 1,943,405,373	\$ 1,499,464,265	\$ 443,941,108
Changes in the Year:			
Service Cost	51,617,267	-	51,617,267
Interest on Total Pension Liability	138,432,251	-	138,432,251
Changes in Benefit Terms	-	-	-
Changes in Assumptions	-	-	-
Differences Between Expected and Actual Experience	2,301,184	-	2,301,184
Benefit Payments, Including Refunds of Employee Contributions	(87,051,224)	(87,051,224)	-
Administrative Expenses	-	(2,122,715)	2,122,715
Plan to Plan Resource Movement	-	176,387	(176,387)
Contributions - Employees	-	23,558,529	(23,558,529)
Contributions - Employer	-	56,554,357	(56,554,357)
Net Investment Income	-	75,252,306	(75,252,306)
Change in Employer's Proportionate Share	8,125,807	6,269,592	1,856,215
Net Changes	<u>113,425,285</u>	<u>72,637,232</u>	<u>40,788,053</u>
Balance at June 30, 2020	<u>\$ 2,056,830,658</u>	<u>\$ 1,572,101,497</u>	<u>\$ 484,729,158</u>

	County Safety Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019	\$ 726,489,031	\$ 485,202,274	\$ 241,286,757
Changes in the Year:			
Service Cost	15,838,695	-	15,838,695
Interest on Total Pension Liability	51,745,784	-	51,745,784
Changes in Benefit Terms	-	-	-
Changes of Assumptions	-	-	-
Differences Between Expected and Actual Experience	6,059,438	-	6,059,438
Benefit Payments, Including Refunds of Employee Contributions	(33,501,121)	(33,501,121)	-
Administrative Expenses	-	(684,016)	684,016
Plan to Plan Resource Movement	-	(182,620)	182,620
Contributions - Employees	-	5,418,497	(5,418,497)
Contributions - Employer	-	24,808,113	(24,808,113)
Net Investment Income	-	24,260,752	(24,260,752)
Net Changes	<u>40,142,796</u>	<u>20,119,605</u>	<u>20,023,191</u>
Balance at June 30, 2020	<u>\$ 766,631,827</u>	<u>\$ 505,321,879</u>	<u>\$ 261,309,948</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 10: Pension Plans (continued)

C. Changes in the Net Pension Liability (continued)

The County's net pension liability for MCWRA (a cost-sharing plan) is measured as a proportionate share of the plan's net pension liability as of June 30, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures. The County's proportions of the net pension liability for the CalPERS plans were actuarially determined as of the valuation date.

The following table shows the proportionate share of the risk pool collective net pension liability over the measurement period.

	MCWRA		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019	\$ 33,655,610	\$ 25,301,836	\$ 8,353,774
Net Changes During Measurement Period	1,674,522	978,634	695,888
Balance at June 30, 2020	<u>\$ 35,330,132</u>	<u>\$ 26,280,470</u>	<u>\$ 9,049,662</u>

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

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

	County Miscellaneous Plan	County Safety Plan	MCWRA Miscellaneous Plan
1% Decrease	6.15 %	6.15 %	6.15 %
Net Pension Liability	\$ 763,036,883	\$ 368,142,793	\$ 13,751,241
Current Discount Rate	7.15 %	7.15 %	7.15 %
Net Pension Liability	484,729,158	\$ 261,309,948	\$ 9,049,662
1% Increase	8.15 %	8.15 %	8.15 %
Net Pension Liability	\$ 254,713,607	\$ 173,612,345	\$ 5,164,895

The Pension Plan's Fiduciary Net Position

Detailed information about the pension fund's fiduciary net position is available in the CalPERS ACFR. CalPERS adheres to the reporting requirements established by the Governmental Accounting Standards Board (GASB). Two types of funds used – Fiduciary Funds and Proprietary Funds – to account for its activities follow accrual basis of accounting. Contributions to the pension trust funds are recognized in the period in which the contributions are due pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Investments are reported at fair value using a variety of different techniques.

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

For the year ended June 30, 2021, the County recognized pension expense of \$109,950,623 for its Miscellaneous (County MP), \$35,801,246 Safety (County SP) plans; and \$1,319,394 for its Water Resources Agency Miscellaneous plan (MCWRA MP). 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 MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 10: Pension Plans (continued)

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

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous Plan		Safety Plan		MCWRA		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 2,398,393	\$ (3,004,892)	\$ 929,270	\$ (924,097)	\$ -	\$ (64,546)	\$ 3,327,663	\$ (3,993,535)
Differences Between Expected and Actual Experience	11,880,803	(46,283)	9,089,243	(133,768)	466,356	-	21,436,402	(180,051)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	13,147,205	-	4,158,121	-	268,835	-	17,574,161	-
Differences Between Employer's Contributions and Proportionate Share of Contributions	-	-	-	-	-	(664,805)	-	(664,805)
Change in Employer's Proportion Pension Contributions Subsequent to the Measurement Date	-	-	-	-	269,864	-	269,864	-
	<u>83,981,092</u>	<u>-</u>	<u>10,224,022</u>	<u>-</u>	<u>883,464</u>	<u>-</u>	<u>95,088,578</u>	<u>-</u>
Total	<u>\$ 111,407,493</u>	<u>\$ (3,051,175)</u>	<u>\$ 24,400,656</u>	<u>\$ (1,057,865)</u>	<u>\$ 1,888,519</u>	<u>\$ (729,351)</u>	<u>\$ 137,696,668</u>	<u>\$ (4,838,391)</u>

\$95,088,578 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Year Ending June 30:	Deferred Outflows/(Inflows) of Resources			
	Miscellaneous Plan	Safety Plan	MCWRA	Total
2022	\$ 55,475	\$ 2,584,692	\$ (109,557)	\$ 2,530,610
2023	8,984,524	4,306,583	115,265	13,406,372
2024	8,905,038	4,177,754	141,055	13,223,847
2025	6,430,191	2,049,739	128,940	8,608,870
Thereafter	-	-	-	-
	<u>24,375,228</u>	<u>13,118,768</u>	<u>275,703</u>	<u>37,769,699</u>

Note 11: Other Postemployment Benefits (OPEB)

A. General Information about the OPEB Plan

Plan Description

The County of Monterey Retiree Healthcare Plan (Plan) is an agent multiple-employer defined benefit healthcare plan. The Plan provides healthcare insurance benefits to eligible retirees. Benefit provisions are established and may be amended by the County.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 11: Other Postemployment Benefits (OPEB) (continued)

A. General Information about the OPEB Plan (continued)

Benefits Provided

The County provides retiree medical benefits through the California Public Employees' Retirement System healthcare program. The County contributes the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum required employer contribution (\$143 per month in 2021) towards the retiree monthly premium for eligible retirees participating in PEMHCA.

Participants Covered by Benefit Terms

At the June 30, 2020 measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit	
Payments	1,087
Inactive Employees Entitled to but Not Yet Receiving Benefit	
Payments	1,626
Active Employees	<u>4,608</u>
Total	<u><u>7,321</u></u>

Contributions

The contribution requirements of the plan members and the County are established and may be amended by the County. The County prefunds all or a portion of the plan through the California Employers' Retiree Benefit Trust (CERBT). Employees are not required to contribute to the Plan. For the fiscal year ended June 30, 2021, the County paid a total of \$8,528,093 to the OPEB trust (CERBT). Of this amount, \$1,903,093 was paid for healthcare insurance benefits for eligible retirees, \$1,437,000 was an implicit rate subsidy, and \$5,188,000 was paid to fund future retirees' healthcare.

B. Net OPEB Liability

The County reported a net OPEB liability of \$39,088,261 at June 30, 2021. The County's OPEB liability was measured as of June 30, 2020, the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019, updated to June 30, 2021.

Actuarial Assumptions

The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Salary Increases	Aggregate 3% and merit increases based on CalPERS 1997-2015 Experience Study
Medical Trend	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4% in 2076 Medicare - 6.30% for 2021, decreasing to an ultimate rate of 4% in 2076
PEMHCA Minimum Increases	4.25% annually
Discount Rate	6.75%
Investment Rate of Return	6.75% - expected County contributions projected to keep sufficient plan assets to pay all benefits from trust
Inflation	2.75% annually

A long-term expected rate of return of 6.75 percent on OPEB plan investments was determined using a model of stochastic simulations of geometric average return over twenty years for each major asset class. The rate was derived based on CERBT's investment Strategy 1 target allocation and it includes a 2.75 percent long-term inflation assumption.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 11: Other Postemployment Benefits (OPEB) (continued)

B. Net OPEB Liability (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	59%	4.82%
Fixed Income	25%	1.47%
Treasury Inflation-Protected Securities (TIPS)	5%	1.29%
Real Estate Investment Trusts (REITs)	8%	3.76%
Commodities	3%	0.84%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in Net OPEB Liability

The County net OPEB liability is measured as of the total OPEB liability less the fiduciary net position. The change in the net OPEB liability is as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance at 6/30/2020	\$ 80,466,905	\$ 40,764,288	\$ 39,702,617
Changes for the Year:			
Service Cost	3,703,796	-	3,703,796
Interest	5,583,220	-	5,583,220
Contributions - Employer	-	8,518,191	(8,518,191)
Net investment Income	-	1,424,586	(1,424,586)
Benefit Payments	(2,912,657)	(2,912,657)	-
Administrative Expense	-	(41,405)	41,405
Net Changes	<u>6,374,359</u>	<u>6,988,715</u>	<u>(614,356)</u>
Balances at 6/30/2021	<u>86,841,264</u>	<u>47,753,003</u>	<u>39,088,261</u>

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

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current discount rate:

	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability (Asset)	\$ 50,811,325	\$ 39,088,261	\$ 29,377,095

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 11: Other Postemployment Benefits (OPEB) (continued)

C. Changes in Net OPEB Liability (continued)

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

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

	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
Net OPEB Liability (Asset)	\$ 27,005,407	\$ 39,088,261	\$ 54,208,631

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT's financial report. That report may be obtained by contacting CalPERS, Executive Office, 400 P Street, Sacramento, California, 95814.

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

For the fiscal year ended June 30, 2021, the County recognized OPEB expense of \$6,739,494, and the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	\$ 970,055	\$ -
Differences Between Expected and Actual Experience	1,804,973	-
Changes of Assumptions	-	307,167
Employer Contributions Made Subsequent to the Measurement Date	8,547,855	-
Total	11,322,883	307,167

Deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as reduction of the net OPEB liability in the year ending June 30, 2022. The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB are recognized in OPEB expenses as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 288,365
2023	441,363
2024	511,863
2025	477,368
2026	187,226
Thereafter	561,676

Note 12: Joint Powers Agreement

Natividad Medical Center (Center) is a member of and participates in a professional liability self-insurance program (Program) through BETA Healthcare Group (BETA), joint powers authority formed pursuant to the government code of the State of California. BETA members are city, county, district, and private not-for-profit hospitals and healthcare facilities in California. Amounts paid by each member to BETA represent actuarially determined assessments of claims payable and estimated incurred but not reported claims that are adjusted periodically based on the claims experience for each member at each hospital. Claims in excess of specified amounts are the responsibility of individual program participants.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 12: Joint Powers Agreement (continued)

After a deductible, BETA provides payment in full for healthcare liability claims subject to limits established at \$30 million in the aggregate for the entity, with professional liability coverage for medical providers subject to \$1 million per claim and \$3 million aggregate limits. Also, after a \$25,000 deductible, BETA provides payment on covered directors, officers and trustee liability claims up to \$10 million per occurrence and in the aggregate. The Center's contribution to the Program was approximately \$937,138 in 2019.

Condensed financial information of the Program for the calendar year ended December 31, 2019, (audited by Larson & Rosenberger LLP) is as follows:

Cash and Investments	\$ 606,816,838
Other Assets	<u>72,714,296</u>
Total Assets	<u>\$ 679,531,134</u>
Loss Reserves	\$ 273,830,187
Other Liabilities	136,811,472
Net Position	<u>268,889,475</u>
Total Liabilities and Net Position	<u>\$ 679,531,134</u>
Total Revenues	\$ 126,836,797
Total Expenses	<u>(103,324,898)</u>
Revenue in Excess of Expenses Before Member Surplus Funds Contributed, Change in Net Unrealized Gains on Investments, and Member Dividends	<u>\$ 23,511,899</u>

Financial statements for the Program can be obtained from Beta Healthcare Group, 1443 Danville Blvd., Suite 200, Alamo, CA 94507-1973.

In January 1997, the County entered into a Joint Powers Agreement with the City of Salinas, the City of Gonzales, the City of Greenfield, the City of King, and the City of Soledad creating the Salinas Valley Waste Authority (Authority). The purpose of the Authority, established by the Joint Powers Agreement, is to undertake and perform: solid waste planning and program management, including collection services and siting; and the transfer and disposal of solid waste generated within each of the parties' jurisdictional boundaries. The Authority administers the agreement pursuant to the joint powers provision of the Government Code of the State of California. Financial statements for the Authority can be obtained from Salinas Valley Solid Waste Authority, 128 Sun St, Ste. 101, Salinas, CA 93901.

Condensed financial information of the Authority for the fiscal year ended June 30, 2021, is as follows:

Current Assets	\$ 30,724,193
Other Assets	4,968,341
Capital Assets, Net	36,156,009
Deferred Outflows of Resources	<u>1,567,241</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 73,415,784</u>
Closure Liability	\$ 4,532,499
Other Liabilities	<u>43,392,844</u>
Total Liabilities	\$ 47,925,343
Deferred Inflows of Resources	<u>576,636</u>
Net Position (Deficit)	<u>\$ 24,913,805</u>
Total Operating Revenues	\$ 24,246,965
Total Operating Expenses	(15,717,740)
Other Revenues and Expenses	<u>(1,134,864)</u>
Change in Net Position	<u>\$ 7,394,361</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 12: Joint Powers Agreement (continued)

On December 22, 2016, the County entered into a Joint Exercise of Powers Agreement (JPA) with the Monterey County Water Resources Agency (a blended component unit), City of Salinas, City of Soledad, City of Gonzales, City of Greenfield, King City and Castroville Community Services District, for the purpose of forming a Ground Sustainable Agency and achieving groundwater sustainability in the Salinas Valley Ground Water Basin. Established in 2017, under California's Sustainable Groundwater Management Act, the Salinas Valley Basin Groundwater Sustainability Agency (the Agency) is tasked with the ambitious goal of developing a comprehensive ground sustainability plan by 2020 and implementing the plan to achieve basin sustainability by 2040. The County has no continuing financial liability and does not expect any financial burden from its participation in the Agency. Separate financial statements of the JPA can be obtained by contacting the Agency.

Note 13: Landfill Closure and Post Closure Costs

State and federal laws and regulations require the County to place a final cover on all landfill sites when closed and, for thirty years after, perform mandated maintenance and monitoring functions at those sites. All County owned landfills are closed, thus only the liability for future maintenance and monitoring activities is shown on the statement of net position. The estimated liability and total costs for the landfill sites are shown below:

<u>Landfill Site</u>	<u>Post Closure Activities</u>	<u>Groundwater Monitoring</u>	<u>Post Closure Liability</u>
Bradley	\$ 75,019	\$ 20,000	\$ 95,019
San Ardo I	66,502	20,000	86,502
Lake San Antonio North Shore	69,517	20,000	89,517
Lake San Antonio South Shore	66,502	20,000	86,502
San Ardo II	35,019	-	35,019
Parkfield I	2,884	-	2,884
Parkfield II	22,672	-	22,672
Chualar	26,502	-	26,502
Arroyo Seco / Greenfield	26,502	-	26,502
Lockwood	26,502	-	26,502
Pleto Road	6,714	-	6,714
Totals	<u>\$ 424,335</u>	<u>\$ 80,000</u>	504,335
Landfill Costs As of June 30, 2021			<u>13,294,867</u>
Total Estimated Costs to June 30, 2023			<u>\$ 13,799,202</u>

Post closure activities is comprised of costs which are estimated for the two remaining years. The liability and total costs are estimated annually based on the premise that all equipment, facilities, and services required to monitor and maintain the landfill sites were acquired as of June 30, 2021. Actual total costs may be higher due to future changes in technology or landfill laws and regulations.

The County is required by state and federal laws and regulations to provide annual funding to finance future post closure care costs. The County is in compliance with these regulations, establishing appropriations for these activities, based on the annual estimated liability, in each year's annual budget.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 14: Commitments and Contingencies

In prior years, the Monterey County Water Resources Agency (MCWRA), a blended component unit of Monterey County, entered into an agreement with the Monterey One Water/MIW (formerly known as Monterey County Water Pollution Control Agency/MCWPCA) to provide tertiary treated water. Monterey One Water built the tertiary water treatment plant and the MCWRA built the distribution pipelines from the plant to the users. Both projects were financed by loans between each agency and the Bureau of Reclamation and/or State Water Resources Control Board. A special assessment was established and is collected by the MCWRA. Based on the agreement between the MCWRA and the Monterey One Water, the financing and operating expenses incurred by Monterey One Water on this project are paid by this special assessment on an advance basis from the MCWRA. The loans entered into directly between Monterey One Water and the lenders are not included in the County's financial statements.

As of June 30, 2021, the outstanding loan balances of the Monterey One Water related to the above project are as follows:

Loan From the Bureau of Reclamation	\$ 10,212,642
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Litigation

The County has been named as a defendant in numerous lawsuits and claims arising in the normal course of operations. In the aggregate, these lawsuits and claims seek monetary damages in significant amounts. To the extent, the outcome of such litigation has been determined to result in probable loss to the County; such loss has been recorded in the accompanying basic financial statements. In the opinion of County Counsel and management, the ultimate outcome of the remaining claims cannot be determined at this time.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. During the current year, the County performed calculations of excess investment earnings on various bonds and financings, and at June 30, 2021, does not expect to incur a significant liability.

Grant Entitlement

The County is a participant in a number of federal and state assisted programs. These programs are subject to compliance audits by the grantors. The audits of these programs for the fiscal year ended June 30, 2021, and certain earlier years have not been completed. Accordingly, the County's compliance with applicable program requirements is not completely established. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time. Management believes it has adequately provided for potential liabilities, if any, which may arise from the grantor's audits.

Hospital Regulatory Environment

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medi-Cal fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Natividad Medical Center (Center) is subject to routine surveys and reviews by federal, state, and local regulatory authorities. The Center also has received inquiries from healthcare regulatory authorities regarding its compliance with laws and regulations. Although the Center's management is not aware of any violations of laws and regulations, it has received corrective action requests as a result of completed and on-going surveys from applicable regulatory authorities. Management continually works in a timely manner to implement operational changes and procedures to address all corrective action requests from regulatory authorities. Breaches of these laws and regulations and non-compliance with survey correction action requests could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 14: Commitments and Contingencies (continued)

Construction Commitments

At June 30, 2021, the County had ongoing construction commitments that totaled approximately \$195.6 million.

Note 15: Non-Commitment Debt

Community Facilities District No. 2006-1 Special Tax Bonds (Series 2016 Bonds)

On December 6, 2016, \$9,540,000 of Special Tax Bonds were issued by Community Facilities District No. 2006-1, East Garrison Public Financing Authority, County of Monterey, State of California ("the District"). The Special Tax Bonds were issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, and are payable from a portion of certain special taxes to be levied on property within the boundaries of the District. Of the amount issued, \$1.5 million was distributed to the District, and \$6.5 million to Marina Coast Water District from the property owners to reimburse the developer for the construction of infrastructure within the East Garrison community.

On November 14, 2019 \$11,060,000 of Special Tax Bonds (Series 2019 Bonds) were issued by the District. The Special Tax Bonds were issued in parity with the 2016 Series Community Facilities District no. 2006-1 (East Garrison Project). The proceeds of the Series 2019 will be used to (i) finance certain public improvements, (ii) fund a reserve fund; and (iii) pay costs of issuing the series

The County is acting as an agent of the District in collecting assessments and special taxes, forwarding the collections to other paying agents or directly to bondholders, and initiating any necessary foreclosure proceedings. Because of the County's limited obligation in connection with the District's debt, related transactions are reflected in a Custodial Fund. Major capital outlay expenditures related to these bonds are accounted for in the East Garrison CFD Capital Projects Fund. The Special Tax Bonds are not a general obligation of the County, and neither the faith and credit nor the taxing power of the County is pledged to the payment of the bonds. The total principal amount of the debt outstanding at June 30, 2021 from both issues was \$19,735,000 (total balances of 2016 Series of \$8,985,000 and the 2019 Series of \$10,750,000) . Accordingly, such obligations are not included in the accompanying basic financial statements.

Note 16: Natividad Medical Center - Net Patient Service Revenue

Net patient service revenue is comprised of the following for the year ended June 30, 2021:

Revenue at Established Rates	\$ 1,297,749,427
Medicare Contractual Allowance	(241,159,456)
Medi-Cal Contractual Allowance	(546,912,403)
Allowances for Other Payors and Indigent Accounts	(196,159,480)
Provision for Bad Debts	<u>(34,636,670)</u>
Net Patient Service Revenue Before Additional Funding	<u>278,881,418</u>
California's Medi-Cal Hospital Waiver	31,171,448
Managed Care Supplemental Funding	50,493,114
Senate Bill 1732	<u>2,139,892</u>
Additional Funding	<u>83,804,454</u>
Net Patient Service Revenue	<u><u>362,685,872</u></u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 16: Natividad Medical Center - Net Patient Service Revenue (continued)

The Natividad Medical Center (Center) has agreements with third-party payors to provide for payments to the Center at amounts different than established rates. A summary of the basis of the payment arrangements with major third-party payors is as follows:

Medicare – Inpatient acute care services rendered to Medicare program beneficiaries are paid at predetermined prospective rates per discharge. These rates vary according to the diagnostic related group that the patient’s condition is classified under. Services other than inpatient acute care are paid based on a reimbursement methodology specific to the type of service, which generally entails reimbursement rates at the lower of costs, charges, or a published limit. The Center is reimbursed at a tentative rate during the year that is later subject to final settlement after submission and audit of an annual cost report.

Medi-Cal – Inpatient acute care services rendered to Medi-Cal program beneficiaries are reimbursed based on a per diem rate. Outpatient hospital services are reimbursed based on a published fee schedule. The Center is reimbursed at a per diem rate during the year.

Short Doyle – Inpatient acute services rendered to County mental health patients under the Short Doyle program are reimbursed based on a per diem rate specified in an agreement between the Center and the Monterey County Health Department.

Other Third Party Payors – The Center contracts with numerous employers, other county departments, and health plans to provide health care services to their beneficiaries. Reimbursement varies by contract and can be based on a combination of per diem, fee schedule, or percent of charges payment rates.

During the year ended June 30, 2021, patients for which reimbursement was calculated under the third-party payor programs comprised approximately 100% of the Center’s gross patient service revenues, as follows:

Other Third Parties	24.1 %
Medi-Cal	50.5 %
Medicare	23.4 %
Short Doyle	2.0 %
Total	100.0 %

California’s Medi-Cal Hospital Waiver

In 2005, California enacted Senate Bill 1100 ("SB 1100") to implement a federal Medicaid hospital financing waiver ("waiver") that governs fee-for-service inpatient hospital payments for its public hospitals, which include the Center. SB1100 is designed to protect baseline Medicaid funding for the Center from 2006 through 2010 – at a minimum participants will receive the Medicaid inpatient hospital payments they received in 2005 adjusted for yearly changes in costs. SB 1100 also allows the Center to receive additional waiver growth funding subject to the availability of funds. Payments to the Center under SB 1100 include a combination of Medi-Cal inpatient FFS payments, Medi-Cal Disproportionate Share (DSH) payments and Safety Net Care Pool (SNCP) payments. The federal economic stimulus package enacted in 2009, which increases California’s federal DSH allotment and the federal matching rate for FFS payments, increases the net payment amounts under the waiver to the Center for the period October 2008 through December 2010.

The original waiver expired in August 2010 and a second five-year Section 1115 Medicaid waiver agreement was signed on November 2, 2010, which was effective from November 1, 2010, to October 31, 2015. In December 2015 a third-five year Section 1115 Medical Waiver was approved for the period of December 30, 2015 through December 31, 2020. The new waiver is titled “Medi-Cal 2020” and will expand coverage and the safety net, promote public hospital delivery system improvements, and improve care coordination. The new waiver model offers federal funds for public hospitals that will require the expansion of coverage to low income people and transform care so that it is more coordinated, efficient, patient-centered and value based. Unlike the previous two waivers, the current waiver states that the federal payments will be tied to core performance measures and targets. Although the federal inpatient hospital financing waiver and the new section 1115 are designed to ensure a predictable Medicaid funding level and provide growth funding, the full financial impact of these changes in the future cannot be determined. While the new waiver is effective through December 31, 2020, an extension was granted to continue payments during 2021.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 16: Natividad Medical Center - Net Patient Service Revenue (continued)

In total, the Center estimated waiver payments of approximately \$31.2 million for the year ended June 30, 2021.

In addition to the waiver, the Center received PRIME payments. Public hospitals may receive PRIME funds to improve the quality of care they provide and the health of the population they serve. PRIME funds can be used for infrastructure development, innovation and redesign, population-focused improvement, and urgent improvement in care. The Center estimated \$13.6 million for the year ended June 30, 2021, as part of California's Medi-Cal hospital waiver payments. These funds are reported as other operating revenue, as they are considered reimbursement of costs for specific qualifying expenditures that must be approved by Department of Health Care Services ("DHCS"), rather than direct patient care.

The Center participates in the Medi-Cal Redesign Waiver Demonstration Program with the California Medical Assistance Commission.

Managed Care Supplemental Funding

The Center is a State-Designated Disproportionate Share Hospital and, through its mission and population served, is eligible to participate in state/federal Medicaid revenue enhancement waivers. Pursuant to Section 14164 of the Welfare and Institutions Code, the County may transfer funds to the Department of Health Care Services (DHCS) to be used as the assessment fee and the non-federal share of Medi-Cal managed care capitation rate increased for the County Organized Health System (COHS) administered by Central California Alliance for Health for the period of June 1, 2020, through July 31, 2021. This mechanism, known as IGT, will allow DHCS to use these funds for draw down enhanced federal financial participation in the funding of the Medi-Cal program. The gross payment, less the IGT returned to the County and taxes paid by the COHS to the State, will be available to the Center as a rate supplement.

Hospital fee – The Center is also eligible for the California Hospital Fee Program (the "Program"), which, in November 2009, was signed into California state law. The program establishes a series of Medicaid supplemental payments funded through a "Quality Assurance Fee" and a "Hospital Fee Program," which are imposed on certain California hospitals. The effective date of the Hospital Fee Program is April 1, 2009, through December 31, 2010, and is predicated in part on the enhanced Federal Medicaid Assistance Percentage ("FMAP") contained in the American Reinvestment and Recovery Act ("ARRA"). The Hospital Fee Program makes supplemental payments to hospitals for various health care services and supports the State's effort to maintain health care coverage for children. The Center, as a designated public hospital, is exempt from paying the "Quality Assurance Fee"; however, the Center is eligible to receive supplemental payments under the Hospital Fee Program. The Hospital Fee Program became effective in fiscal year 2011 after approval from the Centers for Medicare and Medicaid Services ("CMS"). In November 2016, the hospital fee program and all of its statutory provisions and protections were made permanent through the passage of the Medi-Cal Funding and Accountability Act (Proposition 52).

The Center received under the Hospital Fee Program, a direct grant component payment of \$1.7 million in 2021 from DHCS.

The legislation states that the direct grants are in support of health care expenditures, which do not constitute Medi-Cal payments. Accordingly, these grants are considered as government-mandated non-exchange transactions according to GASB Statement No. 33, *Accounting and Financial Reporting for non-exchange Transactions*. Non-exchange transactions for GASB reporters are generally not reported as components of income from operations according to GASB Statement No.34, *Basic Financial Statements -and Management's Discussion and Analysis – for State and Local Governments*. As such, GASB would require the grants to be recognized as non-operating grant and contribution revenue in the financial statements.

The Center concludes that the payments received from Central California Alliance for Health are not contributions and are considered exchange transactions because the revenue is an augmentation of Medi-Cal reimbursement for patient services provided and reduces the contractual adjustment of the specific payor category in the period the supplemental payment is recognized.

Assembly Bill 915 – State of California Assembly Bill 915, Public Hospital Outpatient Services Supplemental Reimbursement Program, provides for supplemental reimbursement equal to the federal share of unreimbursed facility costs incurred by public hospital outpatient departments. This supplemental payment covers only Medi-Cal fee-for-service outpatient services. The supplemental payment is based on each eligible hospital's certified public expenditures ("CPE"), which are matched with federal Medicaid funds. For the year ended June 30, 2021, the Center recorded revenue of \$3.7 million, included in managed care and other funding.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 16: Natividad Medical Center - Net Patient Service Revenue (continued)

Senate Bill (SB) 1732 – The Center participates in the SB 1732 program, which provides supplemental Medi-Cal reimbursement to qualifying hospitals for a portion of their debt service on revenue bonds that were issued to finance construction or maintenance of a new facility. To qualify for SB 1732, the Center must be a State-Designated Disproportionate Share Hospital facility and be a Medi-Cal contracting hospital. The SB 1732 program reimbursements reflect the Center's annual debt multiplied by a ratio of the Center's paid Medi-Cal patient days to total patient days. Since the funds received are supplemental Medi-Cal payments, the payments are applied against the Medi-Cal contractual allowance, increasing net patient service revenue. The Center recognized funding under this program, of approximately \$2.2 million for 2021.

Coronavirus Relief Fund Cares Act - Due to the Coronavirus pandemic, the U.S. Department of Health and Human Services (HHS) made available emergency relief grant funds to health care providers through the CARES Act Provider Relief Fund (PRF). Total grant funds approved and received by the Center was \$42.6 million during Fiscal Year 2021. The PRF's are subject to certain restrictions on eligible expenses or uses, reporting requirements, and will be subject to audit. At June 30, 2021, Center recognized \$42.6 million as other revenue. Management believes the amounts have been recognized appropriately as of June 30, 2021.

Subsequent to June 30, 2021, Center received \$1.8 million on November, 23, 2021 for the rural payment derived from the American rescue Plan of the Phase IV Provider Relief Fund.

Note 17: Related Party Transactions

Incorporated in 1988, the Natividad Medical Foundation (Foundation) is a non-profit, non-governmental organization separately incorporated from the Center. Recognizing the need for quality health care and decreased funding from the Federal, State, and local levels, community leaders accepted the responsibility of providing financial assistance to the Center and developed the Natividad Medical Foundation.

The criteria established in GASB 39, Determining Whether Certain Organizations are Component Units, determines whether the Foundation is reported as a component unit of the Center. Since the revenues reported by the Foundation are not significant to the Center, the Foundation is not a component unit of the Center, but is a related party.

As part of providing financial assistance to the Center, the Foundation is the administrator for the following contracts and grants:

Family Residency Training Program (Song-Brown) – The Center has multiple contracts with the Office of Statewide Health Planning and Development through June 29, 2022, to provide training for family practice residents under the direction of the Director of Family Practice Residency Training Program within the Center. The Foundation serves as fiscal administrator of the program and as such is entitled to 8% of awarded funds to cover administrative costs.

The Foundation manages the receipts and disbursements for the various programs. Remaining cash balance on hand or amounts due to the Foundation due to timing of transactions are reflected as due from (to) the Center. As administrator of the contracts and grants, for the calendar year ended December 31, 2020, the Foundation has recorded \$31,843 of contracts and grant administration revenues.

The following is a summary of the program transactions for the year ended December 31, 2020:

Contracts and Grant Receipts	\$ 515,317
Disbursements	246,587

Accounts payable included \$21,198 due to the Center for payment of restricted funds as of December 31, 2020.

The Foundation also has an agreement with the Center for January 1, 2020 through December 31, 2021 to provide philanthropic services defined as “capital campaign planning and fundraising; community outreach in connection with fundraising, preparing and submitting foundation grant applications; administering current and future foundation grants; and supporting and coordinating NMC/NMF joint community relations" to philanthropically support the capital needs at NMC.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 18: Insurance and Contingent Liabilities

The County is a certified State of California Self-Insured Public Entity. The County accounts for its risk financing activities using General Liability (GL) and Workers' Compensation (WC) internal service funds (ISFs). The County accrues liabilities for the ultimate cost of claims and expenses associated with GL-ISF and WC-ISF claims. The liabilities and claims costs charged back to the County departments are based upon results of annual actuarial reports prepared by Bickmore and Associates, the County's actuary of record. Claim costs are based on, but not limited to: claim frequency and severity, claim loss value incurred but not reported, allocated loss adjustment expenses and unallocated loss adjustment expenses.

The County's Excess GL program is insured by "A Rated" insurance companies, providing coverage in excess of the County's self-insured retention (SIR). The County paid a total annual premium of \$4,210,539 for Excess GL premiums. The County's current GL claims - Third Party Administrator (TPA) is Intercare Holdings.

Additionally, Excess WC coverage is provided by the California State Association of Counties - Excess Insurance Authority (CSAC-EIA). CSAC is a joint powers authority, whose purpose is to develop and fund programs of excess insurance for member counties. The CSAC-EIA Board of Directors, consisting of representatives from member counties, provides for CSAC-EIA's structured governance. The County paid total annual excess WC premiums of \$1,964,654. CSAC-EIA's financial statements can be obtained at: CSAC-EIA, 3017 Gold Canal Drive, Rancho Cordova, CA 95670.

The County was previously insured via traditional domestic workers' compensation insurance (e.g., either through AIG or Liberty Mutual) during the period of July 1, 1996, through June 30, 2002. All pending claims, incurred/reported, prior to July 1, 1996, and subsequent to June 30, 2002, and all subsequent open pending claims remain part of the County's self-insured workers' compensation program. Currently, the WC claims are administered by the County's WC TPA, Intercare Holdings.

The County also participates in the CSAC "All Risk - Property Insurance Program". The County's "All Risk" deductible is \$25,000, per occurrence. Primary coverage is provided by private insurance, excess of deductible, with limits of \$25 million per occurrence, and shared limits of \$600 million (e.g., subject to policy coverage terms, applicable limits, sub-limits, endorsements and exclusions). The County currently insures over \$1 billion in structural and contents (real property) values and has paid a total annual premium of \$1,446,664. The property insurance program premiums are allocated to the County departments based upon premium rate and square footage occupied.

Changes in the balance of claims liabilities during fiscal years 2020-21 and 2019-20 for all self-insurance risks are approximately as follows:

	<u>2020-21</u>	<u>2019-20</u>
Unpaid Claims, Beginning of Year	\$ 106,214,209	\$ 92,600,805
Estimated Claims Incurred	27,032,114	42,141,474
Claim Payments	<u>(26,887,214)</u>	<u>(28,528,070)</u>
Unpaid Claims, End of Year	<u>\$ 106,359,109</u>	<u>\$ 106,214,209</u>

Note 19: Stewardship, Compliance and Accountability

Deficit Fund Balances/Net Position

The General Liability internal service fund had deficit net position of \$2,676,409 as of June 30, 2021. The County settled for a \$15,500,000 Notes Payable in fiscal year 2007-08 from its Lakes Resort which caused the deficit in the fund. The Note amount with interest was approved to be paid in full by the County Board over 15 years. This fund experienced deficit seven years ago when the County was on a pay-as-you-go basis. The County approved a 5-year plan to fund the deficit in fiscal year 2004-05. The original 5-year funding plan was successfully completed. The payment of the Lake Resorts' liability is correcting the deficit, and the gradual recovery of prior losses will help correct the deficit.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 20: Tax Abatements

The County provides tax abatements through the California Land Conservation Act, known commonly as the Williamson Act. The Williamson Act is a statewide program enacted in Monterey County in 1968 in which the owner enters into a contract with the County to maintain his land in agricultural production. In exchange the owner is eligible for a reduction of his taxable values. Contracts enacted in 1968 were for a term of ten years. Contracts after 1968 were for a term of 20 years. Contracts automatically renew each year unless the owner files a notice of non renew with the Board of Supervisors. To qualify to enter into a contract the owner should have a minimum of 100 acres (40 acres of prime), and should have a gross agricultural income of \$8,000 per year for three of the last five years. Owners may go together to create enough land to qualify. The compatible uses available are specified in the contract. The Farmland Security Zone became effective in Monterey County in 1998. This measure ensures that prime farmland will get an additional 35% reduction in taxable value.

For the fiscal year ended June 30, 2021, Williamson Act related tax abatements were approximately \$9.7 million.



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REQUIRED SUPPLEMENTARY INFORMATION



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COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*
June 30, 2021

	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 3,703,796	\$ 3,405,703	\$ 3,306,508	\$ 3,210,000
Interest	5,583,220	5,053,963	4,689,517	4,348,000
Changes of Benefit Terms	-	-	-	-
Difference Between Expected and Actual Experience	-	2,256,217	-	-
Changes of Assumptions	-	(383,959)	-	-
Benefit Payments, Including Refunds of Employee Contributions	(2,912,657)	(2,665,673)	(2,726,371)	(2,453,000)
Net Change in Total OPEB Liability	6,374,359	7,666,251	5,269,654	5,105,000
Total OPEB Liability - Beginning	80,466,905	72,800,654	67,531,000	62,426,000
Total OPEB Liability - Ending (a)	\$ 86,841,264	\$ 80,466,905	\$ 72,800,654	\$ 67,531,000
Plan Fiduciary Net Position				
Contributions - Employer	8,518,191	7,303,971	6,972,371	5,073,000
Contributions - Employee	-	-	-	-
Net Investment Income	1,424,586	2,132,823	2,217,043	2,387,000
Benefit Payments, Including Refunds of Employee Contributions	(2,912,657)	(2,665,673)	(2,726,371)	(2,453,000)
Administrative Expenses	(41,405)	(24,617)	(51,259)	(12,000)
Net Change in Fiduciary Net Position	6,988,715	6,746,504	6,411,784	4,995,000
Plan Fiduciary Net Position - Beginning	40,764,288	34,017,784	27,606,000	22,611,000
Plan Fiduciary Net Position - Ending (b)	\$ 47,753,003	\$ 40,764,288	\$ 34,017,784	\$ 27,606,000
Plan Net OPEB Liability/(Asset) - Ending (a) - (b)	\$ 39,088,261	\$ 39,702,617	\$ 38,782,870	\$ 39,925,000
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	54.99 %	50.66 %	46.73 %	40.88 %
Covered Employee Payroll**	\$ 440,092,562	\$ 416,355,728	\$ 399,446,000	\$ 330,588,000
Plan Net OPEB Liability/(Asset) as a Percentage of Covered-Employee Payroll	8.88 %	9.54 %	9.71 %	12.08 %

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

** Determined for the twelve-month period ending on June 30, 2020 (Measurement Date).

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of OPEB Contributions
 Last Ten Fiscal years*
 June 30, 2021

	2021	2020	2019	2018
Actuarially Determined Contribution	\$ 8,083,000	\$ 8,252,000	\$ 7,620,000	\$ 7,165,000
Contributions in Relation to the Actuarially Determined Contribution	<u>(8,547,856)</u>	<u>(8,518,191)</u>	<u>(7,303,971)</u>	<u>(6,972,000)</u>
Contribution Deficiency (Excess)	<u>\$ (464,856)</u>	<u>\$ (266,191)</u>	<u>\$ 316,029</u>	<u>\$ 193,000</u>
Covered Employee Payroll**	\$471,499,897	\$440,092,562	\$416,335,728	\$399,446,000
Contribution as a Percentage of Covered-Employee Payroll	1.71 %	1.88 %	1.83 %	1.79 %

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available

** Determined for the twelve-month period ending on June 30, 2021 (fiscal year end).

Notes to Schedule

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020-21 were from the June 30, 2019 valuation date.

Actuarial Cost Method	Entry Age Normal, Level percentage payroll
Amortization Method	Level percentage payroll
Amortization Period	11.3-year fixed period for 2020-21
Asset Valuation Method	Investment gains and losses spread over a five-year rolling period
Discount Rate	6.75%
General Inflation	2.75%
Medical Trend	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076
Mortality	CalPERS 1997-2015 experience study
Mortality Improvement	Post-retirement mortality projected fully generational with Scale MP-2019

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Miscellaneous Plan
June 30, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Pension Liability					
Service Cost	51,617,267	50,369,004	50,511,029	48,599,853	41,097,374
Interest on Total Pension Liability	138,432,251	130,692,556	122,660,308	116,595,855	110,554,592
Changes of Benefit Terms	-	-	-	-	-
Changes of Assumptions	-	-	(9,939,254)	98,334,006	-
Difference Between Expected and Actual Experience	2,301,184	19,748,290	85,675	(1,897,655)	3,021,512
Benefit Payments, Including Refunds of Employee Contributions	(87,051,224)	(80,679,185)	(74,721,030)	(68,551,573)	(63,987,386)
Change in Employer's Proportionate Share	8,125,807	(2,809,381)	156,095	(16,871)	4,560,083
Net Change in Total Pension Liability	<u>113,425,285</u>	<u>117,321,284</u>	<u>88,752,823</u>	<u>193,063,615</u>	<u>95,246,175</u>
Total Pension Liability - Beginning	<u>1,943,405,373</u>	<u>1,826,084,089</u>	<u>1,737,331,266</u>	<u>1,544,267,651</u>	<u>1,449,021,476</u>
Total Pension Liability - Ending (a)	<u>2,056,830,658</u>	<u>1,943,405,373</u>	<u>1,826,084,089</u>	<u>1,737,331,266</u>	<u>1,544,267,651</u>
Plan Fiduciary Net Pension					
Contributions - Employees	23,558,529	22,822,360	22,323,442	21,055,994	20,475,011
Contributions - Employer	56,554,357	48,611,102	42,227,433	40,333,457	37,466,772
Net Investment Income	75,252,306	93,238,275	111,633,416	133,502,263	6,337,893
Benefit Payments, Including Refunds of Employee Contributions	(87,051,224)	(80,679,185)	(74,721,030)	(68,551,573)	(63,987,386)
Administrative Expense	(2,122,715)	(1,010,833)	(2,061,884)	1,769,495	730,695
Plan to Plan Resource Movement	176,387	(4,280)	(3,284)	177	(492)
Other Miscellaneous Income/(Expense) ¹	-	3,279	(3,915,553)	-	-
Change in Employer's Proportionate Share	6,269,592	(2,182,580)	(118,875)	13,094	(3,500,759)
Net Change in Plan Fiduciary Net Position	<u>72,637,232</u>	<u>80,798,138</u>	<u>95,601,415</u>	<u>124,557,729</u>	<u>3,061,862</u>
Plan Fiduciary Net Position - Beginning ²	<u>1,499,464,265</u>	<u>1,418,666,127</u>	<u>1,323,064,712</u>	<u>1,198,506,983</u>	<u>1,195,445,121</u>
Plan Fiduciary Net Position - Ending (b)	<u>1,572,101,497</u>	<u>1,499,464,265</u>	<u>1,418,666,127</u>	<u>1,323,064,712</u>	<u>1,198,506,983</u>
Net Pension Liability - Ending (a) - (b)	<u>484,729,161</u>	<u>443,941,108</u>	<u>407,417,962</u>	<u>414,266,554</u>	<u>345,760,668</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.43 %	77.16 %	77.69 %	76.16 %	77.61 %
Covered Payroll	342,855,089	334,031,327	319,646,331	311,248,370	292,258,379
Net Pension Liability as a Percentage of Covered Payroll	141.38 %	132.90 %	127.46 %	133.10 %	118.31 %

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Miscellaneous Plan
June 30, 2021

	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service Cost	38,758,180	37,919,451
Interest on Total Pension Liability	104,227,023	98,401,770
Changes of Benefit Terms	-	-
Changes of Assumptions	(25,708,249)	-
Difference Between Expected and Actual Experience	(5,164,441)	-
Benefit Payments, Including Refunds of Employee Contributions	(59,645,438)	(54,905,897)
Change in Employer's Proportionate Share	-	-
Net Change in Total Pension Liability	<u>52,467,075</u>	<u>81,415,324</u>
Total Pension Liability - Beginning	<u>1,396,554,401</u>	<u>1,315,139,077</u>
Total Pension Liability - Ending (a)	<u><u>1,449,021,476</u></u>	<u><u>1,396,554,401</u></u>
Plan Fiduciary Net Pension		
Contributions - Employees	19,027,910	18,329,326
Contributions - Employer	31,775,780	27,839,162
Net Investment Income	26,539,331	175,983,207
Benefit Payments, Including Refunds of Employee Contributions	(59,645,438)	(54,905,897)
Administrative Expense	1,352,697	-
Plan to Plan Resource Movement	(466,265)	-
Other Miscellaneous Income/(Expense) ¹	-	-
Change in Employer's Proportionate Share	-	-
Net Change in Plan Fiduciary Net Position	<u>15,878,621</u>	<u>167,245,798</u>
Plan Fiduciary Net Position - Beginning ²	<u>1,179,566,500</u>	<u>1,012,320,702</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>1,195,445,121</u></u>	<u><u>1,179,566,500</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>253,576,355</u></u>	<u><u>216,987,901</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.50 %	84.46 %
Covered Payroll	269,289,126	259,499,676
Net Pension Liability as a Percentage of Covered Payroll	94.17 %	83.62 %

1) During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

2) Includes any beginning year of adjustment.

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Miscellaneous Plan
June 30, 2021

Notes to Schedule:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

* This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Miscellaneous Plan
June 30, 2021

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability							
Service Cost	15,838,695	15,464,570	14,949,233	14,648,978	13,120,502	12,994,101	12,851,917
Interest on Total Pension Liability	51,745,784	48,986,308	46,316,764	43,913,660	42,184,786	40,037,212	37,995,536
Changes of Benefit Terms	-	-	-	-	-	-	-
Changes of assumptions	-	-	(3,444,367)	38,100,026	-	(10,182,750)	-
Differences Between Expected and Actual Experience	6,059,438	5,570,582	6,304,456	(5,484,464)	(1,088,628)	(1,418,672)	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(33,501,121)</u>	<u>(30,705,510)</u>	<u>(28,810,424)</u>	<u>(27,115,598)</u>	<u>(24,770,649)</u>	<u>(23,095,395)</u>	<u>(22,028,663)</u>
Net Change in Total Pension Liability	<u>40,142,796</u>	<u>39,315,950</u>	<u>35,315,662</u>	<u>64,062,602</u>	<u>29,446,011</u>	<u>18,334,496</u>	<u>28,818,790</u>
Total Pension Liability - Beginning	<u>726,489,031</u>	<u>687,173,081</u>	<u>651,857,419</u>	<u>587,794,817</u>	<u>558,348,806</u>	<u>540,014,310</u>	<u>511,195,520</u>
Total Pension Liability - Ending (a)	<u>766,631,827</u>	<u>726,489,031</u>	<u>687,173,081</u>	<u>651,857,419</u>	<u>587,794,817</u>	<u>558,348,806</u>	<u>540,014,310</u>
Plan Fiduciary Net Pension							
Contributions - Employer	24,808,113	21,517,685	18,792,681	16,846,914	15,456,197	14,143,949	14,444,054
Contributions - Employee	5,418,497	5,279,736	5,017,206	(4,697,110)	(4,714,002)	(4,623,587)	(4,670,204)
Net Investment Income	24,260,752	30,253,634	36,255,035	(43,510,662)	(2,016,611)	(8,668,988)	(58,212,266)
Benefit Payments, Including Refunds of Employee Contributions	(33,501,121)	(30,705,510)	(28,810,424)	(27,115,598)	(24,770,649)	(23,095,395)	22,028,663
Administrative Expense	(684,016)	(327,680)	669,852	579,512	240,935	444,425	-
Plan to Plan Resource Movement	(182,620)	4,450	(1,066)	(184)	-	483,447	-
Other Miscellaneous Income/(Expense) ¹	-	1,066	(1,272,060)	-	-	-	-
Net Change in Plan Fiduciary Net Position	<u>20,119,605</u>	<u>26,023,381</u>	<u>29,311,520</u>	<u>37,359,392</u>	<u>(2,824,774)</u>	<u>4,380,151</u>	<u>55,297,861</u>
Plan Fiduciary Net Position - Beginning ²	<u>485,202,274</u>	<u>459,178,893</u>	<u>429,867,373</u>	<u>392,507,981</u>	<u>395,332,755</u>	<u>390,952,604</u>	<u>335,654,743</u>
Plan Fiduciary Net Position - Ending (b)	<u>505,321,879</u>	<u>485,202,274</u>	<u>459,178,893</u>	<u>429,867,373</u>	<u>392,507,981</u>	<u>395,332,755</u>	<u>390,952,604</u>
Net Pension Liability - Ending (a) - (b)	<u>261,309,948</u>	<u>241,286,757</u>	<u>227,994,188</u>	<u>221,990,046</u>	<u>195,286,836</u>	<u>163,016,051</u>	<u>149,061,706</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.91 %	66.79 %	66.82 %	65.94 %	66.78 %	70.80 %	72.40 %
Covered Payroll	57,172,913	55,585,077	53,292,119	50,658,579	52,065,484	50,805,839	48,098,494
Net Pension Liability as a Percentage of Covered Payroll	457.05 %	434.09 %	427.82 %	438.21 %	375.08 %	320.86 %	309.91 %

1) During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

2) Includes any beginning year of adjustment.

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Safety Plan
June 30, 2021

Notes to Schedule:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

*This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years*
MCWRA
June 30, 2021

	2020	2019	2018	2017	2016	2015	2014
MCWRA's Proportion of the Net Pension Liability/(Asset)	0.19 %	0.19 %	0.19 %	0.19 %	0.19 %	0.18 %	0.08 %
MCWRA's Proportionate Share of Net Pension Liability/(Asset)	9,049,662	8,353,775	7,647,407	7,795,865	6,675,070	5,054,398	4,856,853
MCWRA's Covered Payroll	2,901,405	2,788,104	2,861,315	2,861,315	3,169,019	3,447,710	3,537,912
MCWRA's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of Covered Payroll	311.91 %	299.62 %	267.27 %	272.46 %	210.64 %	146.60 %	137.28 %
MCWRA's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	74.39 %	75.18 %	76.30 %	74.95 %	76.11 %	80.92 %	81.36 %

Note to Schedule:

Change in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool.

Change in Assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

* Amounts presented above were determined as of June 30. Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which information is available.

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Pension Contributions
Last Ten Fiscal Years*
June 30, 2021

Miscellaneous Plan

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	64,486,737	57,715,150	49,477,120	31,775,780	27,839,162	37,466,772	31,775,780	27,839,162
Contributions in Relation to the Actuarially Determined Contribution	<u>(83,981,092)</u>	<u>(65,069,341)</u>	<u>(49,821,403)</u>	<u>(43,928,804)</u>	<u>(40,556,395)</u>	<u>(37,891,199)</u>	<u>(32,301,171)</u>	<u>(27,839,162)</u>
Contribution Deficiency (Excess)	<u><u>(19,494,355)</u></u>	<u><u>(7,354,191)</u></u>	<u><u>(344,283)</u></u>	<u><u>(12,153,024)</u></u>	<u><u>(12,717,233)</u></u>	<u><u>(424,427)</u></u>	<u><u>(525,391)</u></u>	<u><u>-</u></u>
Covered Payroll**	361,913,221	342,855,089	334,031,327	319,646,331	311,248,370	292,258,379	269,289,126	259,499,676
Contribution as a Percentage of Covered Payroll	23.20 %	18.98 %	14.92 %	13.74 %	13.03 %	12.82 %	11.80 %	10.73 %

Notes to Schedule:

* Amounts presented above were determined as of June 30. Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which information is available.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Pension Contributions
Last Ten Fiscal Years*
June 30, 2021

Safety Plan

	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	27,943,307	25,170,462	21,859,497	19,467,968	17,955,292	15,456,197	14,143,949	14,444,054
Contributions in Relation to the Actuarially Determined Contribution	<u>(10,224,022)</u>	<u>(16,799,835)</u>	<u>(20,669,311)</u>	<u>(17,488,488)</u>	<u>(15,533,142)</u>	<u>(14,051,250)</u>	<u>(12,545,370)</u>	<u>(14,444,054)</u>
Contribution Deficiency (Excess)	<u>17,719,285</u>	<u>8,370,627</u>	<u>1,190,186</u>	<u>1,979,480</u>	<u>2,422,150</u>	<u>1,404,947</u>	<u>1,598,579</u>	<u>-</u>
Covered Payroll**	57,172,913	55,800,451	55,585,077	53,292,119	50,658,579	52,065,484	50,812,684	48,098,494
Contribution as a Percentage of Covered Payroll	17.88 %	30.11 %	37.19 %	32.82 %	30.66 %	29.69 %	27.84 %	30.03 %

Notes to Schedule:

* Amounts presented above were determined as of June 30. Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which information is available.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73.*

COUNTY OF MONTEREY
Required Supplementary Information
Schedule of Pension Contributions
Last Ten Fiscal Years*
June 30, 2021

MCWRA Plan

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Required Contribution	887,515	828,472	752,092	627,396	595,671	498,177	390,160	367,067
Contributions in Relation to the Actuarially Determined Contribution	<u>(883,463)</u>	<u>(700,541)</u>	<u>(566,399)</u>	<u>(522,172)</u>	<u>(561,727)</u>	<u>(520,964)</u>	<u>(394,424)</u>	<u>(367,067)</u>
Contribution Deficiency (Excess)	<u>4,052</u>	<u>127,931</u>	<u>185,693</u>	<u>105,224</u>	<u>33,944</u>	<u>(22,787)</u>	<u>(4,264)</u>	<u>-</u>
Covered Payroll**	3,345,135	2,901,405	2,788,104	2,861,315	3,282,276	3,169,019	3,447,710	3,537,912
Contribution as a Percentage of Covered Payroll	26.41 %	24.14 %	20.31 %	18.25 %	17.11 %	16.44 %	11.32 %	10.38 %

Notes to Schedule:

* Amounts presented above were determined as of June 30. Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the information will be presented for those years for which information is available.

** Covered payroll represents compensation on which contributions to a pension plan are based in accordance with GASB Statement No. 82, *Pension Issues - An Amendment of GASB Statements No. 67, No. 68, and No. 73*.



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SUPPLEMENTARY INFORMATION



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COUNTY OF MONTEREY
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue	Debt Service	Capital Projects	Total
Assets				
Cash and Investments:				
Held in County Treasury	\$ 137,020,534	\$ 1,888,563	\$ 7,143,718	\$ 146,052,815
Held with Trustee	499,766	245	-	500,011
Imprest Cash	1,800	-	-	1,800
Receivables (Net)	18,694,255	1,302	268,758	18,964,315
Prepaid Items and Other Assets	25,000	-	-	25,000
Loans and Notes Receivable	20,428,754	-	14,950	20,443,704
Total Assets	\$ 176,670,109	\$ 1,890,110	\$ 7,427,426	\$ 185,987,645
 Liabilities				
Vouchers and Accounts Payable	\$ 2,688,561	\$ -	\$ 658,782	\$ 3,347,343
Accrued Salaries and Benefits	1,278,033	-	(422)	1,277,611
Deposits from Others	265,404	-	100,805	366,209
Unearned Revenues	49,531	-	22,146	71,677
Total Liabilities	4,281,529	-	781,311	5,062,840
 Deferred Inflows of Resources				
Unavailable Revenue	7,348,816	523	230,469	7,579,808
Total Deferred Inflows of Resources	7,348,816	523	230,469	7,579,808
 Fund Balances				
Nonspendable	25,000	-	-	25,000
Restricted	128,213,157	1,035,000	-	129,248,157
Committed	36,801,607	-	-	36,801,607
Assigned	-	854,587	6,415,646	7,270,233
Total Fund Balances	165,039,764	1,889,587	6,415,646	173,344,997
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 176,670,109	\$ 1,890,110	\$ 7,427,426	\$ 185,987,645

COUNTY OF MONTEREY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:				
Taxes	\$ 15,432,521	\$ -	\$ -	\$ 15,432,521
Licenses, Permits, and Franchises	215,491	-	-	215,491
Fines, Forfeitures, and Penalties	605,692	-	-	605,692
Revenue from Use of Money and Property	2,098,607	2,045,917	70,238	4,214,762
Aid from other Governmental Agencies	150,466,249	-	999,701	151,465,950
Charges for Services	29,556,674	14,551	-	29,571,225
Miscellaneous Revenues	706,167	-	303,507	1,009,674
Total Revenues	<u>199,081,401</u>	<u>2,060,468</u>	<u>1,373,446</u>	<u>202,515,315</u>
Expenditures:				
Current:				
General Government	13,580,357	-	-	13,580,357
Public Protection	21,780,909	-	-	21,780,909
Public Ways and Facilities	1,370,553	-	-	1,370,553
Health and Sanitation	3,597,567	-	-	3,597,567
Public Assistance	14,091,664	-	-	14,091,664
Education	9,529,085	-	-	9,529,085
Debt service:				
Principal	-	7,412,267	-	7,412,267
Interest and Debt Service Costs	-	6,987,569	-	6,987,569
Capital Outlay	-	-	4,945,275	4,945,275
Total Expenditures	<u>63,950,135</u>	<u>14,399,836</u>	<u>4,945,275</u>	<u>83,295,246</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>135,131,266</u>	<u>(12,339,368)</u>	<u>(3,571,829)</u>	<u>119,220,069</u>
Other Financing Sources (Uses):				
Transfers In	8,928,086	12,330,070	3,142,158	24,400,314
Transfers Out	(124,028,151)	-	-	(124,028,151)
Sale of Capital Assets	19,634	-	-	19,634
Total Other Financing Sources (Uses)	<u>(115,080,431)</u>	<u>12,330,070</u>	<u>3,142,158</u>	<u>(99,608,203)</u>
Net Change in Fund Balances	20,050,835	(9,298)	(429,671)	19,611,866
Fund Balances, Beginning of Year, As Restated	<u>144,988,929</u>	<u>1,898,885</u>	<u>6,845,317</u>	<u>153,733,131</u>
Fund Balances, End of Year	<u>\$ 165,039,764</u>	<u>\$ 1,889,587</u>	<u>\$ 6,415,646</u>	<u>\$ 173,344,997</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

SPECIAL REVENUE FUNDS

County Library – Established as a special taxing authority under the County Library Law of 1911 and, as such, is funded primarily through its own share of property tax to provide library services to residents of Monterey County.

In-Home Support Services – Program to provide services to aged, blind and disabled persons who are unable to remain in their homes without assistance.

Fish and Game Propagation – Administration of the County's Fish and Game Commission, which consists of fifteen members, three from each supervisorial district to oversee allocation of fish and game fine monies.

Community Action Partnership – Administration of the Community Services Block Grant for provision of specified programs to advance and advocate for the low-income population.

Inclusionary Housing – To facilitate the development of lower income housing throughout Monterey County through either direct grants or low interest rate loans.

Community Development – Created for a variety of economic development activities including loans made to businesses and individuals.

Emergency Medical Services – Established at the beginning of 1989 to provide for the collection and distribution of fine proceeds authorized by the California State Legislature's adoption of Senate Bill 612.

Workforce Development Board – Facilitates the coordination between the public and private sector in focusing resources to effectively educate, train and place individuals with the necessary resources and skill-set to meet employer demands.

Local Revenue Fund – Pursuant to AB 118, this fund was created to receive sales tax revenue and vehicle license fee realignment funds.

Homeland Security Grant – Created to separate the grant funds activities from operational expenditures of the Office of Emergency Services (OES).

Health & Welfare Realignment – Administers the state realignment funding of sales tax revenue, vehicle license fees and the County's maintenance of efforts for health and social services programs

Emergency Communications & NGEN Operations - Created for the Next Generation (NGEN) Radio System's operations and maintenance and operates the countywide consolidated emergency communication system.

County Clerk/Recorder – Created to separate recording fees revenue for the use of the County Clerk/Recorder's Office for modernization, micrographics, vital record, and electronic recording delivery systems authorized by GC 27361.4 (a), GC 27361 (c), GC 27397, and H&S 103625 (h).

Habitat Management Program – Created to operate and maintain a Habitat Management Program from dissolved Fort Ord Reuse Authority (FORA) funds. On June 30, 2020, FORA's termination date was under the Fort Ord Reuse Authority Act (California Government Code Section 67650 et seq.), as amended.

East Garrison Community Services District (CSD) – Facilitates the collection and disbursement of funds for designated services provided in the East Garrison project. County and District services include security patrol operations, street maintenance, drainage maintenance and park or open space maintenance, and administration.

Nacimiento Hydroelectric Operations – Responsible for the management of Nacimiento hydroelectric operations in Monterey County.

Other Water Resources Agencies – Responsible for the management of groundwater resources and flood control protection in Monterey County.

continued

SPECIAL REVENUE FUNDS

County Service Areas – Provide a variety of services to the unincorporated developments within the County including storm drain and surface water disposal, street and sidewalk maintenance, street lighting, wastewater reclamation and open space maintenance.

Sanitation Districts – Administers and maintains four sanitation districts, operating costs are funded with user fees and property taxes.

Housing Successor Fund – Includes the set aside fund of the former Redevelopment Agency of the County of Monterey for tax increment revenues set aside for low to moderate income housing projects. Redevelopment Agency was dissolved under AB 1X26 as of February 1, 2012 and the fund is now administered by the County acting as a housing successor.



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COUNTY OF MONTEREY
Combining Balance Sheet
Special Revenue
June 30, 2021

	<u>Library Fund</u>	<u>In-Home Support Services</u>	<u>Fish & Game Propagation Fund</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 5,667,342	\$ 8,577	\$ 56,136
Held with Trustee	-	-	-
Imprest cash	1,700	-	-
Receivables (Net)	259,324	342,674	1,717
Prepaid Items and Other Assets	-	-	-
Loans and Notes Receivable	-	-	-
Total Assets	<u>\$ 5,928,366</u>	<u>\$ 351,251</u>	<u>\$ 57,853</u>
Liabilities			
Vouchers and Accounts Payable	\$ 188,732	\$ 2,754	\$ 2,500
Accrued Salaries and Benefits	116,693	109,040	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>305,425</u>	<u>111,794</u>	<u>2,500</u>
Deferred Inflows of Resources			
Unavailable Revenue	<u>244,504</u>	<u>143,288</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	5,378,437	96,169	55,353
Committed	-	-	-
Total Fund Balances	<u>5,378,437</u>	<u>96,169</u>	<u>55,353</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,928,366</u>	<u>\$ 351,251</u>	<u>\$ 57,853</u>

COUNTY OF MONTEREY
Combining Balance Sheet
Special Revenue
June 30, 2021

	<u>Community Action Partnership</u>	<u>Inclusionary Housing</u>	<u>Community Development</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 214,490	\$ 593,033	\$ 2,435,467
Held with Trustee	-	-	499,766
Imprest cash	-	-	-
Receivables (Net)	141,669	82,143	2,487,668
Prepaid Items and Other Assets	-	-	-
Loans and Notes Receivable	-	343,230	12,986,963
Total Assets	<u>\$ 356,159</u>	<u>\$ 1,018,406</u>	<u>\$ 18,409,864</u>
Liabilities			
Vouchers and Accounts Payable	\$ 101,702	\$ 366	\$ 124,634
Accrued Salaries and Benefits	-	-	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>101,702</u>	<u>366</u>	<u>124,634</u>
Deferred Inflows of Resources			
Unavailable Revenue	-	-	2,459,142
Fund Balances			
Nonspendable	-	-	-
Restricted	254,457	-	15,826,088
Committed	-	1,018,040	-
Total Fund Balances	<u>254,457</u>	<u>1,018,040</u>	<u>15,826,088</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 356,159</u>	<u>\$ 1,018,406</u>	<u>\$ 18,409,864</u>

COUNTY OF MONTEREY
Combining Balance Sheet
Special Revenue
June 30, 2021

	<u>Emergency Medical Service Fund</u>	<u>Workforce Development Board</u>	<u>Local Revenue Fund 2011</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 1,982,833	\$ 267,916	\$ 29,398,098
Held with Trustee	-	-	-
Imprest cash	-	-	-
Receivables (Net)	11,615	864,959	5,227,681
Prepaid Items and Other Assets	-	-	-
Loans and Notes Receivable	-	-	-
Total Assets	<u>\$ 1,994,448</u>	<u>\$ 1,132,875</u>	<u>\$ 34,625,779</u>
Liabilities			
Vouchers and Accounts Payable	\$ 66,526	\$ 800,015	\$ -
Accrued Salaries and Benefits	-	32,827	2,146
Deposits from Others	-	2,370	-
Unearned Revenues	-	28,475	-
Total Liabilities	<u>66,526</u>	<u>863,687</u>	<u>2,146</u>
Deferred Inflows of Resources			
Unavailable Revenue	<u>11,615</u>	<u>85,546</u>	<u>975,000</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	1,916,307	183,642	33,648,633
Committed	-	-	-
Total Fund Balances	<u>1,916,307</u>	<u>183,642</u>	<u>33,648,633</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,994,448</u>	<u>\$ 1,132,875</u>	<u>\$ 34,625,779</u>

COUNTY OF MONTEREY
Combining Balance Sheet
Special Revenue
June 30, 2021

	<u>Homeland Security Grant</u>	<u>H&W Realignment</u>	<u>Emergency Communications & NGEN Operations</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 960,489	\$ 40,762,536	\$ 2,624,351
Held with Trustee	-	-	-
Imprest cash	-	-	-
Receivables (Net)	30,031	4,350,039	781,554
Prepaid Items and Other Assets	-	-	-
Loans and Notes Receivable	-	-	-
Total Assets	<u>\$ 990,520</u>	<u>\$ 45,112,575</u>	<u>\$ 3,405,905</u>
Liabilities			
Vouchers and Accounts Payable	\$ 14,277	\$ -	\$ 329,258
Accrued Salaries and Benefits	52,167	-	719,002
Deposits from Others	-	-	-
Unearned Revenues	<u>2,531</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>68,975</u>	<u>-</u>	<u>1,048,260</u>
Deferred Inflows of Resources			
Unavailable Revenue	<u>9,431</u>	<u>-</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	912,114	45,112,575	1,653,258
Committed	<u>-</u>	<u>-</u>	<u>704,387</u>
Total Fund Balances	<u>912,114</u>	<u>45,112,575</u>	<u>2,357,645</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 990,520</u>	<u>\$ 45,112,575</u>	<u>\$ 3,405,905</u>

COUNTY OF MONTEREY
Combining Balance Sheet
Special Revenue
June 30, 2021

	<u>County Clerk/Recorder</u>	<u>Habitat Management Program</u>	<u>E. Garrison Community Services District</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 1,049,820	\$ 13,752,417	\$ 2,893,579
Held with Trustee	-	-	-
Imprest cash	-	-	-
Receivables (Net)	-	-	6,564
Prepaid Items and Other Assets	-	-	-
Loans and Notes Receivable	-	-	-
Total Assets	<u>\$ 1,049,820</u>	<u>\$ 13,752,417</u>	<u>\$ 2,900,143</u>
Liabilities			
Vouchers and Accounts Payable	\$ 167,439	\$ -	\$ 81,048
Accrued Salaries and Benefits	-	-	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>167,439</u>	<u>-</u>	<u>81,048</u>
Deferred Inflows of Resources			
Unavailable Revenue	<u>-</u>	<u>-</u>	<u>6,564</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	882,381	13,752,417	-
Committed	-	-	2,812,531
Total Fund Balances	<u>882,381</u>	<u>13,752,417</u>	<u>2,812,531</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,049,820</u>	<u>\$ 13,752,417</u>	<u>\$ 2,900,143</u>

COUNTY OF MONTEREY
Combining Balance Sheet
Special Revenue
June 30, 2021

	Agencies Under Board of Supervisors		
	Nacimiento Hydroelectric Operations	Other Water Resources Agencies	County Service Areas
Assets			
Cash and Investments:			
Held in County Treasury	\$ 1,905,411	\$ 17,962,301	\$ 12,345,984
Held with Trustee	-	-	-
Imprest cash	-	100	-
Receivables (Net)	322,753	2,111,729	100,614
Prepaid Items and Other Assets	-	-	-
Loans and Notes Receivable	-	-	-
Total Assets	\$ 2,228,164	\$ 20,074,130	\$ 12,446,598
Liabilities			
Vouchers and Accounts Payable	\$ 17,525	\$ 534,239	\$ 74,747
Accrued Salaries and Benefits	7,609	201,838	-
Deposits from Others	-	250,515	12,519
Unearned Revenues	-	15,900	2,625
Total Liabilities	25,134	1,002,492	89,891
Deferred Inflows of Resources			
Unavailable Revenue	317,023	1,618,407	61,193
Fund Balances			
Nonspendable	-	-	-
Restricted	-	-	-
Committed	1,886,007	17,453,231	12,295,514
Total Fund Balances	1,886,007	17,453,231	12,295,514
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,228,164	\$ 20,074,130	\$ 12,446,598

COUNTY OF MONTEREY
Combining Balance Sheet
Special Revenue
June 30, 2021

Agencies Under Board of Supervisors

	<u>Sanitation Districts</u>	<u>Housing Successor</u>	<u>Total</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 677,551	\$ 1,462,203	\$ 137,020,534
Held with Trustee	-	-	499,766
Imprest cash	-	-	1,800
Receivables (Net)	135,324	1,436,197	18,694,255
Prepaid Items and Other Assets	-	25,000	25,000
Loans and Notes Receivable	-	7,098,561	20,428,754
Total Assets	<u>\$ 812,875</u>	<u>\$ 10,021,961</u>	<u>\$ 176,670,109</u>
Liabilities			
Vouchers and Accounts Payable	\$ 131,673	\$ 51,126	\$ 2,688,561
Accrued Salaries and Benefits	36,711	-	1,278,033
Deposits from Others	-	-	265,404
Unearned Revenues	-	-	49,531
Total Liabilities	<u>168,384</u>	<u>51,126</u>	<u>4,281,529</u>
Deferred Inflows of Resources			
Unavailable Revenue	<u>12,594</u>	<u>1,404,509</u>	<u>7,348,816</u>
Fund Balances			
Nonspendable	-	25,000	25,000
Restricted	-	8,541,326	128,213,157
Committed	<u>631,897</u>	<u>-</u>	<u>36,801,607</u>
Total Fund Balances	<u>631,897</u>	<u>8,566,326</u>	<u>165,039,764</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 812,875</u>	<u>\$ 10,021,961</u>	<u>\$ 176,670,109</u>

COUNTY OF MONTEREY

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2021

	<u>Library Fund</u>	<u>In-Home Support Services</u>	<u>Fish & Game Propagation Fund</u>
Revenues:			
Taxes	\$ 9,829,862	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-
Fines, Forfeitures, and Penalties	-	-	37,211
Revenue from Use of Money and Property	36,792	701	394
Aid from other Governmental Agencies	870,781	620,211	-
Charges for Services	3,564	-	-
Miscellaneous Revenues	<u>441,340</u>	<u>1,229</u>	<u>1,718</u>
Total Revenues	<u>11,182,339</u>	<u>622,141</u>	<u>39,323</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	-	-	20,283
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	-	756,559	-
Education	<u>9,529,085</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>9,529,085</u>	<u>756,559</u>	<u>20,283</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,653,254</u>	<u>(134,418)</u>	<u>19,040</u>
Other Financing Sources (Uses):			
Transfers In	244,698	44,839	10,500
Transfers Out	-	-	-
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	244,698	44,839	10,500
Net Change in Fund Balances	1,897,952	(89,579)	29,540
Fund Balances, Beginning of Year, As Restated	<u>3,480,485</u>	<u>185,748</u>	<u>25,813</u>
Fund Balances, End of Year	<u>\$ 5,378,437</u>	<u>\$ 96,169</u>	<u>\$ 55,353</u>

COUNTY OF MONTEREY

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue

For the Fiscal Year Ended June 30, 2021

	<u>Community Action Partnership</u>	<u>Inclusionary Housing</u>	<u>Community Development</u>
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-
Fines, Forfeitures, and Penalties	-	-	-
Revenue from Use of Money and Property	(471)	53,155	301,395
Aid from other Governmental Agencies	859,830	-	1,927,602
Charges for Services	-	50,205	-
Miscellaneous Revenues	<u>323</u>	<u>-</u>	<u>1,948</u>
Total Revenues	<u>859,682</u>	<u>103,360</u>	<u>2,230,945</u>
Expenditures:			
Current:			
General Government	-	219,337	-
Public Protection	-	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	936,222	-	2,558,004
Education	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>936,222</u>	<u>219,337</u>	<u>2,558,004</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(76,540)</u>	<u>(115,977)</u>	<u>(327,059)</u>
Other Financing Sources (Uses):			
Transfers In	1,103	-	-
Transfers Out	-	-	-
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	1,103	-	-
Net Change in Fund Balances	(75,437)	(115,977)	(327,059)
Fund Balances, Beginning of Year, As Restated	<u>329,894</u>	<u>1,134,017</u>	<u>16,153,147</u>
Fund Balances, End of Year	<u>\$ 254,457</u>	<u>\$ 1,018,040</u>	<u>\$ 15,826,088</u>

COUNTY OF MONTEREY

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue

For the Fiscal Year Ended June 30, 2021

	Emergency Medical Service Fund	Workforce Development Board	Local Revenue Fund 2011
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-
Fines, Forfeitures, and Penalties	568,481	-	-
Revenue from Use of Money and Property	19,413	(319)	-
Aid from other Governmental Agencies	-	7,225,808	69,700,073
Charges for Services	-	-	-
Miscellaneous Revenues	11,801	74,107	-
	<u>599,695</u>	<u>7,299,596</u>	<u>69,700,073</u>
Total Revenues			
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	-	-	2,146
Public Ways and Facilities	-	-	-
Health and Sanitation	437,072	-	-
Public Assistance	-	9,840,879	-
Education	-	-	-
	<u>437,072</u>	<u>9,840,879</u>	<u>2,146</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under)			
Expenditures	<u>162,623</u>	<u>(2,541,283)</u>	<u>69,697,927</u>
Other Financing Sources (Uses):			
Transfers In	-	2,260,345	-
Transfers Out	-	-	(67,837,633)
Sale of Capital Assets	-	-	-
	<u>-</u>	<u>2,260,345</u>	<u>(67,837,633)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	162,623	(280,938)	1,860,294
Fund Balances, Beginning of Year, As Restated	<u>1,753,684</u>	<u>464,580</u>	<u>31,788,339</u>
Fund Balances, End of Year	<u>\$ 1,916,307</u>	<u>\$ 183,642</u>	<u>\$ 33,648,633</u>

COUNTY OF MONTEREY

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue

For the Fiscal Year Ended June 30, 2021

	<u>Homeland Security Grant</u>	<u>H&W Realignment</u>	<u>Emergency Communications & NGEN Operations</u>
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-
Fines, Forfeitures, and Penalties	-	-	-
Revenue from Use of Money and Property	7,656	-	183,817
Aid from other Governmental Agencies	1,240,531	63,838,381	3,946,735
Charges for Services	-	-	7,985,866
Miscellaneous Revenues	-	-	13,503
Total Revenues	<u>1,248,187</u>	<u>63,838,381</u>	<u>12,129,921</u>
Expenditures:			
Current:			
General Government	-	-	13,159,698
Public Protection	810,704	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	-	-	-
Education	-	-	-
Total Expenditures	<u>810,704</u>	<u>-</u>	<u>13,159,698</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>437,483</u>	<u>63,838,381</u>	<u>(1,029,777)</u>
Other Financing Sources (Uses):			
Transfers In	-	3,367,970	1,939,728
Transfers Out	-	(51,809,984)	-
Sale of Capital Assets	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(48,442,014)</u>	<u>1,939,728</u>
Net Change in Fund Balances	437,483	15,396,367	909,951
Fund Balances, Beginning of Year, As Restated	<u>474,631</u>	<u>29,716,208</u>	<u>1,447,694</u>
Fund Balances, End of Year	<u>\$ 912,114</u>	<u>\$ 45,112,575</u>	<u>\$ 2,357,645</u>

continued

COUNTY OF MONTEREY

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Special Revenue

For the Fiscal Year Ended June 30, 2021

	<u>County Clerk/Recorder</u>	<u>Habitat Management Program</u>	<u>E. Garrison Community Services District</u>
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	-	135,000	-
Fines, Forfeitures, and Penalties	-	-	-
Revenue from Use of Money and Property	5,755	144,612	27,762
Aid from other Governmental Agencies	-	-	-
Charges for Services	857,968	-	1,765,346
Miscellaneous Revenues	-	-	-
Total Revenues	<u>863,723</u>	<u>279,612</u>	<u>1,793,108</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	387,219	303,586	-
Public Ways and Facilities	-	-	913,140
Health and Sanitation	-	-	-
Public Assistance	-	-	-
Education	-	-	-
Total Expenditures	<u>387,219</u>	<u>303,586</u>	<u>913,140</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>476,504</u>	<u>(23,974)</u>	<u>879,968</u>
Other Financing Sources (Uses):			
Transfers In	89,425	-	-
Transfers Out	-	-	(529,547)
Sale of Capital Assets	-	-	-
Total Other Financing Sources (Uses)	89,425	-	(529,547)
Net Change in Fund Balances	565,929	(23,974)	350,421
Fund Balances, Beginning of Year, As Restated	<u>316,452</u>	<u>13,776,391</u>	<u>2,462,110</u>
Fund Balances, End of Year	<u>\$ 882,381</u>	<u>\$ 13,752,417</u>	<u>\$ 2,812,531</u>

continued

COUNTY OF MONTEREY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2021

	Agencies Under Board of Supervisors		
	Nacimiento Hydroelectric Operations	Other Water Resources Agencies	County Service Areas
Revenues:			
Taxes	\$ -	\$ 2,923,448	\$ 2,399,318
Licenses, Permits, and Franchises	-	78,391	-
Fines, Forfeitures, and Penalties	-	-	-
Revenue from Use of Money and Property	20,352	886,227	120,041
Aid from other Governmental Agencies	-	232,948	2,259
Charges for Services	644,218	16,832,689	535,537
Miscellaneous Revenues	65	166,794	724
Total Revenues	<u>664,635</u>	<u>21,120,497</u>	<u>3,057,879</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	506,910	19,750,061	-
Public Ways and Facilities	-	-	457,413
Health and Sanitation	-	-	1,755,329
Public Assistance	-	-	-
Education	-	-	-
Total Expenditures	<u>506,910</u>	<u>19,750,061</u>	<u>2,212,742</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>157,725</u>	<u>1,370,436</u>	<u>845,137</u>
Other Financing Sources (Uses):			
Transfers In	10,799	958,679	-
Transfers Out	(300,000)	(3,412,637)	(100,000)
Sale of Capital Assets	-	19,634	-
Total Other Financing Sources (Uses)	<u>(289,201)</u>	<u>(2,434,324)</u>	<u>(100,000)</u>
Net Change in Fund Balances	<u>(131,476)</u>	<u>(1,063,888)</u>	<u>745,137</u>
Fund Balances, Beginning of Year, As Restated	<u>2,017,483</u>	<u>18,517,119</u>	<u>11,550,377</u>
Fund Balances, End of Year	<u>\$ 1,886,007</u>	<u>\$ 17,453,231</u>	<u>\$ 12,295,514</u>

COUNTY OF MONTEREY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2021

	<u>Agencies Under Board of Supervisors</u>		
	<u>Sanitation Districts</u>	<u>Housing Successor</u>	<u>Total</u>
Revenues:			
Taxes	\$ 279,893	\$ -	\$ 15,432,521
Licenses, Permits, and Franchises	2,100	-	215,491
Fines, Forfeitures, and Penalties	-	-	605,692
Revenue from Use of Money and Property	7,181	284,144	2,098,607
Aid from other Governmental Agencies	1,090	-	150,466,249
Charges for Services	869,279	12,002	29,556,674
Miscellaneous Revenues	14	(7,399)	706,167
	<u>1,159,557</u>	<u>288,747</u>	<u>199,081,401</u>
Total Revenues			
Expenditures:			
Current:			
General Government	-	201,322	13,580,357
Public Protection	-	-	21,780,909
Public Ways and Facilities	-	-	1,370,553
Health and Sanitation	1,405,166	-	3,597,567
Public Assistance	-	-	14,091,664
Education	-	-	9,529,085
	<u>1,405,166</u>	<u>201,322</u>	<u>63,950,135</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(245,609)</u>	<u>87,425</u>	<u>135,131,266</u>
Other Financing Sources (Uses):			
Transfers In	-	-	8,928,086
Transfers Out	(38,350)	-	(124,028,151)
Sale of Capital Assets	-	-	19,634
	<u>(38,350)</u>	<u>-</u>	<u>(115,080,431)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(283,959)	87,425	20,050,835
Fund Balances, Beginning of Year, As Restated	<u>915,856</u>	<u>8,478,901</u>	<u>144,988,929</u>
Fund Balances, End of Year	<u>\$ 631,897</u>	<u>\$ 8,566,326</u>	<u>\$ 165,039,764</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Library Fund
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 9,431,787	\$ 9,431,787	\$ 9,829,862	\$ 398,075
Revenue from Use of Money and Property	7,524	7,524	36,792	29,268
Aid from other Governmental Agencies	125,974	125,974	870,781	744,807
Charges for Services	158,247	158,247	3,564	(154,683)
Miscellaneous Revenues	<u>235,000</u>	<u>235,000</u>	<u>441,340</u>	<u>206,340</u>
Total Revenues	<u>9,958,532</u>	<u>9,958,532</u>	<u>11,182,339</u>	<u>1,223,807</u>
Expenditures:				
Current:				
Education	<u>10,406,648</u>	<u>10,406,648</u>	<u>9,529,085</u>	<u>877,563</u>
Total Expenditures	<u>10,406,648</u>	<u>10,406,648</u>	<u>9,529,085</u>	<u>877,563</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(448,116)</u>	<u>(448,116)</u>	<u>1,653,254</u>	<u>2,101,370</u>
Other Financing Sources (Uses):				
Transfers In	<u>374,320</u>	<u>374,320</u>	<u>244,698</u>	<u>(129,622)</u>
Total Other Financing Sources (Uses)	<u>374,320</u>	<u>374,320</u>	<u>244,698</u>	<u>(129,622)</u>
Net Change in Fund Balances	(73,796)	(73,796)	1,897,952	1,971,748
Fund Balances, Beginning	<u>3,480,485</u>	<u>3,480,485</u>	<u>3,480,485</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 3,406,689</u>	<u>\$ 3,406,689</u>	<u>\$ 5,378,437</u>	<u>\$ 1,971,748</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
In-Home Support Services
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ -	\$ -	\$ 701	\$ 701
Aid from other Governmental Agencies	768,629	768,629	620,211	(148,418)
Miscellaneous Revenues	-	-	1,229	1,229
Total Revenues	<u>768,629</u>	<u>768,629</u>	<u>622,141</u>	<u>(146,488)</u>
Expenditures:				
Current:				
Public Assistance	956,836	956,836	756,559	200,277
Total Expenditures	<u>956,836</u>	<u>956,836</u>	<u>756,559</u>	<u>200,277</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(188,207)</u>	<u>(188,207)</u>	<u>(134,418)</u>	<u>53,789</u>
Other Financing Sources (Uses):				
Transfers In	187,604	187,604	44,839	(142,765)
Total Other Financing Sources (Uses)	<u>187,604</u>	<u>187,604</u>	<u>44,839</u>	<u>(142,765)</u>
Net Change in Fund Balances	(603)	(603)	(89,579)	(88,976)
Fund Balances, Beginning	<u>(61,959)</u>	<u>(61,957)</u>	<u>185,748</u>	<u>(247,705)</u>
Fund Balances, Ending	<u>\$ (62,562)</u>	<u>\$ (62,560)</u>	<u>\$ 96,169</u>	<u>\$ 158,729</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Fish & Game Propagation Fund
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines, Forfeitures, and Penalties	\$ 12,880	\$ 12,880	\$ 37,211	\$ 24,331
Revenue from Use of Money and Property	685	685	394	(291)
Miscellaneous Revenues	-	-	1,718	1,718
Total Revenues	<u>13,565</u>	<u>13,565</u>	<u>39,323</u>	<u>25,758</u>
Expenditures:				
Current:				
Public Protection	38,795	38,795	20,283	18,512
Total Expenditures	<u>38,795</u>	<u>38,795</u>	<u>20,283</u>	<u>18,512</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(25,230)</u>	<u>(25,230)</u>	<u>19,040</u>	<u>44,270</u>
Other Financing Sources (Uses):				
Transfers In	10,500	10,500	10,500	-
Total Other Financing Sources (Uses)	<u>10,500</u>	<u>10,500</u>	<u>10,500</u>	<u>-</u>
Net Change in Fund Balances	(14,730)	(14,730)	29,540	44,270
Fund Balances, Beginning	<u>25,813</u>	<u>25,813</u>	<u>25,813</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 11,083</u>	<u>\$ 11,083</u>	<u>\$ 55,353</u>	<u>\$ 44,270</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Community Action Partnership
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and				
Property	\$ 250	\$ 250	\$ (471)	\$ (721)
Aid from other Governmental Agencies	588,500	938,500	859,830	(78,670)
Miscellaneous Revenues	-	-	323	323
Total Revenues	<u>588,750</u>	<u>938,750</u>	<u>859,682</u>	<u>(79,068)</u>
Expenditures:				
Current:				
Public Assistance	<u>590,760</u>	<u>940,760</u>	<u>936,222</u>	<u>4,538</u>
Total Expenditures	<u>590,760</u>	<u>940,760</u>	<u>936,222</u>	<u>4,538</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,010)</u>	<u>(2,010)</u>	<u>(76,540)</u>	<u>(74,530)</u>
Other Financing Sources (Uses):				
Transfers In	<u>1,103</u>	<u>1,103</u>	<u>1,103</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,103</u>	<u>1,103</u>	<u>1,103</u>	<u>-</u>
Net Change in Fund Balances	(907)	(907)	(75,437)	(74,530)
Fund Balances, Beginning	<u>329,894</u>	<u>329,894</u>	<u>329,894</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 328,987</u>	<u>\$ 328,987</u>	<u>\$ 254,457</u>	<u>\$ (74,530)</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Inclusionary Housing
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ 26,000	\$ 26,000	\$ 53,155	\$ 27,155
Charges for Services	4,000	4,000	50,205	46,205
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>103,360</u>	<u>73,360</u>
Expenditures:				
Current:				
General Government	863,460	863,460	219,337	644,123
Total Expenditures	<u>863,460</u>	<u>863,460</u>	<u>219,337</u>	<u>644,123</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(833,460)</u>	<u>(833,460)</u>	<u>(115,977)</u>	<u>717,483</u>
Net Change in Fund Balances	(833,460)	(833,460)	(115,977)	717,483
Fund Balances, Beginning	<u>1,134,017</u>	<u>1,134,017</u>	<u>1,134,017</u>	-
Fund Balances, Ending	<u>\$ 300,557</u>	<u>\$ 300,557</u>	<u>\$ 1,018,040</u>	<u>\$ 717,483</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Community Development
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ 160,400	\$ 160,400	\$ 301,395	\$ 140,995
Aid from other Governmental Agencies	3,629,508	3,629,508	1,927,602	(1,701,906)
Charges for Services	50,000	50,000	-	(50,000)
Miscellaneous Revenues	-	-	1,948	1,948
Total Revenues	<u>3,839,908</u>	<u>3,839,908</u>	<u>2,230,945</u>	<u>(1,608,963)</u>
Expenditures:				
Current:				
Public Assistance	6,270,008	6,270,008	2,558,004	3,712,004
Debt Service:				
Total Expenditures	<u>6,270,008</u>	<u>6,270,008</u>	<u>2,558,004</u>	<u>3,712,004</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,430,100)</u>	<u>(2,430,100)</u>	<u>(327,059)</u>	<u>2,103,041</u>
Net Change in Fund Balances	(2,430,100)	(2,430,100)	(327,059)	2,103,041
Fund Balances, Beginning	<u>16,153,147</u>	<u>16,153,147</u>	<u>16,153,147</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 13,723,047</u>	<u>\$ 13,723,047</u>	<u>\$ 15,826,088</u>	<u>\$ 2,103,041</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Emergency Medical Service Fund
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines, Forfeitures, and Penalties	\$ 745,000	\$ 745,000	\$ 568,481	\$ (176,519)
Revenue from Use of Money and Property	10,000	10,000	19,413	9,413
Miscellaneous Revenues	<u>10,000</u>	<u>10,000</u>	<u>11,801</u>	<u>1,801</u>
Total Revenues	<u>765,000</u>	<u>765,000</u>	<u>599,695</u>	<u>(165,305)</u>
Expenditures:				
Current:				
Health and Sanitation	<u>630,000</u>	<u>630,000</u>	<u>437,072</u>	<u>192,928</u>
Total Expenditures	<u>630,000</u>	<u>630,000</u>	<u>437,072</u>	<u>192,928</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>135,000</u>	<u>135,000</u>	<u>162,623</u>	<u>27,623</u>
Net Change in Fund Balances	135,000	135,000	162,623	27,623
Fund Balances, Beginning	<u>1,753,684</u>	<u>1,753,684</u>	<u>1,753,684</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,888,684</u>	<u>\$ 1,888,684</u>	<u>\$ 1,916,307</u>	<u>\$ 27,623</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Workforce Development Board
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ -	\$ -	\$ (319)	\$ (319)
Aid from other Governmental Agencies	7,819,873	7,819,873	7,225,808	(594,065)
Miscellaneous Revenues	-	-	74,107	74,107
Total Revenues	<u>7,819,873</u>	<u>7,819,873</u>	<u>7,299,596</u>	<u>(520,277)</u>
Expenditures:				
Current:				
Public Assistance	<u>8,491,330</u>	<u>10,269,973</u>	<u>9,840,879</u>	<u>429,094</u>
Total Expenditures	<u>8,491,330</u>	<u>10,269,973</u>	<u>9,840,879</u>	<u>429,094</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(671,457)</u>	<u>(2,450,100)</u>	<u>(2,541,283)</u>	<u>(91,183)</u>
Other Financing Sources (Uses):				
Transfers In	697,136	2,475,779	2,260,345	(215,434)
Transfers Out	<u>(50,000)</u>	<u>(50,000)</u>	-	<u>(50,000)</u>
Total Other Financing Sources (Uses)	<u>647,136</u>	<u>2,425,779</u>	<u>2,260,345</u>	<u>(265,434)</u>
Net Change in Fund Balances	(24,321)	(24,321)	(280,938)	(256,617)
Fund Balances, Beginning	<u>-</u>	<u>-</u>	<u>464,580</u>	<u>(464,580)</u>
Fund Balances, Ending	<u>\$ (24,321)</u>	<u>\$ (24,321)</u>	<u>\$ 183,642</u>	<u>\$ 207,963</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Local Revenue Fund 2011
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Aid from other Governmental Agencies	\$ 67,621,883	\$ 67,621,883	\$ 69,700,073	\$ 2,078,190
Total Revenues	<u>67,621,883</u>	<u>67,621,883</u>	<u>69,700,073</u>	<u>2,078,190</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>67,621,883</u>	<u>67,621,883</u>	<u>69,697,927</u>	<u>2,080,336</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(69,454,086)</u>	<u>(69,454,086)</u>	<u>(67,837,633)</u>	<u>1,616,453</u>
Total Other Financing Sources (Uses)	<u>(69,454,086)</u>	<u>(69,454,086)</u>	<u>(67,837,633)</u>	<u>1,616,453</u>
Net Change in Fund Balances	(1,832,203)	(1,832,203)	1,860,294	3,692,497
Fund Balances, Beginning	<u>31,788,339</u>	<u>31,788,339</u>	<u>31,788,339</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 29,956,136</u>	<u>\$ 29,956,136</u>	<u>\$ 33,648,633</u>	<u>\$ 3,692,497</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Homeland Security Grant
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ 2,000	\$ 2,000	\$ 7,656	\$ 5,656
Aid from other Governmental Agencies	842,138	842,138	1,240,531	398,393
Miscellaneous Revenues	-	33,000	-	(33,000)
Total Revenues	<u>844,138</u>	<u>877,138</u>	<u>1,248,187</u>	<u>371,049</u>
Expenditures:				
Current:				
Public Protection	<u>844,304</u>	<u>877,304</u>	<u>810,704</u>	<u>66,600</u>
Total Expenditures	<u>844,304</u>	<u>877,304</u>	<u>810,704</u>	<u>66,600</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(166)</u>	<u>(166)</u>	<u>437,483</u>	<u>304,449</u>
Net Change in Fund Balances	(166)	(166)	437,483	437,649
Fund Balances, Beginning	<u>474,631</u>	<u>474,631</u>	<u>474,631</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 474,465</u>	<u>\$ 474,465</u>	<u>\$ 912,114</u>	<u>\$ 437,649</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
H&W Realignment
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Aid from other Governmental Agencies	\$ 63,946,483	\$ 63,946,483	\$ 63,838,381	\$ (108,102)
Total Revenues	<u>63,946,483</u>	<u>63,946,483</u>	<u>63,838,381</u>	<u>(108,102)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>63,946,483</u>	<u>63,946,483</u>	<u>63,838,381</u>	<u>(108,102)</u>
Other Financing Sources (Uses):				
Transfers In	3,617,970	5,489,014	3,367,970	(2,121,044)
Transfers Out	<u>(68,057,431)</u>	<u>(69,928,475)</u>	<u>(51,809,984)</u>	<u>18,118,491</u>
Total Other Financing Sources (Uses)	<u>(64,439,461)</u>	<u>(64,439,461)</u>	<u>(48,442,014)</u>	<u>15,997,447</u>
Net Change in Fund Balances	(492,978)	(492,978)	15,396,367	15,889,345
Fund Balances, Beginning, As Restated	<u>29,716,208</u>	<u>29,716,208</u>	<u>29,716,208</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 29,223,230</u></u>	<u><u>\$ 29,223,230</u></u>	<u><u>\$ 45,112,575</u></u>	<u><u>\$ 15,889,345</u></u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Emergency Communications & NGEN Operations
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amouts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and				
Property	\$ 133,600	\$ 133,600	\$ 183,817	\$ 50,217
Aid from other Governmental Agencies	3,680,859	3,680,859	3,946,735	265,876
Charges for Services	8,734,919	8,734,919	7,985,866	(749,053)
Miscellaneous Revenues	-	-	13,503	13,503
Total Revenues	<u>12,549,378</u>	<u>12,549,378</u>	<u>12,129,921</u>	<u>(419,457)</u>
Expenditures:				
Current:				
General Government	<u>14,151,459</u>	<u>14,151,459</u>	<u>13,159,698</u>	<u>991,761</u>
Total Expenditures	<u>14,151,459</u>	<u>14,151,459</u>	<u>13,159,698</u>	<u>991,761</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,602,081)</u>	<u>(1,602,081)</u>	<u>(1,029,777)</u>	<u>572,304</u>
Transfers In	<u>1,939,788</u>	<u>1,939,788</u>	<u>1,939,728</u>	<u>(60)</u>
Total Other Financing Sources (Uses)	<u>1,939,788</u>	<u>1,939,788</u>	<u>1,939,728</u>	<u>(60)</u>
Net Change in Fund Balances	337,707	337,707	909,951	572,244
Fund Balances, Beginning	<u>1,447,694</u>	<u>1,447,694</u>	<u>1,447,694</u>	<u>-</u>
Fund Balances, Ending	<u><u>\$ 1,785,401</u></u>	<u><u>\$ 1,785,401</u></u>	<u><u>\$ 2,357,645</u></u>	<u><u>\$ 572,244</u></u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
County Clerk/Recorder
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Revenue from Use of Money and Property	\$ -	\$ -	\$ 5,755	\$ 5,755
Charges for Services	<u>350,000</u>	<u>350,000</u>	<u>857,968</u>	<u>507,968</u>
Total Revenues	<u>350,000</u>	<u>350,000</u>	<u>863,723</u>	<u>513,723</u>
Expenditures				
Current:				
Public Protection	<u>350,000</u>	<u>439,425</u>	<u>387,219</u>	<u>52,206</u>
Total Expenditures	<u>350,000</u>	<u>439,425</u>	<u>387,219</u>	<u>52,206</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(89,425)</u>	<u>476,504</u>	<u>565,929</u>
Transfers In	-	89,425	89,425	-
Total Other Financing Sources (Uses)	-	89,425	89,425	-
Net Change in Fund Balances	-	-	565,929	565,929
Fund Balances, Beginning	<u>316,452</u>	<u>316,452</u>	<u>316,452</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 316,452</u></u>	<u><u>\$ 316,452</u></u>	<u><u>\$ 882,381</u></u>	<u><u>\$ 565,929</u></u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Habitat Management Program
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues:				
Licenses, Permits, and Franchises	\$ -	\$ -	\$ 135,000	\$ 135,000
Revenue from Use of Money and Property	-	300,000	144,612	(155,388)
Total Revenues	-	300,000	279,612	(20,388)
Public Protection	-	650,000	303,586	346,414
Total Expenditures	-	650,000	303,586	346,414
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(350,000)	(23,974)	326,026
Net Change in Fund Balances	-	(350,000)	(23,974)	326,026
Fund Balances, Beginning	<u>13,776,391</u>	<u>13,776,391</u>	<u>13,776,391</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 13,776,391</u>	<u>\$ 13,426,391</u>	<u>\$ 13,752,417</u>	<u>\$ 326,026</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
E. Garrison Community Services District
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ 40,000	\$ 40,000	\$ 27,762	\$ (12,238)
Charges for Services	<u>1,827,350</u>	<u>1,827,350</u>	<u>1,765,346</u>	<u>(62,004)</u>
Total Revenues	<u>1,867,350</u>	<u>1,867,350</u>	<u>1,793,108</u>	<u>(74,242)</u>
Expenditures				
Public Ways and Facilities	<u>1,736,479</u>	<u>1,736,479</u>	<u>913,140</u>	<u>823,339</u>
Total Expenditures	<u>1,736,479</u>	<u>1,736,479</u>	<u>913,140</u>	<u>823,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>130,871</u>	<u>130,871</u>	<u>879,968</u>	<u>749,097</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(488,367)</u>	<u>(488,367)</u>	<u>(529,547)</u>	<u>(41,180)</u>
Total Other Financing Sources (Uses)	<u>(488,367)</u>	<u>(488,367)</u>	<u>(529,547)</u>	<u>(41,180)</u>
Net Change in Fund Balances	(357,496)	(357,496)	350,421	707,917
Fund Balances, Beginning	<u>2,462,110</u>	<u>2,462,110</u>	<u>2,462,110</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 2,104,614</u>	<u>\$ 2,104,614</u>	<u>\$ 2,812,531</u>	<u>\$ 707,917</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Nacimiento Hydroelectric Operations
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ 10,000	\$ 10,000	\$ 20,352	\$ 10,352
Charges for Services	700,000	700,000	644,218	(55,782)
Miscellaneous Revenues	-	-	65	65
Total Revenues	<u>710,000</u>	<u>710,000</u>	<u>664,635</u>	<u>(45,365)</u>
Expenditures:				
Current:				
Public Protection	751,136	751,136	506,910	244,226
Total Expenditures	<u>751,136</u>	<u>751,136</u>	<u>506,910</u>	<u>244,226</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(41,136)</u>	<u>(41,136)</u>	<u>157,725</u>	<u>198,861</u>
Other Financing Sources (Uses):				
Transfers In	-	-	10,799	10,799
Transfers Out	(300,000)	(300,000)	(300,000)	-
Total Other Financing Sources (Uses)	<u>(300,000)</u>	<u>(300,000)</u>	<u>(289,201)</u>	<u>10,799</u>
Net Change in Fund Balances	(341,136)	(341,136)	(131,476)	209,660
Fund Balances, Beginning	<u>2,017,483</u>	<u>2,017,483</u>	<u>2,017,483</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,676,347</u>	<u>\$ 1,676,347</u>	<u>\$ 1,886,007</u>	<u>\$ 209,660</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Other Water Resources Agencies
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,458,338	\$ 2,458,338	\$ 2,923,448	\$ 465,110
Licenses, Permits, and Franchises	-	-	78,391	78,391
Revenue from Use of Money and Property	735,500	735,500	886,227	150,727
Aid from other Governmental Agencies	56,000	2,297,068	232,948	(2,064,120)
Charges for Services	17,293,881	17,293,881	16,832,689	(461,192)
Miscellaneous Revenues	-	-	166,794	166,794
Total Revenues	<u>20,543,719</u>	<u>22,784,787</u>	<u>21,120,497</u>	<u>(1,664,290)</u>
Expenditures				
Current:				
Public Protection	24,958,335	27,598,902	19,750,061	7,848,841
Total Expenditures	<u>24,958,335</u>	<u>27,598,902</u>	<u>19,750,061</u>	<u>7,848,841</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,414,616)</u>	<u>(4,814,115)</u>	<u>1,370,436</u>	<u>6,184,551</u>
Other financing Sources (Uses):				
Transfers In	405,000	804,499	958,679	154,180
Transfers Out	(1,864,244)	(1,864,244)	(3,412,637)	(1,548,393)
Sale of Capital Assets	-	-	19,634	19,634
Total Other Financing Sources (Uses)	<u>(1,459,244)</u>	<u>(1,059,745)</u>	<u>(2,434,324)</u>	<u>(1,374,579)</u>
Net Change in Fund Balances	(5,873,860)	(5,873,860)	(1,063,888)	4,809,972
Fund Balances, Beginning	<u>18,517,119</u>	<u>18,517,119</u>	<u>18,517,119</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 12,643,259</u>	<u>\$ 12,643,259</u>	<u>\$ 17,453,231</u>	<u>\$ 4,809,972</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
County Service Areas
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,225,787	\$ 2,225,787	\$ 2,399,318	\$ 173,531
Revenue from Use of Money and Property	225,261	225,261	120,041	(105,220)
Aid from other Governmental Agencies	2,259	2,259	2,259	-
Charges for Services	574,248	574,248	535,537	(38,711)
Miscellaneous Revenues	-	-	724	724
Total Revenues	<u>3,027,555</u>	<u>3,027,555</u>	<u>3,057,879</u>	<u>30,324</u>
Expenditures				
Current:				
Public Ways and Facilities	1,910,818	1,999,378	457,413	1,541,965
Health and Sanitation	2,308,664	2,343,612	1,755,329	588,283
Total Expenditures	<u>4,219,482</u>	<u>4,342,990</u>	<u>2,212,742</u>	<u>2,130,248</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,191,927)</u>	<u>(1,315,435)</u>	<u>845,137</u>	<u>2,160,572</u>
Other Financing Sources (Uses):				
Transfers Out	-	-	(100,000)	(100,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Net Change in Fund Balances	(1,191,927)	(1,315,435)	745,137	2,060,572
Fund Balances, Beginning	<u>11,550,377</u>	<u>11,550,377</u>	<u>11,550,377</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 10,358,450</u>	<u>\$ 10,234,942</u>	<u>\$ 12,295,514</u>	<u>\$ 2,060,572</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Sanitation Districts
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 258,006	\$ 258,006	\$ 279,893	\$ 21,887
Licenses, Permits, and Franchises	200	200	2,100	1,900
Revenue from Use of Money and Property	900	900	7,181	6,281
Aid from other Governmental Agencies	1,236	1,236	1,090	(146)
Charges for Services	871,000	878,452	869,279	(9,173)
Miscellaneous Revenues	102,006	102,006	15	(101,991)
Total revenues	<u>1,233,348</u>	<u>1,240,800</u>	<u>1,159,558</u>	<u>(81,242)</u>
Expenditures				
Current:				
Health and Sanitation	1,982,200	2,024,743	1,405,167	619,576
Total Expenditures	<u>1,982,200</u>	<u>2,024,743</u>	<u>1,405,167</u>	<u>619,576</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(748,852)</u>	<u>(783,943)</u>	<u>(245,609)</u>	<u>538,334</u>
Other Financing Sources (Uses):				
Transfers In	352,400	352,400	-	(352,400)
Transfers Out	(38,800)	(38,800)	(38,350)	450
Total Other Financing Sources (Uses)	313,600	313,600	(38,350)	(351,950)
Net Change in Fund Balances	(435,252)	(470,343)	(283,959)	186,384
Fund Balances, Beginning	<u>915,856</u>	<u>915,856</u>	<u>915,856</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 480,604</u>	<u>\$ 445,513</u>	<u>\$ 631,897</u>	<u>\$ 186,384</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Housing Successor
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ 215,200	\$ 215,200	\$ 284,144	\$ 68,944
Charges for Services	4,000	4,000	12,002	8,002
Miscellaneous Revenues	-	-	(7,399)	(7,399)
Total Revenues	<u>219,200</u>	<u>219,200</u>	<u>288,747</u>	<u>69,547</u>
Expenditures				
Current:				
General Government	1,394,100	1,394,100	201,322	1,192,778
Total Expenditures	<u>1,394,100</u>	<u>1,394,100</u>	<u>201,322</u>	<u>1,192,778</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,174,900)</u>	<u>(1,174,900)</u>	<u>87,425</u>	<u>1,262,325</u>
Net Change in Fund Balances	(1,174,900)	(1,174,900)	87,425	1,262,325
Fund Balances, Beginning	<u>8,478,901</u>	<u>8,478,901</u>	<u>8,478,901</u>	<u>-</u>
Fund Balances, Ending	<u><u>\$ 7,304,001</u></u>	<u><u>\$ 7,304,001</u></u>	<u><u>\$ 8,566,326</u></u>	<u><u>\$ 1,262,325</u></u>

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The County debt service funds provide for the repayment of debt, other than those financed by proprietary funds, for certificates of participation, revenue bonds and short-term borrowing.

DEBT SERVICE FUNDS

Debt Service General – Created to assure the County meets all the debt service obligations in connection with the County’s adopted financing policies and State statutes so that the County’s credit ratings continue at the current positive levels. The debt is managed by the Auditor-Controller’s Office in coordination with the Chief Administrative Office.

County Financing Authority – Established to support the debt service activities funding the County’s portion of the construction of the Salinas Valley Water Project. The fund is managed by the Auditor-Controller’s Office and the Water Resources Agency.

Public Improvement Corporation – The Corporation assists the County in acquiring, purchasing, constructing, improving and financing real property, facilities and equipment needed for County operations. With County assistance, the Corporation acts as a conduit between the County and bond holders. The Auditor-Controller’s office is the oversight agency for all funds provided by the Corporation for capital projects.

COUNTY OF MONTEREY
Combining Balance Sheet
Debt Service
June 30, 2021

	<u>Debt Service General</u>	<u>Monterey County Financing Authority</u>	<u>Public Improvement Corporation Debt Service</u>	<u>Total</u>
Assets				
Cash and Investments:				
Held in County Treasury	\$ 854,587	\$ 1,033,976	\$ -	\$ 1,888,563
Held with Trustee	-	233	12	245
Receivables (Net)	<u>523</u>	<u>779</u>	<u>-</u>	<u>1,302</u>
Total Assets	<u>\$ 855,110</u>	<u>\$ 1,034,988</u>	<u>\$ 12</u>	<u>\$ 1,890,110</u>
Liabilities				
Deferred Inflows of Resources				
Unavailable Revenue	<u>523</u>	<u>-</u>	<u>-</u>	<u>523</u>
Total Deferred Inflows of Resources	<u>523</u>	<u>-</u>	<u>-</u>	<u>523</u>
Fund Balances				
Restricted	-	1,034,988	12	1,035,000
Assigned	<u>854,587</u>	<u>-</u>	<u>-</u>	<u>854,587</u>
Total Fund Balances	<u>854,587</u>	<u>1,034,988</u>	<u>12</u>	<u>1,889,587</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 855,110</u>	<u>\$ 1,034,988</u>	<u>\$ 12</u>	<u>\$ 1,890,110</u>

COUNTY OF MONTEREY

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Debt Service

For the Fiscal Year Ended June 30, 2021

	<u>Debt Service General</u>	<u>Monterey County Financing Authority</u>	<u>Public Improvement Corporation Debt Service</u>	<u>Total</u>
Revenues				
Revenue from Use of Money and Property	\$ 995	\$ 3	\$ 2,044,919	\$ 2,045,917
Charges for Services	<u>14,551</u>	<u>-</u>	<u>-</u>	<u>14,551</u>
Total Revenues	<u>15,546</u>	<u>3</u>	<u>2,044,919</u>	<u>2,060,468</u>
Expenditures				
Debt service:				
Principal	1,117,058	760,000	5,535,209	7,412,267
Interest and Debt Service Costs	<u>592,787</u>	<u>996,638</u>	<u>5,398,144</u>	<u>6,987,569</u>
Total Expenditures	<u>1,709,845</u>	<u>1,756,638</u>	<u>10,933,353</u>	<u>14,399,836</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,694,299)</u>	<u>(1,756,635)</u>	<u>(8,888,434)</u>	<u>(12,339,368)</u>
Other Financing Sources (Uses):				
Transfers In	<u>1,694,349</u>	<u>1,756,638</u>	<u>8,879,083</u>	<u>12,330,070</u>
Total Other Financing Sources (Uses)	<u>1,694,349</u>	<u>1,756,638</u>	<u>8,879,083</u>	<u>12,330,070</u>
Net Change in Fund Balance	50	3	(9,351)	(9,298)
Fund Balances, Beginning	<u>854,537</u>	<u>1,034,985</u>	<u>9,363</u>	<u>1,898,885</u>
Fund Balances, Ending	<u>\$ 854,587</u>	<u>\$ 1,034,988</u>	<u>\$ 12</u>	<u>\$ 1,889,587</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Debt Service General
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ -	\$ -	\$ 995	\$ 995
Charges for Services	15,506	15,506	14,551	(955)
Total Revenues	<u>15,506</u>	<u>15,506</u>	<u>15,546</u>	<u>40</u>
Expenditures				
Debt service:				
Principal	1,109,403	1,109,403	1,117,058	(7,655)
Interest and Debt Service Costs	711,856	711,856	592,787	119,069
Total Expenditures	<u>1,821,259</u>	<u>1,821,259</u>	<u>1,709,845</u>	<u>111,414</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,805,753)</u>	<u>(1,805,753)</u>	<u>(1,694,299)</u>	<u>111,454</u>
Other Financing Sources (Uses)				
Transfers In	1,805,753	1,805,753	1,694,349	(111,404)
Total Other Financing Sources (Uses)	<u>1,805,753</u>	<u>1,805,753</u>	<u>1,694,349</u>	<u>(111,404)</u>
Net Change in Fund Balances	-	-	50	50
Fund Balances, Beginning	<u>854,537</u>	<u>854,537</u>	<u>854,537</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 854,537</u>	<u>\$ 854,537</u>	<u>\$ 854,587</u>	<u>\$ 50</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Monterey County Financing Authority
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ 1,756,638	\$ 1,756,638	\$ 3	\$ (1,756,635)
Total Revenues	<u>1,756,638</u>	<u>1,756,638</u>	<u>3</u>	<u>(1,756,635)</u>
Expenditures				
Debt service:				
Principal	760,000	760,000	760,000	-
Interest and Debt Service Costs	<u>996,638</u>	<u>996,638</u>	<u>996,638</u>	<u>-</u>
Total Expenditures	<u>1,756,638</u>	<u>1,756,638</u>	<u>1,756,638</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(1,756,635)</u>	<u>(1,756,635)</u>
Other Financing Sources (Uses):				
Transfers In	<u>-</u>	<u>-</u>	<u>1,756,638</u>	<u>1,756,638</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,756,638</u>	<u>1,756,638</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Fund Balances, Beginning	<u>1,034,985</u>	<u>1,034,985</u>	<u>1,034,985</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,034,985</u>	<u>\$ 1,034,985</u>	<u>\$ 1,034,988</u>	<u>\$ 3</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Public Improvement Corporation Debt Service
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ 14,411,775	\$ 14,411,775	\$ 2,044,919	\$ (12,366,856)
Fines, Forfeitures, and Penalties	1,500,000	1,500,000	-	(1,500,000)
Total Revenues	<u>15,911,775</u>	<u>15,911,775</u>	<u>2,044,919</u>	<u>(13,866,856)</u>
Expenditures				
Debt Service:				
Principal	8,968,823	8,968,823	5,535,209	3,433,614
Interest and Debt Service Costs	6,942,952	6,942,952	5,398,144	1,544,808
Total Expenditures	<u>15,911,775</u>	<u>15,911,775</u>	<u>10,933,353</u>	<u>4,978,422</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(8,888,434)</u>	<u>(8,888,434)</u>
Other Financing Sources (Uses):				
Transfers In	-	-	8,879,083	8,879,083
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>8,879,083</u>	<u>8,879,083</u>
Net Change in Fund Balances	-	-	(9,351)	(9,351)
Fund Balances, Beginning	<u>9,363</u>	<u>9,363</u>	<u>9,363</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 9,363</u>	<u>\$ 9,363</u>	<u>\$ 12</u>	<u>\$ (9,351)</u>



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CAPITAL PROJECT FUNDS

Capital project funds are used to account for financial resources to be used for implementation and construction of specific Board approved capital equipment or facilities in a timely and cost-effective manner. The following are the County's nonmajor capital project funds, other than those financed by proprietary funds.

CAPITAL PROJECT FUNDS

Major Capital Project Fund

Facilities Master Plan Implementation – Established to account for capital projects undertaken with debt in order to adhere to reporting requirements and assure the County is on schedule with project implementation and completion. Current projects include the Courthouse Complete (north, east and west wings), New Juvenile Hall, and Jail House Addition.

Nonmajor Capital Project Fund

Capital Projects Fund – Created to provide for capital improvements, replacement and construction of new County facilities. The fund is administered by the Architectural Services Division within the Resource Management Agency.

Facilities Maintenance Projects Fund – Provides for major maintenance including remodeling, improving, renovation, and upgrading of existing County facilities. The fund is administered by the Public Works Department within the Resource Management Agency.

Other Water Resources Funds – Provides for construction of the Salinas River Diversion Facility portion and Nacimiento Spillway Modification portion of the Salinas Valley Water Project.

NGEN Radio Project – Provides for the design/build project to make the radio system compliant with the Federal Communications Commission mandate.

East Garrison CFD – Provides for the acquisition, construction, and operation of public capital facilities in East Garrison.

COUNTY OF MONTEREY

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
 Facility Master Plan Projects
 For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Revenue from Use of Money and Property	\$ 349,464	\$ 349,464	\$ 21,261	\$ (328,203)
Aid from other Governmental Agencies	3,548,100	11,085,774	3,682,939	(7,402,835)
Miscellaneous Revenues	-	-	18	18
Total Revenues	3,897,564	11,435,238	3,704,218	(7,731,020)
Expenditures:				
Capital Outlay	7,569,699	21,125,310	16,488,664	4,636,646
Total Expenditures	7,569,699	21,125,310	16,488,664	4,636,646
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,672,135)	(9,690,072)	(12,784,446)	(3,094,374)
Other Financing Sources (Uses):				
Transfers In	18,920,000	24,391,538	17,626,790	(6,764,748)
Transfers Out	(20,000,000)	(20,000,000)	(12,105,365)	7,894,635
Total Other Financing Sources (Uses)	(1,080,000)	4,391,538	5,521,425	1,129,887
Net Change in Fund Balances	(4,752,135)	(5,298,534)	(7,263,021)	(1,964,487)
Fund Balances, Beginning	76,577,805	76,577,805	76,577,805	-
Fund Balance, Ending	\$ 71,825,670	\$ 71,279,271	\$ 69,314,784	\$ (1,964,487)

COUNTY OF MONTEREY
Combining Balance Sheet
Capital Projects
June 30, 2021

	Capital Projects Fund	Facilities Project Fund	Other Water Resources Agencies
Assets			
Cash and Investments:			
Held in County Treasury	\$ 4,752,178	\$ 10,948	\$ 1,130,608
Receivables (Net)	-	-	230,469
Loans and Notes Receivable	14,950	-	-
Total Assets	4,767,128	10,948	1,361,077
Liabilities			
Vouchers and Accounts Payable	535,844	545	120,672
Accrued Salaries and Benefits	-	-	(422)
Deposits from Others	-	-	-
Unearned Revenues	22,146	-	-
Total Liabilities	557,990	545	120,250
Deferred Inflows of Resources			
Unavailable Revenue	-	-	230,469
Total Deferred Inflows of Resources	-	-	230,469
Fund Balances			
Assigned	4,209,138	10,403	1,010,358
Total Fund Balances	4,209,138	10,403	1,010,358
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,767,128	\$ 10,948	\$ 1,361,077

COUNTY OF MONTEREY
Combining Balance Sheet
Capital Projects
June 30, 2021

	NGEN Radio Project	East Garrison Capital Projects	Total
Assets			
Cash and Investments:			
Held in County Treasury	\$ 992,134	\$ 257,850	\$ 7,143,718
Receivables (Net)	-	38,289	268,758
Loans and Notes Receivable	-	-	14,950
Total Assets	992,134	296,139	7,427,426
Liabilities			
Vouchers and Accounts Payable	1,041	680	658,782
Accrued Salaries and Benefits	-	-	(422)
Deposits from Others	-	100,805	100,805
Unearned Revenues	-	-	22,146
Total Liabilities	1,041	101,485	781,311
Deferred Inflows of Resources			
Unavailable Revenue	-	-	230,469
Total Deferred Inflows of Resources	-	-	230,469
Fund Balances			
Assigned	991,093	194,654	6,415,646
Total Fund Balances	991,093	194,654	6,415,646
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 992,134	\$ 296,139	\$ 7,427,426

COUNTY OF MONTEREY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects
For the Fiscal Year Ended June 30, 2021

	Capital Projects Fund	Facilities Project Fund	Other Water Resources Agencies
Revenues			
Revenue from Use of Money and Property	\$ 47,244	\$ -	\$ 10,377
Aid from other Governmental Agencies	-	-	999,701
Miscellaneous Revenues	160,107	-	-
Total Revenues	207,351	-	1,010,078
Expenditures			
Capital Outlay	3,823,876	-	1,049,951
Total Expenditures	3,823,876	-	1,049,951
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,616,525)	-	(39,873)
Other Financing Sources (Uses)			
Transfers In	3,142,158	-	-
Total Other Financing Sources (Uses)	3,142,158	-	-
Net Change in Fund Balances	(474,367)	-	(39,873)
Fund Balances, Beginning	4,683,505	10,403	1,050,231
Fund Balances, Ending	\$ 4,209,138	\$ 10,403	\$ 1,010,358

COUNTY OF MONTEREY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects
For the Fiscal Year Ended June 30, 2021

	<u>NGEN Radio Project</u>	<u>East Garrison Capital Projects</u>	<u>Total</u>
Revenues			
Revenue from Use of Money and Property	\$ 10,243	\$ 2,374	\$ 70,238
Aid from other Governmental Agencies	-	-	999,701
Miscellaneous Revenues	-	143,400	303,507
Total Revenues	<u>10,243</u>	<u>145,774</u>	<u>1,373,446</u>
Expenditures			
Capital Outlay	<u>740</u>	<u>70,708</u>	<u>4,945,275</u>
Total Expenditures	<u>740</u>	<u>70,708</u>	<u>4,945,275</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>9,503</u>	<u>75,066</u>	<u>(3,571,829)</u>
Other Financing Sources (Uses)			
Transfers In	<u>-</u>	<u>-</u>	<u>3,142,158</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,142,158</u>
Net Change in Fund Balances	9,503	75,066	(429,671)
Fund Balances, Beginning	<u>981,590</u>	<u>119,588</u>	<u>6,845,317</u>
Fund Balances, Ending	<u>\$ 991,093</u>	<u>\$ 194,654</u>	<u>\$ 6,415,646</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Capital Projects Fund
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ 37,683	\$ 37,683	\$ 47,244	\$ 9,561
Charges for Services	176,985	176,985	-	(176,985)
Miscellaneous Revenues	-	-	160,107	160,107
Total Revenues	<u>214,668</u>	<u>214,668</u>	<u>207,351</u>	<u>(7,317)</u>
Expenditures				
Capital Outlay	<u>6,556,725</u>	<u>8,198,463</u>	<u>3,823,876</u>	<u>4,374,587</u>
Total Expenditures	<u>6,556,725</u>	<u>8,198,463</u>	<u>3,823,876</u>	<u>4,374,587</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,342,057)</u>	<u>(7,983,795)</u>	<u>(3,616,525)</u>	<u>4,367,270</u>
Other Financing Sources (Uses):				
Transfers In	<u>5,639,706</u>	<u>6,917,712</u>	<u>3,142,158</u>	<u>(3,775,554)</u>
Total Other Financing Sources (Uses)	<u>5,639,706</u>	<u>6,917,712</u>	<u>3,142,158</u>	<u>(3,775,554)</u>
Net Change in Fund Balances	(702,351)	(1,066,083)	(474,367)	591,716
Fund Balances, Beginning	<u>4,683,505</u>	<u>4,683,505</u>	<u>4,683,505</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 3,981,154</u>	<u>\$ 3,617,422</u>	<u>\$ 4,209,138</u>	<u>\$ 591,716</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Facilities Project Fund
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Expenditures				
Other Financing Sources (Uses):				
Fund Balances, Beginning	\$ 10,403	\$ 10,403	\$ 10,403	\$ -
Fund Balances, Ending	<u>\$ 10,403</u>	<u>\$ 10,403</u>	<u>\$ 10,403</u>	<u>\$ -</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
Other Water Resources Agencies
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ -	\$ -	\$ 10,377	\$ 10,377
Aid from other Governmental Agencies	<u>3,150,000</u>	<u>3,150,000</u>	<u>999,701</u>	<u>(2,150,299)</u>
Total Revenues	<u>3,150,000</u>	<u>3,150,000</u>	<u>1,010,078</u>	<u>(2,139,922)</u>
Expenditures				
Capital Outlay	<u>3,045,760</u>	<u>3,045,760</u>	<u>1,049,951</u>	<u>1,995,809</u>
Total Expenditures	<u>3,045,760</u>	<u>3,045,760</u>	<u>1,049,951</u>	<u>1,995,809</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>104,240</u>	<u>104,240</u>	<u>(39,873)</u>	<u>(144,113)</u>
Other Financing Sources (Uses):				
Net Change in Fund Balances	104,240	104,240	(39,873)	(144,113)
Fund Balances, Beginning	<u>1,050,231</u>	<u>1,050,231</u>	<u>1,050,231</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,154,471</u>	<u>\$ 1,154,471</u>	<u>\$ 1,010,358</u>	<u>\$ (144,113)</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
NGEN Radio Project
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ -	\$ -	\$ 10,243	\$ 10,243
Total Revenues	<u>-</u>	<u>-</u>	<u>10,243</u>	<u>10,243</u>
Expenditures				
Capital Outlay	740	740	740	-
Total Expenditures	<u>740</u>	<u>740</u>	<u>740</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(740)</u>	<u>(740)</u>	<u>9,503</u>	<u>10,243</u>
Other Financing Sources (Uses):				
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(740)	(740)	9,503	10,243
Fund Balances, Beginning	<u>981,590</u>	<u>981,590</u>	<u>981,590</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 980,850</u>	<u>\$ 980,850</u>	<u>\$ 991,093</u>	<u>\$ 10,243</u>

COUNTY OF MONTEREY
Budgetary Comparison Schedule
East Garrison Capital Projects
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ 5,000	\$ 5,000	\$ 2,374	\$ (2,626)
Miscellaneous Revenues	367,015	367,015	143,400	(223,615)
Total Revenues	<u>372,015</u>	<u>372,015</u>	<u>145,774</u>	<u>(226,241)</u>
Expenditures:				
Capital Outlay	361,015	361,015	70,708	290,307
Total Expenditures	<u>361,015</u>	<u>361,015</u>	<u>70,708</u>	<u>290,307</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,000</u>	<u>11,000</u>	<u>75,066</u>	<u>64,066</u>
Other Financing Sources (Uses):				
Net Change in Fund Balances	11,000	11,000	75,066	64,066
Fund Balances, Beginning	<u>119,588</u>	<u>119,588</u>	<u>119,588</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 130,588</u>	<u>\$ 130,588</u>	<u>\$ 194,654</u>	<u>\$ 64,066</u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments, or agencies of the County, or to other governments on a cost-reimbursement basis.

INTERNAL SERVICE FUNDS

General Liability Fund – Created to provide for all liability judgments, settlements, and claims against the County, including claims that are not covered by the County’s excess insurance policy.

Workers Compensation Fund – Created to provide for all workers compensation judgments, settlements, and claims against the County, including prevention expenses and the Return-to-Work program.

Benefit Programs Fund – Created to provide for various benefit programs supported by contributions from County departments, employees and retired employees. Programs include Dental and Vision Benefits for employees and dependents, Employee Assistance, Long Term Disability, Retiree Sick Leave Conversion and other miscellaneous programs.

Resource Planning Fund – Created to provide funds for capital projects that require replacement, maintenance, or upgrades during the life of the asset. The fund serves to establish a capital funding process, generating funds over the life of an asset, and thereby minimizing fiscal impacts to operations.

COUNTY OF MONTEREY
Combining Statement of Net Position
Internal Service Funds
June 30, 2021

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Assets					
Current Assets:					
Held in County Treasury	\$ 18,040,711	\$ 93,112,368	\$ 8,472,956	\$ 35,102,442	\$ 154,728,477
Other Bank Accounts	500,000	1,718,455	714,438	-	2,932,893
Receivables (Net)	888	94,282	-	41,345	136,515
Due from Other Funds	626,591	-	-	-	626,591
Prepaid Expense	122,573	-	-	-	122,573
Total Current Assets	<u>19,290,763</u>	<u>94,925,105</u>	<u>9,187,394</u>	<u>35,143,787</u>	<u>158,547,049</u>
Noncurrent Assets:					
Advances to Other Funds	1,350,992	-	-	-	1,350,992
Capital Assets	-	-	-	11,327,537	11,327,537
Total Noncurrent Assets	<u>1,350,992</u>	<u>-</u>	<u>-</u>	<u>11,327,537</u>	<u>12,678,529</u>
Total Assets	<u>20,641,755</u>	<u>94,925,105</u>	<u>9,187,394</u>	<u>46,471,324</u>	<u>171,225,578</u>
Liabilities					
Current Liabilities:					
Vouchers and Accounts Payable	157,771	617,368	657,713	175,392	1,608,244
Other Current Liabilities	-	-	516,323	-	516,323
Current Portion of Claims Liability	6,419,350	14,923,968	1,229,919	-	22,573,237
Current Portion of Long-Term Liability	1,408,191	-	-	-	1,408,191
Total Current Liabilities	<u>7,985,312</u>	<u>15,541,336</u>	<u>2,403,955</u>	<u>175,392</u>	<u>26,105,995</u>
Long-Term Liabilities:					
Claims Liability	14,847,677	68,938,193	-	-	83,785,870
Bonds and Notes Payable	485,175	-	-	-	485,175
Total Long-Term Liabilities	<u>15,332,852</u>	<u>68,938,193</u>	<u>-</u>	<u>-</u>	<u>84,271,045</u>
Total Liabilities	<u>23,318,164</u>	<u>84,479,529</u>	<u>2,403,955</u>	<u>175,392</u>	<u>110,377,040</u>
Net Position:					
Net Investment in Capital Assets	-	-	-	11,327,537	11,327,537
Unrestricted (Deficit)	(2,676,409)	10,445,576	6,783,439	34,968,395	49,521,001
Total Net Position	<u>(2,676,409)</u>	<u>10,445,576</u>	<u>6,783,439</u>	<u>46,295,932</u>	<u>60,848,538</u>
Total Liabilities and Net Position	<u>\$ 20,641,755</u>	<u>\$ 94,925,105</u>	<u>\$ 9,187,394</u>	<u>\$ 46,471,324</u>	<u>\$ 171,225,578</u>

COUNTY OF MONTEREY
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2021

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Operating Revenues:					
Charges for Services	\$ 13,096,809	\$ 23,748,000	\$ 5,976,644	\$ 7,407,076	\$ 50,228,529
Other Operating Revenues	52,144	1,198,948	5,435,945	230,588	6,917,625
Total Operating Revenues	<u>13,148,953</u>	<u>24,946,948</u>	<u>11,412,589</u>	<u>7,637,664</u>	<u>57,146,154</u>
Operating Expenses:					
Salaries, Wages and Benefits	-	-	5,572,014	-	5,572,014
Services and Supplies	8,870,991	4,494,897	1,383,812	-	14,749,700
Claims Expense	4,436,162	15,820,912	6,775,041	-	27,032,115
Depreciation and Amortization	-	-	-	5,549,382	5,549,382
Other Operating Expenses	-	117,671	1,596,972	10,751	1,725,394
Total Operating Expenses	<u>13,307,153</u>	<u>20,433,480</u>	<u>15,327,839</u>	<u>5,560,133</u>	<u>54,628,605</u>
Net Operating Income (Loss)	<u>(158,200)</u>	<u>4,513,468</u>	<u>(3,915,250)</u>	<u>2,077,531</u>	<u>2,517,549</u>
Non-Operating Revenues (Expenses):					
Interest Income	237,029	897,081	147,518	322,159	1,603,787
Interest Expense	(131,227)	-	-	-	(131,227)
Other Non-Operating Revenues	-	-	-	225,795	225,795
Total Non-Operating Revenues (Expenses)	<u>105,802</u>	<u>897,081</u>	<u>147,518</u>	<u>547,954</u>	<u>1,698,355</u>
Net Income (Loss) Before Transfers and Capital Contributions	(52,398)	5,410,549	(3,767,732)	2,625,485	4,215,904
Transfers In	4,598,000	-	-	36,255,115	40,853,115
Transfers Out	-	-	-	(17,621,148)	(17,621,148)
Change in Net Position	<u>4,545,602</u>	<u>5,410,549</u>	<u>(3,767,732)</u>	<u>21,259,452</u>	<u>27,447,871</u>
Net Position, Beginning of Year	<u>(7,222,011)</u>	<u>5,035,027</u>	<u>10,551,171</u>	<u>25,036,480</u>	<u>33,400,667</u>
Net Position, End of Year	<u>\$ (2,676,409)</u>	<u>\$ 10,445,576</u>	<u>\$ 6,783,439</u>	<u>\$ 46,295,932</u>	<u>\$ 60,848,538</u>

COUNTY OF MONTEREY
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2021

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Cash Flows from Operating Activities:					
Cash Received From Patients and Third Party Payors	\$ 649	\$ (13,794)	\$ -	\$ (41,345)	\$ (54,490)
Cash Receipts From Customers	52,144	1,198,949	5,435,946	230,589	6,917,628
Cash Receipts From Interfund Charges	13,096,809	23,748,000	5,880,536	7,407,076	50,132,421
Cash Paid to Employees for Services	-	-	(5,578,508)	-	(5,578,508)
Cash Paid to Suppliers for Good and Services	(13,953,139)	(17,521,365)	(9,575,567)	(54,193)	(41,104,264)
Cash Paid to Other Funds for Services Provided	(989,401)	(1,136,447)	-	-	(2,125,848)
Net Cash Provided (Used) by Operating Activities	<u>(1,792,938)</u>	<u>6,275,343</u>	<u>(3,837,593)</u>	<u>7,542,127</u>	<u>8,186,939</u>
Cash Flows From Noncapital Financing Activities:					
Transfers From Other Funds	4,598,000	-	-	36,255,115	40,853,115
Transfers to Other Funds	-	-	-	(17,621,148)	(17,621,148)
Due From Other Funds	(30,498)	-	-	-	(30,498)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>4,567,502</u>	<u>-</u>	<u>-</u>	<u>18,633,967</u>	<u>23,201,469</u>
Cash flows from capital and related financing activities:					
Collection of Advances	626,591	-	-	-	626,591
Principal Paid on Capital Related Debt	(1,339,651)	-	-	-	(1,339,651)
Interest Paid on Capital Related Debt	(131,227)	-	-	-	(131,227)
Payments Related to Acquisition of Capital Assets	-	-	-	(1,404,691)	(1,404,691)
Collections Related to Dispositions of Capital Assets	-	-	-	225,795	225,795
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(844,287)</u>	<u>-</u>	<u>-</u>	<u>(1,178,896)</u>	<u>(2,023,183)</u>
Cash Flows From Investing Activities:					
Interest Payments Received	237,029	897,081	147,518	322,159	1,603,787
Net Cash Provided (Used) by Investing Activities	<u>237,029</u>	<u>897,081</u>	<u>147,518</u>	<u>322,159</u>	<u>1,603,787</u>
Net Cash Increase (Decreases) in Cash and Cash Equivalents	<u>2,167,306</u>	<u>7,172,424</u>	<u>(3,690,075)</u>	<u>25,319,357</u>	<u>30,969,012</u>
Cash and Cash Equivalents, July 1	<u>16,373,405</u>	<u>87,657,769</u>	<u>12,877,469</u>	<u>9,783,085</u>	<u>126,691,728</u>
Cash and Cash Equivalents, June 30	<u>18,540,711</u>	<u>94,830,193</u>	<u>9,187,394</u>	<u>35,102,442</u>	<u>157,660,740</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position:					
Cash and Cash Equivalents	18,040,711	93,112,368	8,472,956	35,102,442	154,728,477
Other Bank Accounts	500,000	1,718,455	714,438	-	2,932,893
Total Cash and Cash Equivalents	<u>18,540,711</u>	<u>94,830,823</u>	<u>9,187,394</u>	<u>35,102,442</u>	<u>157,661,370</u>

COUNTY OF MONTEREY
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2021

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:					
Operating Income (Loss)	(158,200)	4,513,468	(3,915,250)	2,077,531	2,517,549
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	-	-	-	5,549,382	5,549,382
(Increase) Decrease in Receivables	650	(13,794)	-	(41,345)	(54,489)
Increase (Decrease) in Accounts Payable	64,974	197,697	(87,030)	(43,442)	132,199
Increase (Decrease) in Other Accrued Liabilities	-	-	(96,108)	-	(96,108)
Increase (Decrease) in Other Salaries and Benefits	-	-	(6,494)	-	(6,494)
Increase (Decrease) in Claims Liability	(1,700,361)	1,577,973	267,288	-	144,900
Net Cash Provided (Used) by Operating Activities:	<u>\$ (1,792,937)</u>	<u>\$ 6,275,344</u>	<u>\$ (3,837,594)</u>	<u>\$ 7,542,126</u>	<u>\$ 8,186,939</u>

FIDUCIARY FUNDS



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COUNTY OF MONTEREY

Combining Statement of Fiduciary Net Position - Investment Trust Funds
June 30, 2021

	<u>Special Districts</u>	<u>Schools</u>	<u>County</u>	<u>Total</u>
Assets				
Held in County Treasury	<u>\$ 174,099,139</u>	<u>\$ 983,634,144</u>	<u>\$ 177,571</u>	<u>\$ 1,157,910,854</u>
Total Assets	<u>174,099,139</u>	<u>983,634,144</u>	<u>177,571</u>	<u>1,157,910,854</u>
Liabilities				
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position				
Net Position Held in Trust for Investment Pool	<u>174,099,139</u>	<u>983,634,144</u>	<u>177,571</u>	<u>1,157,910,854</u>
Total Net Position	<u>\$ 174,099,139</u>	<u>\$ 983,634,144</u>	<u>\$ 177,571</u>	<u>\$ 1,157,910,854</u>

COUNTY OF MONTEREY
 Combining Statement of Changes in Fiduciary Net Position- Investment Trust Funds
 For the Fiscal Year Ended June 30, 2021

	Special Districts	Schools	County	Total
Additions				
Contributions to Investment Pool	\$ 121,573,553	\$ 1,877,654,295	\$ 397,439	\$ 1,999,625,287
Interest Income	1,641,240	10,195,439	2,724	11,839,403
Total Additions	<u>123,214,793</u>	<u>1,887,849,734</u>	<u>400,163</u>	<u>2,011,464,690</u>
Deductions				
Distributions from investment pool	104,831,904	1,722,254,486	493,842	1,827,580,232
Total Deductions	<u>104,831,904</u>	<u>1,722,254,486</u>	<u>493,842</u>	<u>1,827,580,232</u>
Change in Net Position	18,382,889	165,595,248	(93,679)	183,884,458
Net Position, Beginning of Year	155,716,250	818,038,896	271,250	974,026,396
Net Position, End of Year	<u>\$ 174,099,139</u>	<u>\$ 983,634,144</u>	<u>\$ 177,571</u>	<u>\$ 1,157,910,854</u>

COUNTY OF MONTEREY
Combining Statement of Fiduciary Net Position - Private Purpose Trust Funds
June 30, 2021

	Public Guardian	Successor Agencies	Total
Assets			
Held in County Treasury	\$ 5,179,138	\$ 6,017,048	\$ 11,196,186
Long-Term Receivables	-	27,938	27,938
Assets Held for Resale	-	24,068	24,068
Equipment	-	578,048	578,048
Total Assets	<u>5,179,138</u>	<u>6,647,102</u>	<u>11,826,240</u>
Liabilities			
Accounts Payable and Accrued Expenses	-	1,526	1,526
Deposits from Others	-	3,700	3,700
Unearned Revenues	-	45,153	45,153
Assets Held as Agency for Others	-	108,584	108,584
Total Liabilities	<u>-</u>	<u>158,963</u>	<u>158,963</u>
Net Position			
Restricted to Individual, Organizations, and other Governments	<u>5,179,138</u>	<u>6,488,139</u>	<u>11,667,277</u>
Total Net Position	<u>\$ 5,179,138</u>	<u>\$ 6,488,139</u>	<u>\$ 11,667,277</u>

COUNTY OF MONTEREY

Combining Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds
For the Fiscal Year Ended June 30, 2021

	Public Guardian	Successor Agencies	Total
Additions			
Property Taxes	\$ -	\$ 2,379,446	\$ 2,379,446
Investment Related Collections for other Governments	38,037	-	38,037
Interest Income	-	40,872	40,872
Gifts & equests	6,737,270	-	6,737,270
Total Additions	<u>6,775,307</u>	<u>2,420,318</u>	<u>9,195,625</u>
Deductions			
Deductions - Administrative Expenses	-	76,695	76,695
Beneficiary payments to individuals	5,277,477	-	5,277,477
Depreciation and Amortization	-	103,237	103,237
Total Deductions	<u>5,277,477</u>	<u>179,932</u>	<u>5,457,409</u>
Change in Net Position	1,497,830	2,240,386	3,738,216
Net Position, Beginning of Year, as Restated			
Net Position, Beginning of Year	-	4,247,753	4,247,753
Prior Period Adjustment Due to Changes in Accounting Principles	3,681,308	-	3,681,308
Net Position, End of Year	<u>\$ 5,179,138</u>	<u>\$ 6,488,139</u>	<u>\$ 11,667,277</u>

COUNTY OF MONTEREY
Combining Statement of Fiduciary Net Position- Custodial Funds
June 30, 2021

	Taxes and Interest	Departmental	Transit	Community Facilities Districts	Total
Assets					
Held in County Treasury	\$ 5,703,389	\$36,629,749	\$ 1,504,341	\$ 1,651,182	\$45,488,661
Taxes Receivable	<u>34,445,506</u>	-	-	-	<u>34,445,506</u>
Total Assets	<u>40,148,895</u>	<u>36,629,749</u>	<u>1,504,341</u>	<u>1,651,182</u>	<u>79,934,167</u>
Liabilities					
Accounts Payable and Accrued Expenses	23,346	532,082	-	-	555,428
Assets Held as Agency for Others	<u>5,437,598</u>	<u>376,399</u>	-	-	<u>5,813,997</u>
Total Liabilities	<u>5,460,944</u>	<u>908,481</u>	-	-	<u>6,369,425</u>
Net Position					
Restricted to Individual, Organizations, and other Governments	<u>34,687,948</u>	<u>35,721,268</u>	<u>1,504,341</u>	<u>1,651,182</u>	<u>73,564,739</u>
Total Net Position	<u>\$34,687,948</u>	<u>\$35,721,268</u>	<u>\$ 1,504,341</u>	<u>\$ 1,651,182</u>	<u>\$73,564,739</u>

COUNTY OF MONTEREY

Combining Statement of Changes in Fiduciary Net Position- Custodial Funds
For the Fiscal Year Ended June 30, 2021

	Taxes and Interest	Departmental	Transit	Community Facilities Districts	Total
Additions					
Local Tax collected for other Government Assistance Fund Received for other Government	\$ 2,018,864,506	\$ 41,574,085	\$ 17,876,173	\$ 1,752,849	\$ 2,080,067,613
Investment Related Collections for other Governments	-	18,644,265	5,041,608	2,952,100	26,637,973
Other Contributions	25,774,094	356,589	1,393,946	-	27,524,629
	-	303,135	908,484	-	1,211,619
Total Additions	2,044,638,600	60,878,074	25,220,211	4,704,949	2,135,441,834
Deductions					
Payment of Local Tax to other Governments	2,008,227,218	66,342	3,034,911	1,738,991	2,013,067,462
Deductions - Payment of Assistance fund to other Government	-	21,236,042	19,681,566	1,314,776	42,232,384
Deductions - Investment related Payments	24,634,525	-	-	-	24,634,525
Deductions - Custodial Funds					
Administrative Fees	1,593,066	3,854,422	999,393	-	6,446,881
Total Deductions	2,034,454,809	25,156,806	23,715,870	3,053,767	2,086,381,252
Change in Net Position	10,183,791	35,721,268	1,504,341	1,651,182	49,060,582
Net Position, Beginning of Year, as Restated					
Prior Period Adjustment Due to Changes in Accounting Principles	24,504,157	-	-	-	24,504,157
Net Position, End of Year	\$ 34,687,948	\$ 35,721,268	\$ 1,504,341	\$ 1,651,182	\$ 73,564,739

DETAILED BUDGET SCHEDULES



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COUNTY OF MONTEREY
Schedule of Expenditures-Budget and Actual
General
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>General Government</u>				
Annual County Audit	\$ 38,646	\$ 38,646	\$ 300	\$ 38,346
Assessor	7,044,786	7,044,786	6,191,209	853,577
Auditor-Controller	910,579	910,579	403,937	506,642
Board of Supervisors	3,990,058	3,990,058	3,775,231	214,827
CAO - Administration / Finance / Budget	307,488	292,488	151,325	141,163
CAO Auxiliary Services	28,580	28,580	10,438	18,142
CAO-Community Engagement & Strategic Advocacy	549,716	6,367,910	5,764,269	603,641
Civil Rights Office	(242,248)	(242,248)	(400,639)	158,391
Clerk of the Board	942,197	942,197	840,621	101,576
Contingencies	4,859,221	2,262,166	-	2,262,166
Contracts & Purchasing	(1,003,325)	(1,003,325)	(1,038,513)	35,188
County Counsel	2,833,348	2,833,348	2,095,893	737,455
County Memberships	91,682	91,682	66,682	25,000
Courier & Mail Services	(445,945)	(445,945)	(652,164)	206,219
Development Set-Aside	1,266,250	1,266,250	1,216,249	50,001
Elections	7,436,440	8,236,440	7,828,305	408,135
Enterprise Risk	219,558	219,558	98,447	121,111
Facilities Services	1,882,022	2,360,274	2,978,206	(617,932)
Fleet Operations	2,154,357	2,154,357	1,182,676	971,681
Human Resources	29,717	124,304	102,818	21,486
Information Technology Systems	(1,230,974)	(1,230,974)	(2,026,921)	795,947
Insurance & Other General Expenditures	382,540	382,540	95,140	287,400
Intergovernmental / Legislative Affairs	2,323,534	2,671,017	2,264,526	406,491
Other Financing Uses	(9,956,529)	(11,206,529)	(11,206,529)	-
Records Retention	24,652	24,652	(100,730)	125,382
Risk Management	(7,805)	(7,805)	2,131	(9,936)
Treasurer - Tax Collector	7,042,722	7,042,722	5,699,259	1,343,463
Utilities	4,109,961	4,109,961	4,093,694	16,267
Special Districts Administration	(1,422)	(1,422)	(1,420)	(2)
Total General Government	<u>35,579,806</u>	<u>39,256,267</u>	<u>29,434,440</u>	<u>9,821,827</u>

COUNTY OF MONTEREY
Schedule of Expenditures-Budget and Actual
General
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>Public Safety and Protection</u>				
Agriculture Commissioner	11,877,524	11,877,524	11,772,917	104,607
Animal Services	3,242,831	3,242,831	3,047,753	195,078
Child Support Services	11,845,923	11,845,923	11,020,082	825,841
Clerk-Recorder	2,805,638	2,805,638	2,550,245	255,393
Contributions	3,999,272	4,999,272	4,912,618	86,654
Courts	8,251,087	8,251,087	8,171,534	79,553
District Attorney	35,525,800	35,525,800	34,894,599	631,201
Grand Jury	429,977	429,977	398,364	31,613
Housing and Economic Dev Admin	1,551,455	1,587,053	1,039,144	547,909
Land Use-Community Services	13,426,492	13,608,754	12,118,423	1,490,331
Litter Control	582,826	507,826	383,073	124,753
Office of Emergency Services	1,953,463	21,547,395	19,032,060	2,515,335
Probation	55,337,034	55,337,034	51,983,078	3,353,956
Public Defender	16,005,723	16,005,723	15,411,214	594,509
Public Guardian / Administrator	2,439,495	2,439,495	2,198,694	240,801
RMA Administration	4,356,572	4,610,394	4,481,421	128,973
Sheriff - Admin & Enforcement Ops	50,761,086	55,573,975	54,859,390	714,585
Sheriff - Custody Operations	67,128,526	69,655,391	68,445,484	1,209,907
Total Public Safety and Protection	<u>291,520,724</u>	<u>319,851,092</u>	<u>306,720,093</u>	<u>13,130,999</u>
<u>Health and Sanitation</u>				
Children's Medical Services	4,952,938	4,952,938	4,636,668	316,270
Clinic Services	61,381,360	61,381,360	55,686,787	5,694,573
County Disposal Sites	364,714	364,714	207,896	156,818
Emergency Medical Services	689,026	689,026	648,538	40,488
Environmental Health	11,993,089	11,993,089	10,339,797	1,653,292
Health Department Administration	3,048,171	3,048,171	1,655,329	1,392,842
Public Health	20,499,267	25,661,334	24,712,927	948,407
Total Health and Sanitation	<u>102,928,565</u>	<u>108,090,632</u>	<u>97,887,942</u>	<u>10,202,690</u>

continued

COUNTY OF MONTEREY
Schedule of Expenditures-Budget and Actual
General
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>Public Assistance</u>				
Community Programs	2,245,023	19,495,023	12,926,639	6,568,384
Entitlement Programs	79,060,306	79,060,306	73,688,362	5,371,944
Entitlement Programs - Gen. Assistance	1,219,757	1,219,757	1,026,491	193,266
Military & Veterans' Services	2,112,705	2,159,925	1,458,364	701,561
Office for Employment & Training	48,905	48,905	48,905	-
Senior & Aging Services	3,079,501	3,487,501	3,463,691	23,810
Social Services	124,439,562	124,439,562	117,495,892	6,943,670
Total Public Assistance	<u>212,205,759</u>	<u>229,910,979</u>	<u>210,108,344</u>	<u>19,802,635</u>
<u>Education</u>				
Cooperative Extension Service	476,861	476,861	465,109	11,752
Total Education	<u>476,861</u>	<u>476,861</u>	<u>465,109</u>	<u>11,752</u>
<u>Recreation and Cultural Services</u>				
Laguna Seca Track	191,345	206,345	194,514	11,831
Recreation Services	5,826,733	5,943,522	5,795,693	147,829
Total Recreation and Culture Services	<u>6,018,078</u>	<u>6,149,867</u>	<u>5,990,207</u>	<u>159,660</u>
Total General Fund	<u>\$ 648,729,793</u>	<u>\$ 703,735,698</u>	<u>\$ 650,606,135</u>	<u>\$ 53,129,563</u>



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STATISTICAL SECTION

Statistical Section

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 Annual Comprehensive 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

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. (Schedule 1-4)

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue sources, property tax and sales tax. (Schedule 5-10)

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. (Schedule 11-13)

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the socioeconomic environment within which the County's financial activities take place. (Schedule 14-16)

Operating Information

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. (Schedule 17-18)

COUNTY OF MONTEREY
Net Position by Component,
Last Ten Fiscal Years (in thousands)
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities:										
Net Investment in Capital Assets	488,760	510,497	476,707	493,398	441,551	507,422	573,659	626,801	778,855	795,940
Restricted	28,366	23,429	58,531	75,295	153,788	147,046	233,669	229,199	296,092	332,842
Unrestricted (Deficit)	122,822	144,625	179,220	(157,025)	(136,368)	(157,830)	(180,147)	(159,315)	(254,959)	(272,801)
Total Governmental Activities Net Position	<u>639,948</u>	<u>678,551</u>	<u>714,458</u>	<u>411,668</u>	<u>458,971</u>	<u>496,638</u>	<u>627,181</u>	<u>696,685</u>	<u>819,988</u>	<u>855,981</u>
Business-Type Activities:										
Net Investment in Capital Assets	52,590	56,799	64,921	76,209	74,272	78,269	75,026	77,653	87,736	102,807
Restricted	-	-	-	101	845	604	604	854	788	964
Unrestricted (Deficit)	64,116	57,815	54,336	(39,095)	(16,865)	(10,842)	(19,472)	43,117	38,942	109,450
Total Business-Type Activities Net Position	<u>116,706</u>	<u>114,614</u>	<u>119,257</u>	<u>37,215</u>	<u>58,252</u>	<u>68,031</u>	<u>56,158</u>	<u>121,624</u>	<u>127,466</u>	<u>213,221</u>
Total Primary Government:										
Net investment in capital assets	541,350	567,296	541,628	569,607	515,823	585,691	648,685	704,454	866,591	898,747
Restricted	28,366	23,429	58,531	75,396	154,633	147,650	234,273	230,053	296,880	333,806
Unrestricted	186,938	202,440	233,556	(196,120)	(153,233)	(168,672)	(199,619)	(116,198)	(216,017)	(163,351)
Total Primary Government Net Position	<u>756,654</u>	<u>793,165</u>	<u>833,715</u>	<u>448,883</u>	<u>517,223</u>	<u>564,669</u>	<u>683,339</u>	<u>818,309</u>	<u>947,454</u>	<u>1,069,202</u>

Notes:

- Accounting standards require that net position be reported in the three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position are considered restricted when (1) externally imposed by creditors (such as debt covenants), grantors, contributor, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

COUNTY OF MONTEREY
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expense (By Function)										
Governmental Activities:										
General Government	65,283	68,114	62,834	64,747	60,364	52,580	57,968	63,448	72,581	\$ 63,580
Public Safety and Protection	195,539	202,351	215,556	225,461	230,062	255,735	288,016	294,152	325,688	363,876
Public Ways and Facilities	28,340	28,382	30,513	29,676	31,793	37,027	35,677	29,885	33,433	34,191
Health and Sanitation	125,339	123,088	133,639	147,810	162,094	184,533	193,742	213,880	226,447	239,049
Public Assistance	157,884	161,214	168,359	171,051	180,651	197,944	197,637	200,968	211,118	227,039
Education	7,731	7,807	8,373	8,876	9,316	9,939	9,111	9,925	10,448	10,468
Recreation and Cultural Services	4,934	4,485	5,342	6,041	6,441	11,850	19,103	26,695	24,807	4,338
Interest on Long-Term Debt	10,202	9,483	8,656	8,248	10,083	10,681	10,324	7,627	7,292	6,808
Total Governmental Activities Expenses	595,252	604,924	633,272	661,910	690,804	760,289	811,578	846,580	911,814	949,349
Business-Type Activities:										
Natividad Medical Center	176,269	179,531	184,553	213,033	234,616	263,623	294,713	308,181	333,149	353,088
Parks and Lake Resort	10,129	10,075	8,502	6,118	5,546	5,932	7,446	6,813	3,384	3,166
Laguna Seca Recreation Area	-	-	-	-	-	-	-	-	-	9,841
Total Business Type Activities Expenses	186,398	189,606	193,055	219,151	240,162	269,555	302,159	314,994	336,533	366,095
Total Primary Government Expenses	781,650	794,530	826,327	881,061	930,966	1,029,843	1,113,738	1,161,574	1,248,347	1,315,444
Program Revenues (By Function)										
Governmental Activities:										
Charges For Services:										
General Government	22,950	24,166	22,855	25,265	26,482	28,828	31,088	30,092	29,130	\$ 36,573
Public Safety and Protection	37,752	38,503	38,654	41,729	43,159	42,071	46,943	42,230	42,192	45,671
Public Way and Facilities	3,391	3,875	3,309	3,715	4,984	2,803	3,379	3,063	4,157	5,226
Health and Sanitation	35,548	40,233	37,201	43,476	47,342	50,228	67,115	53,872	55,649	58,176
Public Assistance	3,122	2,231	2,574	-	107	223	1,618	2,866	1,554	1,377
Education	411	323	149	157	154	155	156	134	78	33
Recreation and Cultural Services	5,276	1,241	957	1,472	1,593	2,447	832	959	1,035	1,145
Operating Grants and Contributions	323,675	353,380	354,894	393,283	399,091	414,960	438,209	442,265	472,305	522,681
Capital Grants and Contributions	11,168	11,119	5,370	3,140	4,219	9,781	68,186	45,848	74,489	3,021
Total Governmental Activities Revenues	443,293	475,071	465,963	512,237	527,131	551,497	657,525	621,329	680,589	673,905
Business-Type Activities:										
Charges For Services:										
Natividad Medical Center	172,536	170,180	181,565	216,345	258,456	292,732	345,748	364,240	345,618	413,229
Parks and Lake Resort	8,476	7,325	4,727	2,874	3,833	4,340	6,066	4,359	2,992	3,577
Laguna Seca Raceway	-	-	-	-	-	-	-	-	-	9,251
Operating Grants and Contributions	160	941	96	-	2	26	23	88	-	-
PR Capital Grants and Contributions-NMC	-	1,574	-	392	-	-	-	-	-	-
Total Business-Type Activities Revenues	181,172	180,020	186,388	219,611	262,291	297,098	351,837	368,687	348,610	426,057
Total Primary Government Program Revenues	624,465	655,091	652,351	731,848	789,422	848,595	,009,362	990,016	1,029,199	1,099,962
Net (Expense) Revenue										
Governmental Activities	(151,959)	(129,853)	(167,309)	(149,673)	(163,673)	(208,792)	(154,053)	(225,251)	(231,225)	(275,444)
Business-Type Activities	(5,226)	(9,586)	(6,667)	460	22,129	27,543	49,678	53,693	12,077	59,962
Total Primary Net Expense	(157,185)	(139,439)	(173,976)	(149,213)	(141,544)	(181,249)	(104,375)	(171,558)	(219,148)	(215,482)

COUNTY OF MONTEREY
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues & Other										
Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	126,298	124,796	128,477	135,415	143,365	150,772	159,373	170,410	175,300	\$ 185,877
Sales and Use Taxes	8,856	8,754	9,688	11,901	11,741	10,339	18,010	23,717	18,708	21,459
Transient Occupancy and Other										
Transient Occupancy Taxes	20,049	25,399	28,102	25,912	22,834	21,279	24,960	28,608	21,774	23,529
Other Taxes	-	-	-	-	12,857	15,678	27,620	29,672	34,581	39,807
	<u>20,049</u>	<u>25,399</u>	<u>28,102</u>	<u>25,912</u>	<u>35,691</u>	<u>36,957</u>	<u>52,580</u>	<u>58,280</u>	<u>56,355</u>	<u>63,336</u>
Unrestricted Interest and Investment Earnings	7,661	7,779	8,666	10,517	12,160	15,842	21,842	31,283	10,830	6,660
Miscellaneous	4,244	8,215	10,485	9,286	5,747	6,250	6,784	5,184	4,613	5,535
Transfers	(335)	(6,488)	(862)	(1,898)	2,274	19,552	60,892	(6,430)	11,510	(22,498)
Special Item	(13,557)	-	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>153,216</u>	<u>168,455</u>	<u>184,556</u>	<u>191,133</u>	<u>210,978</u>	<u>239,711</u>	<u>319,481</u>	<u>282,444</u>	<u>277,316</u>	<u>311,436</u>
Business-Type Activities:										
Unrestricted Interest and Investment Earnings	369	311	217	214	457	888	1,806	4,622	4,554	2,562
Other Revenues	10,068	7,433	4,950	5,440	725	899	1,315	722	720	732
GR Transfers-BUS	335	6,488	862	1,898	(2,274)	(19,552)	(60,892)	6,430	(11,510)	22,498
Total Business-Type Activities	<u>10,772</u>	<u>14,232</u>	<u>6,029</u>	<u>7,552</u>	<u>(1,092)</u>	<u>(17,765)</u>	<u>(57,770)</u>	<u>11,774</u>	<u>(6,235)</u>	<u>25,792</u>
Total Primary Government	<u>163,988</u>	<u>182,687</u>	<u>190,585</u>	<u>198,685</u>	<u>209,886</u>	<u>221,946</u>	<u>261,711</u>	<u>294,218</u>	<u>271,081</u>	<u>337,229</u>
Change in Net Position										
Governmental Activities	1,257	16,496	17,247	41,460	47,305	30,919	165,428	57,193	46,091	35,992
Business-Type Activities	5,546	4,646	(638)	8,012	21,037	9,778	(8,092)	65,467	5,842	85,754
Total Primary Government	<u>6,803</u>	<u>21,142</u>	<u>16,609</u>	<u>49,472</u>	<u>68,342</u>	<u>40,697</u>	<u>157,336</u>	<u>122,660</u>	<u>51,933</u>	<u>121,746</u>

COUNTY OF MONTEREY
Fund Balances, Governmental Funds
Last Ten Fiscal Years (in thousands)
(Modified Accrual Basis of Accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	196	262	251	371	328	433	574	662	1,889	585
Restricted	-	448	534	913	12,463	12,461	28,753	29,168	29,964	45,972
Committed	52,293	60,293	60,293	70,293	73,893	45,300	62,500	91,461	91,979	100,483
Assigned	37,065	38,329	39,275	62,598	56,181	76,633	80,031	81,488	87,968	39,792
Unassigned	2,386	5,520	17,552	6,615	6,018	8,695	3,862	2,358	282	50,205
Total General Fund	91,940	104,852	117,905	140,790	148,883	143,522	175,720	205,137	212,082	237,037
All Other Governmental Funds										
Nonspendable	93	2,571	239	145	119	119	121	-	76	88
Restricted	28,366	45,354	57,997	81,258	124,519	128,891	151,200	145,287	250,550	271,676
Committed	1,932	3,510	6,932	9,801	12,280	15,994	19,032	22,298	37,010	36,802
Assigned	70,316	63,770	58,005	51,571	57,560	84,383	81,219	75,974	7,700	7,270
Unassigned	(35)	-	-	(15)	(17)	(3,506)	(1,159)	(62)	-	-
Total All Other Governmental Funds	100,672	115,205	123,173	142,760	194,461	225,881	250,413	243,497	295,336	315,836
Total Governmental Funds Balances	192,612	220,057	241,078	283,550	343,344	369,403	426,133	448,634	507,418	552,873

Notes:

- In FY 2010-11 the County implemented GASB 54 under which governmental fund balances are reported as nonspendable, restricted, committed, assigned, and unassigned. FY 2009-10 fund balances have been recharacterized to comply with GASB54 in order to facilitate year-to-year comparisons.

COUNTY OF MONTEREY
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years(in thousands)
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Taxes	156,251	159,052	167,007	173,418	190,999	197,487	230,271	251,060	249,229	\$ 270,466
Licenses, Permits, and Franchises	13,864	17,155	18,587	20,831	20,545	21,427	26,282	22,234	23,037	23,619
Fines, Forfeitures, and Penalties	9,769	10,216	8,486	9,447	9,807	8,979	9,563	9,702	10,697	11,822
Revenue from Use of Money and Property	6,921	7,181	6,909	8,178	10,718	14,261	20,869	29,217	26,682	8,685
Aid from other Governmental Agencies	330,210	362,079	361,406	384,407	392,091	427,029	460,941	485,258	518,707	582,161
Charges for Services	79,050	73,073	77,780	84,808	93,608	95,387	111,148	97,894	96,880	102,626
Miscellaneous Revenues	8,950	12,966	12,125	11,618	8,295	9,348	11,389	9,754	8,897	12,374
Total Revenues	605,015	641,722	652,300	692,707	726,063	773,919	870,464	905,119	934,129	1,011,753
Expenditures:										
Current:										
General Government	49,817	48,960	48,892	52,032	57,826	45,167	50,046	49,652	47,297	43,015
Public Protection	203,349	201,730	214,653	224,710	235,078	249,925	264,009	263,692	286,657	328,501
Public Ways and Facilities	27,090	27,024	25,058	24,049	25,396	34,039	34,674	34,011	35,501	50,096
Health and Sanitation	125,564	127,261	132,906	147,202	165,157	178,813	187,639	206,033	216,808	233,373
Public Assistance	158,786	162,926	168,031	170,529	182,527	205,531	195,755	197,180	206,073	224,200
Education	7,745	7,796	8,281	8,798	9,419	9,402	8,675	9,477	9,817	9,994
Recreation and Cultural Services	4,783	4,155	4,801	5,249	5,866	11,635	18,451	26,826	23,869	5,990
Debt Service:										
Interest and Debt Service Costs	9,311	8,913	8,157	7,868	9,359	9,504	9,855	8,293	7,316	6,988
Principal	5,987	6,615	6,533	6,732	6,962	7,977	18,382	9,389	7,250	7,412
Capital Outlay	12,868	12,549	10,182	23,462	23,559	32,319	79,827	66,396	40,955	21,434
Total expenditures	605,300	607,929	627,494	670,631	721,149	784,312	867,313	870,949	881,543	931,003
Excess (Deficiency) of Revenue Over (Under) Expenditures	(285)	33,793	24,806	22,076	4,914	(10,393)	3,151	34,170	52,586	80,750
Other Financing Sources (Uses):										
Premium on Issuance of Debt	-	-	-	-	3,970	-	15,037	3,690	-	-
Transfers In	41,462	97,359	114,285	177,944	147,409	182,195	248,186	162,383	185,779	170,517
Transfers Out	(41,797)	(103,847)	(116,484)	(179,223)	(145,135)	(162,643)	(187,780)	(175,186)	(179,613)	(205,959)
Lease proceeds	-	60	-	-	-	17,240	126	-	-	-
Issuance of Debt	-	-	-	-	48,440	-	74,682	22,890	-	-
Capital lease	-	-	-	32	-	-	-	-	-	-
Sale of Capital Assets	725	81	51	87	197	208	256	86	33	147
Total Other Financing Sources (Uses)	390	(6,347)	(2,148)	(1,160)	54,881	37,000	150,506	13,863	6,199	(35,295)
Special Item										
Special Item	-	-	-	(230)	-	-	-	-	-	-
Extraordinary Item:										
Extraordinary Item	(13,593)	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances:	(13,488)	27,446	22,658	20,686	59,795	26,607	153,658	48,033	58,785	45,455
Debt Service as a Percentage of Non-Capital Expenditures	2.66 %	2.68 %	2.42 %	2.28 %	2.39 %	2.42 %	3.67 %	2.26 %	1.87 %	1.66 %

(principal and interest) divided by (total expenditures less capital expenditures)

Notes:

- 2010 Interest and Principal re-stated post ACFR.

COUNTY OF MONTEREY
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

June 30	Secured Roll	Unsecured Roll	Exemptions	Net Assessed Valuations	Total Direct Tax Rate
2012	\$ 48,980,011	\$ 2,103,408	\$ (1,856,776)	\$ 49,226,643	1.00%
2013	49,595,091	2,122,678	(1,914,519)	49,803,250	1.00%
2014	51,396,835	2,159,991	(2,009,761)	51,547,065	1.00%
2015	54,354,520	2,231,717	(2,119,791)	54,466,446	1.00%
2016	57,571,743	2,333,413	(2,196,512)	57,708,644	1.00%
2017	60,242,461	2,370,771	(2,324,855)	60,288,377	1.00%
2018	63,625,023	2,475,907	(2,455,639)	63,645,291	1.00%
2019	67,593,587	2,557,084	(2,474,441)	67,676,230	1.00%
2020	71,183,662	3,617,496	(2,627,227)	72,173,931	1.00%
2021	74,781,274	2,938,769	(2,713,849)	75,006,194	1.00%

Source: Monterey County Property Tax Records

Notes:

1. Secured property is generally the real property, which is defined as land, mineral, timber, and improvements such as buildings, structures, crops, trees and vines. Also included in secured roll are unitary properties, including railroads and utilities, which cross the country and are assessed by the State Board of Equalization.
2. Unsecured property is generally personal property, including machinery, equipment, office tools, supplies, mobile homes, and aircraft.
3. Exempt properties include numerous full and partial exclusions/exemptions provided.
4. Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the based for valuation of property subject to taxes at the full cash value. Additionally, Proposition 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 MONTEREY
Principal Property Taxpayers
For the Fiscal Year Ended June 30, 2021 and June 30, 2012

Tax Payer	Type of Business	2021		Percentage of Total County Assessed Value	2012		Percentage of Total County Assessed Value
		Taxable Assessed Value (\$'000)	Rank		Taxable Assessed Value (\$'000)	Rank	
Pebble Beach Company	Tourism	904,737	1	1.21%	567,776	2	1.15%
Pacific Gas & Electric Company	Utility	704,129	2	0.94%	428,639	3	0.87%
Chevron USA Inc	Petroleum	409,183	3	0.55%	304,086	4	0.62
Area Energy LLC	Utility	372,425	4	0.50%	144,786	5	0.29
California - American Water Company	Utility	182,848	5	0.24%	91,818	8	0.19
D'Arrigo Bros Co.	Agriculture	176,710	6	0.24%	-	-	-
Northridge Owner LP	Retail	153,355	7	0.20%	-	-	-
Dynegy Moss Landing LLC	Utility	150,900	8	0.20%	620,200	1	1.26%
Global AG Properties LLC	Agriculture	129,990	9	0.17%	-	-	-
AAT Del Monte LLC	Real Estate	122,751	10	0.16%	-	-	-
Pacific Bell Telephone Company	Utility	-	-	-	114,467	6	0.23%
Pacific Holding	Retail	-	-	-	94,244	7	0.19%
Dole Fresh Vegetables Inc	Agriculture	-	-	-	66,875	9	0.14%
EFS King City LLC	Utility	-	-	-	66,380	10	0.13%
Ten Largest Taxpayers' Total		3,307,028		4.41%	2,499,271		5.07%
All Other Taxpayers' Total		<u>71,699,166</u>		<u>95.59%</u>	<u>46,727,372</u>		<u>94.92%</u>
Total		<u><u>75,006,194</u></u>		<u><u>100%</u></u>	<u><u>49,226,643</u></u>		<u><u>100%</u></u>

Source: County of Monterey Property Tax Records

Note:

For Total Taxable Assessed Value refer to Schedule 5 "Assessed Value and Actual Value of Taxable Property".

COUNTY OF MONTEREY
Property Tax Levies and Collections
Last Ten Years
(in thousand of dollars)

Fiscal Year	(1)	(2)		(3)		(4)	
	Taxes Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Taxes Levied Current and Delinquent	Total Collections to Date	
Ended June 30	for the Fiscal Year	Amount	Percentage of Levy			Amount	Percentage of Levy
2012	\$ 573,255	\$ 561,891	98.02 %	\$ 12,842	\$ 601,215	\$ 574,733	95.60 %
2013	582,546	572,426	98.26 %	11,742	608,897	584,168	95.94 %
2014	602,945	595,209	98.72 %	11,067	627,324	606,276	96.64 %
2015	638,813	631,178	98.80 %	9,701	660,406	640,879	97.04 %
2016	679,997	672,613	98.91 %	10,070	700,507	682,683	97.46 %
2017	708,862	701,198	98.92 %	6,531	726,541	707,729	97.41 %
2018	749,030	739,622	98.74 %	6,834	767,663	746,456	97.24 %
2019	800,083	787,856	98.47 %	9,299	821,548	797,155	97.03 %
2020	848,703	834,557	98.33 %	7,898	871,982	842,455	96.61 %
2021	876,758	863,252	98.46 %	11,334	905,493	874,586	96.59 %

Source: Monterey County Property Tax Records.

Notes:

1. Includes Secured, Unsecured, and Unitary Taxes levied for the county itself, school districts, cities and special districts under the supervision of their own governing boards. Includes adjustments to the tax rolls from the levy date to delinquency date.
2. Includes amounts collected by the County on behalf of itself, school districts, cities and special districts under the supervision of their own governing boards.
3. Includes adjustments to the levy. Taxes levied less collections to date equal the delinquent taxes receivable.
4. Includes taxes levied (current and delinquent) related to collections for the year.

COUNTY OF MONTEREY
Debt Service Tax Rate For County And Major Overlapping Government
Per \$100 of Assessed Value
Last Ten Fiscal Years

	For Fiscal Year Ended June 30,									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
County Direct Rates										
General	14.482198	14.615871	14.592533	14.662911	14.676180	14.650910	14.741656	14.813889	14.813870	14.784135
Library	1.153592	1.173274	1.160721	1.163969	1.161050	1.163189	1.170153	1.179298	1.177428	1.172425
County Service Areas &										
Sanitation	0.111543	0.110578	0.112473	0.114429	0.114835	0.102093	0.102427	0.153308	0.116691	0.117764
Water Resources	0.355875	0.353710	0.358293	0.361855	0.363468	0.357898	0.358306	0.358991	0.361016	0.361484
City Rates										
Carmel	0.917682	0.905651	0.919484	0.928584	0.925324	0.917630	0.904430	0.913139	0.903411	0.827081
Del Rey Oaks	0.072425	0.071862	0.073633	0.074358	0.075784	0.073900	0.072360	0.073054	0.072828	0.074288
Gonzales	0.065751	0.066087	0.068991	0.072192	0.074007	0.074625	0.075226	0.076742	0.077329	0.078314
Greenfield	0.058958	0.056088	0.053842	0.055499	0.056536	0.057209	0.060089	0.059165	0.058289	0.059535
King City	0.125852	0.124264	0.129211	0.129605	0.129815	0.132241	0.133946	0.131165	0.130737	0.131056
Marina	0.345671	0.339330	0.344972	0.342877	0.342913	0.342603	0.345570	0.375805	0.380745	0.381047
Monterey	1.132790	1.134106	1.152602	1.143935	1.157047	1.155349	1.103643	1.158205	1.167624	1.179693
Pacific Grove	0.831067	0.821151	0.825886	0.824130	0.819703	0.805354	0.807166	0.821313	0.820216	0.807094
Salinas	2.286494	2.273387	2.310360	2.343531	2.363633	2.341976	2.329014	2.263236	2.282341	2.292314
Sand City	0.011799	0.012258	0.013088	0.013921	0.014689	0.015332	0.016233	0.017156	0.017815	0.018024
Seaside	0.269081	0.267910	0.271064	0.273837	0.275050	0.275665	0.276836	0.277707	0.276452	0.279856
Soledad	0.065579	0.062802	0.060610	0.059097	0.057585	0.057346	0.057528	0.053927	0.054407	0.055514
Successor Agency Rates	8.766019	8.409409	8.154961	7.734818	7.586144	8.367956	8.248791	8.026337	7.915752	8.008584
School district	60.346479	60.711811	60.826832	61.172296	61.357629	60.882411	61.016724	62.254048	62.677332	62.531706
Fire District Rates	4.038303	3.984402	4.013157	3.947294	3.849456	3.755478	3.766515	3.800211	3.806164	3.840794
Other Special District Rates	4.562842	4.506049	4.557387	4.580862	4.599152	4.470835	4.413387	4.458292	4.444871	4.438881

Source: Monterey County Records

COUNTY OF MONTEREY
(Unincorporated)
Taxable Sales by Category
Last Ten Fiscal Years
(amounts expressed in thousands)

Type of Business	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Apparel Stores	\$ 9,027	\$ 9,154	\$ 9,255	\$ 8,493	\$ 8,661	\$ 8,138	\$ 8,248	\$ 7,597	\$ 7,011	\$ 5,033
General Merchandise	1,592	1,593	1,649	1,748	1,719	1,837	618	395	590	703
Packaged Liquor	-	3,689	6,763	7,801	-	-	-	-	-	-
Food Stores	51,776	51,658	54,887	58,200	56,359	46,171	45,371	45,219	47,468	53,005
Furniture and Appliances	-	10,821	11,515	14,514	-	-	-	-	-	-
Eating and Drinking Places	67,903	67,564	73,437	73,350	82,741	90,783	87,238	95,187	99,256	70,238
Building Materials	123,689	127,745	139,121	144,064	125,980	131,715	134,741	148,293	154,631	171,532
Auto Dealers and Suppliers	36,650	35,465	36,475	38,867	36,171	40,692	49,315	47,265	45,440	38,441
Service Stations	151,103	147,993	147,047	143,251	130,627	119,799	124,227	150,663	136,893	119,161
Other Retail Stores	49,131	49,061	50,780	48,748	64,342	71,242	76,599	87,817	94,828	95,980
All Other Outlets	384,214	388,015	428,300	500,605	526,970	543,916	566,652	712,970	684,719	566,913
Totals	875,085	892,758	959,229	1,039,641	1,033,570	1,054,293	1,093,009	1,295,406	1,270,836	1,121,006
County Direct Sales Tax Rate	0.08 %	0.08 %	0.08 %	0.08 %	0.08 %	0.09 %	0.08 %	0.09 %	0.09 %	0.09 %

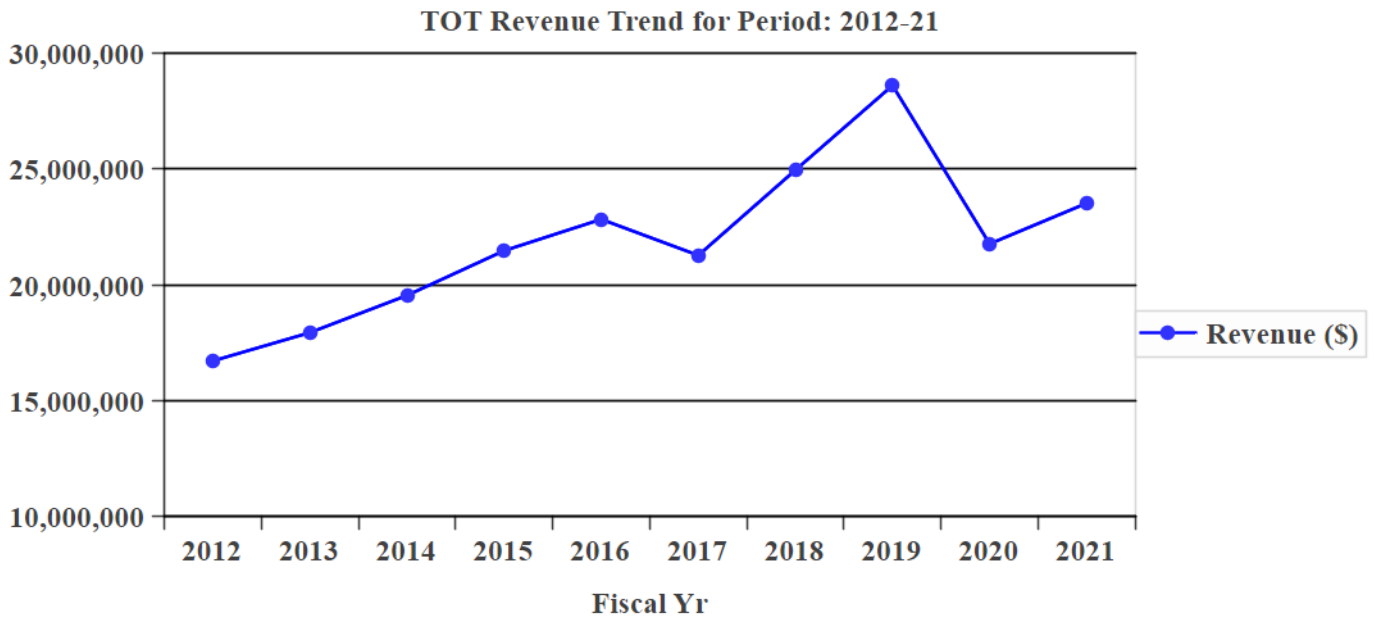
Source: State of California Board of Equalization and The HdL Companies

Notes:

Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the county's revenues.

COUNTY OF MONTEREY
 Transient Occupancy Tax
 Actual Receipts
 Last Ten Fiscal Years

Fiscal Year	Annual Revenue (\$)	Growth Rate
2012	16,722,512	17.36%
2013	17,945,479	7.31%
2014	19,551,258	8.95%
2015	21,479,840	9.86%
2016	22,834,344	6.31%
2017	21,279,324	-6.81%
2018	24,959,537	17.29%
2019	28,607,881	14.62%
2020	21,773,829	-23.89%
2021	23,528,875	8.06%



Source:

Monterey County Treasurer- Tax Collector Transient Occupancy Tax Statements
 Financial system data effective FY 2021

COUNTY OF MONTEREY
Ratios of Outstanding Debt by Type
Last 10 years (in thousands, except per capita)
As of Fiscal Year 2020 - 21

Fiscal Year	Governmental Activities								Business-Type Activities			Total Primary Gov (1)	Per Capita (2)	Percentage of Personal Income (2)
	Certificates of Participation	Capital Leases	RDA Notes	Revenue Bonds	Long Term Loans	Special Assessment Bonds	General Obligation Bonds	Judgment Obligation Bonds	Certificates of Participation	Capital Leases	Long Term Loans			
2012	133,385	459	-	32,613	39,543	136	-	1,705	63,890	-	10,666	282,397	669	1.63 %
2013	128,870	132	-	31,957	37,594	129	-	870	61,070	-	7,699	268,321	629	1.46 %
2014	124,134	76	-	31,277	35,597	121	-	-	58,130	-	4,668	254,003	592	1.32 %
2015	119,182	76	-	30,356	33,549	113	-	-	55,055	-	1,573	239,904	556	1.21 %
2016	168,120	52	-	30,294	31,447	104	-	-	52,889	-	-	282,906	652	1.31 %
2017	161,701	16,507	-	29,526	29,289	94	-	-	49,350	-	-	286,467	658	1.25 %
2018	144,115	15,801	-	28,339	27,071	83	-	-	45,143	-	-	260,552	595	1.09 %
2019	138,218	14,900	-	25,575	24,790	72	-	-	41,469	-	-	245,024	563	1.00 %
2020	131,918	13,939	-	24,555	22,444	61	-	-	37,599	-	-	230,516	531	0.89 %
2021	125,459	12,913	-	23,535	20,028	49	-	-	33,514	-	-	215,498	496	0.81 %

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) Includes all debt shown for Government and Business-Type Activities

(2) Population and total personal income can be found in Schedule 15 - Demographics and Economic Statistics

COUNTY OF MONTEREY
Legal Debt Margin Information
Last 10 Fiscal Years (in thousands)

<u>Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2021</u>	
Net Assessed Value	75,006,194
Debt Limit 1.25% of Net Assessed Value	\$937,577
Debts Applicable to Limit:	
General Obligation Bonds	\$0
Less: Amount Set Aside for	\$0
Repayment of Debt	<u>\$0</u>
Net Debt Applicable to Limit	<u>\$0</u>
Legal Debt Margin	<u>\$ 937,577</u>

Fiscal Year	Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt Limit	937,577	902,174	845,953	795,566	753,605	721,358	680,831	644,338	622,541	615,333
Less: Total Net Debt Applicable to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-</u>
Legal Debt Margin	<u>937,577</u>	<u>902,174</u>	<u>845,953</u>	<u>795,566</u>	<u>753,605</u>	<u>721,358</u>	<u>680,831</u>	<u>644,338</u>	<u>622,541</u>	<u>615,333</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Notes:

1. Article XIII A of the California State Constitution and Senate Bill 1656, Statutes of 1978, provided for changing assessed value from 25% of cash value to full cash value. Hence, the 5% limitation on general obligation bond indebtedness imposed by Section 29909 of the Government Code became 1.25% of assessed value
2. For net assessed value refer to Schedule 5 "Assessed Value and Actual Value of Taxable Property"

COUNTY OF MONTEREY
Pledged Revenue Coverage
Last Ten Fiscal Years
As of Fiscal Year 2020 - 21

Fiscal Year Ended June 30	Sanitation Revenue Bonds						Water Revenue Bonds						Special Assessment Bonds			
	Sanitation Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service			Water Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service			Special Assessment Collections	Debt Service		
				Principal	Interest	Coverage				Principal	Interest	Coverage		Principal	Interest	Coverage
2012	\$ 1,257,397	\$ 1,320,702	\$ (63,305)	\$ 59,000	\$ 45,350	\$ (0.61)	\$ 2,050,681	\$ 4,277	\$ 2,046,404	\$ 570,000	\$1,564,513	\$ 0.96	\$ 14,402	\$ 7,000	\$ 8,888	\$ 0.91
2013	1,166,240	1,236,358	(70,118)	62,000	42,950	(0.67)	2,107,965	3,902	2,104,063	595,000	1,544,188	0.98	14,314	7,000	8,437	0.93
2014	1,611,549	1,158,715	452,834	66,000	39,850	4.28	2,137,961	-	2,137,961	615,000	1,522,963	1.00	14,596	8,000	7,958	0.91
2015	1,011,695	1,295,122	(283,427)	48,000	24,850	(3.89)	2,267,256	3,902	2,263,354	640,000	1,497,863	1.06	15,252	8,000	7,448	0.99
2016	979,530	1,503,832	(524,302)	51,000	22,450	(7.14)	2,249,065	3,400	2,245,665	670,000	1,468,313	1.05	14,334	9,000	6,907	0.90
2017	1,452,013	1,603,607	(151,594)	54,000	19,900	(2.05)	2,341,265	3,095	2,338,170	700,000	1,434,063	1.10	15,209	10,000	6,301	0.93
2018	882,996	1,356,076	(473,080)	56,000	17,200	(6.46)	2,196,936	3,095	2,193,841	735,000	1,402,781	1.03	15,466	11,000	5,632	0.93
2019	1,160,334	1,361,546	(201,212)	59,000	14,400	(2.74)	3,989,261	1,500	3,987,761	1,030,000	693,220	2.31	13,947	11,000	4,930	0.88
2020	983,653	1,403,110	(419,457)	62,000	11,450	(5.71)	3,858,529	-	3,858,529	730,000	1,026,438	2.20	14,821	11,000	4,229	0.97
2021	162,522	165,278	(2,756)	30,000	8,350	(0.07)	3,924,438	-	3,924,438	760,000	996,638	2.23	14,551	12,000	3,496	0.94

Note:
Details regarding the County's outstanding debt can be found in the notes to the financial statements. Sanitation, Water, and Other charges include property tax revenues and investment earnings. Where expenses exceed revenues in any one year, excess revenues from prior years (Fund Balance) were used to meet debt requirements.

COUNTY OF MONTEREY
Direct and Overlapping Bonded Debt
As of June 30, 2021

2020-21 Assessed Valuation (includes unitary utility valuation) \$ 75,006,193,795

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</u>	(1) Percentage Applicable	Debt at June 30, 2021
Hartnell Community College District	99.823 %	\$ 259,132,190
Monterey Peninsula Community College District	100	109,868,522
Carmel Unified School District	100	19,418,445
Monterey Peninsula Unified School District	100	220,056,122
North Monterey County Unified School District	100	30,395,000
Pacific Grove Unified School District	100	44,143,000
Soledad Unified School District	100	58,514,938
South Monterey County Joint Union High School District	98.889	39,011,711
Salinas Union High School District and School Facilities Improvement District	100	124,634,077
Alisal Union School District	100	54,271,145
Greenfield Union School District	100	30,174,919
Salinas City School District	100	54,762,030
Santa Rita Union School District	100	18,877,931
Washington Union School District	100	10,030,000
Other School Districts	Various	50,615,947
City of Marina	100	6,710,000
Community Facilities Districts	100	27,952,542
City 1915 Act Bonds	100	6,400,000
Special District 1915 Act Bonds	100	3,505,000
Monterey County Water Resources Agency Benefit Assessment District Zone 2C	100	23,368,178
Monterey County Special Assessment Bonds	100	49,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 1,191,890,697</u>

<u>DIRECT AND OVERLAPPING GENERAL GOVERNMENT DEBT:</u>	(1) Percentage Applicable	Debt at June 30, 2021
Monterey County Certificates of Participation	100 %	\$ 125,458,728
Monterey County Revenue Bonds	100	167,000
Monterey County Notes Payable	100	1,893,364
Monterey County Loans Payable	100	18,134,927
Monterey County Capital Leases	100	12,913,417
Monterey County Board of Education Certificates of Participation	100	5,006,000
Salinas Union High School District General Fund Obligations	100	17,252,246
Salinas City School District Certificates of Participation	100	15,792,513
Other School District General Fund Obligations	Various	44,279,973
City of Carmel General Fund Obligations	100	3,895,000
City of Carmel Pension Obligation Bonds	100	1,340,000
City of Gonzales General Fund Obligations	100	6,049,970
City of Greenfield General Fund Obligations	100	775,474
City of Monterey General Fund Obligations	100	5,235,000
City of Pacific Grove Pension Obligation Bonds	100	4,397,980
City of Salinas Certificates of Participation	100	102,810,000
City of Seaside Cutino Park Lease Revenue Bonds	100	4,685,000
City of Seaside Measure X Lease Revenue Bonds	100	10,565,000
City of Seaside Pension Obligation Bonds	100	2,740,000
Monterey County Fire Protection District Pension Obligation Bonds	100	24,395,000
Pajaro/Sunny Mesa Community Services District Genreal Fund Obligations	100	215,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL GOVERNMENT DEBT	-	408,001,592
Less: City of Seaside Measure X Lease Revenue Bonds supported by sales tax revenues	-	10,565,000
TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 397,436,592</u>

OVERLAPPING TAX INCREMENT DEBT (Successor Agencies)	100	\$ 94,989,864
TOTAL DIRECT DEBT		<u>\$ 181,984,614</u>
TOTAL GROSS OVERLAPPING DEBT		1,512,897,539
TOTAL NET OVERLAPPING DEBT		1,502,332,539
GROSS COMBINED TOTAL DEBT		1,694,882,153
NET COMBINED TOTAL DEBT	(2)	<u>\$ 1,684,317,153</u>

COUNTY OF MONTEREY
Direct and Overlapping Bonded Debt
As of June 30, 2021

Ratios to 2020-2021 Assessed Valuation:

Total Direct and Overlapping Tax and Assessment Debt	1.59 %
Total Direct Debt (192,916,416)	0.24 %
Gross Combined Total Debt	2.26 %
Net Combined Total Debt	2.25 %

Ratios to Redevelopment Incremental Valuation (\$6,485,946,357):

Total Overlapping Tax Increment Debt	1.46 %
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Notes

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

COUNTY OF MONTEREY
Demographics and Economic Statistics
Last Ten Fiscal Years

Calendar Year	(1) Population	(2) Per Capita Income	(3) Total Personal Income	(4) Median Age	(5) School Enrollment	(6) Unemployment Rate
2011	421,898	\$ 41,138	\$ 17,355,940	33	72,666	12.4 %
2012	426,762	43,034	18,365,298	33	73,460	11.4 %
2013	428,826	44,851	19,233,171	33	74,684	10.1 %
2014	431,344	46,109	19,889,054	34	75,997	9.1 %
2015	433,898	49,836	21,623,627	34	76,768	8.1 %
2016	435,232	52,448	22,827,059	34	77,517	7.6 %
2017	437,907	54,395	23,819,797	34	77,954	7.2 %
2018	435,594	56,193	24,477,179	35	77,923	4.7 %
2019	434,061	59,838	25,973,189	35	77,381	7.8 %
2020	434,172	61,510	26,504,847	38	75,668	6.6 %

Sources:

1. U.S. Census Bureau-As of July 1, 2018, Released March 2019
2. U.S. Department of Commerce, Bureau of Economic Analysis
3. U.S. Department of Commerce, Bureau of Economic Analysis (in thousands).
4. U.S. Census Bureau, American Community Survey
5. California Department of Education, Education Demographics Unit for 2020-21
6. California Employment Development; Labor Market Info Division

Notes:

Population data estimates are as of July 2020

Per capita personal income was computed using preliminary Census Bureau midyear population estimates.

Total personal income is in thousand of dollars

School enrollment data includes Kindergarten through grade 12

Unemployment rate is based on annual rate

COUNTY OF MONTEREY
Major Industries by Number of Businesses, Employees and Payroll
Last Ten Years

MSA and Industry	2011 Total	2012 Total	2013 Total	2014 Total	2015 Total	2016 Total	2017 Total	2018 Total	2019 Total	2020 Total
SALINAS MSA										
Total										
No. of Businesses	12,022	11,195	11,717	12,123	12,180	12,274	12,681	13,380	13,648	13,735
No. of Employees	150,224	155,869	158,846	166,546	170,385	170,383	173,386	178,844	181,536	164,126
Payroll (in thousands)	1,406,249	1,450,658	1,507,712	1,585,102	1,684,581	1,823,620	1,868,529	1,946,321	2,030,131	1,948,034
Agriculture										
No. of Businesses	529	532	540	546	539	520	530	548	557	561
No. of Employees	58,401	60,673	62,874	66,033	67,029	66,347	67,159	69,481	70,231	67,795
Payroll (in thousands)	448,534	472,663	520,761	557,753	596,901	658,994	675,089	702,286	722,652	739,270
Utilities										
No. of Businesses	20	21	21	22	20	20	20	21	23	22
No. of Employees	557	868	872	763	789	784	804	788	803	829
Payroll (in Thousands)	14,754	19,317	21,089	18,131	20,427	21,753	22,014	21,481	23,302	25,955
Construction and Mining										
No. of Businesses	824	787	825	857	886	914	951	1,049	1,066	1,095
No. of Employees	3,997	4,673	4,823	5,080	5,538	6,067	6,416	6,790	6,888	6,485
Payroll (in Thousands)	51,117	58,685	62,188	65,513	75,409	91,161	94,666	101,151	108,057	104,888
Manufacturing										
No. of Businesses	244	248	265	267	259	264	271	289	296	276
No. of Employees	5,869	5,287	5,439	5,337	5,685	5,529	5,759	5,538	5,311	4,695
Payroll (in Thousands)	66,066	63,429	59,826	60,774	65,737	69,340	73,079	69,305	71,060	66,334
Wholesale Trade										
No. of Businesses	377	377	368	386	384	375	366	375	379	376
No. of Employees	5,120	5,480	5,227	5,496	5,459	5,548	5,868	5,923	5,836	5,369
Payroll (in Thousands)	83,299	88,422	92,922	88,835	94,037	101,499	99,856	101,941	100,277	98,253
Retail Trade										
No. of Businesses	1,200	1,195	1,175	1,227	1,199	1,212	1,188	1,199	1,193	1,220
No. of Employees	15,530	15,812	16,144	16,146	16,366	16,356	16,241	16,684	16,671	15,346
Payroll (in Thousands)	122,602	120,195	120,072	123,709	128,116	134,773	134,980	141,741	147,826	148,372
Transportation and Warehousing										
No. of Businesses	227	230	239	253	269	266	283	313	329	335
No. of Employees	2,715	3,085	3,309	3,847	3,907	3,817	3,493	3,352	3,531	2,995
Payroll (in Thousands)	36,164	37,895	40,049	45,023	48,726	46,978	45,508	44,062	45,883	40,301
Information										
No. of Businesses	99	102	102	93	84	88	87	93	96	94
No. of Employees	1,532	1,525	1,517	1,361	1,325	1,126	1,036	1,028	994	735
Payroll (in Thousands)	24,061	23,229	23,947	21,563	23,019	17,431	15,534	14,268	14,254	12,894
Finance and Insurance										
No. of Businesses	363	345	333	341	333	354	349	366	363	352
No. of Employees	2,528	2,480	2,235	2,136	2,247	2,354	2,430	2,514	2,442	2,290
Payroll (in Thousands)	43,452	46,190	43,238	41,400	45,027	49,584	51,645	51,634	48,911	48,964
Real Estate, Rental and Leasing										
No. of Businesses	360	369	380	396	387	382	390	421	426	451
No. of Employees	1,654	1,753	1,639	1,743	1,781	1,803	1,933	2,032	1,960	1,780
Payroll (in Thousands)	17,044	17,891	18,071	18,431	20,113	22,487	22,408	24,369	24,675	23,178
Services										
No. of Businesses	7,779	6,989	7,469	7,735	7,820	7,879	8,246	8,706	8,920	8,953
No. of Employees	52,321	54,233	54,767	58,604	60,259	60,652	62,247	64,714	66,869	55,807
Payroll (in Thousands)	499,157	502,741	505,549	543,970	567,068	609,620	633,751	674,084	723,235	639,626

Source: Employment Development, Labor Market Information

COUNTY OF MONTEREY
Major Industries by Number of Businesses, Employees and Payroll
Last Ten Years

Notes:

1. Data are confidential if there are fewer than 3 businesses in a category or one employer makes up 80 percent or more of the employment in a category
2. Data are suppressed because confidential data could be extrapolated if these totals were included
3. Figures are as per third quarter of the calendar year.
4. Data do not include totals of government employment
5. Rules instituted by the Federal Bureau of Labor Statistics after September 11, prohibit state departments of labor or economic security from publicly identifying the names of individual employers. County of Monterey has removed the Major Employers' data from the statistical section. GASB Statement No 44 allows employment by industry data to be published instead of Major Employers' data.
6. Mining industry has been combined with the Construction industry starting in 2009

COUNTY OF MONTEREY
Full-Time Equivalent County Government Employees by Function/Program
Approved Budget Positions

Function/Program	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	425.6	440.5	593.8	536.5	537.5	568.5	591.5	565.7	574.5	587.5
Public Protection	1,052.0	1,147.0	1,193.0	1,288.3	1,268.3	1,314.0	1,310.0	1,300.5	1,327.5	1,328.0
Public Ways and Facilities	277.5	273.5	123.0	114.0	114.0	86.0	86.0	83.0	86.0	89.0
Health and Sanitation	761.3	793.8	851.0	893.3	869.8	1,099.3	1,097.3	1,043.8	1,073.2	1,085.0
Public Assistance	751.2	802.0	862.0	893.0	874.0	921.0	910.0	871.0	886.0	889.0
Recreation and Education	139.0	140.0	137.0	124.0	107.0	116.0	87.0	120.0	69.0	104.0
Hospital	839.0	863.4	886.1	990.9	994.9	1,218.1	1,219.1	1,255.3	1,299.3	1,325.1
Total Governmental Positions	4,245.6	4,460.2	4,645.9	4,840.0	4,765.5	5,322.9	5,300.9	5,239.3	5,315.5	5,407.6
Special District:										
Water Resource Agency	60.0	63.0	63.0	63.0	55.0	55.0	51.0	46.0	48.0	48.0
Total Positions:	4,305.6	4,523.2	4,708.9	4,903.0	4,820.5	5,377.9	5,351.9	5,285.3	5,363.5	5,455.6

Source: Monterey County Adopted Budget Book Position Information

Notes:

1. Public ways and facilities include Resources Management Agency.
2. The FY 2020 function/program totals for Recreation and Education and Hospital were updated in FY 2021 to reflect accurate totals

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL GOVERNMENT										
Assessor										
Deeds Processed	15,991	15,280	14,000	16,000	15,018	15,159	13,349	15,420	15,338	16,245
Recorder -County Clerk										
Documents Recorded	85,915	91,818	76,016	75,012	78,850	82,662	82,852	78,341	77,764	109,312
Marriage Licenses Issued	2,842	2,814	3,226	3,133	3,017	3,116	2,978	2,871	2,360	3,085
Fictitious Business Names Filed	2,486	2,342	2,585	2,688	2,618	2,547	2,464	2,679	2,292	2,876
PUBLIC PROTECTION										
Emergency Communications										
911 and Non-Emergency Calls	674,576	623,669	614,476	719,248	756,869	748,161	744,281	741,261	702,251	727,577
CAD Incidents	571,100	568,587	590,777	591,137	520,060	520,060	587,085	593,392	527,292	520,409
District Attorney's Office										
Felonies and Misdemeanors Reviewed	14,517	13,311	19,248	17,186	16,331	16,422	18,586	18,815	12,955	16,160
Child Support Services										
Cases	18,065	17,085	16,477	16,422	15,957	15,589	15,013	14,448	13,669	13,199
Public Defender										
Felonies	5,706	6,070	5,937	4,599	3,585	5,472	4,856	2,077	1,737	2,146
Misdemeanors	10,069	9,617	8,197	8,147	14,763	16,529	14,310	8,174	7,594	7,645
Juveniles	2,155	1,775	1,416	1,078	1,208	1,593	1,270	645	492	427
Mental Health and Probate	unavail	265	385	661	211	266	298	100	119	142
Court Assigned Counsel										
Felonies	694	806	604	447	283	374	325	389	324	286
Misdemeanors	481	505	312	327	444	401	307	431	382	333
Juveniles	378	202	97	98	116	192	111	261	145	98
Truancy Filings/Appearances	unavail	312 / 1,761	324 / 1,548	324/2,003	368 / 1,856	261/1,651	unavail/2,518	198/2430	unavail/1932	unavail/1088
Sexual Violent Predators (SVP)	2	0	0	0	0	0	0	1	0	5
State Prison Cases	unavail	unavail	64	54	112	120	166	250	134	65

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sheriff -Administration and Enforcement Bureau										
Warrants Received	9,967	9,732	9,234	10,810	13,858	11,546	11,367	13,376	11,587	13,169
Felony and Misdemeanor Offenses Reported	4,334	4,582	3,760	4,170	4,250	4,221	4,031	2,116	1,894	1,854
Sheriff- Joint Gang Task Force										
Felony and Misdemeanor Arrests	372	264	168	108	unavail	unavail	unavail	unavail	unavail	unavail
Task Force and/or Gang Awareness	12	14	12	15	unavail	unavail	unavail	unavail	unavail	unavail
Sheriff- Custody Operations Bureau										
Prisoners Booked	12,052	11,574	11,480	13,586	14,252	12,484	10,719	12,756	10,974	9,351
Average Daily Prisoner Population	1,040	1,101	974	926	929	912	900	893	817	855
Court Transportation	22,092	22,298	22,511	23,411	17,538	18,500	18,500	18,643	13,368	14,485
Probation										
Juvenile Referrals	2,585	1,706	1,526	1,238	2,179	2,670	2,092	1,948	1,606	950
Standard Reports	2,547	2,955	3,138	2,813	2,841	2,924	2,182	2,002	1,661	1,655
Supervision	8,074	7,027	6,911	6,500	6,565	5,947	6,395	6,764	6,433	5,146
Juvenile Institutions and Alternative Program										
Admissions	1,461	1,540	1,479	1,214	1,109	851	929	836	597	431
Sheriff-Coroner										
Total Investigations	1,054	1,071	1,050	1,100	1,200	1,168	1,133	1,006	1,408	1,492
Coroner's Cases	302	339	320	350	378	586	359	373	472	465
Planning										
Discretionary Permits Initiated	703	807	866	1,069	1,222	1,283	1,813	1,791	1,007	918
Building Services										
Building and Grading Permits	2,177	2,216	2,452	2,942	3,345	3,429	3,640	3,419	3,251	3,559
Plan Checks	1,195	1,268	2,412	1,820	1,546	1,607	1,546	1,393	1,223	2,025

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Building Inspections	8,876	9,350	12,024	13,932	14,100	10,851	29,988	24,775	20,907	20,781 ³
PUBLIC WAYS AND FACILITIES:										
Public Works										
Road Miles Maintained	1,234	1,234	1,234	1,234	1,235	1,236	1,242	1,258	1,257	1,262
Bridges Maintained	173	173	174	174	174	174	174	175	175	175
Water Resources										
Total Water Deliveries- Acre- Feet	20,446	22,275	22,784	21,028	18,482	16,970	21,354	17,516	20,662	20,980
Nacimiento Hydro Project Kilowatt Hours	14,326,724	4,996,952	3,463,653	940,824	594,682	10,771,771	13,680,397	9,530,793	13,508,425	8,832,936
HEALTH AND SANITATION										
Animal Field Services										
Licenses Sold / Citations Issued	8,065	6,026	5,908	5,843	6,751	5,605	5,419	4,617	3,981	4,257
Service Calls	3,281	3,451	3,120	4,345	4,506	3,755	2,759	1,362	913	1,054
Animals Admitted To Shelter	4,124	3,853	3,023	2,472	2,662	2,787	2,273	2,222	1,756	1,157
Health										
Public Health Nursing Home Visits	14,908	9,140	7,781	5,815	6,993	4,820	852	192	969	1,229
Laboratory Tests	33,226	35,058	37,392	40,408	39,098	40,688	41,978	35,853	37,216	68,634
Clinic Services										
Primary Care Clinic Visits	169,645	169,144	159,519	170,419	179,984	183,193	194,469	195,739	194,166	201,795
Mental Health										
Inpatient Services (Days)	2,941	2,369	2,645	2,837	2,108	1,860	2,323	2,661	2,774	2,844
Locked Facilities (Days)	12,237	9,841	12,757	13,543	15,717	13,818	16,094	17,809	19,113	16,101
Public Guardian										
Conservatorship Cases	325	348	353	341	326	362	317	314	331	345
Representative Payee Cases	421	424	382	375	285	215	221	260	261	272

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Alcohol and Drug Programs										
Methadone Maintenance Dosing	49,355	50,926	58,321	67,613	75,813	79,963	88,230	88,785	96,480	98,829
Narcotic Treatment Program Counseling	26,720	27,737	31,180	34,655	40,994	48,659	58,383	494,218	600,779	538,514
Residential Bed Days	24,947	23,860	26,962	29,655	28,360	26,183	23,833	19,446	16,906	16,181
Children's Medical Services										
CCS Referrals Reviewed for Medical Eligibility	2,267	2,152	2,072	2,130	2,158	2,120	2,080	2,501	2,683	1,754
CCS Referrals Opened for Medical Services	1,343	1,226	1,036	1,200	1,172	1,136	1,106	1,326	1,422	898
CHDP Review Preventive Health Screens	13,675	19,332	19,408	21,573	19,810	20,264	-	-	0	0
CHDP Patient Tracking for Follow-Up Screens	1,798	2,153	2,751	2,377	1,230	2,119	318	157	168	5
PUBLIC ASSISTANCE										
Social Services										
Food Stamps and Medi-Cal	44,588	48,133	49,369	50,920	52,194	48,743	44,948	39,691	38,668	40,392
CWS Permanent Placement	179	155	189	216	261	241	220	197	180	191
Adult Protective Services & In-Home Supportive Services	3,994	3,974	3,933	4,264	4,326	4,494	4,722	4,985	4,735	5,786
CalWORKs/TANF Benefits Caseloads										
Ongoing	6,147	5,905	5,709	5,262	4,842	4,174	3,666	3,143	3,035	3,306
Employment Services	3,559	3,921	2,968	3,156	2,799	2,337	1,975	1,616	1,519	1,514
Childcare Services	329	204	210	217	234	212	210	178	179	168
Out-of-Home Care, Average Monthly Caseload										
Foster Care Ongoing	290	347	387	442	452	393	388	390	375	378
Court Dependent Children	8	1	2	-	-	28	40	5	7	9
Aid to Adoptions	708	675	660	675	701	752	777	821	824	901
In-Home Support Services- Client Services Paid Cases										
Personal Care Services Program	3,450	3,412	3,198	3,614	3,668	3,943	4,133	4,362	4,433	4,740
Residual/ Waiver Plus	455	470	552	365	325	292	310	320	433	858

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Aid to Indigents										
Regular General Assistance	617	699	673	636	523	408	429	454	469	442
Military and Veterans Affairs Caseload Items										
Claims Filed	1,040	1,690	1,477	1,786	2,066	1,729	1,519	1,364	1,547	1,220
Other Benefit Claims Filed	-	-	-	-	-	-	-	-	3,323	4,084 ⁵
Veterans Transported to VA Medical	888	1,016	1,056	823	882	745	771	648	500	- ⁴
EDUCATION										
Library										
Customers Visiting Library	958,852	885,633	889,397	873,444	934,585	761,655	768,556	684,329	536,673	9,880 ⁶
Public Library Computer Sessions	200,713	162,313	166,699	170,287	150,920	154,627	92,304	122,726	90,970	2,230 ⁶
Virtual Visits to Library Websites	unavail	225,000	247,500	222,750	240,570	262,439	255,106	222,337	122,542	182,925 ⁶
Total Circulation	649,117	602,849	542,515	573,661	620,206	583,402	490,845	496,215	430,459	243,575 ⁶
Reference Questions	110,022	111,122	105,337	81,682	75,097	72,307	59,165	91,549	73,103	13,704 ⁶
RECREATION AND CULTURAL SERVICES										
Parks										
Visitors	702,018	1,113,456	989,569	623,411	622,346	435,422	672,422	553,910	185,611	192,166 ^{2,6}

Source: County of Monterey Departmental Records

Notes:

1. During FY 2016, the Task Force was dissolved.
2. FY 2017 lower due to Soberanes Fire
3. Prior to FY 2018, Inspection numbers were counted based on STOPS not Inspection COUNTS, Often, one-stop includes multiple inspections.
4. Veteran's Transport ended during pandemic
5. New indicator added for 2020.
6. Reduction due to impact of COVID-19.

COUNTY OF MONTEREY
Capital Asset Statistics
Last Ten Fiscal Years
For Fiscal Year Ended June 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Buildings	14	14	14	18	18	18	18	33	36	39
Vehicles	127	92	83	106	97	205	205	205	205	197
Heavy Equipment	3	7	6	6	5	19	19	19	19	42
Communication Tower	6	6	6	9	9	9	9	14	14	14
Public Protection										
Buildings	25	25	25	28	28	28	28	34	34	34
Vehicles	473	450	447	444	338	347	347	347	347	309
Boats	2	1	1	1	1	1	1	1	1	1
Heavy Equipment	48	49	13	12	11	25	25	25	25	42
Public Ways & Facilities (Road Dept)										
Bridges	173	173	174	174	174	174	175	175	175	175
Culverts (ft)	218,749	218,749	218,749	218,969	218,969	220,777	221,000	221,000	221,000	221,000
Drain System Inlets	230	230	230	231	235	235	238	238	238	238
Drain System Pipe (ft)	68,752	68,752	68,752	68,752	72,000	72,000	72,000	72,000	72,000	72,000
Fuel Stations	3	3	3	3	3	3	3	3	3	3
Heavy Road Equipment	83	83	95	92	111	103	103	103	103	102
Lift Stations	15	15	15	15	15	15	15	15	15	15
Maintained Road Miles (paved)	1,234	1,234	1,234	1,234	1,234	1,236	1,232	1,257	1,257	1,257,000
Maintenance District Facility Buildings	5	5	5	5	5	5	5	5	5	5
Public Parks & Open Space Acreage	4	4	4	4	4	4	4	4	4	5
Road Lane Miles	2,611	2,611	2,611	2,611	2,611	2,611	2,611	2,661	2,661	2,661
Sanitary Heavy Equipment	1	1	1	1	1	1	-	-	-	-
Sanitary Sewer Lines(miles)	42	42	42	42	42	42	39	39	39	39
Street Light	380	380	380	380	380	380	380	384	384	384
Traffic Signals	21	28	28	27	28	28	28	29	29	29
Vehicles	73	100	74	63	240	94	94	94	94	97
Water Resources2										
Dams	2	2	2	2	2	2	-	-	-	-
Salinas River Diversion Facility	1	1	1	1	1	1	1	1	1	1
Heavy Equipment	6	6	10	10	10	20	20	20	20	20
Hydro-Electric Plants	1	1	1	1	1	1	1	1	1	1
Levees	1	1	1	1	1	1	1	1	1	1
Pump Stations	5	5	5	5	5	5	5	5	5	5
Reclamation Ditches	1	1	1	1	1	1	1	1	1	1
Vehicles	28	27	22	23	23	25	25	25	25	25
Petrero Tide Gate	1	1	1	1	1	1	1	1	1	1

COUNTY OF MONTEREY
Capital Asset Statistics
Last Ten Fiscal Years
For Fiscal Year Ended June 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Homes	2	2	2	2	2	2	2	2	2	2
Pipe Miles	50	50	50	50	50	50	50	50	50	50
Wells	21	21	21	21	21	21	21	21	21	21
Booster Pumps	3	3	3	3	3	3	3	3	3	3
Health										
Buildings	14	14	14	14	14	14	14	25	25	26
Vehicles	151	130	120	130	154	153	153	153	153	172
Heavy Equipment	-	-	-	-	-	3	3	3	3	-
Public Assistance										
Buildings	2	1	1	5	5	5	5	25	25	22
Vehicles	108	104	100	107	99	97	97	97	97	97
Recreation and Cultural Services										
Basketball courts	1	1	1	1	1	1	3	3	3	3
Boats	13	15	34	42	26	40	40	40	40	40
Buildings	176	176	176	176	176	176	173	173	173	173
Heavy Equipment	34	34	37	37	91	190	190	190	190	180
Lakes Acres	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Land Acres	13,566	14,325	16,873	16,873	16,873	16,873	16,873	16,873	16,873	16,873
Parks	9	10	10	10	9	9	8	8	8	8
Tennis Courts	1	1	1	1	1	1	1	1	1	1
Vehicles	120	117	112	98	98	115	115	115	115	106
Communication Tower	1	1	1	1	1	1	1	1	1	1
Education										
Bookmobiles	3	3	3	3	3	3	3	3	3	3
Buildings	6	3	3	6	6	6	6	6	6	6
Vehicles	15	15	17	17	23	18	18	18	18	19
Heavy Equipment	-	-	1	1	4	5	5	5	5	5

Source:

Owned buildings and parcels from General Services "Real Property Specialist Reports".

Vehicles & Heavy Equipment from General Services "Fleet Focus Equipment Inventory List".

Departmental Records

Note:

Reporting differences in assets between fiscal years due to updated information sources.

(1) information not previously reported