

County of Monterey

State of California



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2022

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

Moss Landing Sea Lions

The County of Monterey is known for its spectacular and diverse wildlife. One way to get up close and personal with nature is to see the California sea lions soaking up the sun at the Moss Landing Pier. Moss Landing is located on the shore of Monterey Bay, at the mouth of Elkhorn Slough and at the head of the submarine Monterey Canyon. The Moss landing Pier is home to over 400 sea lions.

The California sea lion is native to western North America and is one of six species of sea lion. Sea lions' diet consists of fish, squid, octopus, and shellfish. The average lifespan of sea lions is up to 30 years. Males measure up to eight feet and can weight up to an astonishing 850 pounds. Females measure up to six feet and can weight up to 220 pounds. Sea lions hold their flippers out of the water to absorb heat from the sun and regulate their body temperature. They can swim up to 25 miles per hour and the deepest dive ever recorded for a California sea lion is 1,760 feet. They are said to be named sea lions due to the loud roar noise they produce.

Cover Photo: Moss Landing Elkhorn Slough Sea Lions provided by Monterey County Convention and Visitors Bureau.

COUNTY OF MONTEREY
STATE OF CALIFORNIA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2022

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COUNTY OF MONTEREY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal.....	i
Certificate of Achievement.....	vii
Directory of County Officials.....	viii
Organizational Structure.....	ix
FINANCIAL SECTION	
Independent Auditors' Report.....	1
Management Discussion and Analysis.....	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position.....	22
Statement of Activities.....	23
Fund Financial Statements:	
Balance Sheet Governmental Funds.....	25
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	26
Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds.....	27
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities - Governmental Activities.....	28
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual General.....	29
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Road Fund.....	30
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Behavioral Health.....	31
Statement of Net Position Proprietary Funds.....	32
Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds.....	34
Statement of Cash Flows.....	35
Statement of Fiduciary Net Position.....	37
Statement of Changes in Fiduciary Net Position.....	38
Notes to the Financial Statements.....	39
Required Supplementary Information (Other than MD&A):	
Schedules Related to OPEB Liability.....	91
Schedule of Changes in Net Pension Liability and Related Ratios.....	93
Schedule of the Proportionate Share of the Net Pension Liability.....	99
Schedule of Pension Contributions.....	100
Supplementary Information:	
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	103

COUNTY OF MONTEREY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022

TABLE OF CONTENTS

	PAGE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds.....	104
Special Revenue Funds-nonmajor:	
Combining Balance Sheet Special Revenue-nonmajor.....	107
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Special Revenue-nonmajor	114
Special Revenue Funds Budgetary Comparison Schedules:	
Budgetary Comparison Schedule County Library.....	121
Budgetary Comparison Schedule In-Home Support Services.....	122
Budgetary Comparison Schedule Fish and Game Propagation.....	123
Budgetary Comparison Schedule Community Action Partnership.....	124
Budgetary Comparison Schedule Inclusionary Housing.....	125
Budgetary Comparison Schedule Community Development.....	126
Budgetary Comparison Schedule Emergency Medical Service.....	127
Budgetary Comparison Schedule Workforce Development Board	128
Budgetary Comparison Schedule Local Revenue 2011.....	129
Budgetary Comparison Schedule Homeland Security Grant.....	130
Budgetary Comparison Schedule H&W Realignment.....	131
Budgetary Comparison Schedule NGEN Operations & Maintenance	132
Budgetary Comparison Schedule County Clerk/Recorder.....	133
Budgetary Comparison Schedule Habitat Management Program.....	134
Budgetary Comparison Schedule E. Garrison Community Services District.....	135
Budgetary Comparison Schedule Nacimiento Hydroelectric Operations.....	136
Budgetary Comparison Schedule Other Water Resources Agencies.....	137
Budgetary Comparison Schedule County Service Areas.....	138
Budgetary Comparison Schedule Sanitation Districts.....	139
Budgetary Comparison Schedule Housing Successor.....	140
Debt Service Funds-nonmajor:	
Combining Balance Sheet Debt Service.....	142
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Debt Service.....	143
Debt Service Funds Budgetary Comparison Schedules:	
Budgetary Comparison Schedule Debt Service General.....	144
Budgetary Comparison Schedule Monterey County Financing Authority.....	145
Budgetary Comparison Schedule Public Improvement Corporation.....	146
Capital Projects Funds-nonmajor:	
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Facility Master Plan Implementation.....	148
Combining Balance Sheet Capital Projects-Nonmajor.....	149

COUNTY OF MONTEREY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022

TABLE OF CONTENTS

	PAGE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Capital Projects-Nonmajor.....	151
Capital Projects Funds Budgetary Comparison Schedules	
Budgetary Comparison Schedule Capital Projects.....	153
Budgetary Comparison Schedule Facilities Project.....	154
Budgetary Comparison Schedule Other Water Resources Agencies.....	155
Budgetary Comparison Schedule NGEN Radio Project.....	156
Budgetary Comparison Schedule East Garrison Capital Projects.....	157
Enterprise Funds-nonmajor	
Combining Statement of Fund Net Position.....	159
Combining Statement of Revenues, Expenditures and Changes in Net Position.....	160
Combining Statement of Cash Flows.....	161
Internal Service Funds:	
Combining Statement of Net Position Internal Service Funds.....	163
Combining Statement of Revenues, Expenses and Changes in Net Position Internal Service Funds.....	164
Combining Statement of Cash Flows.....	165
Fiduciary Funds	
Investment Trust Funds:	
Combining Statement of Fiduciary Net Position - Investment Trust Funds.....	167
Combining Statement of Changes in Fiduciary Net Position- Investment Trust Funds.....	168
Private Purpose Trust Funds	
Combining Statement of Fiduciary Net Position - Private Purpose Trust Funds.....	169
Combining Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds.....	170
Custodial Funds:	
Combining Statement of Fiduciary Net Position- Custodial Funds.....	171
Combining Statement of Changes in Fiduciary Net Position- Custodial Funds.....	172
Detailed Budget Schedule:	
Schedule of Expenditures-Budget and Actual on Budgetary Basis General.....	173
STATISTICAL SECTION	
Net Position by Component.....	177
Changes in Net Position.....	178
Fund Balances, Governmental Funds.....	180
Changes in Fund Balances, Governmental Funds.....	181
Assessed Value and Actual Value of Taxable Property.....	182
Principal Property Taxpayers.....	183
Property Tax Levies and Collections.....	184
Debt Service Tax Rate For County And Major Overlapping Government.....	185

COUNTY OF MONTEREY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2022

TABLE OF CONTENTS

	PAGE
Taxable Sales by Category.....	186
Transient Occupancy Tax.....	187
Ratios of Outstanding Debt by Type.....	188
Legal Debt Margin Information	189
Pledged Revenue Coverage.....	190
Direct and Overlapping Bonded Debt.....	191
Demographics and Economic Statistics.....	193
Major Industries by Number of Businesses, Employees and Payroll.....	194
Full-Time Equivalent County Government Employees by Function/Program.....	196
Operating Indicators by Function/ Program.....	197
Capital Asset Statistics.....	201

INTRODUCTORY SECTION



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COUNTY OF MONTEREY

AUDITOR - CONTROLLER

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

RUPA SHAH, CPA
AUDITOR-CONTROLLER



March 29, 2023

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

The Annual Comprehensive Financial Report (ACFR) of the County of Monterey (County) for the fiscal year ended June 30, 2022, is hereby submitted 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 comprehensive internal control framework it established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than an 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 section of this report. CliftonLarsonAllen LLP has issued an unmodified ("clean") opinion on the County's financial statements for the year ended June 30, 2022. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. 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 "greatest meeting of land and sea," celebrated its quadricentennial in 2002. In 1602, Spanish merchant Sebastian Vizcaino became the first European on the Monterey Peninsula. He christened Monterey after the viceroy of New Spain, Count de Monte Rey. Eventually, the City of Monterey served as California's first capital, where the State constitution was signed in 1849. The County of Monterey 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 midpoint of California with 99 miles of coastline. The County is located about 100 miles south of San Francisco and 240 miles north of Los Angeles. It is bordered by Santa Cruz County to the north, San Benito (originally part of the County of Monterey), Fresno and Kings Counties to the east, and San Luis Obispo County to the south.

There are two distinct sub-regions in the County. One is the Monterey Peninsula, world famous for beautiful ocean views, opulent homes, the 17-mile drive, delicious seafood, and world-class golf courses. The other, the Salinas Valley, is equally renowned as an area full of fertile farmland, 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 468,538 total acres. The Los Padres National Forest has 304,035 acres and the Ventana Wilderness totals 164,503 acres.

Structure: The County is a general law county. The County government is comprised of ten elected officials, including a five-member Board of Supervisors, the Assessor-Clerk-Recorder, the Auditor-Controller, the District Attorney, the Sheriff, and the Treasurer-Tax Collector; all elected to four-year terms. A County 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 accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net assets, revenues and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which the spending activities are controlled.

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

Population: The County population has demonstrated consistent growth over the past decade. In 2022, the County had a population of approximately 444,000. About 98% of the 3,300 square miles in the County are outside of a municipality, with about 24% of the residents living in these unincorporated areas. The City of Salinas serves as the County seat and is the County's largest city, with a population of approximately 163,000. The eleven other incorporated cities are Carmel-by-the-Sea, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Sand City, Seaside, and Soledad.

Component Units

This report includes all the funds of the County of Monterey and the entities described in Note 1 of the Notes to the Financial Statements. Although all these entities are legally separate from the County, the County Board of Supervisors serve as the governing board of each entity (except for Monterey County Children and Families Commission), and the entities meet the test required by GAAP to be presented as blended and discretely presented component units in the County Financial Statements. In addition, individual financial statements are available for some of the component units and can be obtained by contacting the Office of the Auditor-Controller of the County of Monterey.

Budgetary Process

The annual budget serves as the foundation for the County's financial planning and control of expenditures. The County is required by State law to adopt a balanced budget by October 2 of each fiscal year. The Board of Supervisors generally holds its public hearings on the recommended budget and adopts a budget before June 30 each year.

Budgets are adopted for all governmental and proprietary funds. Budgets are adopted through the passage of resolutions by the Board of Supervisors. These resolutions set the County's limits on expenditures, which cannot be changed except by subsequent amendments to the budget. The legal level of budgetary control is at the Department Budget Unit level.

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

Budget appropriation transfers and amendments are used to appropriate new expenditures, unanticipated revenues or to transfer existing appropriations from one budget unit to another. Transfers and amendments must be approved by the Board of Supervisors.

FACTORS AFFECTING FINANCIAL CONDITION

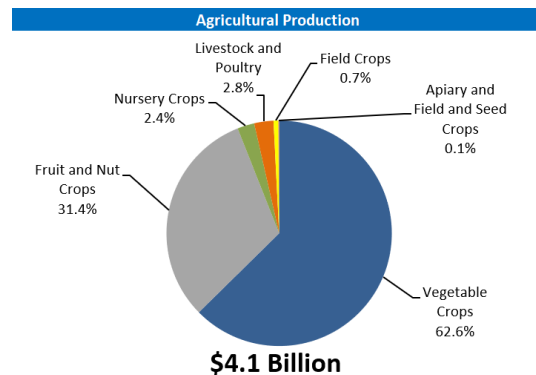
State Government

The County is a political subdivision of the State of California, and as such, its government is subject to State subventions and regulations. Therefore, the County's financial health is tied closely to the financial condition of the State government. Current and the future State budget will be affected by national and State economic conditions and other factors outside County's control, which can directly impact the County's finances and operations that rely on the State's funding.

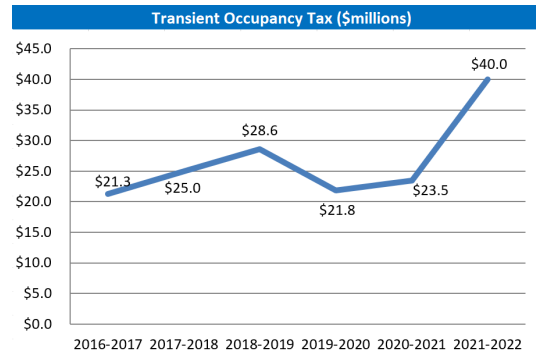
Local Economy

The County's economy is primarily based on agribusiness in the Salinas Valley, tourism in the coastal regions, and government and non-profit sectors. The trade, transportation, and utilities group continue to be a larger part of the County economy.

Agribusiness: Agribusiness continues to be the County's largest industry and remains the fourth highest among agricultural counties in California. The agriculture industry and related supporting industries contributes more than 64,000 full-time jobs to the region, providing income to nearly one in five households in the County. According to the County's Agricultural Commissioner, the 2021 Crop Report reflects a production value of \$4.1 billion for the County, an increase of 4.8% from the prior pandemic-impacted year.



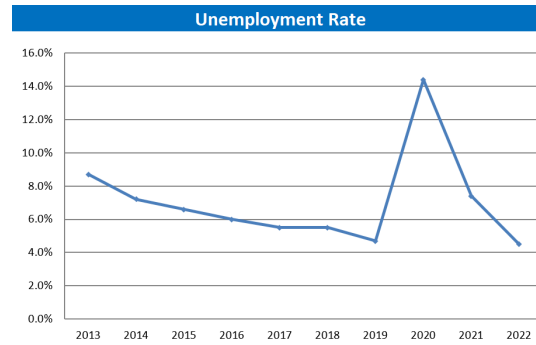
Tourism: Tourism spending in the County was \$2.5 billion in 2021, representing a 63.5% percent increase from 2020. Although travel remained impacted by the COVID-19 pandemic in 2021, travel activity continued to recover after the economic disruption the COVID-19 pandemic brought to the County's hospitality industry in 2020. The tourism industry contributed more than 21,000 jobs to the local economy and generated \$264 million in total taxes, of which \$146 million in local tax dollars directly benefited the community.



Tourism continues to be the second largest industry in the County. Similarly, the County's second-largest source of discretionary revenue is Transient Occupancy Tax (TOT). Often referred to as "hotel tax," TOT is the tax applied on hotel/motel accommodations. The TOT rate for the County is 10.5%. Tourism is reflecting an upward trend in the County, with the exception for Fiscal Year (FY) 2020, attributable to the COVID-19 pandemic and shelter in place order.

In FY2022, revenue from TOT recovered significantly from the impacts caused by the pandemic the prior fiscal years primarily due to the reopening of the hospitality industry. TOT revenues for FY2022 were \$40.0 million, an increase of 75.8% over the prior year.

Employment: The County's unemployment rate reflects a decrease compared to the previous year, as shown in the graph to the right. According to the State Employment Development Department reports, the unemployment rate in the County was 4.5% as of June 2022, a decrease of 2.8% compared to the year-ago rate of 7.3%. The state average unemployment rate as of June 2022 was 4.0%. Based on the "Monterey County Labor Market Snapshot" published by the County Workforce Development Board, the major sectors adding new employment opportunities were the agricultural sector with an increase of 5,000 seasonal jobs and leisure and hospitality with a total of 1,300 jobs added.



Real Estate / Housing: Limited inventory of single-family homes and rising interest rates continue to impact the County of Monterey real estate industry. The median sales price for homes in the County continues to hold relatively steady, while median time on market of single-family homes has now increased. Although many factors contribute to the increase in average days on market, rising interest rates is an important contributing factor. According to the California Association of Realtors, the median home sales price for single-family homes in the County was \$854,000 as of June 2022, decreasing approximately 1.6% from last year.

Long-Term Financial Planning

Three-Year Financial Forecast: In order to provide County policy-makers and the public an updated assessment of the County's financial conditions, the County Administrative Office develops an annual Three-Year Financial Forecast. This report considers the latest economic developments and includes a historical 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 budgets for the implementation of capital investments and incorporates its impact on the operating budget, which includes design, construction, equipment, land purchases, and project administration. The program includes projects where costs exceed \$100,000, are non-recurring, and have an estimated useful life of five years or more. Additionally, the program assists in measuring debt financing requirements for the County and serves as a platform for identifying needs, related costs, and funding sources.

Debt Administration: The County maintains a Debt Advisory committee. The members of the committee are Auditor-Controller, Treasurer-Tax Collector and the County Administrative Officer. The committee provides analyses and recommendations for new county debt issuances and related policies. The County uses the Sympro Debt Management System to monitor and manage the debt for the County, schools, and special districts.

Credit Ratings: The County utilizes all three rating agencies to provide credit ratings, as needed for both long- and short-term issuances. 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 credit quality and lower levels of credit risk. This achievement was made possible through robust management of the County's resources, including adherence to strong financial policies and practices. Additionally, the County's rating for Lease Obligation Bonds (COPs) was upgraded to AA+ from AA. In September 2022, Fitch Rating Services reaffirmed the County's Issuer Default Rating of "AA+" with a stable outlook.

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

		Fitch Rating/Outlook	Moody's Rating/Outlook	S&P Rating/Outlook
General Bonds	Obligation	AA+ /Stable	Aa2 Implied	AAA/Stable
Lease Bonds (COPs)	Obligation	AA/Stable	Aa3 Stable	AA+/Stable

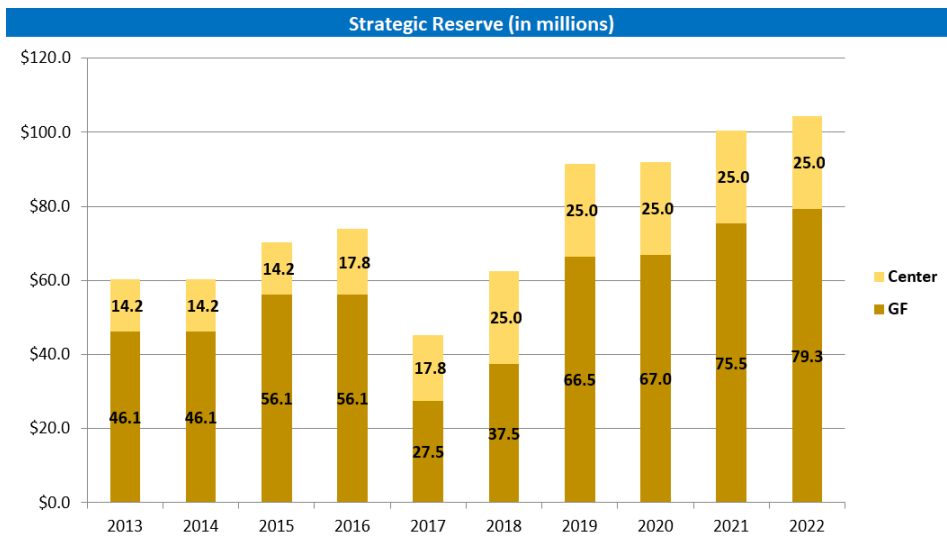
The County continues developing strategies to aggressively improve the efficiencies and effectiveness of operations and capitalize on these re-engineering efforts to improve its finances.

Relevant Financial Policies

Debt Management Policy: The debt management policy sets forth certain debt management objectives for the County and establishes overall parameters for issuing and administering the County's debt. The policy allows for issuance of long-term debt to finance major capital improvements. The County carefully assess capital improvement priorities, capital costs, annual debt service capacity, and annual operating and maintenance costs on scheduled improvements in advance of deciding to incur indebtedness.

Investment Management Policy: The Commingled Pool, the County's pooled deposits and investments, are governed by California Government Code and by a County investment policy. The policy is reviewed annually by the Treasury Oversight Committee and approved annually by the Board of Supervisors. The County's investment policy stipulates, among other things, approved investment categories, maturity limits, and credit rating minimums for County investments.

Strategic Reserve Policy: Under this policy, the County will commit a portion of the General Fund *fund* balance as a strategic reserve to provide the County with sufficient working capital and be used to fund settlement of legal judgments against the County in excess of reserves normally designated for litigation, for short-term revenue reductions due to economic downturns, for natural disasters as determined by the County Administrative Officer or Board, and for one-time-only state budget reductions that could not be addressed through the annual appropriations for contingencies in the General Fund. The goal of the County is to maintain a strategic reserve equal to ten percent (10%) of the General Fund estimated revenues. The Natividad Medical Center (Center) strategic reserve designation, established in 2011, is a sub-designation of the General Fund strategic reserve. During the FY 2022, the County continued increasing its reserves by adding \$3.9 million to the Strategic Reserve, reaching the 10.0% funding goal of estimated general fund revenues set by Board policy. As of June 30, 2022, the Strategic Reserve balance was \$104.3 million – consisting of a General Fund Strategic Reserve at \$79.3 million and a Center's Strategic Reserve of \$25.0 million (funded from Center's unrestricted net position and to be used only for the Center's purposes).



ADDITIONAL AVAILABLE INFORMATION

Copies of this ACFR, the County Adopted Budgets, the Tax Rate Books, and other documents 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 Certificate of Achievement for Excellence in Financial Reporting to the County of Monterey for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This is the 17th consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual 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 presented an award for Distinguished Budget Presentation to the County of Monterey for the annual budget for the fiscal year beginning July 1, 2021. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operational guide, as a financial plan, and as a communication device.

The award is valid for a period of one year. The County Administrative Office's Budget and Analysis Division believes the current budget continues to conform to program requirements, and the County is submitting it to GFOA to determine its eligibility for another award.

Acknowledgments

The formulation of this ACFR could not have been achieved without the committed efforts of the Auditor-Controller's Office, especially the staff members of the General Accounting Division who consistently yield award winning financial reports. I extend my gratitude to each one of them for performing above and beyond the call of duty and working collaboratively to achieve this end product. I also would like to thank the Budget Office staff and all the departments and agencies that contributed financial information to this report. Additionally, I thank our independent auditors, CliftonLarsonAllen LLP, for their efforts and support throughout the audit engagement. To conclude, I would like to take this opportunity to thank the Board of Supervisors for their leadership and support in planning and conducting the County of Monterey's financial operations in a responsible and progressive manner.

Respectfully Submitted:



Rupa Shah, CPA
Auditor-Controller



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, 2021

Christopher P. Morill

Executive Director/CEO

COUNTY OF MONTEREY
DIRECTORY OF COUNTY OFFICIALS

June 30, 2022

Elected Officials:

Legislative Branch:

Board of Supervisors

District #1.....Luis A. Alejo
District #2.....John M. Phillips
District #3.....Chris Lopez
District #4.....Wendy R. Askew
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

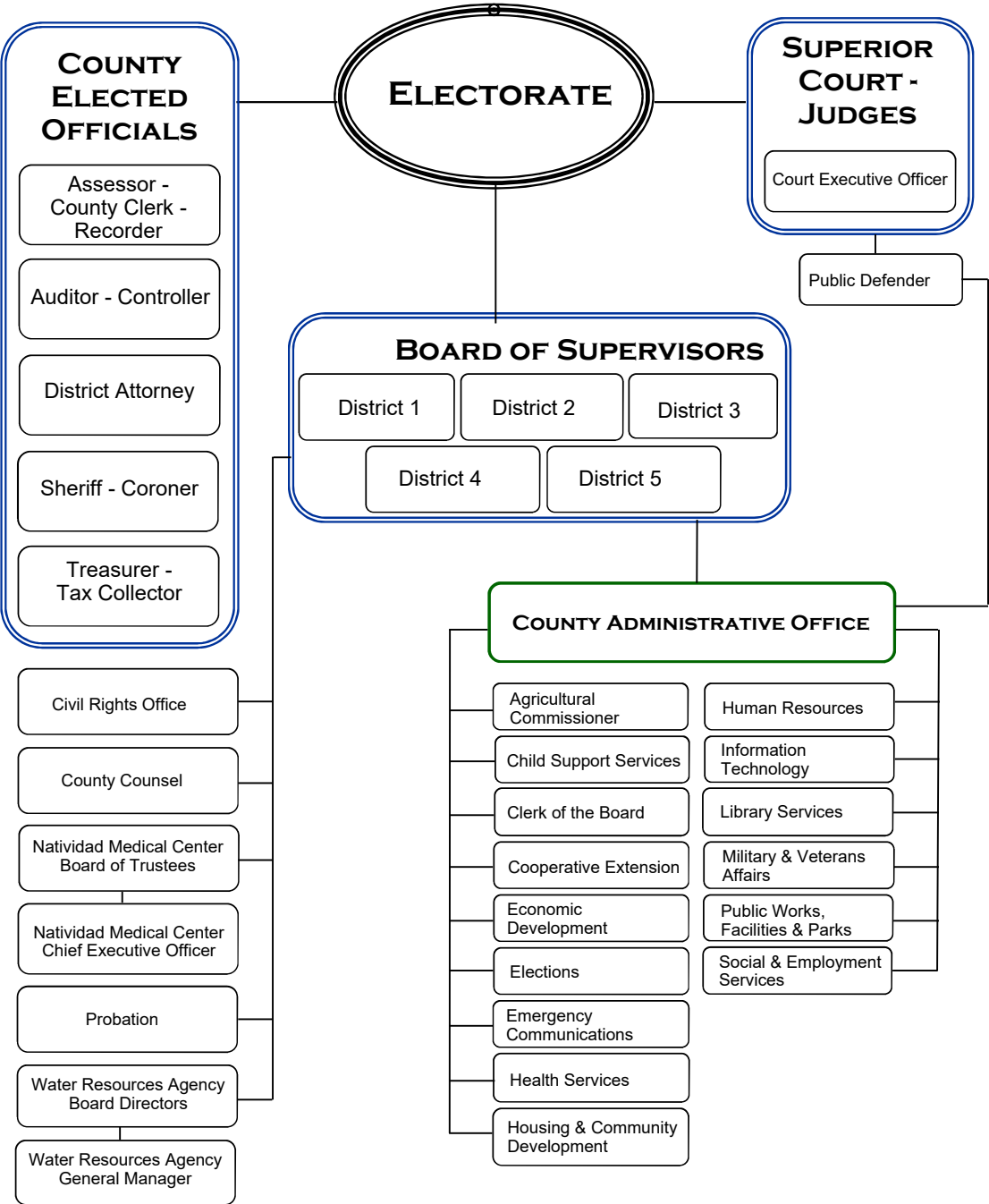
Appointed Department Heads:

County Administrative Officer.....Charles J. Mckee
Agricultural Commissioner.....Henry S. Gonzales
Child Support Services DirectorDarrell McGowan
Clerk of the Board.....Valerie Ralph
Cooperative Extension DirectorMaria de la Fuente
County Counsel.....Leslie Girard
Emergency Communications Director.....Lee Ann Magoski
Civil Rights OfficerJuan P. Rodriguez
Health Services Director, Public Administrator.....Elsa M. Jimenez
Housing and Community Development Director.....Erik Lundquist
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 Works, Facilities, and Parks DirectorRandell Ishii
Public Defender.....Susan Chapman
Registrar of Voters.....Gina M. Martinez
Social & Employment Services DirectorLori Medina
Water Resources Agency General Manager.....Brent Buche

Appointed by Superior Court:

Chief Probation OfficerTodd Keating

COUNTY OF MONTEREY ORGANIZATIONAL STRUCTURE





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Financial Section



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INDEPENDENT AUDITORS' REPORT

Board of Supervisors
County of Monterey

Report on the Audit of the Financial Statements

Opinions

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 (County), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2022, 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.

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 County of Monterey's discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 of the financial statements, effective July 1, 2021, the County adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in 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 is the responsibility of management and, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the combining and individual fund statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
March 29, 2023

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, 2022. 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 \$1,274.5 (net position). Of this amount, \$(21.1) represents unrestricted net position. Restricted net position of \$385.8 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 \$909.8 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 \$206.0 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. In addition, there was an adjustment of \$(0.7) due to change in accounting principle that affected the beginning net position. (See Table 1 – Net Position and Table 2 – Change in Net Position.)
- As of June 30, 2022, the County's governmental funds reported total ending fund balances of \$609.7. Ending fund balance increased by \$56.8 primarily due to the \$56.0 excess of revenues over expenditures. The remaining increase of \$0.8 was primarily the result of leases activities. Of the total fund balance amount, \$91.2, or 15.0% is limited in how the resources can be used (assigned fund balance). The Board of Supervisors self-imposed limitations of the use of \$140.9, or 23.1% 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 \$371.8, or 61.0% 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 \$0.8, or 0.1% of fund balance (nonspendable fund balance). The remaining \$5.0, or 0.8% 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 2021-22, the General Fund unassigned fund balance decreased by \$45.1 to \$5.0 from the prior year unassigned fund balance. The decrease was mainly due to transfer of fund to the County's IRS section 115 pension trust. Commitments increased by \$3.8 to \$104.3. The increase was entirely attributable to transfers to the Strategic Reserve by the General Fund. The assigned fund balance of \$86.7 is an decrease of \$46.9 from the prior year assigned fund balance, as discussed above. The restricted fund balance increased \$8.7 to \$54.7 due to a transfer of \$8.5 to the County's 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 \$0.1. (See further discussion in Financial Analysis of the County's Funds.)
- During the current year, the County implemented Governmental Accounting Standards Board Statement (GASB) No. 87, "Leases" (GASB 87), and recognized certain lease assets and liabilities, as a lessor, that were previously classified as operating and capital leases. In addition, lease receivables and deferred inflow of resources, as a lessor, were added to the basic financial statements. GASB 87 had an effect on the County's beginning net position, which was restated and decreased governmental activities and an increase in business activities. See further discussion in Note 1 to the basic financial statements.

COUNTY OF MONTEREY

Management Discussion and Analysis

- The total long-term debt for the current fiscal year increased by \$0.6, or 0.3% mainly due to the annual debt service payments and the amortization of premiums for Certificates of Participation. (See Table 4 – Long-Term Debt.)

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:

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

COUNTY OF MONTEREY

Management Discussion and Analysis

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*.

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, other benefit programs, and resource planning activities. 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.

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 Government-wide 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 \$1,274.5 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
	2022	2021	2022	2021	2022	2021	
Current and Other Assets	\$ 1,014.2	\$ 887.8	\$ 384.0	\$ 317.1	\$ 1,398.2	\$ 1,204.9	\$ 193.3
Capital Assets	999.6	979.9	136.2	136.3	1,135.8	1,116.2	19.6
Total Assets	2,013.8	1,867.7	520.2	453.4	2,534.0	2,321.1	212.9
Deferred Outflow from Debt Refunding	0.3	0.4	0.2	0.2	0.5	0.6	(0.1)
Deferred Outflows from Pensions	87.1	107.0	25.8	30.7	112.9	137.7	(24.8)
Deferred Outflows from OPEB	10.3	8.6	3.3	2.7	13.6	11.3	2.3
Total Deferred Outflows of Resources	97.7	116.0	29.3	33.6	127.0	149.6	(22.6)
Current and Other Liabilities	179.5	134.8	105.9	80.4	285.4	215.2	70.2
Long Term Liabilities	729.5	988.1	116.2	192.2	845.7	1,180.3	(334.6)
Total Liabilities	909.0	1,122.9	222.1	272.6	1,131.1	1,395.5	(264.4)
Deferred Inflows from Pensions	195.0	4.0	48.4	0.8	243.4	4.8	238.6
Deferred Inflows from Debt Refunding	0.7	0.7	0.2	0.2	0.9	0.9	-
Deferred Inflows from OPEB	6.8	0.2	2.2	0.1	9.0	0.3	8.7
Deferred Inflows from Leases	2.1	-	-	-	2.1	-	2.1
Total Deferred Inflows of Resources	204.6	4.9	50.8	1.1	255.4	6.0	249.4
Net Investment in Capital Assets	804.8	795.9	105.0	102.8	909.8	898.7	11.1
Restricted	384.9	332.8	0.9	1.1	385.8	333.9	51.9
Unrestricted	(191.8)	(272.8)	170.7	109.4	(21.1)	(163.4)	142.3
Total Net Position	\$ 997.9	\$ 855.9	\$ 276.6	\$ 213.3	\$ 1,274.5	\$ 1,069.2	\$ 205.3

Net Investment in Capital Assets: The largest portion of the County's net position, \$909.8 or 71.4% 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, \$385.8 or 30.3%, 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 \$51.9, or 15.5% 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 \$(21.1) is primarily the result of the County's unfunded pension and Other Postemployment Benefits (OPEB) liabilities. Unrestricted net position increased by \$142.3 compared to prior year primarily. The overall increase in unrestricted net position represents \$81.0 increase in governmental activities and \$61.3 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
	2022	2021	2022	2021	2022	2021	Change	Change
Revenues								
Program Revenue:								
Charges for Service	\$ 145.7	\$ 148.2	\$ 441.1	\$ 426.1	\$ 586.8	\$ 574.3	\$ 12.5	2.2 %
Operating Grants and Contributions	582.1	522.7	-	-	582.1	522.7	59.4	11.4 %
Capital Grants and Contributions	7.0	3.0	-	-	7.0	3.0	4.0	133.3 %
General Revenue:								
Property Taxes	208.9	200.2	-	-	208.9	200.2	8.7	4.3 %
Sales and Use Taxes	25.1	21.5	-	-	25.1	21.5	3.6	16.7 %
Transient Occupancy Taxes	40.0	23.5	-	-	40.0	23.5	16.5	70.2 %
Cannabis Taxes	10.7	20.1	-	-	10.7	20.1	(9.4)	-46.8 %
Documentary Transfer Taxes	5.4	5.6	-	-	5.4	5.6	(0.2)	-3.6 %
Other Taxes	-	(0.2)	-	-	-	(0.2)	0.2	-100.0 %
Unrestricted Interest and Investment Earnings	(19.7)	6.7	(8.2)	2.7	(27.9)	9.4	(37.3)	-396.8 %
Other Revenues	7.3	0.7	0.7	0.7	8.0	1.4	6.6	471.4 %
Tobacco Settlement Revenues	4.7	4.6	-	-	4.7	4.6	0.1	2.2 %
Non-Program Federal Aid Other	17.9	51.1	-	-	17.9	51.1	(33.2)	-65.0 %
Lease Revenue	0.8	-	-	-	0.8	-	0.8	- %
Total Revenues	<u>1,035.9</u>	<u>1,007.7</u>	<u>433.6</u>	<u>429.5</u>	<u>1,469.5</u>	<u>1,437.2</u>	<u>32.3</u>	<u>2.2 %</u>
Expenses								
General Government	34.5	63.6	-	-	34.5	63.6	(29.1)	-45.8 %
Public Safety and Protection	317.7	363.9	-	-	317.7	363.9	(46.2)	-12.7 %
Public Ways and Facilities	36.3	34.2	-	-	36.3	34.2	2.1	6.1 %
Health and Sanitation	232.2	239.0	-	-	232.2	239.0	(6.8)	-2.8 %
Public Assistance	246.1	227.0	-	-	246.1	227.0	19.1	8.4 %
Education	10.2	10.5	-	-	10.2	10.5	(0.3)	-2.9 %
Recreation and Cultural Services	6.0	4.3	-	-	6.0	4.3	1.7	39.5 %
Interest on Long-Term Debt	7.9	6.8	-	-	7.9	6.8	1.1	16.2 %
Laguna Seca Recreation Area	-	-	20.1	9.8	20.1	9.8	10.3	105.1 %
Natividad Medical Center	-	-	348.9	353.1	348.9	353.1	(4.2)	-1.2 %
Parks and Lake Resort	-	-	3.6	3.2	3.6	3.2	0.4	12.5 %
Total Expenses	<u>890.9</u>	<u>949.3</u>	<u>372.6</u>	<u>366.1</u>	<u>1,263.5</u>	<u>1,315.4</u>	<u>(51.9)</u>	<u>-3.9 %</u>
Change in Net Position Before Transfers and Special and Extraordinary Items								
Change in Net Position Before Transfers and Special and Extraordinary Items	145.0	58.4	61.0	63.4	206.0	121.8	84.2	69.1 %
Transfers	(2.3)	(22.5)	2.3	22.5	-	-	-	- %
Change in Net Position	<u>142.7</u>	<u>35.9</u>	<u>63.3</u>	<u>85.9</u>	<u>206.0</u>	<u>121.8</u>	<u>84.2</u>	<u>69.1 %</u>
Net Position, Beginning								
Net Position, Beginning	855.9	820.0	213.3	127.4	1,069.2	947.4	121.8	12.9 %
Prior Period Adjustments	(0.7)	-	-	-	(0.7)	-	(0.7)	- %
Net Position, Ending	<u>\$ 997.9</u>	<u>\$ 855.9</u>	<u>\$ 276.6</u>	<u>\$ 213.3</u>	<u>\$ 1,274.5</u>	<u>\$ 1,069.2</u>	<u>\$ 205.3</u>	<u>19.2 %</u>

Governmental Activities Governmental activities increased the County's net position by \$142.7, or \$106.8 more than the prior year increase of \$35.9. Of the \$142.7 million increase, \$145.0 is the amount that program and general revenues exceeded expenses, as discussed in the following sections. This amount was offset by \$(2.3) of the net transfers; a transfer of \$8.2 to Natividad Medical Center for funding of a capital project, a transfer of \$(5.0) by the Center mainly comprised of a \$(3.5) going to Pension Liability Fund as contribution to retirement pension plan and \$(1.5) to the Health Department for residency support, a transfer of \$0.5 to Parks Lake and Resort Operations to cover the prior year's deficit and a transfer of \$1.3 by the Laguna Seca Recreation Area Enterprise Fund to partially finance the ongoing Laguna Seca Track and Bridge rehabilitation project.

COUNTY OF MONTEREY

Management Discussion and Analysis

Revenues Revenue for Governmental activities (not including transfers, special and extraordinary items) increased from \$1,007.7 to \$1,035.9, or \$28.2. The increases and any offsetting decreases are discussed in the following sections.

- Charges for Services decreased by \$(2.5), from \$148.2 to \$145.7. The main decrease is attributable to Health fees which decreased by \$(3.5) principally due to reduced Coronavirus Disease 2019 (COVID-19) testing by the public health labs, less patients served, and higher provider vacancy rates and a decrease of \$(0.7) in Public Assistance fees mainly due to change in reporting program. This amount was offset by the rise in Public Safety and Protection fees of \$1.7, primarily resulted from reimbursement of the Solar Energy and Economic Development project fund.
- Operating Grants and Contributions increased by \$59.4, or 11.4%. This increase is mainly driven by higher Public Assistance revenue of \$41 largely due to higher state and federal aid for community program such as Emergency Rental and Utility Assistance program. The increase of \$15.4 in Health and Sanitation is the result of \$14.5 increase in federal and state aid for Mental Health programs, a \$6.1 increase in Whole Person Care and a \$1.2 increase in clinic services, offset by a \$3.4 decrease in public health, and reduction of \$2.7 in children's medical services. The remaining \$0.3 is comprised of various minor increases and decreases. Public Safety and Protection increased by \$11.4 primarily due to public safety sales tax and public safety state aid. Public Ways and Facilities decreased \$8.2 mainly due to decrease in federal disaster relief aids.
- Capital Grants and Contributions increased by \$4.0, or 133.3%. The increase is primarily due to increase in Public Ways and Facilities revenues as result of projects starting the construction phase .
- Property taxes increased by \$8.7, or 4.3% due to increases in assessed value of real estate properties and continued growth in housing market in the County .
- Transient Occupancy Taxes increased by \$16.5, or 70.2% as the local hospitality industry has weathered the pandemic and is more elastic to inflationary factors.
- Sales and Use Taxes increased \$3.6, or 16.7%. The increase in tourism over the prior year, discussed above, contributed to the increase in general sales taxes.
- Cannabis Taxes decreased by \$(9.4), or (46.8)% due to lower cannabis tax rates adopted by the Board of Supervisors and continued cost pressures impacting the industry.
- The decrease of \$26.4, or 394.0% in Investment Earnings is a result of lower interest earnings and decrease in fair value of investments.

Expenses Total governmental expenses decreased by \$58.4 or 6.2% to \$890.9. 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 \$29.1 or 45.8%. The decrease was mainly attributable to a decrease in pension liability and pension costs, capital asset disposals, lower expenses related to professional services by the County Administrative Office and reduced expenditures by the Emergency Operations Center's pandemic response. Contributing to the decrease in expenses was higher Countywide Cost Allocation Plan (COWCAP) reimbursements 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. The overall decrease in expenses was partially offset by an increase in salaries and benefits, COWCAP charges, and increase in general fund contributions to support programs for economic development, tourism, and small business outreach that strengthens the workforce in the County and broadens the County's economic base.
- Public Safety and Protection expenses decreased by \$46.2 or 12.7%. The main driver was a decrease in pension liability that resulted in decreased pension expenses of \$45.9 million. Expenses for the Office of Emergency Services also decreased for food and social services provided to individuals in response to the COVID-19 pandemic. These decreases were partially offset by an increase in salaries and benefits by the Sheriff's Department and an increase in expenditures for professional services by the Water Resource Agency (WRA) .
- Public Ways and Facilities expenses increased by \$2.1 or 6.1%. The increases were mainly due to an increase in salaries and benefits, building and improvement maintenance, cost plan charges, and other departmental expenses. Increases were partially offset by a reduction in professional services expenses.

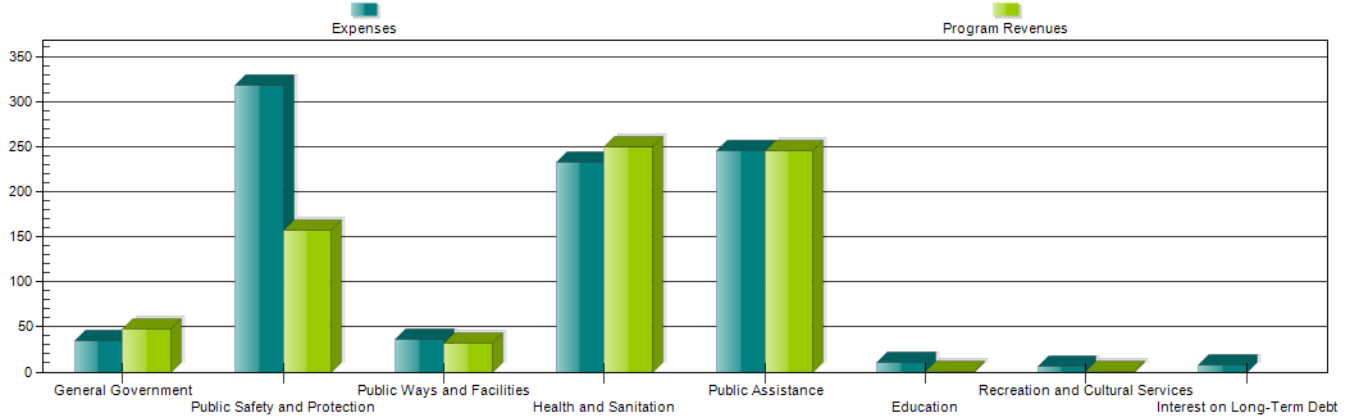
COUNTY OF MONTEREY

Management Discussion and Analysis

- Health and Sanitation expenses increased by \$6.8 or 2.8%. The main drivers were salary and benefit costs, temporary help, and other medical, personnel, and professional services in primary care clinics. The increases were partially offset by decreases in expenses related to courier services, rents and leases, cost plan charges, and pension costs.
- Public Assistance expenses increased by \$19.1 or 8.4%. Majority of the increase was due to the COVID-19 pandemic response for Department of Social Services, increase in salaries and benefits, and cost plan charges. These increases were partially offset by lower costs in the Out of Home Care program due to less children coming into foster care and lower expenditures in the Emergency Rental Assistance Program as a result of sub-contractor delays.
- Recreation and Cultural Services expenses increased by \$1.7 or 39.5%. The increase is mainly attributed to an increase in salaries and benefits offset by a decrease in pension costs.

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 \$156.1.

Expenses & Program Revenues- Governmental Activities



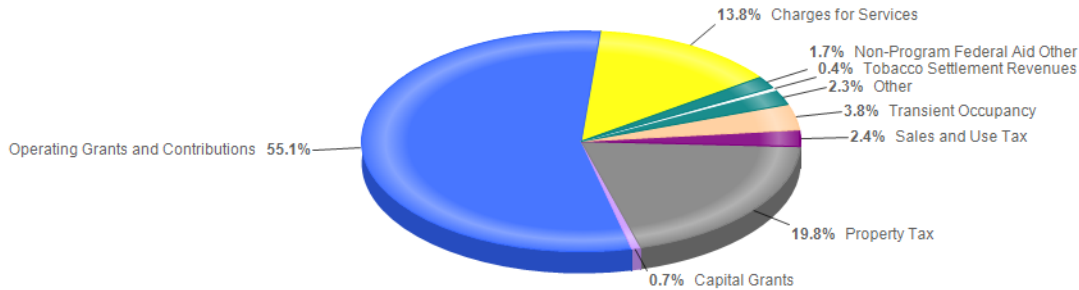
Program revenues are not intended to fully support governmental programs. This presentation is meant to show the net cost of each program prior to allocation of general revenues. The net cost of \$156.1 of these programs is funded by general revenues of \$301.1.

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



* Zero Data, Investment Earnings

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 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 \$65.5 and a net non-operating loss of \$6.9 in fiscal year 2021-22. In addition, this year's change in net position is also attributable to the effect of operating transfers in of \$8.1 and operating transfers out of \$5.0. Overall financial results brought the fiscal year with an ending net position balance of \$259.4, which is 31.2% higher than last year's balance of \$197.6. Higher ending net position is due to an increase in the volume of patient services, the continuing impacts of the COVID-19 pandemic, and state and federal aid.

LSRA experienced a net operating loss of \$0.2 and a net non-operating loss of \$0.1 in fiscal year 2021-22. This year's change in net position is also attributable to operating transfers out of \$1.3 which partially financed the ongoing Laguna Seca Track and Bridge rehabilitation projects. Operations were impacted by timing of the reopening announcement and delay in setting up new ticket sales and merchandise sales online portal, which attributed to lost sales opportunities from worldwide racetrack patrons. Inflation and fuel costs also contributed to lower-than-expected racetrack events. These activities brought the ending net position to a balance of \$9.9, which is 13.9% lower than last year's balance of \$11.5.

Parks experienced a net operating loss of \$0.1 in fiscal year 2021-22, but still resulted to a \$0.4 increase in net position due to operating transfers in of \$0.5 from General Fund for the annual long-term debt payment, utility reimbursements, and a one-time adjustment for additional profit from a prior fiscal year. Reduced water levels at the lake and critical deferred maintenance continue to contribute to lower patronage. Inflation and fuel costs also contributed to a decrease in luxury goods and services, such as boating and vacations. These activities brought the ending net position to a balance of \$2.3, which is 21.1% higher than last year's balance of \$1.9.

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.

COUNTY OF MONTEREY

Management Discussion and Analysis

As of the end of the fiscal year, the County's governmental funds reported total fund balances of \$609.7, an increase of \$56.8 from the prior year total fund balances of \$552.9. The net increase is mainly from the \$56.0 excess of revenues over expenditures, and \$0.8 excess of other financing sources over financing uses, which is mainly the net transfers in from the Center.

The components of fund balance are:

- Nonspendable, approximately \$0.8 or 0.1% of total fund balance is made up of inventories and prepaid expenditures.
- Restricted balances of \$371.8 or 61.0%, which can only be used as stipulated by legislative code, grants or debt instruments.
- Committed funds of \$140.9 or 23.1%, delegated by the Board of Supervisors as set aside for specific purposes. The main component is \$104.3 of strategic reserve commitments set aside in the General Fund. Refer to Note 9 for complete details.
- Assigned funds of \$91.2 or 15.0% 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 \$5.0 or 0.8% 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, 2022, totaled \$5.0 while the total fund balance increased to \$251.5 from \$237.0 due to revenue and transfers-in exceeding the expenditure and transfers-out for this fund. Total revenue decreased by \$8.0 from the prior year. Aid from Other Governmental Agencies decreased by \$11.9 mainly due to \$44.1 from Coronavirus Aid, Relief, and Economic Security Act (CARES) funding that was received in the prior year that was not received in the current year along with a net decrease of \$1.9 in revenues from state and federal aid for various mandated programs. These decreases were offset by an increase in revenues from the Federal Emergency Rental Assistance Program of \$21.6 and \$12.5 increase in American Rescue Plan Act (ARPA) revenue. Other areas of revenue decreases include \$15.1 from Use of Money and Property from investment income and \$2.6 in Charges for Services with \$1.6 coming from a decrease in COVID-19 Public Health laboratory testing. Tax revenues increased by a total of \$15.4 from a \$16.5 increase in Transient Occupancy Tax, \$7.9 increase in Property Taxes, and \$2.3 increase in Sales and Use Tax. Cannabis Tax revenues decreased by \$11.1 and Real Property Transfer Taxes decreased by \$0.2. Contributing to the increase in revenues is \$4.3 from Miscellaneous Revenue, \$1.5 from Licenses, Permits, and Franchises and \$0.4 from Fines, Forfeitures and Penalties. Expenditures increased by \$65.9 as compared to the prior year. The main drivers of increased expenses were personnel salaries and benefits with an increase of \$20.3. Services and supplies expenditures also increased by \$18.8 mainly for expenditures related to social services, Lease Capital Outlay expenditures increased by \$15.5 as a result of GASB 87 implementation, and Other Charges and Capital Asset expenditures increased by \$9.9 and \$1.4 respectively.

Road Fund The Road Fund qualified and/or remains to be treated as a major fund again in fiscal year 2022. The Road Fund fund balance was \$22.9 in fiscal year 2021, and decreased by approximately \$4.6 in 2022 to \$18.3. The decrease was mainly due to actual revenue lower than budget by \$27.1, and actual expenditure is lower than budget by \$20.4. None of the Road Fund's fund balance is unassigned, with \$18.2 allocated for restricted purposes, and the balance of \$0.1 is nonspendable. Revenue decreased by \$5.6, due to a decrease of \$2.7 in aid received from Other Governmental Agencies for the winter storms, \$1.5 decrease in Miscellaneous revenue mostly due to the Salinas Valley Solid Waste Authority Fair Share agreement, \$1.0 decrease in taxes from Measure X sales tax receipts, revenue from Use of Money and Property decreased by \$1.1. These decreases were offset by an increase in revenues from Charges for Services by \$0.7. Expenditures decreased by \$2.4 as compared to the prior year. Expenditures in services and supplies increased by \$2.7, Other Charges increased by \$5.9, Personnel expenditures increased by \$1.8, and Capital Asset expenditures decreased by \$12.8.

COUNTY OF MONTEREY
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 \$61.3, which increased by \$11.0. Compared to budgeted amounts, revenues were slightly higher by \$0.7, mainly due to higher than budgeted revenues from Aid from Other Governmental Agencies and Miscellaneous Revenues and offset by lower than budgeted revenues from Charges for Services. Compared to prior year, actual revenues were \$13.2 higher. The increase is mainly attributed to a \$14.8 increase in Aid from Other Governmental Agencies for mental health services including substance abuse programs, Memorandums of Understanding for providing services at local schools and the Whole Person Care Program. Miscellaneous revenues increased by \$0.7. Increases were offset by decreases in Revenue from Use of Money and Property by \$1.4 and Charges for Services by \$0.9. Actual expenditures were \$15.4 under the budgeted amount. Current year expenditures are \$6.2 higher from the previous year. The increase is due to increase in Services and Supplies by \$2.9 mainly attributed to costs associated with the construction and funding of permanent housing units as part of the Sun Rose Housing Project, \$2.3 increase in Other Charges mainly related to the Whole Person Care Program, and a \$1.0 increase in employee salaries and benefits.

Facility Master Plan Implementation The Facility Master Plan Implementation Fund qualified as a major fund in fiscal year 2022. As of June 30, 2022, the fund balance reached \$73.3, from last year's \$69.3, an increase of 5.8%. The fund's revenues and transfers-in exceeded expenditures and transfers-out, resulting in a higher fund balance. Actual revenues decreased by \$1.4 compared to the prior year. This is due to a decrease of \$1.7 in Aid from Other Government Agencies offset by increases of \$0.2 in Miscellaneous Revenues and \$0.1 in Revenue from Use of Money and Property. Expenditures in the fund decreased by \$8.4 compared to the prior year. This is due to a decrease in Capital Asset expenditures of \$11.8, an increase in Other Charges of \$2.0, and an increase in Services and Supplies of \$1.4.

Other Governmental Funds The sum of the non-major governmental funds' fund balances increased \$32.0, from a balance of \$173.3, as restated, to \$205.4. The increase was mainly in the Special Revenue Funds, which increased by \$34.8. Of this amount, \$17.9 is from the Local Revenue Fund from an increase in Aid from Other Governmental Agencies, \$11.5 from the H&W Realignment fund due to an excess of revenues and transfers in over transfers out, \$2.8 from the County Clerk/Recorder Fund from an increase in transfers in, \$1.9 from the Emergency Communications and NGEN Operations Fund from an excess of revenues and transfer in over expenditures, and \$1.1 from the Community Development Fund as a result of higher revenues from Other Governmental Agencies. The remaining funds have minor changes totaling to a decrease of \$0.4 in fund balance. For the Capital Projects Fund, fund balance decreased by \$2.8. This is mostly due to a decrease in transfers in.

Proprietary Funds Natividad Medical Center (Center), Laguna Seca Recreation Area (LSRA) and Parks and Lake Resort (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), Vehicle Resource Planning (VRP), Building Improvement and Replacement (BIR) and the Equipment Replacement 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	\$ 620.8	\$ 647.4	\$ 26.6
Appropriations	\$ 723.7	\$ 764.3	\$ 40.6

COUNTY OF MONTEREY

Management Discussion and Analysis

Budgeted revenues for General fund finalized at \$647.4 from original budget of \$620.8, an additional revenue estimate of \$26.6, an increase of 4.3%.

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

The increase of \$25.1 in Aid from other Governmental Agencies was due to the following:

- \$20.6 increase in anticipated federal aid to the Social Services department for use in the Emergency Rental & Utility Assistance program.
- \$1.8 increase in estimated state aid- health programs such as Children's Medical Services, Nurse Family Partnership, and Maternal, Child, and Adolescent Health programs.
- \$1.8 increase in anticipated state aid- public assistance administration to the Social Services department to partner with City of Salinas to provide non-congregate shelter, wraparound services, and rapid re-housing to homeless individuals.
- \$0.6 increase in state aid from estimated Agricultural Commissioner revenue.
- Remaining \$0.3 increase is related to small increases such as estimated revenue from parks operations of Public Works, Facilities & Parks department and administration and indirect costs of Sheriff-Coroner department.

An increase of \$1.3 in Charges for Services revenue budget is principally due to increase in Election fees.

The remaining \$0.2 increase is comprised of increases in Revenue from Use of Money and Property, Miscellaneous Revenue, Fines, Forfeitures and Penalties, and Licenses, Permits, and Franchises.

Appropriation budgets were increased by \$40.6 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 \$1.5, Public Safety and Protection by \$9.9, Health and Sanitation by \$6.1, and Public Assistance by \$23.6. Recreation and Cultural Services appropriations decreased by \$0.5. The following items provide details for the most significant appropriation changes:

- Reduction of \$1.9 in the County Administrative Office (CAO) Contingencies appropriation. The reduction was attributable to the transfer of appropriations to the Other Financing Uses Budget for Phase IIB construction costs for the New Juvenile Hall Project, a transfer of appropriations to the Housing and Community Development budget for work remaining on the Salinas Valley Groundwater Basin Investigation, and additional appropriations to the Office of Emergency Services for the funding of two full time Management Analyst II positions.
- Increase in the County Administrative Office Development Set-Aside Adopted Budget (DSA) of \$0.8 funded by ARPA revenues. The increase in appropriation was to fund the Economic Recovery for Hospitality and Tourism Program designed to implement hospitality and tourism support services in the County and the Economic Recovery for Countywide Business Retention Program to support business retention services Countywide.
- Increase of \$1.3 in appropriations for the Elections Department financed by an increase in State reimbursement revenue for the 2021 Gubernatorial Recall Election.
- Public Safety and Protection appropriations increased by \$9.9 from the original budget. Appropriations for Contribution to Other Agencies increased by \$3.3 funded by Cannabis Tax assignment, ARPA revenues, and transfers from the Health Department and the Center. Increase in appropriation was to provide financial support to the Pajaro Valley Healthcare District Project to support the purchase of Watsonville Community Hospital and to provide ARPA funding to local fire districts. \$2.7 in Cannabis Tax assignment was released to support the Emergency Operations Center (EOC) and ongoing COVID-19 operations throughout the County to provide additional resources to residents who requires services during the COVID-19 pandemic. Increased revenues in Sales Tax revenues and Other Financing Sources increased appropriations in several departments for ongoing departmental expenses.
- \$6.1 increase in Public Health appropriations for COVID-19 response activities, procurement of testing supplies, and COVID-19 outreach and education programs financed by unspent ARPA funds and grant revenues from the State of California.

COUNTY OF MONTEREY
Management Discussion and Analysis

- Public Assistance received an additional \$23.6 in budget appropriations as a result of additional funding from State grants. \$20.7 was awarded to provide emergency and utility assistance to residents in the County through the Emergency Rental Assistance Program, \$1.8 to provide emergency non-congregate shelter, wraparound services, and rapid rehousing to homeless individuals, and \$1.1 to provide various services to older adults including access to COVID-19 vaccines, home delivered meals, and advocacy services.

Final Budget to Actual

	<u>Final</u>	<u>Actual</u>	<u>Increase (Decrease)</u>
Revenues	\$ 647.4	\$ 642.5	\$ (4.9)
Expenditures	\$ 764.3	\$ 701.7	\$ 62.6

Actual revenues were lower than final budget by \$4.9 or 0.8%. 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:

- \$26.0 higher than budget in Taxes was a result of a \$35.8 higher than anticipated receipts of Transient Occupancy Tax (TOT), and Property Tax offset by \$9.8 lower Cannabis Tax due to lower rates adopted by the Board of Supervisors and continued cost pressures impacting the industry.
- \$14.3 decrease in Aid from other Governmental Agencies was a result of decrease in federal aid from the pandemic Coronavirus Aid, Relief, and Economic Security Act (CARES) and from the American Rescue Plan Act (ARPA).
- \$14.2 decrease in Revenue from Use of Money and Property was largely result of lower interest earnings and decrease in fair value of investments.
- \$9.9 lower than budgeted revenue for Charges for Services which majority of this reduction is from Health Services resulting from reduced COVID-19 testing by the public health lab, less patients served, and higher provider vacancy rates. On the other hand, Election Services' anticipated revenue this year was over budget because the State reimbursement was higher than the cost of the Recall Election.
- \$2.9 higher than budgeted revenues in Licenses, Permits, and Franchises was mainly due to electric franchise payments, offset by the reduced revenue from Business licenses.
- \$1.7 more revenues from Fines, Forfeitures and Penalties were collected primarily by CAO, reduced slightly by lower-than-budget revenues from the District Attorney department.
- \$2.9 rise in Miscellaneous revenues was mainly due to an unanticipated \$6.4 revenue for pension unfunded liability account offset by \$3.6 lower receipts by Social Services resulting from lower reimbursable expenditures, and lower than budgeted revenue from Sheriff-Correction Operations.

Actual expenditures were less than budget by a combined amount of \$62.6 or 8.2%. Lower expenditures were attributable to salary savings from vacant positions, lower-than budgeted pension, healthcare premiums, and overtime costs, as well as lower operation expenditures primarily in Health and Social Services Programs.

General Government expenditures savings of \$9.4 are due to the following:

- \$4.2 of combined savings in salaries and benefits from various departments due to vacancies attributable to separations and recruitment challenges.
- \$0.6 savings from the Treasurer-Tax Collector due to lower operating costs.
- \$3.1 savings in equipment expenditures with \$2.8 of the savings coming from Information Technology mostly tied to a delay in its ARPA funded broadband infrastructure project.
- \$1.4 lower than budgeted expenditures in other professional and special services across various departments.
- \$1.0 net savings for various expenditures including accounting and auditing services, travel costs, and other departmental expenses.
- \$0.4 unspent appropriations for Contingencies by the CAO.

COUNTY OF MONTEREY

Management Discussion and Analysis

- \$1.9 over budget expenditures in vehicle maintenance and service reimbursements by the CAO (\$0.9) and infrastructure expenditures from Information Technology (\$1.0).
- \$0.6 under budget due to reclassification of lease payments as principal and interest expense.

Public Safety and Protection expenditures net savings of \$11.1 are due to the following:

- \$3.0 unspent allocations for professional and special services due to reduced expenditures in the Emergency Operations Center's pandemic response.
- \$5.2 reduction in salaries and benefits significantly in the departments of District Attorney (\$1.1), Probation (\$1.6), Housing and Community Development (\$1.9), Health (\$0.4), and \$0.2 in other departments. Savings are attributable to unfilled vacancies.
- \$0.3 under budget in the District Attorney for lower operating expenditures such as trial related expenses.
- \$0.9 savings in Sheriff's Office for equipment maintenance and miscellaneous supplies in jail and patrol operations.
- \$0.4 over budget in actual expenditures across various departments for office supplies, minor equipment, and services.
- \$2.2 under budget due to reclassification of lease payments as principal and interest expense.

Health and Sanitation net savings of \$25.3 are due to the following:

- \$10.1 savings in salaries and benefits of Health Department from vacancies specifically in Clinic Services (\$8.9), Environmental Health (\$1.0), Administration (\$0.7), Children's Medical Services (\$0.2), and Emergency Medical Services (\$0.5) were attributable to separations and recruiting challenges. Public Health saw an increase in salary and benefit expenditures of \$1.2.
- \$4.8 under budget for professional and other services mainly in Public Health due to lower than anticipated programmatic activities associated with prolonged delivery timeliness resulting from supply chain issues.
- \$4.7 under budget for special departmental expenses, overhead and construction in progress expenditures.
- \$3.8 savings in expenditures related to laboratory and medical supplies.
- \$0.7 savings from supplies, maintenance, and other miscellaneous expenditures.
- \$1.2 under budget due to reclassification of lease payments as principal and interest expense.

Public Assistance net savings of \$22.3 are due to the following:

- \$15.4 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 experiencing sub-contractor delays and pending validation of applications and entitlement programs.
- \$3.9 savings in Social Services salaries and benefits due to prolonged unfilled vacancies from hiring challenges.
- \$1.3 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.
- \$1.8 under budget due to reclassification of lease payments as principal and interest expense.

Recreation and Cultural Services net savings of \$0.8 are due to the following:

- \$0.8 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.

Debt service and capital outlay expenditures totaled \$6.4. This is a result of the implementaion of GASB 87, which required reclassification of lease payments as principal and interest expense, and recognition of lease proceeds as capital outlay for leases that were entered into in the current year.

COUNTY OF MONTEREY
Management Discussion and Analysis

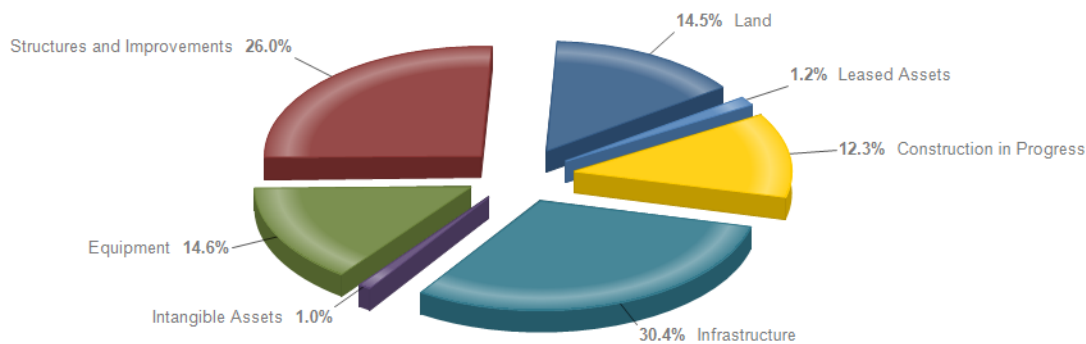
CAPITAL ASSETS

The County’s investment in capital assets for its governmental and business-type activities as of June 30, 2022, amount to \$999.7 and \$136.2, respectively (net of accumulated depreciation and amortization). This investment is in a broad range of capital assets including land, structures and improvements, equipment, intangible assets, infrastructure, and construction in progress. As previously discussed, the County implemented GASB 87 during the year, which resulted in adding new right to use asset types of leased land, buildings, vehicles, and equipment. The total increase in capital assets for the current year was 2.2%.

TABLE 3 - County of Monterey's Capital Assets

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar	Percent
	2022	2021	2022	2021	2022	2021	Change	Change
Land	\$ 312.5	\$ 312.5	\$ -	\$ -	\$ 312.5	\$ 312.5	\$ -	- %
Structures and Improvements	346.6	343.4	213.0	191.7	559.6	535.1	24.5	4.6 %
Equipment	170.0	134.1	144.5	139.8	314.5	273.9	40.6	14.8 %
Intangible Assets	20.8	20.8	-	-	20.8	20.8	-	- %
Infrastructure	653.8	638.8	-	-	653.8	638.8	15.0	2.3 %
Construction in Progress (CIP)	255.6	272.4	9.1	23.4	264.7	295.8	(31.1)	-10.5 %
Leased Assets	24.9	26.0	1.7	2.4	26.6	28.4	(1.8)	-6.3 %
Total Capital Assets	<u>1,784.2</u>	<u>1,748.0</u>	<u>368.3</u>	<u>357.3</u>	<u>2,152.5</u>	<u>2,105.3</u>	<u>47.2</u>	<u>2.2 %</u>
Accumulated Depreciation	(774.7)	(742.0)	(231.2)	(218.6)	(1,005.9)	(960.6)	(45.3)	4.7 %
Accumulated Amortization	(9.8)	(5.9)	(0.9)	0.8	(10.7)	(5.1)	(5.6)	109.8 %
Total	<u>\$ 999.7</u>	<u>\$ 1,000.1</u>	<u>\$ 136.2</u>	<u>\$ 139.5</u>	<u>\$ 1,135.9</u>	<u>\$ 1,139.6</u>	<u>\$ (3.7)</u>	<u>-0.3 %</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 decrease of \$16.8 for governmental activities. This was the result of completing projects costing \$51.0 and on-going/new construction costs of \$34.2.

COUNTY OF MONTEREY

Management Discussion and Analysis

Major capital assets events during the current fiscal year included the following:

- Public Works incurred \$16.5 in capitalizable costs for on-going projects with the majority of the costs spent on Old Stage Road Rehabilitation \$3.2, San Antonio Road at Nacimiento Bridge \$2.5 and Las Lomas Storm Drainage \$1.8.
- Architectural Services incurred \$14.8 in capitalizable costs for on-going projects, with the majority of costs spent on the New Juvenile Hall Building and Homeless Shelter - Salinas and Agricultural Commissioner King City Addition.
- Major projects that were completed during the year include Old Stage Road Rehabilitation, Natividad Jail Re-Roof, Natividad PSB Re-Roof, Old Stage Road - Gabilan Creek Bridge and Monterey Dunes Way Emergency Sink hole repair \$10.2.
- As previously discussed, the County implemented GASB 87, which added right to use assets for leased land, buildings, vehicles, and equipment. As of June 30, 2022, the leased assets for land, buildings, vehicles, and equipment net of accumulated amortization were \$0.3, \$13.4, \$0.4, and \$1.8, respectively.

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 \$974.4. The County's long-term issues payable is \$216.0, 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 \$408.5. (Refer to Note 8—Long-Term Liabilities).

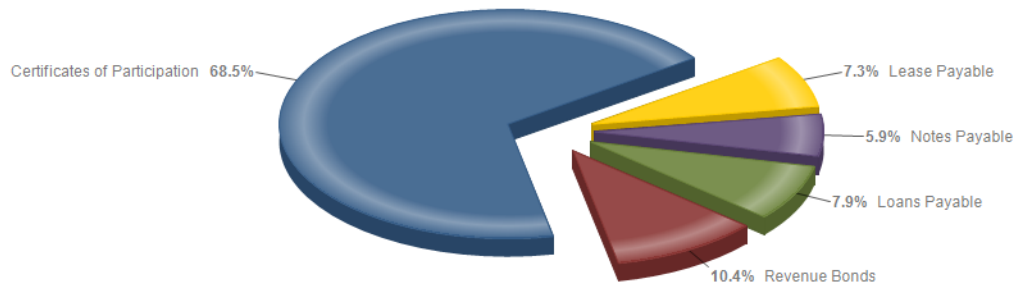
At June 30, 2022 the County had total long-term debt outstanding of \$216.0. This was an increase of \$0.6 or 0.3% from the prior year balance of \$215.4. The increase was primarily due to including \$15.8 for Lease Payables to the Long-Term Debt. The County added \$15.1 and \$0.7 in lease liabilities for governmental and business-type activities, respectively, due to the implementation of GASB 87. As a lessee, the County recognized a lease liability and a corresponding right-to-use lease asset based on the provisions of the lease agreements. The lease liability was measured at the present value of lease payments expected to be made during the lease term (less any lease incentives). This increase was offset by a \$11.1 decrease in Certificates of Participation consisting of annual debt service payments of \$9.5 and amortization of premiums/discounts of \$1.6. The remaining decrease is due to debt service payments and premium amortization of \$4.1 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	Percent
	2022	2021	2022	2021	2022	2021	Change	Change
Certificates of Participation	\$ 118.7	\$ 125.5	\$ 29.2	\$ 33.5	\$ 147.9	\$ 159.0	\$ (11.1)	-7.0 %
Revenue Bonds	22.5	23.5	-	-	22.5	23.5	(1.0)	-4.3 %
Loans Payable	17.1	18.1	-	-	17.1	18.1	(1.0)	-5.5 %
Notes Payable	12.7	14.8	-	-	12.7	14.8	(2.1)	-14.2 %
Lease Payable	15.1	-	0.7	-	15.8	-	15.8	- %
Total	<u>\$ 186.1</u>	<u>\$ 181.9</u>	<u>\$ 29.9</u>	<u>\$ 33.5</u>	<u>\$ 216.0</u>	<u>\$ 215.4</u>	<u>\$ 0.6</u>	<u>0.3 %</u>

COUNTY OF MONTEREY
Management Discussion and Analysis

Long-Term Debt



ECONOMIC ANALYSIS AND NEXT YEAR’S BUDGET AND RATES

The following paragraphs briefly summarizes results of fiscal year 2021-22 as well as the County's budgets for the next fiscal year 2022-23:

- 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 \$763.1 million in appropriations in the fiscal year 2021-22 Adopted Budget, with subsequent modifications throughout the fiscal year to increase total appropriations to \$817.2 million, a \$54.1 million addition to appropriations. Financing sources are primarily from budgeted revenue of \$620.8 million and operating transfers of \$115.0 million, also both modified to increase to \$647.4 and \$117.3 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 \$52.5 million excess of expenditures over revenues. However, this fiscal year ended with a better operating result than the budget, with the \$14.4 million excess of revenues over expenditures. This year's favorable result is attributable to the \$62.6 million savings between budgeted expenditures and actual expenditures, despite the \$4.8 million decrease in revenues. 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 2021-22 reports 5,564.6 full-time employees, with a total budget for all funds of \$1.7 billion, \$1.2 billion of which is for governmental funds, while \$459.3 million is for other funds. For the General Fund, total adopted budget of \$763.1 million used \$8.3 million of the fund balance, with budget amendments increasing this by an additional \$14.0 million from its revenue and expense budget modifications and another \$11.2 million net modification on other financing sources (uses). (Source: Adopted Budget for Fiscal Year 2021-22 and Budget in Brief Fiscal Year 2021-22)
- Meanwhile, the upcoming fiscal year 2022-23, Adopted Budget Summary presents the County revenues and expenses for all funds totaling to \$1.9 billion, with 5,736.7 full-time employee positions. Majority of the revenue sources are expected to come from the \$736.0 million budget for intergovernmental revenue and \$443.3 million from charges for various County-rendered services. Additional funding sources aim to produce \$308.0 million from taxes, licenses and permits, and revenues from fines, forfeitures, and penalties. Revenue from money and property use for \$41.4 million, \$19.9 million of miscellaneous revenue, and \$243.3 million of other financing sources also comprise the revenue budget. Accordingly, the corresponding \$1.9 billion expenditure budget is allocated to the primary functions with \$218.9 million for General Government, \$13.7 million for Education, \$322.2 million for Public Assistance, \$522.2 million for Public Safety and Protection, \$746.6 million for Health and Sanitation and \$30.9 million for Recreation and Cultural Services. (Source: Budget in Brief Fiscal Year 2022-23)

COUNTY OF MONTEREY

Management Discussion and Analysis

- Of the overall County budget for the fiscal year 2022-23, \$851.3 million in appropriations is for General Fund, to be financed by estimated General Fund revenues of \$793.4 million and \$57.9 million use of fund balance. This year's General Fund appropriations are budgeted for various programs and functions allocated as follows: 37.4% or \$318.3 million to Public Safety and Protection, 28.6% or \$243.7 million to Public Assistance, 17.7% or \$150.5 million to Health and Sanitation, 15.3% or \$130.1 million to General Government, 1.0% or \$8.1 million to Recreation and Cultural Services, and 0.1% or \$0.6 million to Education. (Source: Budget in Brief Fiscal Year 2022-23)
- For fiscal year 2022-23, the estimated General Fund revenue of \$793.4 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 2022-23, \$291.9 million of the total estimated General Fund revenues, are expected to come from non-program revenue sources. (Source: Budget in Brief Fiscal Year 2022-23)

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, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Children & Families Comm
ASSETS				
Cash and Investments:				
Held in County Treasury	\$ 841,828,821	\$ 290,303,771	\$ 1,132,132,592	\$ 5,917,292
Held with Trustee	16,596,714	-	16,596,714	2,584,934
Other Bank Accounts	7,404,659	5,351	7,410,010	-
Restricted	1,995,010	-	1,995,010	-
Imprest	14,510	4,080	18,590	150
Receivables (Net)	126,788,125	79,421,293	206,209,418	2,104,387
Inventories	757,607	5,106,015	5,863,622	-
Prepaid Items and Other Assets	126,123	5,123,123	5,249,246	6,566
Internal Balances	(4,028,043)	4,028,043	-	-
Note Receivable	20,538,239	-	20,538,239	-
Lease Receivable	2,135,977	28,034	2,164,011	-
Capital Assets				
Nondepreciable	568,060,781	9,133,559	577,194,340	-
Depreciable, Net	416,456,169	126,295,802	542,751,971	95,920
Leased Assets, Net	15,099,470	808,399	15,907,869	-
Total Assets	<u>2,013,774,162</u>	<u>520,257,470</u>	<u>2,534,031,632</u>	<u>10,709,249</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow from Debt Refunding	336,823	178,627	515,450	-
Deferred Outflows from Pensions	87,079,320	25,815,483	112,894,803	-
Deferred Outflows from OPEB	10,258,907	3,346,708	13,605,615	-
Total Deferred Outflows of Resources	<u>97,675,050</u>	<u>29,340,818</u>	<u>127,015,868</u>	<u>-</u>
LIABILITIES				
Accounts Payable and Other Accrued Liabilities	53,623,201	15,942,465	69,565,666	2,001,167
Accrued Salaries and Benefits	11,386,529	7,000,521	18,387,050	62,629
Accrued Interest Payable	1,880,675	319,981	2,200,656	-
Accrued Liabilities	731,940	82,460,667	83,192,607	-
Deposits from Others	23,082,529	10,230	23,092,759	-
Unearned Revenues	88,721,285	199,710	88,920,995	-
Noncurrent Liabilities:				
Due Within One Year:				
Bonds, Notes, Leases, Claims, Compensated Absences	59,743,015	17,606,946	77,349,961	131,995
Lease Liability	3,953,463	553,358	4,506,821	-
Due in More Than One Year:				
Bonds, Notes, Leases, Claims, Compensated Absences	273,534,248	28,498,870	302,033,118	107,723
Net Pension Liability	359,092,743	62,173,593	421,266,336	-
Net OPEB Liability	22,070,350	7,199,892	29,270,242	-
Lease Liability	11,112,879	119,857	11,232,736	-
Total Liabilities	<u>908,932,857</u>	<u>222,086,090</u>	<u>1,131,018,947</u>	<u>2,303,514</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows from Pensions	194,971,917	48,449,695	243,421,612	-
Deferred Inflows from Debt Refunding	658,657	167,776	826,433	-
Deferred Inflows from OPEB	6,836,817	2,230,338	9,067,155	-
Deferred Inflows from Leases	2,119,854	27,464	2,147,318	-
Total Deferred Inflows of Resources	<u>204,587,245</u>	<u>50,875,273</u>	<u>255,462,518</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	804,836,773	104,965,453	909,802,226	1,528
Restricted for:				
Capital Projects	74,196,114	-	74,196,114	-
Debt Service	1,034,990	-	1,034,990	-
Education	6,097,793	-	6,097,793	-
General Government	9,505,593	-	9,505,593	-
Health and Sanitation	152,436,757	-	152,436,757	-
Housing and Redevelopment	8,824,049	-	8,824,049	-
Public Assistance	46,768,121	-	46,768,121	318,557
Public Protection	47,689,506	-	47,689,506	-
Public Ways and Facilities	21,562,600	-	21,562,600	-
Recreation and Culture	153,733	947,012	1,100,745	-
Section 115 Pension Trust	16,596,448	-	16,596,448	-
Unrestricted (Deficit)	(191,773,367)	170,724,460	(21,048,907)	8,085,650
Total Net Position	<u>\$ 997,929,110</u>	<u>\$ 276,636,925</u>	<u>\$ 1,274,566,035</u>	<u>\$ 8,405,735</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, 2022

<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	\$ 34,456,589	\$ 36,758,014	\$ 10,960,109	\$ -
Public Safety and Protection	317,706,445	47,350,089	109,754,310	181,842
Public Ways and Facilities	36,331,639	5,128,461	20,697,476	6,295,639
Health and Sanitation	232,173,717	54,635,350	195,660,881	81,500
Public Assistance	246,137,682	634,475	244,682,737	-
Education	10,150,736	32,507	306,569	398,611
Recreation and Cultural Services	6,047,067	1,160,852	57,250	-
Interest on Long-Term Debt	7,939,584	-	-	-
Total Governmental Activities	890,943,459	145,699,748	582,119,332	6,957,592
Business-Type Activities:				
Laguna Seca Recreation Area	20,080,716	20,236,031	-	-
Natividad Medical Center	348,884,865	417,456,867	-	-
Parks and Lake Resort	3,574,355	3,434,846	-	-
Total Business-Type Activities	372,539,936	441,127,744	-	-
Total Primary Government	<u>\$ 1,263,483,395</u>	<u>\$ 586,827,492</u>	<u>\$ 582,119,332</u>	<u>\$ 6,957,592</u>
Component Unit:				
Children and Families Commission	\$ 7,715,942	\$ -	\$ 7,725,488	\$ -
Total Component Unit:	<u>\$ 7,715,942</u>	<u>\$ -</u>	<u>\$ 7,725,488</u>	<u>\$ -</u>

General Revenues:

Taxes:

 Property Taxes

 Sales and Use Taxes

 Transient Occupancy Taxes

 Cannabis Taxes

 Documentary Transfer Taxes

Unrestricted Interest and Investment Earnings

Other Revenues

Tobacco Settlement Revenues

Non-Program Federal Aid Other

Lease Revenue

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position – Beginning of Year, As Restated

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, 2022

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Totals	Children & Families Comm
\$ 13,261,534	\$ -	\$ 13,261,534	\$ -
(160,420,204)	-	(160,420,204)	-
(4,210,063)	-	(4,210,063)	-
18,204,014	-	18,204,014	-
(820,470)	-	(820,470)	-
(9,413,049)	-	(9,413,049)	-
(4,828,965)	-	(4,828,965)	-
(7,939,584)	-	(7,939,584)	-
<u>(156,166,787)</u>	<u>-</u>	<u>(156,166,787)</u>	<u>-</u>
-	155,315	155,315	-
-	68,572,002	68,572,002	-
-	(139,509)	(139,509)	-
<u>-</u>	<u>68,587,808</u>	<u>68,587,808</u>	<u>-</u>
<u>\$ (156,166,787)</u>	<u>\$ 68,587,808</u>	<u>\$ (87,578,979)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,546</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,546</u>

\$ 208,931,232	\$ -	\$ 208,931,232	\$ -
25,099,044	-	25,099,044	-
40,025,756	-	40,025,756	-
10,682,824	-	10,682,824	-
5,410,176	-	5,410,176	-
(19,748,763)	(8,322,481)	(28,071,244)	15,202
7,333,336	745,253	8,078,589	40,464
4,720,882	-	4,720,882	-
17,933,637	-	17,933,637	-
790,689	29,481	820,170	-
<u>(2,336,682)</u>	<u>2,336,682</u>	<u>-</u>	<u>-</u>
<u>298,842,131</u>	<u>(5,211,065)</u>	<u>293,631,066</u>	<u>55,666</u>
<u>142,675,344</u>	<u>63,376,743</u>	<u>206,052,087</u>	<u>65,212</u>
<u>855,253,766</u>	<u>213,260,182</u>	<u>1,068,513,948</u>	<u>8,340,523</u>
<u>\$ 997,929,110</u>	<u>\$ 276,636,925</u>	<u>\$ 1,274,566,035</u>	<u>\$ 8,405,735</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, 2022

	General	Road Fund	Behavioral Health	Facility Master Plan Projects	Other Governmental	Total
Assets						
Cash and Investments:						
Held in County Treasury	\$318,784,203	\$ 35,408,952	\$ 57,592,069	\$ 75,961,094	\$ 177,134,394	\$ 664,880,712
Held with Trustee	16,596,448	-	-	-	1,307,947	17,904,395
Other Bank Accounts	3,099,214	-	-	-	-	3,099,214
Restricted Cash	1,995,010	-	-	-	-	1,995,010
Imprest Cash	12,410	300	-	-	1,800	14,510
Receivables (Net)	74,198,359	6,826,100	22,612,407	-	22,958,255	126,595,121
Due from Other Funds	658,500	-	-	-	198,000	856,500
Inventories	671,212	86,395	-	-	-	757,607
Prepaid Items and Other Assets	3,550	-	-	-	-	3,550
Loans and Notes Receivable	-	-	-	-	20,538,239	20,538,239
Lease Receivable	1,184,457	-	-	-	951,520	2,135,977
Total Assets	417,203,363	42,321,747	80,204,476	75,961,094	223,090,155	838,780,835
Liabilities						
Vouchers and Accounts Payable	24,981,797	9,619,355	9,460,989	2,639,714	5,039,570	51,741,425
Accrued Salaries and Benefits	6,503,628	682,872	2,796,558	-	1,403,471	11,386,529
Due to Other Funds	177,835	-	-	-	856,500	1,034,335
Deposits from Others	16,389,030	6,121,552	-	-	571,947	23,082,529
Unearned Revenues	84,242,980	4,453,534	-	-	24,771	88,721,285
Advances from Other Funds	186,932	-	-	-	-	186,932
Total Liabilities	132,482,202	20,877,313	12,257,547	2,639,714	7,896,259	176,153,035
Deferred Inflows of Resources						
Unavailable Revenue	32,102,526	3,128,358	6,658,990	-	8,889,038	50,778,912
Deferred Inflows from Leases	1,168,182	-	-	-	951,672	2,119,854
Total Deferred Inflows of Resources	33,270,708	3,128,358	6,658,990	-	9,840,710	52,898,766
Fund Balances						
Nonspendable	674,762	86,395	-	-	-	761,157
Restricted	54,712,897	18,229,681	61,287,939	73,321,380	164,290,811	371,842,708
Committed	104,335,461	-	-	-	36,575,168	140,910,629
Assigned	86,734,080	-	-	-	4,488,676	91,222,756
Unassigned	4,993,253	-	-	-	(1,469)	4,991,784
Total Fund Balances	251,450,453	18,316,076	61,287,939	73,321,380	205,353,186	609,729,034
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$417,203,363	\$ 42,321,747	\$ 80,204,476	\$ 75,961,094	\$ 223,090,155	\$ 838,780,835

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, 2022

Fund Balance – Total Governmental Funds		\$ 609,729,034
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.		976,036,676
Leased assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		15,099,470
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.		
Unavailable Property Taxes	7,072,364	
Other Unavailable Revenues	<u>43,706,548</u>	
		50,778,912
Internal Service Funds (ISF) are used by the County to charge the cost of General Liability, Workers Compensation insurance, Benefits Program and Resource Planning. Assets and Liabilities of ISF are included in the governmental activities of the Statement of Net Position.		74,708,824
Deferred outflows of resources related to OPEB are not recognized as expenditures in the governmental funds		10,258,907
Pension contributions are reported as deferred outflow of resources in the statement of net position.		87,079,320
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, 2022:		
Bonds and Notes Payable	\$ (36,807,385)	
Certificate of Participation	(104,309,793)	
Unamortized Premium on Certificates of Participation	(17,122,318)	
Unamortized Losses on Refunding Debts	336,823	
Unamortized Gains on Refunding Debts	(658,657)	
Capital Lease Obligations	(12,244,226)	
Accrued Interest on Long-Term Debt	(1,880,675)	
Compensated Absences Payable	(49,814,417)	
Estimated Landfill Closure and Postclosure Costs	(208,948)	
Total OPEB Liability	(22,070,350)	
Net Pension Liability	(359,092,743)	
Lease Liability	<u>(15,066,342)</u>	
		(618,939,031)
Deferred inflows of resources related to pensions are not recognized as revenues in the governmental funds		(194,971,917)
Deferred inflows of resources related to OPEB are not recognized as revenues in the governmental funds		(6,836,817)
Adjustment necessary to close Internal Service Funds activities. This is the cumulative excess of revenues over expenses allocable to business-type activities.		<u>(5,014,268)</u>
Net Positions of Governmental Activities		<u>\$ 997,929,110</u>

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, 2022

	General	Road Fund	Behavioral Health	Facility Master Plan Projects	Other Governmental	Total
Revenues						
Taxes	\$262,315,225	\$ 7,119,821	\$ -	\$ -	\$ 16,019,814	\$ 285,454,860
Licenses, Permits, and Franchises	24,685,366	234,119	-	-	109,495	25,028,980
Fines, Forfeitures, and Penalties	11,518,919	-	123,112	-	695,594	12,337,625
Revenue from Use of Money and Property	(11,158,920)	(901,439)	(1,088,026)	143,221	579,135	(12,426,029)
Aid from other Governmental Agencies	274,179,534	27,529,023	125,513,783	1,945,399	177,634,119	606,801,858
Charges for Services	67,692,502	1,362,770	1,197,225	-	30,057,802	100,310,299
Miscellaneous Revenues	13,031,501	740,305	1,132,050	177,560	2,728,547	17,809,963
Lease Revenue	280,940	-	-	-	509,749	790,689
Total Revenues	642,545,067	36,084,599	126,878,144	2,266,180	228,334,255	1,036,108,245
Expenditures						
Current:						
General Government	41,685,411	-	-	-	12,864,986	54,550,397
Public Protection	301,927,268	-	-	-	22,690,916	324,618,184
Public Ways and Facilities	-	46,338,697	-	-	2,022,830	48,361,527
Health and Sanitation	102,109,170	-	137,110,090	-	4,227,167	243,446,427
Public Assistance	241,963,283	-	-	-	13,005,135	254,968,418
Education	405,972	-	-	-	10,211,736	10,617,708
Recreation and Cultural Services	7,181,602	-	-	-	-	7,181,602
Debt Service:						
Principal	5,022,046	-	901,448	-	8,365,813	14,289,307
Interest and Debt Service Costs	728,752	-	113,680	-	6,706,859	7,549,291
Capital Outlay	673,146	-	132,386	8,125,333	5,551,083	14,481,948
Total Expenditures	701,696,650	46,338,697	138,257,604	8,125,333	85,646,525	980,064,809
Excess (Deficiency) of Revenues Over (Under) Expenditures	(59,151,583)	(10,254,098)	(11,379,460)	(5,859,153)	142,687,730	56,043,436
Other Financing Sources (Uses)						
Transfers In	111,676,830	5,626,467	29,953,658	18,008,498	25,641,963	190,907,416
Transfers Out	(38,856,433)	-	(7,691,830)	(8,142,749)	(136,798,279)	(191,489,291)
Sale of Capital Assets	60,422	28,342	12,700	-	18,278	119,742
Leases (as Lessee)	673,146	-	132,386	-	458,497	1,264,029
Total Other Financing Sources (Uses)	73,553,965	5,654,809	22,406,914	9,865,749	(110,679,541)	801,896
Net Change in Fund Balances	14,402,382	(4,599,289)	11,027,454	4,006,596	32,008,189	56,845,332
Fund Balances, Beginning of Year, as Restated	237,048,071	22,915,365	50,260,485	69,314,784	173,344,997	552,883,702
Fund Balances, End of Year	\$251,450,453	\$ 18,316,076	\$ 61,287,939	\$ 73,321,380	\$ 205,353,186	\$ 609,729,034

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, 2022**

Net Change in Fund Balance – Total Governmental Funds		\$ 56,845,332
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	35,997,651	
Less current year depreciation	(28,655,928)	
Less amortization	<u>(5,878,275)</u>	1,463,448
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations).		(1,999)
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.		4,441,423
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	53,495	
Change in Compensated Absences	(1,738,860)	
Change in Estimated Landfill Closure and Postclosure	295,387	
Change in OPEB Liability	2,603,419	
Change in Pension Liability	51,529,344	
Amortization of Premiums and Discounts	1,154,392	
Setup and Related Amortization of Refunding Loss	(28,068)	
Amortization of Refunding Gain	<u>43,910</u>	53,913,019
Principal Repayments:		
Certificates of Participation	5,870,406	
Bonds, Notes, and Loans	1,913,538	
Leases	<u>7,173,937</u>	14,957,881
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.		13,860,286
Adjustment necessary to close internal service funds activities. This is the current year excess of revenues over expenses allocable to business-type activities.		<u>(2,804,046)</u>
Change in Net Position of Governmental Activities		<u>\$ 142,675,344</u>

COUNTY OF MONTEREY

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

For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 236,331,351	\$ 236,331,351	\$ 262,315,225	\$ 25,983,874
Licenses, Permits, and Franchises	21,773,296	21,803,417	24,685,366	2,881,949
Fines, Forfeitures, and Penalties	9,807,743	9,870,112	11,518,919	1,648,807
Revenue from Use of Money and Property	3,013,828	3,059,696	(11,158,920)	(14,218,616)
Aid from other Governmental Agencies	263,425,580	288,489,454	274,179,534	(14,309,920)
Charges for Services	76,379,494	77,691,786	67,692,502	(9,999,284)
Miscellaneous Revenues	10,107,711	10,127,711	13,031,501	2,903,790
Lease Revenue	-	-	280,940	280,940
Total Revenues	620,839,003	647,373,527	642,545,067	(4,828,460)
Expenditures				
Current:				
General Government	49,610,247	51,082,160	41,685,411	9,396,749
Public Protection	303,135,877	313,022,140	301,927,268	11,094,872
Health and Sanitation	121,342,347	127,442,311	102,109,170	25,333,141
Public Assistance	240,747,375	264,301,874	241,963,283	22,338,591
Education	509,538	509,538	405,972	103,566
Recreation and Cultural Services	8,403,610	7,927,064	7,181,602	745,462
Debt Service:				
Principal	-	-	5,022,046	(5,022,046)
Interest and Debt Service Costs	-	-	728,752	(728,752)
Capital Outlay	-	-	673,146	(673,146)
Total Expenditures	723,748,994	764,285,087	701,696,650	62,588,437
Excess (Deficiency) of Revenues Over (Under) Expenditures	(102,909,991)	(116,911,560)	(59,151,583)	57,759,977
Other Financing Sources (Uses):				
Transfers In	115,009,066	117,348,499	111,676,830	(5,671,669)
Transfers Out	(39,354,902)	(52,925,038)	(38,856,433)	14,068,605
Sale of Capital Assets	35,000	35,000	60,422	25,422
Leases (as Lessee)	-	-	673,146	673,146
Total Other Financing Sources (Uses)	75,689,164	64,458,461	73,553,965	9,095,504
Net Changes in Fund Balances	(27,220,827)	(52,453,099)	14,402,382	66,855,481
Fund Balances, Beginning	237,048,071	237,048,071	237,048,071	-
Fund Balances, Ending	\$ 209,827,244	\$ 184,594,972	\$ 251,450,453	\$ 66,855,481

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, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 7,652,168	\$ 7,652,168	\$ 7,119,821	\$ (532,347)
Licenses, Permits, and Franchises	507,514	507,514	234,119	(273,395)
Revenue from Use of Money and Property	361,005	361,005	(901,439)	(1,262,444)
Aid from other Governmental Agencies	51,958,696	51,958,696	27,529,023	(24,429,673)
Charges for Services	1,371,256	1,371,256	1,362,770	(8,486)
Miscellaneous Revenues	<u>1,286,010</u>	<u>1,286,010</u>	<u>740,305</u>	<u>(545,705)</u>
Total Revenues	<u>63,136,649</u>	<u>63,136,649</u>	<u>36,084,599</u>	<u>(27,052,050)</u>
Expenditures				
Current:				
Public Ways and Facilities	<u>66,712,136</u>	<u>66,712,135</u>	<u>46,338,697</u>	<u>20,373,438</u>
Total expenditures	<u>66,712,136</u>	<u>66,712,135</u>	<u>46,338,697</u>	<u>20,373,438</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,575,487)</u>	<u>(3,575,486)</u>	<u>(10,254,098)</u>	<u>(6,678,612)</u>
Other Financing Sources (Uses)				
Transfers In	5,596,766	5,596,766	5,626,467	29,701
Sale of Capital Assets	<u>9,100</u>	<u>9,100</u>	<u>28,342</u>	<u>19,242</u>
Total Other Financing Sources (Uses)	<u>5,605,866</u>	<u>5,605,866</u>	<u>5,654,809</u>	<u>48,943</u>
Net Changes in Fund Balances	2,030,379	2,030,380	(4,599,289)	(6,629,669)
Fund Balances, Beginning	<u>22,915,365</u>	<u>22,915,365</u>	<u>22,915,365</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 24,945,744</u>	<u>\$ 24,945,745</u>	<u>\$ 18,316,076</u>	<u>\$ (6,629,669)</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, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Fines, Forfeitures, and Penalties	\$ 78,090	\$ 78,090	\$ 123,112	\$ 45,022
Revenue from Use of Money and Property	420,234	420,234	(1,088,026)	(1,508,260)
Aid from other Governmental Agencies	123,026,096	123,026,096	125,513,783	2,487,687
Charges for Services	2,547,802	2,547,802	1,197,225	(1,350,577)
Miscellaneous Revenues	144,000	144,000	1,132,050	988,050
Total Revenues	<u>126,216,222</u>	<u>126,216,222</u>	<u>126,878,144</u>	<u>661,922</u>
Expenditures				
Current:				
Health and Sanitation	153,516,029	153,516,029	137,110,090	16,405,939
Debt Service:				
Principle	-	-	901,448	(901,448)
Interest and Debt Service Costs	-	-	113,680	113,680
Capital Outlay	-	-	132,386	(132,386)
Total Expenditures	<u>153,516,029</u>	<u>153,516,029</u>	<u>138,257,604</u>	<u>15,258,425</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(27,299,807)</u>	<u>(27,299,807)</u>	<u>(11,379,460)</u>	<u>15,920,347</u>
Other Financing Sources (Uses):				
Transfers In	31,478,360	31,478,360	29,953,658	(1,524,702)
Transfers Out	(9,202,711)	(9,202,711)	(7,691,830)	1,510,881
Sale of Capital Assets	-	-	12,700	12,700
Leases (as Lessee)	-	-	132,386	132,386
Total Other Financing Sources (Uses)	<u>22,275,649</u>	<u>22,275,649</u>	<u>22,406,914</u>	<u>131,265</u>
Net Changes in Fund Balances	(5,024,158)	(5,024,158)	11,027,454	16,051,612
Fund Balances, Beginning	50,260,485	50,260,485	50,260,485	-
Fund Balances, Ending	<u>\$ 45,236,327</u>	<u>\$ 45,236,327</u>	<u>\$ 61,287,939</u>	<u>\$ 16,051,612</u>

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

COUNTY OF MONTEREY
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Natividad Medical Center	Non-Major Enterprise	Total Enterprise Funds	Internal Service Funds
Assets				
Current Assets:				
Held in County Treasury	\$ 286,585,375	\$ 3,718,396	\$ 290,303,771	\$ 176,948,109
Other Bank Accounts	5,351	-	5,351	2,997,764
Imprest Cash	4,080	-	4,080	-
Receivables (Net)	76,976,851	2,444,442	79,421,293	193,004
Due from Other Funds	-	-	-	658,648
Inventories	4,952,512	153,503	5,106,015	-
Prepaid Expense	4,427,180	695,943	5,123,123	122,573
Lease Receivable	-	28,034	28,034	-
Total Current Assets	<u>372,951,349</u>	<u>7,040,318</u>	<u>379,991,667</u>	<u>180,920,098</u>
Noncurrent Assets:				
Advances to Other Funds	-	-	-	692,344
Capital Assets	125,639,011	9,790,350	135,429,361	8,480,274
Leased Assets	799,242	9,157	808,399	-
Total Noncurrent Assets:	<u>126,438,253</u>	<u>9,799,507</u>	<u>136,237,760</u>	<u>9,172,618</u>
Total Assets	<u>499,389,602</u>	<u>16,839,825</u>	<u>516,229,427</u>	<u>190,092,716</u>
Deferred Outflows of Resources				
Unamortized Losses on Refunding Debts	178,627	-	178,627	-
Deferred Outflows from Pensions	25,777,634	37,849	25,815,483	-
Deferred Outflows from OPEB	3,334,196	12,512	3,346,708	-
Total Deferred Outflows of Resources	<u>29,290,457</u>	<u>50,361</u>	<u>29,340,818</u>	<u>-</u>
Liabilities				
Current Liabilities:				
Vouchers and Accounts Payable	31,969,590	2,998,375	34,967,965	1,881,776
Accrued Salaries and Benefits	6,812,458	188,063	7,000,521	-
Accrued Interest Payable	319,952	29	319,981	-
Other Current Liabilities	63,435,167	-	63,435,167	731,940
Due to Other Funds	-	480,813	480,813	-
Deposits from Others	-	10,230	10,230	-
Unearned Revenues	-	199,710	199,710	-
Claims Liability- Current Portion	-	-	-	23,162,942
Bonds and Notes Payable - Current Portion	3,817,583	-	3,817,583	485,175
Compensated Absences - Current Portion	13,780,768	8,595	13,789,363	-
Lease Liability - Current Portion	547,727	5,631	553,358	-
Total Current Liabilities	<u>120,683,245</u>	<u>3,891,446</u>	<u>124,574,691</u>	<u>26,261,833</u>
Long-Term Liabilities:				
Advances from Other Funds	-	505,412	505,412	-
Claims Liability	-	-	-	89,122,059
Bonds and Notes Payable	25,403,162	-	25,403,162	-
Net Pension Liability	62,082,439	91,154	62,173,593	-
Net OPEB Liability	7,172,973	26,919	7,199,892	-
Compensated Absences - Noncurrent Portion	3,087,077	8,631	3,095,708	-
Lease Liability - Noncurrent Portion	115,689	4,168	119,857	-
Total Long-Term Liabilities	<u>97,861,340</u>	<u>636,284</u>	<u>98,497,624</u>	<u>89,122,059</u>
Total Liabilities	<u>218,544,585</u>	<u>4,527,730</u>	<u>223,072,315</u>	<u>115,383,892</u>

continued

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

COUNTY OF MONTEREY
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Natividad Medical Center	Non-Major Enterprise	Total Enterprise Funds	Internal Service Funds
Deferred Inflows of Resources				
Deferred Inflows from Pensions	48,378,661	71,034	48,449,695	-
Deferred Inflows from OPEB	2,221,999	8,339	2,230,338	-
Unamortized Gains on Refunding Debts	167,776	-	167,776	-
Deferred Inflows from Leases	-	27,464	27,464	-
Total Deferred Inflows of Resources	<u>50,768,436</u>	<u>106,837</u>	<u>50,875,273</u>	<u>-</u>
Net Position				
Net Investment in Capital Assets	95,175,745	9,789,708	104,965,453	17,055,316
Restricted for Recreation and Culture	-	947,012	947,012	-
Unrestricted (Deficit)	<u>164,191,293</u>	<u>1,518,899</u>	<u>165,710,192</u>	<u>57,653,508</u>
Total Net Position	<u>259,367,038</u>	<u>12,255,619</u>	<u>271,622,657</u>	<u>\$ 74,708,824</u>
Adjustment To Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Fund	<u>4,917,129</u>	<u>97,139</u>	<u>5,014,268</u>	
Net Position of Business-Type Activities	<u>\$ 264,284,167</u>	<u>\$ 12,352,758</u>	<u>\$ 276,636,925</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, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Natividad Medical Center	Non-Major Enterprise	Total Enterprise Funds	Internal Service Funds
Operating Revenues:				
Net Patient Services Revenues	\$ 406,153,753	\$ -	\$ 406,153,753	\$ -
Charges for Services	-	23,637,790	23,637,790	59,463,866
Other Operating Revenues	9,849,348	37,616	9,886,964	22,762,531
Lease Revenue	-	29,481	29,481	-
Total Operating Revenues	<u>416,003,101</u>	<u>23,704,887</u>	<u>439,707,988</u>	<u>82,226,397</u>
Operating Expenses:				
Salaries, Wages and Benefits	201,545,175	220,024	201,765,199	5,050,415
Services and Supplies	46,763,377	21,857,481	68,620,858	17,103,312
Claims Expense	-	-	-	34,650,761
Purchased Services	84,155,546	-	84,155,546	-
Depreciation and Amortization	11,887,487	764,800	12,652,287	5,087,605
Other Operating Expenses	5,521,207	1,057,887	6,579,094	245,642
Lease Amortization Expense	662,064	7,637	669,701	-
Total Operating Expenses	<u>350,534,856</u>	<u>23,907,829</u>	<u>374,442,685</u>	<u>62,137,735</u>
Net Operating Income (Loss)	<u>65,468,245</u>	<u>(202,942)</u>	<u>65,265,303</u>	<u>20,088,662</u>
Non-Operating Revenues (Expenses):				
Interest Income	(8,303,678)	(18,802)	(8,322,480)	(4,559,529)
Interest Expense	(739,321)	(154,285)	(893,606)	(62,688)
Rents, Concessions and Royalties	1,453,766	-	1,453,766	-
Other Non-Operating Revenues	731,738	8,985	740,723	148,648
Leases (as Lessee)	14	-	14	-
Total Non-Operating Revenues (Expenses)	<u>(6,857,481)</u>	<u>(164,102)</u>	<u>(7,021,583)</u>	<u>(4,473,569)</u>
Net Income (Loss) Before Transfers and Capital Contributions	58,610,764	(367,044)	58,243,720	15,615,093
Sale of Capital Assets	(7,705)	-	(7,705)	-
Transfers In	8,142,749	519,205	8,661,954	-
Transfers Out	(5,024,746)	(1,300,526)	(6,325,272)	(1,754,807)
Change in Net Position	<u>61,721,062</u>	<u>(1,148,365)</u>	<u>60,572,697</u>	<u>13,860,286</u>
Net Position, Beginning of Year, As Restated	<u>197,645,976</u>	<u>13,403,984</u>	<u>211,049,960</u>	<u>60,848,538</u>
Net Position, End of Year	<u>\$ 259,367,038</u>	<u>\$ 12,255,619</u>	<u>\$ 271,622,657</u>	<u>\$ 74,708,824</u>
Change in Net Position, From Above	\$ 61,721,062	\$ (1,148,365)	\$ 60,572,697	
Adjustment To Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Funds	<u>2,397,003</u>	<u>407,043</u>	<u>2,804,046</u>	
Change in Net Position of Business-Type Activities	<u>\$ 64,118,065</u>	<u>\$ (741,322)</u>	<u>\$ 63,376,743</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, 2022

	Business-type Activities - Enterprise Funds		Governmental Activities	
	Natividad Medical Center	Nonmajor Enterprise Fund	Total	Internal Service Funds
Cash Flows From Operating Activities:				
Cash Received from Patients and Third Party Payors	\$ 405,712,467	\$ -	\$ 405,712,467	\$ -
Cash Receipts from Customers	-	22,337,250	22,337,250	22,706,042
Cash Receipts from Interfund Charges	-	-	-	59,679,483
Cash (Paid)/Received for Other Services	(808,047)	(6,819)	(814,866)	-
Cash Paid to Employees for Services	(218,990,877)	(336,781)	(219,327,658)	(5,050,415)
Cash Paid to Suppliers for Goods and Services	(112,729,977)	(20,608,899)	(133,338,876)	(45,799,659)
Net cash provided (used) by operating activities	<u>73,183,566</u>	<u>1,384,751</u>	<u>74,568,315</u>	<u>31,535,451</u>
Cash Flows From Noncapital Financing Activities:				
Grants Revenues Received	8,245,674	-	8,245,674	-
Transfers from Other Funds	8,142,749	519,205	8,661,954	-
Transfers to Other Funds	(5,024,746)	(1,300,526)	(6,325,272)	(1,754,807)
Due from Other Funds	-	-	-	(32,057)
Due to Other Funds	-	23,402	23,402	-
Unrestricted Donations Received	720,000	-	720,000	-
Net cash provided (used) by noncapital financing activities	<u>12,083,677</u>	<u>(757,919)</u>	<u>11,325,758</u>	<u>(1,786,864)</u>
Cash Flows From Capital and Related Financing Activities:				
Collection of Advances	-	-	-	658,648
Repayment of Advances	-	(480,813)	(480,813)	-
Principal Paid on Capital Related Debt	(3,642,205)	-	(3,642,205)	(1,408,191)
Interest Paid on Capital Related Debt	(1,360,320)	(61,794)	(1,422,114)	(62,688)
Payments Related to Acquisition of Capital Assets	(11,801,470)	-	(11,801,470)	(2,240,342)
Collections Related to Dispositions of Capital Assets	-	8,985	8,985	148,648
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(16,803,995)</u>	<u>(533,622)</u>	<u>(17,337,617)</u>	<u>(2,903,925)</u>
Cash Flows From Investing Activities				
Cash Received from Rental Income	1,453,766	-	1,453,766	-
Interest Payments Received	(8,303,678)	(18,802)	(8,322,480)	(4,559,529)
Interest Paid on Capital Related Debt	-	(91,817)	(91,817)	-
Net Cash Provided (Used) by Investing Activities	<u>(6,849,912)</u>	<u>(110,619)</u>	<u>(6,960,531)</u>	<u>(4,559,529)</u>
Net Cash Increase (Decreases) in Cash and Cash Equivalents	<u>61,613,336</u>	<u>(17,409)</u>	<u>61,595,927</u>	<u>22,285,133</u>
Cash and Cash Equivalents, July 1	<u>224,981,470</u>	<u>3,735,805</u>	<u>228,717,275</u>	<u>157,660,740</u>
Cash and Cash Equivalents, June 30	<u>286,594,806</u>	<u>3,718,396</u>	<u>290,313,202</u>	<u>179,945,873</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position				
Cash and Cash Equivalents	286,585,375	3,718,396	290,303,771	176,948,109
Imprest Cash	5,351	-	5,351	2,997,764
Other Bank Accounts	4,080	-	4,080	-
Total Cash and Cash Equivalents	<u>286,594,806</u>	<u>3,718,396</u>	<u>290,313,202</u>	<u>179,945,873</u>

COUNTY OF MONTEREY
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds		Governmental Activities	
	Natividad Medical Center	Nonmajor Enterprise Fund	Total	Internal Service Funds
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income(Loss)	65,468,245	(202,942)	65,265,303	20,088,662
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation and Amortization	11,887,487	764,800	12,652,287	5,087,605
(Increase) Decrease in Receivables	(10,290,634)	(1,338,158)	(11,628,792)	(56,489)
(Increase) Decrease in Inventories	310,682	(153,503)	157,179	-
(Increase) Decrease in Prepaid Items	(94,116)	1,289,621	1,195,505	-
Increase (Decrease) in Accounts Payable	8,029,694	1,940,529	9,970,223	274,162
Increase (Decrease) in Deferred Outflows - Pension	4,857,743	26,964	4,884,707	-
Increase (Decrease) in Deferred Outflows - OPEB	(653,002)	(12,512)	(665,514)	-
Increase (Decrease) in Other Accrued Liabilities	-	-	-	215,617
Increase (Decrease) in Other Salaries and Benefits	912,615	(1,764)	910,851	-
Increase (Decrease) in Other Liabilities	15,463,893	230	15,464,123	-
Increase (Decrease) in Compensated Absences	1,215,158	(43,122)	1,172,036	-
Increase (Decrease) in Post-employment Liability	(2,263,851)	26,919	(2,236,932)	-
Increase (Decrease) in Deferred Inflows - Pension	47,539,634	69,259	47,608,893	-
Increase (Decrease) in Deferred inflows - OPEB	2,156,763	8,339	2,165,102	-
Increase (Decrease) in Pension Liability	(71,210,762)	(190,840)	(71,401,602)	-
Increase (Decrease) in Claims Liability	-	-	-	5,925,894
Increase (Decrease) in Deferred Revenues	-	(770,408)	(770,408)	-
Increase (Decrease) in Lease Liability	(145,983)	(28,663)	(174,646)	-
Total Adjustments	<u>7,715,321</u>	<u>1,587,691</u>	<u>9,303,012</u>	<u>11,446,789</u>
Net Cash Provided (Used) by Operating Activities:	<u>\$ 73,183,566</u>	<u>\$ 1,384,751</u>	<u>\$ 74,568,315</u>	<u>\$ 31,535,451</u>

COUNTY OF MONTEREY
Statement of Fiduciary Funds Net Position
June 30, 2022

	Investment Trust	Private Purpose Trust	Custodial Funds
Assets			
Held in County Treasury	\$1,394,353,113	\$ 11,293,089	\$ 66,824,847
Taxes Receivable	-	-	37,128,619
Long-Term Receivables	-	27,938	-
Assets Held for Resale	-	24,068	-
Equipment	-	474,669	-
Total Assets	1,394,353,113	11,819,764	103,953,466
Liabilities			
Accounts Payable and Accrued Expenses	-	2,325,788	424,670
Deposits from Others	-	3,700	-
Unearned Revenues	-	45,153	-
Assets Held as Agency for Others	-	108,584	5,947,542
Total Liabilities	-	2,483,225	6,372,212
Net Position			
Net Position Held in Trust for Investment Pool	1,394,353,113	6,488,138	-
Individual, Organizations, and Other Governments	-	2,848,401	97,581,254
Total Net Position	\$1,394,353,113	\$ 9,336,539	\$ 97,581,254

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, 2022

	Investment Trust	Private Purpose Trust	Custodial Funds
Additions			
Property Taxes	\$ -	\$ 2,020,521	\$ -
Local Tax Collected for other Governments	-	-	2,107,947,298
Assistance Fund Received for other Governments	-	-	28,401,476
Contributions to Investment Pool	2,213,190,898	-	-
Investment Related Collections for other Governments	(32,168,607)	(318,903)	17,329,763
Gifts & Bequests	-	4,370,923	-
Other Contributions	-	-	1,264,412
Total Additions	<u>2,181,022,291</u>	<u>6,072,541</u>	<u>2,154,942,949</u>
Deductions			
Distributions from investment pool	1,944,580,032	-	-
Administrative Expenses	-	3,316,919	2,773,143
Payment of Local Tax to other Governments	-	-	2,086,209,406
Payment of Assistance fund to other Governments	-	-	26,178,140
Investment related Payments	-	-	15,765,749
Beneficiary payments to individuals	-	4,982,980	-
Depreciation and Amortization	-	103,379	-
Total Deductions	<u>1,944,580,032</u>	<u>8,403,278</u>	<u>2,130,926,438</u>
Change in Net Position	236,442,259	(2,330,738)	24,016,515
Net Position, Beginning of Year	<u>1,157,910,854</u>	<u>11,667,277</u>	<u>73,564,739</u>
Net Position, End of Year	<u>\$1,394,353,113</u>	<u>\$ 9,336,539</u>	<u>\$ 97,581,254</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, 2022

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
- County of Monterey Public Improvement Corporation
- Community Facilities District 2006-1, East Garrison Public Financing Authority

Complete financial statements of the Monterey County Financing Authority and County of Monterey 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

County of Monterey 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 County of Monterey 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
- Mission Soledad Rural Fire Protection District

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

A. The Financial Reporting Entity (continued)

- 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, 2022

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 (Center) 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 the Center, 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, 2022

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, 2022

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 the Center. 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, 2022

Note 1: Summary of Significant Accounting Policies (continued)

H. Leases

Leases are defined by the general government as the right to use an underlying asset. As lessee, the County recognizes a lease liability and an intangible right-of-use lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. Right-of-use lease assets are measured based on the net present value of the future lease payments at inception, using the weighted average cost of capital, which approximate the incremental borrowing rate. Re-measurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability. The County calculates the amortization of the discount on the lease liability and reports that amount as outflows of resources. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

As lessor, the County recognizes a lease receivable. The lease receivable is measured using the net present value of future lease payments to be received for the lease term and deferred inflow of receivables at the beginning of the lease term. Periodic amortization of the discount on the receivable are reported as interest revenue for that period. Deferred inflows of resources are recognized as inflows on a straight-line basis over the term of the lease. This recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. Any initial direct costs are reported as an outflow of resources for that period. Re-measurement of lease receivables occur when there are modifications, including but not limited to changes in the contract price, lease term, and adding or removing an underlying asset to the lease agreements. In the case of a partial or full lease termination, the carrying value of the lease receivable and the related deferred inflow of resources will be reduced and will include a gain or loss for the difference.

For lease contracts that are short-term, the County recognizes short-term lease payments as inflows of resources (revenues) based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments are received subsequent to the reporting period.

I. 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.

J. 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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

J. Pensions (continued)

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.

K. 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.

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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

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 assets 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 assets 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. The County also has deferred inflows of resources related to leases (Note 6) in its proprietary and government-wide statements. These amounts are deferred and recognized as revenues in the period the amounts become available.

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.

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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

Q. Net Position (continued)

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.

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

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

R. Fund Balance (continued)

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 Natividad Medical Center net position and can be used only for the Center's purposes, as determined by the County's Board of Supervisors based on recommendations of the Center's 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 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.

The County implemented GASB 87 as of July 1, 2021. Implementation of this standard led to reclassification of certain activities between governmental and business-type activities and required the County to restate the beginning net position as of July 1, 2021 as follows:

	Governmental Activities	Business-type Activities
Net Position - Beginning of Year	\$ 855,980,548	\$ 213,220,568
Change in Accounting Principle	<u>(726,782)</u>	<u>39,614</u>
Net Position - Beginning of Year, as Restated	<u>\$ 855,253,766</u>	<u>\$ 213,260,182</u>

	Governmental Funds		Enterprise Funds	
	General	Natividad Medical Center	Laguna Seca Recreation Area	
Fund Balance - Beginning of Year	\$ 237,037,524	\$ 197,605,847	\$ 11,500,932	
Change in Accounting Principle	<u>10,547</u>	<u>40,129</u>	<u>(515)</u>	
Fund Balance - Beginning of Year, as Restated	<u>\$ 237,048,071</u>	<u>\$ 197,645,976</u>	<u>\$ 11,500,417</u>	

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

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

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 and there is no impact to the financial statements.

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 and there is no impact to the financial statements.

In March 2020, the GASB issued GASB Statement No. 93, Replacement of Interbank Offered Rates. The objectives of this Statement are to assist state and local government in the transition away from existing interbank offered rates (IBORs), including the London Interbank Offered Rate (LIBOR) to other reference rates. The Statement is effective for the County's fiscal year ending June 30, 2022 and there is no impact to the financial statements.

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 Statement is effective for the County's fiscal year ending June 30, 2022 and there is no impact to the financial statements.

In April 2022, the GASB issued Statement No. 99, Omnibus 2022. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (a) practice issues that been identified during implementation and application of certain GASB Statements and (b) accounting and financial reporting for financial guarantees. The requirements related to the use of LIBOR, accounting for Supplemental Nutrition Assistance Program distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statements No. 53 and No. 63 are effective upon issuance and there is no impact to the financial statements.

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

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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

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

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 April 2022, the GASB issued GASB Statement No. 99, Omnibus 2022. The requirements related to leases, public-private partnerships (PPPs), and SBITAs are effective for the County's fiscal year ending June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for the County's fiscal year ending June 30, 2024.

In June 2022, the GASB issued Statement No. 100, Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for the County's fiscal year ending June 30, 2024.

In June 2022, the GASB issued Statement No. 101, Compensated Absences. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for the County's fiscal year ending June 30, 2025.

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, 2022

Note 2: Cash and Investments (continued)

As of June 30, 2022, the County's cash, deposits and investments were as follows:

	Pooled	With Fiscal Agents	Other	Total
Imprest Cash and Cash on Hand	\$ 109,981	\$ -	\$ 18,740	\$ 128,721
Deposits With Financial Institutions	3,046,112	20,901,924	7,684,508	31,632,544
Outstanding Warrants and Wires	(31,393,052)	-	-	(31,393,052)
Investments	<u>2,638,757,893</u>	<u>235</u>	<u>-</u>	<u>2,638,758,128</u>
Totals	<u>\$ 2,610,520,934</u>	<u>\$ 20,902,159</u>	<u>\$ 7,703,248</u>	<u>\$ 2,639,126,341</u>

Total cash and investments at June 30, 2022, were presented on the County's financial statements as follows:

Primary Government	\$ 1,158,152,916
Investment Trust Fund	1,394,353,113
Custodial Funds	66,824,847
Private Purpose Trust Fund	11,293,089
Discretely Presented Component Unit	<u>8,502,376</u>
Total Cash and Investments	<u>\$ 2,639,126,341</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.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
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%
Collateralized Bank Deposits	5 years	None	5%
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, 2022

Note 2: Cash and Investments (continued)

At June 30, 2022, the County had the following investments:

	Interest Rates	Maturities	Par	Fair Value	WAM (Years)
Investments in Investment Pool					
Federal Agency Obligations	0.125% - 2.5%	05/22/23 - 12/15/25	\$ 369,735,000	\$ 356,246,881	1.41
U.S. Treasury Obligations	0.125% - 2.875%	08/31/22 - 05/31/27	1,109,625,000	1,064,920,037	1.79
Medium Term Notes	0.40% - 4%	02/22/23 - 05/15/27	319,543,000	307,547,525	2.21
Negotiable CDs	1.1% - 2.7%	02/03/23 - 05/31/23	101,000,000	99,712,920	0.76
Commercial Paper	0.33% - 2.21%	08/02/22 - 01/20/23	227,250,000	225,568,903	0.19
Asset Backed Securities	1.04%	11/16/26	195,000	184,150	-
Supranationals	0.126% - 1.876%	04/20/23 - 09/23/24	58,035,000	56,466,361	1.39
Municipal Bonds	0.51% - 1.477%	07/01/23 - 07/01/26	1,120,000	1,047,956	2.44
Money Market Mutual Funds	Variable	On Demand	9,381,475	9,381,476	-
California Asset Management Program	Variable	On Demand	203,800,000	203,800,000	-
CalTRUST	Variable	On Demand	238,881,685	238,881,684	-
California Local Agency Investment Fund	Variable	On Demand	75,000,000	75,000,000	-
Total Investment Pool Excluding Defaulted Securities			<u>\$2,713,566,160</u>	<u>\$2,638,757,893</u>	-
Default Securities					
Lehman Brothers Medium-Term Notes	N/A	In Default	\$ 10,000,000	\$ -	-
Total Investment Pool			<u>\$2,723,566,160</u>	<u>\$2,638,757,893</u>	-
Investments Outside Investment Pool					
<i>Cash Held with Fiscal Agent</i>					
Money Market Mutual Funds	Variable	On Demand	\$ 235	\$ 235	-
Total Outside Investment Pool			<u>\$ 235</u>	<u>\$ 235</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, 2022

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, 2022.

	Moody's	Standard & Poor's	% of Portfolio
U.S. Treasury Obligations*	Aaa	Not rated	40.32 %
U.S. Treasury Obligations*	Not rated	Not rated	0.04 %
Federal Agency Obligations*	Aaa	AA+	10.19 %
Federal Agency Obligations*	Aaa	Not rated	1.27 %
Federal Agency Obligations*	Not rated	AA+	2.03 %
Commercial Paper	P-1	A-1	7.43 %
Commercial Paper	P-1	A-1+	1.12 %
Supranationals	Aaa	AAA	0.56 %
Supranationals	Not rated	AAA	1.58 %
Negotiable CDs	Not rated	A-1	2.85 %
Negotiable CDs	Not rated	Not rated	0.92 %
Medium-Term Notes	A1	A	1.37 %
Medium-Term Notes	A1	A-	0.53 %
Medium-Term Notes	A1	A+	1.30 %
Medium-Term Notes	A1	AA	0.59 %
Medium-Term Notes	A1	AA-	0.01 %
Medium-Term Notes	A2	A	1.42 %
Medium-Term Notes	A2	A-	2.13 %
Medium-Term Notes	A2	A+	0.77 %
Medium-Term Notes	A2	BBB+	0.57 %
Medium-Term Notes	A3	A-	0.59 %
Medium-Term Notes	A3	A+	0.42 %
Medium-Term Notes	A3	BBB+	0.49 %
Medium-Term Notes	Aa1	AA+	0.38 %
Medium-Term Notes	Aa2	AA	0.19 %
Medium-Term Notes	Aa2	AA+	0.19 %
Medium-Term Notes	Aa2	AA-	0.19 %
Medium-Term Notes	Aaa	AA+	0.51 %
Medium-Term Notes	Not rated	AA-	0.01 %
Medium-Term Notes	Not rated	Not rated	0.01 %
Municipal Obligations	Aa2	Not rated	0.01 %
Municipal Obligations	Aa3	Not rated	0.01 %
Municipal Obligations	Aaa	AA+	0.01 %
Municipal Obligations	Aaa	AAA	0.01 %
Municipal Obligations	Not rated	AA+	0.01 %
Municipal Obligations	Not rated	AAA	0.01 %
Money Market Mutual Funds	Not rated	Not rated	0.35 %
CalTrust	Aaa	AAA	1.89 %
CalTrust	Not rated	AAA	7.72 %
CalTrust	Not rated	Not rated	7.16 %
Asset Backed Security	Not rated	AAA	0.01 %
California Local Agency Investment Fund	Not rated	Not rated	2.84 %
Total			<u>100.00 %</u>

*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, 2022, 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, 2022

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, 2022, 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 \$3,046,112 as of June 30, 2022, \$277,858 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, 2022, 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 \$231.9 billion. Of that amount, 1.88% was invested in structured notes and asset-backed securities with the remaining 98.12% 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, 2022

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, 2022:

Statement of Net Position	
Net Position for Pool Participants	<u>\$ 2,610,520,934</u>
Equity of Internal Pool Participants	\$ 1,210,250,529
Equity of External Pool Participants	<u>1,400,270,405</u>
Total Net Position	<u>\$ 2,610,520,934</u>
Statement of Changes in Net Position	
Net Investment Earnings	\$ 12,388,587
Investment Expenses	(1,277,212)
Net Contribution from Pool Participants	<u>417,802,472</u>
Change in Net Position	428,913,847
Net Position at July 1, 2021	<u>2,181,607,087</u>
Net Position at June 30, 2022	<u>\$ 2,610,520,934</u>

The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2022, 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 of 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, 2022

Note 2: Cash and Investments (continued)

The County's cash equivalents and investments by fair value measurement as of June 30, 2022:

	Fair Value	Fair Value Measurement		
		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	\$ 225,568,903	\$ -	\$ 225,568,903	\$ -
Corporate Notes	307,547,525	-	307,547,525	-
Negotiable CDs	99,712,920	-	99,712,920	-
US Treasuries	1,064,920,037	1,064,920,037	-	-
Federal Agencies	356,246,881	-	356,246,881	-
Asset Backed Securities	184,150	-	184,150	-
Supranationals	56,466,361	-	56,466,361	-
Municipal bonds	1,047,956	-	1,047,956	-
Total Investments Measured at Fair Value	\$ 2,111,694,733	\$ 1,064,920,037	\$ 1,046,774,696	\$ -
Investments Not Subject to Fair Value Hierarchy:				
Money Market Mutual Funds	9,381,711			
California Asset Management Program	203,800,000			
CalTRUST	238,881,684			
California Local Agency Investment Fund	75,000,000			
Total Pooled and Directed Investments	\$ 2,638,758,128			

Note 3: Interfund Transactions

The composition of interfund balances as of June 30, 2022, 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
General Fund	Other Governmental Funds	\$ 658,500
Other Governmental Funds	Other Governmental Funds	198,000
Internal Service Funds	General Fund	177,835
	Other Enterprise Fund	480,813
		658,648
Total		\$ 1,515,148

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	\$ 186,932
	Other Enterprise Fund	505,412
		692,344

Transfers

Transfers are indicative of funding for capital projects, debt service, subsidies of various County operations, and re-allocations

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 3: Interfund Transactions (continued)

of special revenues. Transfers between funds for the year ended June 30, 2022, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Behavioral Health	\$ 532,678	General Fund Contribution
	Road Fund	5,486,766	TOT Contribution
	Road Fund	139,701	General Fund Contribution
	Facility Master Plan Implementation	12,638,365	Capital Projects
	Other Governmental Funds	2,641,096	General Fund Contribution
	Other Governmental Funds	9,566,153	Debt Service
	Other Governmental Funds	3,367,970	VLF Match
	Other Governmental Funds	2,362,402	County Clerk/Recorder Revenue Transfer
	Other Governmental Funds	1,602,097	Other
	Other Enterprise Funds	<u>519,205</u>	Debt Service
		<u>38,856,433</u>	
Behavioral Health	General Fund	3,788,966	Health Programs
	Facility Master Plan Implementation	<u>3,902,864</u>	Capital Projects
		<u>7,691,830</u>	
Facility Master Plan Implementation	Natividad Medical Center	<u>8,142,749</u>	Capital Projects
		<u>8,142,749</u>	
Other Governmental Funds	General Fund	49,948,097	2011 Realignment Program Reimbursements
	General Fund	614,733	EG Community Service District Allocation
			Health & Welfare Realignment Program
	General Fund	52,283,666	Reimbursements
	Behavioral Health	19,120,260	2011 Realignment Program Reimbursements
			Health & Welfare Realignment Program
	Behavioral Health	10,300,720	Reimbursements
	Other Governmental Funds	354,162	2011 Realignment Program Reimbursements
Other Governmental Funds	3,876,641	Debt Service	
Other Governmental Funds	<u>300,000</u>	Other	
		<u>136,798,279</u>	
Internal Service Funds	Facility Master Plan Implementation	183,364	Capital Projects
	Other Governmental Funds	<u>1,571,443</u>	Capital Projects
		<u>1,754,807</u>	
Other Enterprise Funds	General Fund	16,621	Parks Program Subsidy
Other Enterprise Funds	Facility Master Plan Implementation	<u>1,283,905</u>	Capital Projects
		<u>1,300,526</u>	
Natividad Medical Center	General Fund	1,500,000	Health Residency Program Support
	General Fund	<u>3,524,746</u>	Section 115 Pension Trust Contribution
		<u>5,024,746</u>	
	Total	<u>\$ 199,569,370</u>	

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 4: Receivables

Receivables as of June 30, 2022, 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	\$ 22,229,390	\$ 76,264	\$ 333,108	\$ -	\$ 956,361	\$ 23,595,123
Taxes Receivable	5,649,589	-	-	-	1,595,185	7,244,774
Due From Other Agencies	46,310,864	6,749,836	22,279,299	-	16,469,556	91,809,555
Interest	8,516	-	-	-	3,937,153	3,945,669
Totals	\$ 74,198,359	\$ 6,826,100	\$ 22,612,407	\$ -	\$ 22,958,255	\$ 126,595,121

Proprietary Funds:

	Natividad Medical Center	LSRA	Parks Lake & Resort Operations	Total Enterprise Funds	Internal Service Funds
Receivables:					
Accounts – Net	\$ 59,647,950	\$ 1,946,636	\$ 497,806	\$ 62,092,392	\$ 193,004
Due From Other Agencies	17,328,901	-	-	17,328,901	-
Totals	\$ 76,976,851	\$ 1,946,636	\$ 497,806	\$ 79,421,293	\$ 193,004

At June 30, 2022, 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>150,753,550</u>
Totals	<u>\$ 162,044,820</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, 2022, 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	\$ 3,631,578
Unavailable Revenue – Taxes Receivable	7,072,364
Unavailable Revenue – Due From Other Agencies	36,283,779
Unavailable Revenue – Interest Receivable	3,791,191
Total Unavailable Revenue	<u>50,778,912</u>
Unearned Revenues - Grant Advances Prior to Meeting All Eligibility Requirements	<u>88,920,995</u>
Total Unavailable and Unearned Revenue	<u>\$ 139,699,907</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Additions	Retirements	Transfers	Balance June 30, 2022
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 312,483,650	\$ -	\$ -	\$ -	\$ 312,483,650
Construction in Progress	272,353,365	34,205,475	(28,609)	(50,953,100)	255,577,131
Total Capital Assets, Not Being Depreciated	584,837,015	34,205,475	(28,609)	(50,953,100)	568,060,781
Capital Assets, Being Depreciated:					
Infrastructure	638,808,960	-	-	14,999,927	653,808,887
Structures and Improvements	343,401,626	-	-	3,190,467	346,592,093
Equipment	134,055,892	4,307,115	(1,130,368)	32,762,706	169,995,345
Intangible Assets	20,757,733	-	-	-	20,757,733
Total Capital Assets, Being Depreciated	1,137,024,211	4,307,115	(1,130,368)	50,953,100	1,191,154,058
Less Accumulated Depreciation For:					
Infrastructure	(442,269,282)	(13,508,378)	-	-	(455,777,660)
Structures and Improvements	(171,896,309)	(11,281,539)	-	-	(183,177,848)
Equipment	(112,297,430)	(5,506,787)	1,044,585	-	(116,759,632)
Intangible Assets	(15,535,919)	(3,446,829)	-	-	(18,982,748)
Total Accumulated Depreciation	(741,998,940)	(33,743,533)	1,044,585	-	(774,697,888)
Total Capital Assets, Being Depreciated, Net	395,025,271	(29,436,418)	(85,783)	50,953,100	416,456,169
Governmental Activities Capital Assets, Net	979,862,286	4,769,057	(114,392)	-	984,516,951
Right-to-Use Assets, Being Amortized					
Land - Right-to-Use	1,037,549	137,337	(472,566)	-	702,320
Buildings - Right-to-Use	20,276,097	704,999	(1,790,091)	-	19,191,005
Vehicles - Right-to-Use	285,732	233,989	-	-	519,721
Equipment - Right-to-Use	4,439,770	187,694	(133,222)	-	4,494,242
Total Right-to-Use Assets Before Amortization	26,039,148	1,264,019	(2,395,879)	-	24,907,288
Less Accumulated Amortization For:					
Land - Right-to-Use	(267,059)	(172,705)	-	-	(439,764)
Buildings - Right-to-Use	(4,058,766)	(4,188,958)	1,790,091	-	(6,457,633)
Vehicles - Right-to-Use	(58,593)	(102,585)	-	-	(161,178)
Equipment - Right-to-Use	(1,478,597)	(1,414,027)	143,381	-	(2,749,243)
Total Amortization	(5,863,015)	(5,878,275)	1,933,472	-	(9,807,818)
Governmental Activities Right-to-Use, Net	20,176,133	(4,614,256)	(462,407)	-	15,099,470

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 5: Capital Assets (continued)

	Balance July 1, 2021	Additions	Retirements	Transfers	Balance June 30, 2022
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Construction in Progress	\$ 23,370,671	\$ 7,004,267	\$ -	\$ (21,241,379)	\$ 9,133,559
Total Capital Assets, Not Being Depreciated	23,370,671	7,004,267	-	(21,241,379)	9,133,559
Capital Assets, Being Depreciated:					
Structures and Improvements	191,721,161	-	(4,747)	21,241,379	212,957,793
Equipment	139,752,321	4,797,203	(9,858)	-	144,539,666
Total Capital Assets, Being Depreciated	331,473,482	4,797,203	(14,605)	21,241,379	357,497,459
Less Accumulated Depreciation For:					
Structures and Improvements	(111,172,314)	(5,503,245)	-	-	(116,675,559)
Equipment	(107,383,954)	(7,149,042)	6,900	-	(114,526,096)
Total Accumulated Depreciation	(218,556,268)	(12,652,287)	6,900	-	(231,201,655)
Total Capital Assets, Being Depreciated, Net	112,917,214	(7,855,084)	(7,705)	21,241,379	126,295,802
Business-Type Activities Capital Assets, Net	136,287,885	(850,817)	(7,705)	-	135,429,363
Right-to-Use Assets, Being Amortized					
Buildings - Right-to-Use	1,325,934	3,341	(3,341)	-	1,325,934
Equipment - Right-to-Use	1,059,587	-	(704,414)	-	355,173
Total Right-to-Use Assets Before Amortization	2,385,521	3,341	(707,755)	-	1,681,107
Less Accumulated Amortization For:					
Buildings - Right-to-Use	(311,984)	(315,326)	3,341	-	(623,969)
Equipment - Right-to-Use	(447,802)	(354,375)	553,438	-	(248,739)
Total Amortization	(759,786)	(669,701)	556,779	-	(872,708)
Business-Type Activities Right-to-Use, Net	1,625,735	(666,360)	(150,976)	-	808,399

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government Depreciation	\$ 5,700,707
Public Safety	8,362,772
Public Ways and Facilities	11,946,530
Health and Sanitation	2,025,778
Public Assistance	392,276
Education	131,743
Recreation and Cultural Services	96,122
Depreciation on Capital Assets Held by the County Internal Service Funds Are Charged to Various Functions Based on Their Usage of the Assets.	5,087,605
Total Depreciation Expense - Governmental Functions	<u>\$ 33,743,533</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 5: Capital Assets (continued)

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

Natividad Medical Center	\$ 11,887,487
Parks Lake and Resort Operations	193,190
Laguna Seca Recreation Area	571,610
Total Depreciation Expense - Business-Type Activities	<u>\$ 12,652,287</u>

Amortization expense was charged to functions/programs as follows:

Governmental Activities:

General government	\$ 362,795
Public safety	1,439,709
Health and welfare	2,057,738
Public Assistance	1,822,446
Education	195,587
Total amortization expense - governmental activities	<u>\$ 5,878,275</u>

Amortization expense was charged to functions/programs as follows:

Business-type Activities:

Natividad Medical Center	\$ 662,064
Laguna Seca Recreation Area	7,637
Total amortization expense - business-type activities	<u>\$ 669,701</u>

Note 6: Leases

A. Lessor

The County entered into various lease agreements as a lessor for the right to use land and buildings. An initial lease receivable was recorded in the amount of \$2,793,219. As of June 30, 2022, the value of the lease receivable is \$2,135,977. The County receives monthly fixed payments ranging from \$875 to \$19,832. The leases have an interest rate of 5%. Also, the County has a deferred inflow of resources from leases that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow from leases for governmental activities was \$2,119,854.

Governmental Activities			
Classification	Term Range	Lease Receivable as of Commencement Date	Lease Receivable as of June 30, 2022
Land - Right-to-Use	2 to 17 years	\$ 2,087,299	\$ 466,210
Buildings - Right-to-Use	1 to 3 years	705,920	1,669,767
Total Right-to-Use Assets		<u>\$ 2,793,219</u>	<u>\$ 2,135,977</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 6: Leases (continued)

A. Lessor (continued)

The County entered into one lease agreement as a lessor for the right-to-use other. An initial lease receivable was recorded in the amount of \$54,928. As of June 30, 2022, the value of the lease receivable is \$28,034. The County receives a monthly fixed payment of \$2,400. The lease has an interest rate of 5%. The right to use other estimated useful life was 2 years as of the contract commencement. Also, the County has a deferred inflow of resources from leases that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow from leases for business activities was \$27,464.

Business-Type Activities			
Classification	Term Range	Lease Receivable as of Commencement Date	Lease Receivable as of June 30, 2022
Other - Right-to-Use	2 years	\$ 54,928	\$ 28,034
Total Right-to-Use Assets		\$ 54,928	\$ 28,034

B. Lessee

The County has entered into various leases as lessee for the right-to-use land, buildings, vehicles, and equipment with various lease terms. During the current fiscal year, an initial lease liability for governmental and business activities was recorded in the amount of \$20,780,564 and \$1,579,864, respectively. As of June 30, 2022, the value of lease liability for governmental and business activities was \$15,066,342 and \$673,215, respectively. The County is required to make monthly payments ranging from \$50 to \$73,664 through the terms of the leases. The leases have an interest rate of 5%. The total value of the right-to-use assets as of June 30, 2022 was \$26,588,395 with accumulated amortization of \$10,680,526. For additional information, refer to the disclosures below by lease asset class.

Amount of Lease Assets by Major Classes of Underlying Asset		
	Lease Asset Value	Accumulated Amortization
Land - Right-to-Use	\$ 702,320	\$ (439,764)
Buildings - Right-to-Use	20,516,939	(7,081,602)
Vehicles - Right-to-Use	519,721	(161,178)
Equipment - Right-to-Use	4,849,415	(2,997,982)
Totals	\$ 26,588,395	\$ (10,680,526)

C. Payment Forecast

Total future minimum lease payments under lease agreements are as follows:

Year Ending June 30	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 3,953,463	\$ 17,421	\$ 3,970,884	\$ 553,358	\$ 2,192	\$ 555,550
2024	2,952,707	13,979	2,966,686	118,432	467	118,899
2025	2,546,614	12,859	2,559,473	1,425	5	1,430
2026	1,910,814	9,838	1,920,652	-	-	-
2027	871,999	3,466	875,465	-	-	-
2028-2032	1,159,033	4,629	1,163,662	-	-	-
2033-2037	7,670	47	7,717	-	-	-
2038-2040	9,854	39	9,893	-	-	-
Thereafter	1,654,188	6,588	1,660,776	-	-	-
Total	\$ 15,066,342	\$ 68,866	\$ 15,135,208	\$ 673,215	\$ 2,664	\$ 675,879

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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, 2022, are as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Unamortized Losses on Refunding Debts:				
Governmental Activities	\$ 364,891	\$ -	\$ 28,068	\$ 336,823
Business-Type Activities	212,651	-	34,024	178,627
Total	<u>\$ 577,542</u>	<u>\$ -</u>	<u>\$ 62,092</u>	<u>\$ 515,450</u>

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Unamortized Gains on Refunding Debts:				
Governmental Activities	\$ 702,567	\$ -	\$ 43,910	\$ 658,657
Business-Type Activities	178,961	-	11,185	167,776
Total	<u>\$ 881,528</u>	<u>\$ -</u>	<u>\$ 55,095</u>	<u>\$ 826,433</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 8: Long-Term Liabilities

Legal Debt Limit

The County's legal debt limit for the year ended June 30, 2022, was \$974.4 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 \$167 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, 2022</u>
<u>Governmental Activities</u>						
Certificates of Participation						
2017 Public Facilities Refunding (Defeated the 2007 Issue for the County of Monterey)	2037	4.125% - 5.0%	\$ 223,386 - \$ 5,798,533	2017	\$ 74,682,250	\$ 59,268,609
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	43,435,000
2018 Revenue Refunding Bonds - Water Resources (Defeated 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	19,580,000
NGEN Issue (Finance Acquisition, Construction and Installation of Communications System)	2023	3.95%	\$508,887 - \$818,645	2010	8,518,628	1,606,181
Revenue bonds - Special Districts						
Agencies Under Board of Supervisors	2026	5.0%	\$5,400 - \$37,000	1981-96	1,244,700	137,000
Notes Payable - Parks & Recreation (Acquire Recreational Properties)						
San Antonio Lakes Resort	2023	5.0%	\$33,095	2007	4,185,000	130,960
Lake Nacimiento Resort	2023	5.0%	\$89,478	2007	11,315,000	354,215
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	17,054,388
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	<u>257,000</u>	<u>36,000</u>
					<u>\$ 206,568,368</u>	<u>\$ 141,602,353</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	3,081,389
2019 COP Refunding	2028	5.0%	\$2,235,000-\$3,230,000	2019	<u>29,005,000</u>	<u>22,350,000</u>
					<u>\$ 32,887,750</u>	<u>\$ 25,431,389</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 8: Long-Term Liabilities (continued)

The following is a summary of long-term liabilities transactions for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Amount Due Within One Year
Governmental activities:					
Certificates of Participation 2017 Issue	\$ 63,446,404	\$ -	\$ 4,177,795	\$ 59,268,609	\$ 4,377,417
Unamortized Premium	12,069,076	-	791,415	11,277,661	-
Certificates of Participation 2015 Issue	\$ 44,370,000	-	935,000	43,435,000	985,000
Unamortized Premium	3,209,456	-	132,348	3,077,108	-
Certificates of Participation NGEN Program	2,363,792	-	757,611	1,606,181	787,537
Revenue Bonds	20,537,000	-	820,000	19,717,000	857,000
Unamortized Premium	2,998,178	-	230,629	2,767,549	-
Notes From Direct Borrowings	20,028,291	-	2,488,728	17,539,563	1,570,535
Special Assessment Bonds	49,000	-	13,000	36,000	14,000
Notes Payable	12,913,417	-	669,191	12,244,226	813,944
Compensated Absences	48,075,556	31,972,002	30,233,141	49,814,417	26,965,692
Estimated Self-Insurance Liabilities	106,359,109	34,650,749	28,724,857	112,285,001	23,162,942
Estimated Landfill Postclosure Costs	504,335	-	295,387	208,948	208,948
Lease Payable	20,780,564	1,264,029	6,978,251	15,066,342	3,953,463
	<u>\$ 357,704,178</u>	<u>\$ 67,886,780</u>	<u>\$ 77,247,353</u>	<u>\$ 348,343,605</u>	<u>\$ 63,696,478</u>
Business-Type Activities:					
Certificates of Participation	\$ 29,073,594	\$ -	\$ 3,642,205	\$ 25,431,389	\$ 3,817,583
Unamortized Premium (Discount)	4,440,601	-	651,246	3,789,355	-
Net Certificates of Participation	33,514,195	-	4,293,451	29,220,744	3,817,583
Compensated Absences	15,713,036	15,928,340	14,756,304	16,885,072	13,789,363
Lease Payable	1,579,864	3,341	909,990	673,215	553,358
	<u>\$ 50,807,095</u>	<u>\$ 15,931,681</u>	<u>\$ 19,959,745</u>	<u>\$ 46,779,031</u>	<u>\$ 18,160,304</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, 2022, 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
2023	\$ 871,000	\$ 941,236	\$ 6,149,954	\$ 4,818,160	\$ 1,570,536	\$ 486,100
2024	908,000	900,687	5,955,394	4,524,574	1,090,550	452,901
2025	947,000	854,161	5,424,394	4,228,210	1,096,135	424,371
2026	992,000	805,638	5,679,263	3,950,618	1,102,145	395,415
2027	1,005,000	755,713	5,952,896	3,659,814	1,108,615	366,000
2028-2032	5,830,000	2,953,187	32,266,147	13,575,663	5,658,754	1,370,141
2033-2037	7,480,000	1,302,831	20,786,745	6,756,411	5,912,828	542,436
2038-2042	1,720,000	38,187	11,270,000	3,373,475	-	-
2043-2047	-	-	10,824,997	878,133	-	-
	<u>\$ 19,753,000</u>	<u>\$ 8,551,640</u>	<u>\$ 104,309,790</u>	<u>\$ 45,765,058</u>	<u>\$ 17,539,563</u>	<u>\$ 4,037,364</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 8: Long-Term Liabilities (continued)

As of June 30, 2022, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30	Certificates of Participation	
	Principal	Interest
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	4,722,104	324,105
2028-2032	3,548,853	364,181
2033-2037	618,255	52,405
	<u>\$ 25,431,389</u>	<u>\$ 4,218,959</u>

Certificates of Participation (COP) Bonds Payable, and Notes from Direct Borrowing

Bonds issued by County of Monterey 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, 2022

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 County of Monterey Public Improvement Corporation and are payable from and secured by rental lease payments made by the County of Monterey, 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 County of Monterey Public Improvement Corporation and are payable from and secured by rental lease payments made by the County of Monterey, 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 were used 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, 2022

Note 8: Long-Term Liabilities (continued)

The Certificates of Participation are obligations of the County of Monterey Public Improvement Corporation and are payable from and secured by rental lease payments made by the County of Monterey, 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, 2022

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, the County of Monterey 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 judgment 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 judgment, 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, 2022

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 \$790,000 and interest paid was \$965,638. Net pledged revenues for the fiscal year ended June 30, 2022, were \$4,115,717.

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	\$ 999,616,420	\$ 136,237,760
Unamortized Losses on Refunding Debts	336,823	178,627
Unamortized Gains on Refunding Debts	(658,657)	(167,776)
Outstanding Capital-Related Accounts Payable and Retainage	(8,907,749)	(1,389,198)
Outstanding Principal of Capital-Related Debt	<u>(185,550,064)</u>	<u>(29,893,960)</u>
Net Investment in Capital Assets	<u>\$ 804,836,773</u>	<u>\$ 104,965,453</u>

The government-wide statement of net position reports \$385,812,716 of restricted net position, of which \$20,331,570 is restricted by enabling legislation.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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, 2022, is as follows:

	General	Road	Behavioral Health	Facility Master Plan Implementation	Other Governmental Funds	Total
Nonspendable:						
Inventory and Prepaid Items	\$ 674,762	\$ 86,395	\$ -	\$ -	\$ -	\$ 761,157
Total Nonspendable	<u>674,762</u>	<u>86,395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>761,157</u>
Restricted for:						
Capital Projects	-	-	-	73,321,380	-	73,321,380
Debt Service	-	-	-	-	1,034,990	1,034,990
Education	-	-	-	-	6,097,793	6,097,793
General Government	6,234,731	-	-	-	3,270,862	9,505,593
Health and Sanitation	21,538,939	-	61,287,939	-	63,230,880	146,057,758
Housing and Redevelopment	-	-	-	-	8,824,049	8,824,049
Public Assistance	5,799,974	-	-	-	40,780,447	46,580,421
Public Protection	4,389,072	-	-	-	41,051,790	45,440,862
Public Ways and Facilities	-	18,229,681	-	-	-	18,229,681
Recreation and Cultural Services	153,733	-	-	-	-	153,733
Section 115 Pension Trust	16,596,448	-	-	-	-	16,596,448
Total Restricted	<u>54,712,897</u>	<u>18,229,681</u>	<u>61,287,939</u>	<u>73,321,380</u>	<u>164,290,811</u>	<u>371,842,708</u>
Committed for:						
County Service Areas	-	-	-	-	12,059,207	12,059,207
General Government	-	-	-	-	1,855,125	1,855,125
Health and Sanitation	-	-	-	-	403,598	403,598
Other Water Resources Agencies	-	-	-	-	19,653,249	19,653,249
Public Ways and Facilities	-	-	-	-	2,603,989	2,603,989
Strategic Reserve - General Fund	79,335,461	-	-	-	-	79,335,461
Strategic Reserve - NMC	25,000,000	-	-	-	-	25,000,000
Total Committed	<u>104,335,461</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,575,168</u>	<u>140,910,629</u>
Assigned to:						
Cannabis Tax	14,296,681	-	-	-	-	14,296,681
Capital Project	1,072,894	-	-	-	3,637,733	4,710,627
Contingency	7,933,546	-	-	-	-	7,933,546
Debt Service	-	-	-	-	850,943	850,943
General Capital Assignment	1,076,700	-	-	-	-	1,076,700
General Government	815,112	-	-	-	-	815,112
Health Clinic	1,520,000	-	-	-	-	1,520,000
Information Tech Charges	-	-	-	-	-	-
Mitigation	2,061,209	-	-	-	-	2,061,209
Pension Trust	46,044,147	-	-	-	-	46,044,147
Public Safety Sales Tax Revenue	2,376,910	-	-	-	-	2,376,910
Social Services	9,743	-	-	-	-	9,743
Terminations	9,527,138	-	-	-	-	9,527,138
Total Assigned	<u>86,734,080</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,488,676</u>	<u>91,222,756</u>
Unassigned						
	<u>4,993,253</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,469)</u>	<u>4,991,784</u>
Total Fund Balances	<u>\$ 251,450,453</u>	<u>\$ 18,316,076</u>	<u>\$ 61,287,939</u>	<u>\$ 73,321,380</u>	<u>\$ 205,353,186</u>	<u>\$ 609,729,034</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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 PEPR (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, 2022

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	18.94%	18.94%	51.74%	51.74%	41.26%	8.39%
Status	Closed	Open	Closed	Open	Closed	Open

*Safety bargaining units A, B, L, M, N employees contribute 3.0% of the 51.74% 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	3,863	703	69
Inactive Employees Entitled to but Not Yet Receiving Benefits (Transferred + Terminated)	4,491	299	48
Active Employees	4,663	523	31
Totals	13,017	1,525	148

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, 2021, the actual employee and employer contribution rates are listed under the Plans' Provisions table.

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, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 10: Pension Plans (continued)

B. Net Pension Liability (continued)

Actuarial Assumptions

The June 30, 2021 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	2.50 %	2.50 %	2.50 %
Salary Increases	Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service
Payroll Growth	2.75 %	2.75 %	2.75 %
Investment Rate of Return	7.00% 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.	7.00% 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.	7.00% 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.
Retirement Age	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	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.	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.	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.

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, 2022

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.

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

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

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 10: Pension Plans (continued)

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, 2021, 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, 2020, rolled forward to June 30, 2021, using standard update procedures.

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, 2020	\$ 2,056,830,658	\$ 1,572,101,497	\$ 484,729,161
Changes in the Year:			
Service Cost	51,957,059	-	51,957,059
Interest on Total Pension Liability	144,989,554	-	144,989,554
Changes in Benefit Terms	-	-	-
Changes in Assumptions	-	-	-
Differences Between Expected and Actual Experience	(4,686,097)	-	(4,686,097)
Benefit Payments, Including Refunds of Employee Contributions	(93,169,857)	(93,169,857)	-
Administrative Expenses	-	(1,567,599)	1,567,599
Plan to Plan Resource Movement	-	24,847	(24,847)
Contributions - Employees	-	25,577,000	(25,577,000)
Contributions - Employer	-	64,574,735	(64,574,735)
Net Investment Income	-	355,584,878	(355,584,878)
Change in Employer's Proportionate Share	(3,712,229)	(2,837,376)	(874,853)
Net Changes	95,378,430	348,186,628	(252,808,198)
Balance at June 30, 2021	\$ 2,152,209,088	\$ 1,920,288,125	\$ 231,920,963

	County Safety Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2020	\$ 766,631,827	\$ 505,321,879	\$ 261,309,948
Changes in the Year:			
Service Cost	15,718,459	-	15,718,459
Interest on Total Pension Liability	54,101,304	-	54,101,304
Changes in Benefit Terms	-	-	-
Changes of Assumptions	-	-	-
Differences Between Expected and Actual Experience	276,279	-	276,279
Benefit Payments, Including Refunds of Employee Contributions	(36,211,499)	(36,211,499)	-
Administrative Expenses	-	(504,786)	504,786
Plan to Plan Resource Movement	-	(25,772)	25,772
Contributions - Employees	-	5,555,960	(5,555,960)
Contributions - Employer	-	27,346,968	(27,346,968)
Net Investment Income	-	115,057,327	(115,057,327)
Net Changes	33,884,543	111,218,198	(77,333,655)
Balance at June 30, 2021	\$ 800,516,370	\$ 616,540,077	\$ 183,976,293

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, 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, 2020	\$ 35,330,133	\$ 26,280,471	\$ 9,049,662
Net Changes During Measurement Period	1,025,392	4,705,974	(3,680,582)
Balance at June 30, 2021	<u>\$ 36,355,525</u>	<u>\$ 30,986,445</u>	<u>\$ 5,369,080</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	\$ 521,637,792	\$ 294,023,836	\$ 10,169,133
Current Discount Rate	7.15 %	7.15 %	7.15 %
Net Pension Liability	231,920,963	\$ 183,976,293	\$ 5,369,080
1% Increase	8.15 %	8.15 %	8.15 %
Net Pension Liability	\$ (7,547,988)	\$ 93,525,707	\$ 1,400,945

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, 2022, the County recognized pension expense of \$100,426,848 for its Miscellaneous (County MP), \$(1,457,175) Safety (County SP) plans; and \$2,008,947 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, 2022

Note 10: Pension Plans (continued)

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

At June 30, 2022, 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	\$ -	\$ (694,010)	\$ -	\$ (84,007)	\$ -	\$ -	\$ -	\$ (778,017)
Differences Between Expected and Actual Experience	6,838,245	(3,543,146)	4,883,469	-	602,085	-	12,323,799	(3,543,146)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(176,490,695)	-	(57,333,152)	-	(4,686,923)	-	(238,510,770)
Differences Between Employer's Contributions and Proportionate Share of Contributions	-	-	-	-	-	(570,506)	-	(570,506)
Change in Employer's Proportion Pension Contributions Subsequent to the Measurement Date	-	-	-	-	144,156	(19,173)	144,156	(19,173)
	<u>89,459,097</u>	<u>-</u>	<u>9,995,152</u>	<u>-</u>	<u>972,599</u>	<u>-</u>	<u>100,426,848</u>	<u>-</u>
Total	<u>\$ 96,297,342</u>	<u>\$ (180,727,851)</u>	<u>\$ 14,878,621</u>	<u>\$ 57,417,159</u>	<u>\$ 1,718,840</u>	<u>\$ 5,276,602</u>	<u>\$ 112,894,803</u>	<u>\$ (243,421,612)</u>

\$100,426,848 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, 2023. 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
2023	\$ (41,022,109)	\$ (11,440,877)	\$ (1,070,967)	\$ (53,533,953)
2024	(40,533,578)	(11,569,708)	(1,060,923)	(53,164,209)
2025	(43,471,995)	(13,704,804)	(1,103,246)	(58,280,045)
2026	(48,861,926)	(15,818,301)	(1,295,223)	(65,975,450)
Thereafter	-	-	-	-
	<u>\$ (173,889,608)</u>	<u>\$ (52,533,690)</u>	<u>\$ (4,530,359)</u>	<u>\$ (230,953,657)</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.

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 (\$149 per month in 2022) towards the retiree monthly premium for eligible retirees participating in PEMHCA.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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

A. General Information about the OPEB Plan (continued)

Participants Covered by Benefit Terms

At the June 30, 2021 measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit	
Payments	1,158
Inactive Employees Entitled to but Not Yet Receiving Benefit	
Payments	1,641
Active Employees	<u>5,282</u>
Total	<u><u>8,081</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, 2022, the County paid a total of \$8,285,096 to the OPEB trust (CERBT). Of this amount, \$2,069,096 was paid for healthcare insurance benefits for eligible retirees, \$1,572,000 was an implicit rate subsidy, and \$4,644,000 was paid to fund future retirees' healthcare.

B. Net OPEB Liability

The County reported a net OPEB liability of \$29,270,242 at June 30, 2022. The County's OPEB liability was measured as of June 30, 2021, the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021, updated to June 30, 2022.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Salary Increases	Aggregate 2.75% and merit increases based on CalPERS 1997-2015 Experience Study
Medical Trend	Non-Medicare - 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Non-Kaiser) - 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Kaiser) - 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076
PEMHCA Minimum Increases	4.00% annually
Discount Rate	6.25%
Investment Rate of Return	6.75% - expected County contributions projected to keep sufficient plan assets to pay all benefits from trust
Inflation	2.50% 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 2.50 percent long-term inflation assumption.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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%	4.56%
Fixed Income	25%	0.78%
Treasury Inflation-Protected Securities (TIPS)	5%	(0.08)%
Real Estate Investment Trusts (REITs)	8%	4.06%
Commodities	3%	1.22%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.25 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:

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balance at 6/30/2021	\$ 86,841,264	\$ 47,753,003	\$ 39,088,261
Changes for the Year:			
Service Cost	3,814,910	-	3,814,910
Interest	6,006,563	-	6,006,563
Differences Between Expected and Actual Experience	(1,594,479)	-	(1,594,479)
Assumption Changes	4,142,352	-	4,142,352
Contributions - Employer	-	8,547,855	(8,547,855)
Net investment Income	-	13,678,179	(13,678,179)
Benefit Payments	(3,340,093)	(3,340,093)	-
Administrative Expense	-	(38,668)	38,668
Net Changes	<u>9,029,253</u>	<u>18,847,273</u>	<u>(9,818,020)</u>
Balances at 6/30/2022	<u>\$ 95,870,517</u>	<u>\$ 66,600,276</u>	<u>\$ 29,270,242</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 (5.25 percent) or 1-percent-point higher (7.25 percent) than the current discount rate:

	<u>1% Decrease (5.25%)</u>	<u>Discount Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
Net OPEB Liability (Asset)	\$ 42,490,203	\$ 29,270,242	\$ 18,326,345

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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-percent-point higher than the current healthcare cost trend rate:

	1% Decrease	Current Trend	1% Increase
Net OPEB Liability (Asset)	\$ 16,477,835	\$ 29,270,242	\$ 45,242,303

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, 2022, the County recognized OPEB expense of \$4,965,836, and the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	\$ 1,579,350	\$ 7,366,606
Differences Between Expected and Actual Experience	3,719,664	1,431,778
Changes of Assumptions	8,306,601	268,771
Employer Contributions Made Subsequent to the Measurement Date	13,605,615	9,067,155
Total	\$ 13,605,615	\$ 9,067,155

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, 2023. The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB are recognized in OPEB expenses as follows:

Year Ending June 30,	Amount
2023	\$ (1,357,529)
2024	(1,287,029)
2025	(1,321,524)
2026	(1,611,668)
2027	447,213
Thereafter	1,362,396

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.

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 \$5,000 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 \$1,062,605 in 2021.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 12: Joint Powers Agreement (continued)

Condensed financial information of the Program for the calendar year ended December 31, 2021, (audited by Larson & Rosenberger LLP) is as follows:

Cash and Investments	\$ 661,946,360
Other Assets	<u>81,542,710</u>
Total Assets	<u>\$ 743,489,070</u>
Loss Reserves	\$ 314,132,861
Other Liabilities	141,975,443
Net Position	<u>287,380,766</u>
Total Liabilities and Net Position	<u>\$ 743,489,070</u>
Total Revenues	\$ 157,044,979
Total Expenses	<u>(140,158,995)</u>
Revenue in Excess of Expenses Before Member Surplus Funds Contributed, Change in Net Unrealized Gains on Investments, and Member Dividends	<u>\$ 16,885,984</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, 2022, is as follows:

Current Assets	\$ 30,120,743
Other Assets	7,106,221
Capital Assets, Net	42,210,712
Deferred Outflows of Resources	<u>4,236,503</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 83,674,179</u>
Closure Liability	\$ 5,437,955
Other Liabilities	<u>46,634,075</u>
Total Liabilities	\$ 52,072,030
Deferred Inflows of Resources	<u>921,940</u>
Net Position (Deficit)	<u>\$ 30,680,209</u>
Total Operating Revenues	\$ 25,187,667
Total Operating Expenses	(18,055,241)
Other Revenues and Expenses	<u>(1,366,022)</u>
Change in Net Position	<u>\$ 5,766,404</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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:

Landfill Site	Post Closure Activities	Groundwater Monitoring	Post Closure Liability
Bradley	\$ 36,553	\$ 10,000	\$ 46,553
San Ardo I	33,751	10,000	43,751
Lake San Antonio North Shore	33,919	10,000	43,919
San Ardo II	16,553	-	16,553
Parkfield I	1,500	-	1,500
Parkfield II	11,476	-	11,476
Chualar	13,919	-	13,919
Arroyo Seco / Greenfield	13,751	-	13,751
Lockwood	13,751	-	13,751
Pleto Road	3,775	-	3,775
Totals	<u>\$ 178,948</u>	<u>\$ 30,000</u>	208,948
Landfill costs as of June 30, 2022			<u>13,428,039</u>
Total Estimated Costs to June 30, 2023			<u>\$ 13,636,987</u>

Post closure activities is comprised of costs which are estimated for the remaining year. 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, 2022. 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, 2022

Note 14: Commitments and Contingencies

In prior years, the Monterey County Water Resources Agency (MCWRA), a blended component unit of the County of Monterey, entered into an agreement with the Monterey One Water/M1W (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, 2022, the outstanding loan balances of the Monterey One Water related to the above project are as follows:

Loan From the Bureau of Reclamation	\$ 9,573,763
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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, 2022, 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, 2022, 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, 2022

Note 14: Commitments and Contingencies (continued)

Construction Commitments

At June 30, 2022, the County had ongoing construction commitments that totaled approximately \$493.1 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, 2022 from both issues was \$19,405,000 (total balances of 2016 Series of \$8,910,000 and the 2019 Series of \$10,495,000). 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, 2022:

Revenue at Established Rates	\$ 1,379,358,363
Medicare Contractual Allowance	(246,289,857)
Medi-Cal Contractual Allowance	(617,909,210)
Allowances for Other Payors and Indigent Accounts	(165,371,007)
Provision for Bad Debts	<u>(42,945,105)</u>
Net Patient Service Revenue Before Additional Funding	<u>306,843,184</u>
California's Medi-Cal Hospital Waiver	45,805,690
Managed Care Supplemental Funding	51,625,506
Senate Bill 1732	<u>1,879,373</u>
Additional Funding	<u>99,310,569</u>
Net Patient Service Revenue	<u><u>406,153,753</u></u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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 County of Monterey 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, 2022, patients for which reimbursement was calculated under the third-party payor programs comprised approximately 23.5% of the Center’s gross patient service revenues, as follows:

Other Third Parties	23.5 %
Medi-Cal	53.9 %
Medicare	22.2 %
Short Doyle	0.4 %
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.

The California Department of Health Care Services (DHCS) announced the approval of California Advancing and Innovating Medi-Cal (CalAIM) by the Center for Medicare and Medicaid Services (CMS) in December 2021.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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

CalAIM implementation began on January 1, 2022 and will continue through December 31, 2026 as a coordinated commitment to make Medi-Cal more equitable and person centered. CalAIM renews the Global Payment Program to provide a statewide pool of funding for the remaining uninsured population in California. As a global program, it includes annual DSH funds and 5 years of SNCP. In total, the Center estimated waiver payments of approximately \$45.8 million for the year ended June 30, 2022.

PRIME payments from the previous 2015 waiver have transition to QIP (Quality Incentive Program). Public hospitals will continue to receive funds to improve patient care quality under the Direct Payment program from DHCS (Department of Health Care Services). The Center estimates a total of \$35.0 million of Directed Payments as of June 30, 2022.

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, 2021, through July 31, 2022. 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 2022 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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

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

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, 2022, the Center recorded revenue of \$3.7 million, included in managed care and other funding.

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 \$1.9 million for 2022.

Coronavirus Relief Fund Cares Act - The CARES Act established the Coronavirus Relief Fund and appropriated \$150 billion to the fund (the "Fund"). Under the CARES Act, the Fund is to be used to make payments for specified uses to States and certain local government. The CARES Act provides that payments from the Fund may only be used to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19), and were not accounted for in the budget most recently approved as of March 27, 2020, and were incurred during the period that begins on March 1, 2020 and still ongoing as of December 1, 2022. The Center received and recognized \$3.2 million during the FY21-22.

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, 2021, the Foundation has recorded \$45,678 of contracts and grant administration revenues.

The following is a summary of the program transactions for the year ended December 31, 2021:

Contracts and Grant Receipts	\$ 839,210
Disbursements	625,252

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 17: Related Party Transactions (continued)

Accounts payable of \$14,746 included \$424 due to the Center for payment of restricted funds and other expenses as of December 31, 2021.

The Foundation also has an agreement with the Center for January 1, 2020 through December 31, 2022 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 the Center's and Foundation's joint community relations" to philanthropically support the capital needs at the Center.

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 \$4,737,556 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 \$2,835,255. 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 \$1,952,119. 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 2021-22 and 2020-21 for all self-insurance risks are approximately as follows:

	<u>2021-22</u>	<u>2020-21</u>
Unpaid Claims, Beginning of Year	\$ 106,359,108	\$ 106,214,209
Estimated Claims Incurred	34,650,749	27,032,114
Claim Payments	<u>(28,724,856)</u>	<u>(26,887,214)</u>
Unpaid Claims, End of Year	<u>\$ 112,285,001</u>	<u>\$ 106,359,109</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 19: Stewardship, Compliance and Accountability

Deficit Fund Balances/Net Position

As of June 30, 2022, the Public Improvement Corporation debt service fund had a deficit net position of \$1,469. The deficit net position is due to unfavorable fair value adjustment to investments and will be reduced through the receipt of investment income in future years.

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 the County of Monterey 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 the County of Monterey in 1998. This measure ensures that prime farmland will get an additional 35% reduction in taxable value.

For the fiscal year ended June 30, 2022, Williamson Act related tax abatements were approximately \$10.2 million.

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, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 3,814,910	\$ 3,703,796	\$ 3,405,703	\$ 3,306,508	\$ 3,210,000
Interest	6,006,563	5,583,220	5,053,963	4,689,517	4,348,000
Changes of Benefit Terms	-	-	-	-	-
Difference Between Expected and Actual Experience	(1,594,479)	-	2,256,217	-	-
Changes of Assumptions	4,142,352	-	(383,959)	-	-
Benefit Payments, Including Refunds of Employee Contributions	(3,340,093)	(2,912,657)	(2,665,673)	(2,726,371)	(2,453,000)
Net Change in Total OPEB Liability	9,029,253	6,374,359	7,666,251	5,269,654	5,105,000
Total OPEB Liability - Beginning	86,841,264	80,466,905	72,800,654	67,531,000	62,426,000
Total OPEB Liability - Ending (a)	<u>\$ 95,870,517</u>	<u>\$ 86,841,264</u>	<u>\$ 80,466,905</u>	<u>\$ 72,800,654</u>	<u>\$ 67,531,000</u>
Plan Fiduciary Net Position					
Contributions - Employer	8,547,855	8,518,191	7,303,971	6,972,371	5,073,000
Contributions - Employee	-	-	-	-	-
Net Investment Income	13,678,179	1,424,586	2,132,823	2,217,043	2,387,000
Benefit Payments, Including Refunds of Employee Contributions	(3,340,093)	(2,912,657)	(2,665,673)	(2,726,371)	(2,453,000)
Administrative Expenses	(38,668)	(41,405)	(24,617)	(51,259)	(12,000)
Net Change in Fiduciary Net Position	18,847,273	6,988,715	6,746,504	6,411,784	4,995,000
Plan Fiduciary Net Position - Beginning	47,753,003	40,764,288	34,017,784	27,606,000	22,611,000
Plan Fiduciary Net Position - Ending (b)	<u>\$ 66,600,276</u>	<u>\$ 47,753,003</u>	<u>\$ 40,764,288</u>	<u>\$ 34,017,784</u>	<u>\$ 27,606,000</u>
Plan Net OPEB Liability/(Asset) - Ending (a) - (b)	<u>\$ 29,270,242</u>	<u>\$ 39,088,261</u>	<u>\$ 39,702,617</u>	<u>\$ 38,782,870</u>	<u>\$ 39,925,000</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	69.47 %	54.99 %	50.66 %	46.73 %	40.88 %
Covered Employee Payroll**	\$471,499,897	\$440,092,562	\$416,355,728	\$399,446,000	\$330,588,000
Plan Net OPEB Liability/(Asset) as a Percentage of Covered-Employee Payroll	6.21 %	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, 2021 (Measurement Date).

County of Monterey
Required Supplementary Information
Schedule of OPEB Contributions
Last Ten Fiscal Years*
June 30, 2022

	2022	2021	2020	2019	2018
Actuarially Determined Contribution	\$ 8,331,000	\$ 8,083,000	\$ 8,252,000	\$ 7,620,000	\$ 7,165,000
Contributions in Relation to the Actuarially Determined Contribution	<u>(8,306,601)</u>	<u>(8,547,856)</u>	<u>(8,518,191)</u>	<u>(7,303,971)</u>	<u>(6,972,000)</u>
Contribution Deficiency (Excess)	<u>\$ 24,399</u>	<u>\$ (464,856)</u>	<u>\$ (266,191)</u>	<u>\$ 316,029</u>	<u>\$ 193,000</u>
Covered Employee Payroll**	\$ 499,678,857	\$ 471,499,897	\$ 440,092,562	\$ 416,355,728	\$ 399,446,000
Contribution as a Percentage of Covered-Employee Payroll	1.67 %	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, 2022 (fiscal year end).

Notes to Schedule

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 were from the June 30, 2021 valuation date.

Actuarial Cost Method	Entry Age Normal, Level percentage payroll
Amortization Method	Level percentage payroll
Amortization Period	Approximately 10 years remaining 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	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, 2022

	2021	2020	2019	2018
Total Pension Liability				
Service Cost	51,957,059	51,617,267	50,369,004	50,511,029
Interest on Total Pension Liability	144,989,554	138,432,251	130,692,556	122,660,308
Changes of Benefit Terms	-	-	-	-
Changes of Assumptions	-	-	-	(9,939,254)
Difference Between Expected and Actual Experience	(4,686,097)	2,301,184	19,748,290	85,675
Benefit Payments, Including Refunds of Employee Contributions	(93,169,857)	(87,051,224)	(80,679,185)	(74,721,030)
Change in Employer's Proportionate Share	(3,712,229)	8,125,807	(2,809,381)	156,095
Net Change in Total Pension Liability	<u>95,378,430</u>	<u>113,425,285</u>	<u>117,321,284</u>	<u>88,752,823</u>
Total Pension Liability - Beginning	<u>2,056,830,658</u>	<u>1,943,405,373</u>	<u>1,826,084,089</u>	<u>1,737,331,266</u>
Total Pension Liability - Ending (a)	<u><u>2,152,209,088</u></u>	<u><u>2,056,830,658</u></u>	<u><u>1,943,405,373</u></u>	<u><u>1,826,084,089</u></u>
Plan Fiduciary Net Pension				
Contributions - Employees	25,577,000	23,558,529	22,822,360	22,323,442
Contributions - Employer	64,574,735	56,554,357	48,611,102	42,227,433
Net Investment Income	355,584,878	75,252,306	93,238,275	111,633,416
Benefit Payments, Including Refunds of Employee Contributions	(93,169,857)	(87,051,224)	(80,679,185)	(74,721,030)
Administrative Expense	(1,567,599)	(2,122,715)	(1,010,833)	2,061,884
Plan to Plan Resource Movement	24,847	176,387	(4,280)	(3,284)
Other Miscellaneous Income/(Expense) ¹	-	-	3,279	(3,915,553)
Change in Employer's Proportionate Share	(2,837,376)	6,269,592	2,182,580	(118,875)
Net Change in Plan Fiduciary Net Position	<u>348,186,628</u>	<u>72,637,232</u>	<u>80,798,138</u>	<u>95,601,415</u>
Plan Fiduciary Net Position - Beginning ²	<u>1,572,101,497</u>	<u>1,499,464,265</u>	<u>1,418,666,127</u>	<u>1,323,064,712</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>1,920,288,125</u></u>	<u><u>1,572,101,497</u></u>	<u><u>1,499,464,265</u></u>	<u><u>1,418,666,127</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>231,920,963</u></u>	<u><u>484,729,161</u></u>	<u><u>443,941,108</u></u>	<u><u>407,417,962</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.22	76.43	77.16	77.69
Covered Payroll	361,913,221	342,855,089	334,031,327	319,646,331
Net Pension Liability as a Percentage of Covered Payroll	64.08	141.38	132.90	127.46

County of Monterey
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Miscellaneous Plan
June 30, 2022

	2017	2016	2015	2014
Total Pension Liability				
Service Cost	48,599,853	41,097,374	38,758,180	37,919,451
Interest on Total Pension Liability	116,595,855	110,554,592	104,227,023	98,401,770
Changes of Benefit Terms	-	-	-	-
Changes of Assumptions	98,334,006	-	(25,708,249)	-
Difference Between Expected and Actual Experience	(1,897,655)	3,021,512	(5,164,441)	-
Benefit Payments, Including Refunds of Employee Contributions	(68,551,573)	(63,987,386)	(59,645,438)	(54,905,897)
Change in Employer's Proportionate Share	(16,871)	4,560,083	-	-
Net Change in Total Pension Liability	<u>193,063,615</u>	<u>95,246,175</u>	<u>52,467,075</u>	<u>81,415,324</u>
Total Pension Liability - Beginning	<u>1,544,267,651</u>	<u>1,449,021,476</u>	<u>1,396,554,401</u>	<u>1,315,139,077</u>
Total Pension Liability - Ending (a)	<u><u>1,737,331,266</u></u>	<u><u>1,544,267,651</u></u>	<u><u>1,449,021,476</u></u>	<u><u>1,396,554,401</u></u>
Plan Fiduciary Net Pension				
Contributions - Employees	21,055,994	20,475,011	19,027,910	18,329,326
Contributions - Employer	40,333,457	37,466,772	31,775,780	27,839,162
Net Investment Income	133,502,263	6,337,893	26,539,331	175,983,207
Benefit Payments, Including Refunds of Employee Contributions	(68,551,573)	(63,987,386)	(59,645,438)	(54,905,897)
Administrative Expense	1,769,495	730,695	1,352,697	-
Plan to Plan Resource Movement	177	(492)	(466,265)	-
Other Miscellaneous Income/(Expense) ¹	-	-	-	-
Change in Employer's Proportionate Share	13,094	(3,500,759)	-	-
Net Change in Plan Fiduciary Net Position	<u>124,557,729</u>	<u>3,061,862</u>	<u>15,878,621</u>	<u>167,245,798</u>
Plan Fiduciary Net Position - Beginning ²	<u>1,198,506,983</u>	<u>1,195,445,121</u>	<u>1,179,566,500</u>	<u>1,012,320,702</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>1,323,064,712</u></u>	<u><u>1,198,506,983</u></u>	<u><u>1,195,445,121</u></u>	<u><u>1,179,566,500</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>414,266,554</u></u>	<u><u>345,760,668</u></u>	<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	76.16	77.61	82.50	84.46
Covered Payroll	311,248,370	292,258,379	269,289,126	259,499,676
Net Pension Liability as a Percentage of Covered Payroll	133.10	118.31	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 of year 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, 2022

Notes to Schedule:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the measurement date. 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 2019-2021. 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*
Safety Plan
June 30, 2022

	2021	2020	2019	2018
Total Pension Liability				
Service Cost	15,718,459	15,838,695	15,464,570	14,949,233
Interest on Total Pension Liability	54,101,304	51,745,784	48,986,308	46,316,764
Changes of Benefit Terms	-	-	-	-
Changes of assumptions	-	-	-	(3,444,367)
Differences Between Expected and Actual Experience	276,279	6,059,438	5,570,582	6,304,456
Benefit Payments, Including Refunds of Employee Contributions	<u>(36,211,499)</u>	<u>(33,501,121)</u>	<u>(30,705,510)</u>	<u>(28,810,424)</u>
Net Change in Total Pension Liability	<u>33,884,543</u>	<u>40,142,796</u>	<u>39,315,950</u>	<u>35,315,662</u>
Total Pension Liability - Beginning	<u>766,631,827</u>	<u>726,489,031</u>	<u>687,173,081</u>	<u>651,857,419</u>
Total Pension Liability - Ending (a)	<u>800,516,370</u>	<u>766,631,827</u>	<u>726,489,031</u>	<u>687,173,081</u>
Plan Fiduciary Net Pension				
Contributions - Employer	27,346,968	24,808,113	21,517,685	18,792,681
Contributions - Employee	5,555,960	5,418,497	5,279,736	(5,017,206)
Net Investment Income	115,057,327	24,260,752	30,253,634	(36,255,035)
Benefit Payments, Including Refunds of Employee Contributions	(36,211,499)	(33,501,121)	(30,705,510)	(28,810,424)
Administrative Expense	(504,786)	(684,016)	327,680	669,852
Plan to Plan Resource Movement	(25,772)	(182,620)	4,450	(1,066)
Other Miscellaneous Income/(Expense) ¹	-	-	1,066	(1,272,060)
Net Change in Plan Fiduciary Net Position	111,218,198	20,119,605	26,023,381	29,311,520
Plan Fiduciary Net Position - Beginning ²	<u>505,321,879</u>	<u>485,202,274</u>	<u>459,178,893</u>	<u>429,867,373</u>
Plan Fiduciary Net Position - Ending (b)	<u>616,540,077</u>	<u>505,321,879</u>	<u>485,202,274</u>	<u>459,178,893</u>
Net Pension Liability - Ending (a) - (b)	<u>183,976,293</u>	<u>261,309,948</u>	<u>241,286,757</u>	<u>227,994,188</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.02	65.91	66.79	66.82
Covered Payroll	56,974,339	57,172,913	55,585,077	53,292,119
Net Pension Liability as a Percentage of Covered Payroll	322.91	457.05	434.09	427.82

continued

County of Monterey
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Safety Plan
June 30, 2022

	2017	2016	2015	2014
Total Pension Liability				
Service Cost	14,648,978	13,120,502	12,994,101	12,851,917
Interest on Total Pension Liability	43,913,660	42,184,786	40,037,212	37,995,536
Changes of Benefit Terms	-	-	-	-
Changes of assumptions	38,100,026	-	(10,182,750)	-
Differences Between Expected and Actual Experience	(5,484,464)	(1,088,628)	(1,418,672)	-
Benefit Payments, Including Refunds of Employee Contributions	<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>64,062,602</u>	<u>29,446,011</u>	<u>18,334,496</u>	<u>28,818,790</u>
Total Pension Liability - Beginning	<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>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	16,846,914	15,456,197	14,143,949	14,444,054
Contributions - Employee	(4,697,110)	(4,714,002)	(4,623,587)	(4,670,204)
Net Investment Income	(43,510,662)	(2,016,611)	(8,668,988)	(58,212,266)
Benefit Payments, Including Refunds of Employee Contributions	(27,115,598)	(24,770,649)	23,095,395	22,028,663
Administrative Expense	579,512	240,935	444,425	-
Plan to Plan Resource Movement	(184)	-	483,447	-
Other Miscellaneous Income/(Expense) ¹	-	-	-	-
Net Change in Plan Fiduciary Net Position	<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>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>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>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	65.94	66.78	70.80	72.40
Covered Payroll	50,658,579	52,065,484	50,805,839	48,098,494
Net Pension Liability as a Percentage of Covered Payroll	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 of year adjustment.

continued

County of Monterey
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Safety Plan
June 30, 2022

Notes to Schedule:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the measurement date. 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 2019-2021. 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, 2022

	2021	2020	2019	2018	2017	2016	2015	2014
MCWRA's Proportion of the Net Pension Liability/(Asset)	0.18 %	0.19 %	0.19 %	0.19 %	0.19 %	0.19 %	0.18 %	0.08 %
MCWRA's Proportionate Share of Net Pension Liability/(Asset)	5,369,080	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	3,345,282	3,345,135	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	160.50 %	270.53 %	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	85.23 %	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: None in 2019-2021. 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, 2022

Miscellaneous Plan

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	69,096,628	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>(89,459,096)</u>	<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>(20,362,468)</u>	<u>(19,494,355)</u>	<u>(7,354,191)</u>	<u>(344,283)</u>	<u>(12,153,024)</u>	<u>(12,717,233)</u>	<u>(424,427)</u>	<u>(525,391)</u>	<u>-</u>
Covered Payroll**	372,206,845	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	24.03 %	23.20 %	18.98 %	14.92 %	13.74 %	13.03 %	12.96 %	11.99 %	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 Supplemental Information
Schedule of Pension Contributions
 Last Ten Fiscal Years*
 June 30, 2022

Safety Plan

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	30,808,950	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	(9,995,151)	(10,224,022)	(16,799,835)	(20,669,311)	(17,488,488)	(15,533,142)	(14,051,250)	(12,545,370)	(14,444,054)
Contribution Deficiency (Excess)	<u>20,813,799</u>	<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**	56,974,339	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	17.54 %	17.88 %	30.11 %	37.19 %	32.82 %	30.66 %	26.99 %	24.69 %	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, 2022

MCWRA Plan

	<u>2022</u>	<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	1,029,475	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>(972,599)</u>	<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>56,876</u>	<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**	3,345,282	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	29.07 %	26.41 %	24.14 %	20.31 %	18.25 %	17.11 %	16.44 %	11.44 %	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*.

SUPPLEMENTARY INFORMATION



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County of Monterey

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2022

	Special Revenue	Debt Service	Capital Projects	Total
Assets				
Cash and Investments:				
Held in County Treasury	\$ 171,198,080	\$ 1,884,919	\$ 4,051,395	\$ 177,134,394
Held with Trustee	1,307,681	266	-	1,307,947
Imprest Cash	1,800	-	-	1,800
Receivables (Net)	22,070,788	1,112	886,355	22,958,255
Due from Other Funds	198,000	-	-	198,000
Loans and Notes Receivable	20,523,289	-	14,950	20,538,239
Lease Receivable	951,520	-	-	951,520
Total Assets	<u>\$ 216,251,158</u>	<u>\$ 1,886,297</u>	<u>\$ 4,952,700</u>	<u>\$ 223,090,155</u>
Liabilities				
Vouchers and Accounts Payable	\$ 4,731,123	\$ 1,500	\$ 306,947	\$ 5,039,570
Accrued Salaries and Benefits	1,403,471	-	-	1,403,471
Due to Other Funds	856,500	-	-	856,500
Deposits from Others	471,142	-	100,805	571,947
Unearned Revenues	2,625	-	22,146	24,771
Total Liabilities	<u>7,464,861</u>	<u>1,500</u>	<u>429,898</u>	<u>7,896,259</u>
Deferred Inflows of Resources				
Unavailable Revenue	8,003,636	333	885,069	8,889,038
Deferred Inflows from Leases	951,672	-	-	951,672
Total Deferred Inflows of Resources	<u>8,955,308</u>	<u>333</u>	<u>885,069</u>	<u>9,840,710</u>
Fund Balances				
Restricted	163,255,821	1,034,990	-	164,290,811
Committed	36,575,168	-	-	36,575,168
Assigned	-	850,943	3,637,733	4,488,676
Unassigned	-	(1,469)	-	(1,469)
Total Fund Balances	<u>199,830,989</u>	<u>1,884,464</u>	<u>3,637,733</u>	<u>205,353,186</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 216,251,158</u>	<u>\$ 1,886,297</u>	<u>\$ 4,952,700</u>	<u>\$ 223,090,155</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:				
Taxes	\$ 16,019,814	\$ -	\$ -	\$ 16,019,814
Licenses, Permits, and Franchises	109,495	-	-	109,495
Fines, Forfeitures, and Penalties	695,594	-	-	695,594
Revenue from Use of Money and Property	(217,932)	919,796	(122,729)	579,135
Aid from other Governmental Agencies	176,925,207	-	708,912	177,634,119
Charges for Services	30,042,889	14,913	-	30,057,802
Miscellaneous Revenues	2,571,500	-	157,047	2,728,547
Lease Revenue	509,749	-	-	509,749
Total Revenues	<u>226,656,316</u>	<u>934,709</u>	<u>743,230</u>	<u>228,334,255</u>
Expenditures:				
Current:				
General Government	12,864,986	-	-	12,864,986
Public Protection	22,690,916	-	-	22,690,916
Public Ways and Facilities	2,022,830	-	-	2,022,830
Health and Sanitation	4,227,167	-	-	4,227,167
Public Assistance	13,005,135	-	-	13,005,135
Education	10,211,736	-	-	10,211,736
Debt service:				
Principal	581,869	7,783,944	-	8,365,813
Interest and Debt Service Costs	112,531	6,594,328	-	6,706,859
Capital Outlay	458,497	-	5,092,586	5,551,083
Total Expenditures	<u>66,175,667</u>	<u>14,378,272</u>	<u>5,092,586</u>	<u>85,646,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>160,480,649</u>	<u>(13,443,563)</u>	<u>(4,349,356)</u>	<u>142,687,730</u>
Other Financing Sources (Uses):				
Transfers In	10,632,080	13,438,440	1,571,443	25,641,963
Transfers Out	(136,798,279)	-	-	(136,798,279)
Sale of Capital Assets	18,278	-	-	18,278
Leases (as Lessee)	458,497	-	-	458,497
Total Other Financing Sources (Uses)	<u>(125,689,424)</u>	<u>13,438,440</u>	<u>1,571,443</u>	<u>(110,679,541)</u>
Net Change in Fund Balances	34,791,225	(5,123)	(2,777,913)	32,008,189
Fund Balances, Beginning of Year, As Restated	<u>165,039,764</u>	<u>1,889,587</u>	<u>6,415,646</u>	<u>173,344,997</u>
Fund Balances, End of Year	<u>\$ 199,830,989</u>	<u>\$ 1,884,464</u>	<u>\$ 3,637,733</u>	<u>\$ 205,353,186</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 the County of Monterey.

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 the County of Monterey 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 the County of Monterey.

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

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, 2022

	<u>Library Fund</u>	<u>In-Home Support Services</u>	<u>Fish & Game Propagation Fund</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 6,585,130	\$ 3,729	\$ 102,764
Other Bank Accounts	-	-	-
Imprest cash	1,700	-	-
Receivables (Net)	283,759	557,542	-
Due from Other Funds	-	-	-
Loans and Notes Receivable	-	-	-
Lease Receivable	-	-	-
Total Assets	<u>\$ 6,870,589</u>	<u>\$ 561,271</u>	<u>\$ 102,764</u>
Liabilities			
Vouchers and Accounts Payable	\$ 362,795	\$ 2,755	\$ 39,813
Accrued Salaries and Benefits	142,256	112,847	-
Due to Other Funds	-	198,000	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>505,051</u>	<u>313,602</u>	<u>39,813</u>
Deferred Inflows of Resources			
Unavailable Revenue	267,745	156,100	-
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>267,745</u>	<u>156,100</u>	<u>-</u>
Fund Balances			
Restricted	6,097,793	91,569	62,951
Committed	-	-	-
Total Fund Balances	<u>6,097,793</u>	<u>91,569</u>	<u>62,951</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 6,870,589</u>	<u>\$ 561,271</u>	<u>\$ 102,764</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2022

	<u>Community Action Partnership</u>	<u>Inclusionary Housing</u>	<u>Community Development</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 67,716	\$ 523,189	\$ 3,098,173
Other Bank Accounts	-	-	1,307,681
Imprest cash	-	-	-
Receivables (Net)	209,350	-	3,217,206
Due from Other Funds	-	-	-
Loans and Notes Receivable	-	309,587	13,133,276
Lease Receivable	-	-	-
Total Assets	<u>\$ 277,066</u>	<u>\$ 832,776</u>	<u>\$ 20,756,336</u>
Liabilities			
Vouchers and Accounts Payable	\$ 29,125	\$ 3,001	\$ 1,239,866
Accrued Salaries and Benefits	235	397	-
Due to Other Funds	-	-	-
Deposits from Others	-	-	200,000
Unearned Revenues	-	-	-
Total Liabilities	<u>29,360</u>	<u>3,398</u>	<u>1,439,866</u>
Deferred Inflows of Resources			
Unavailable Revenue	9,378	-	2,459,142
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>9,378</u>	<u>-</u>	<u>2,459,142</u>
Fund Balances			
Restricted	238,328	-	16,857,328
Committed	-	829,378	-
Total Fund Balances	<u>238,328</u>	<u>829,378</u>	<u>16,857,328</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 277,066</u>	<u>\$ 832,776</u>	<u>\$ 20,756,336</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2022

	<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	\$ 2,184,427	\$ 99,257	\$ 47,802,565
Other Bank Accounts	-	-	-
Imprest cash	-	-	-
Receivables (Net)	12,412	715,343	5,635,941
Due from Other Funds	-	-	-
Loans and Notes Receivable	-	-	-
Lease Receivable	-	-	-
Total Assets	<u>\$ 2,196,839</u>	<u>\$ 814,600</u>	<u>\$ 53,438,506</u>
Liabilities			
Vouchers and Accounts Payable	\$ 65,792	\$ 519,095	\$ -
Accrued Salaries and Benefits	-	36,585	2,146
Due to Other Funds	-	-	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>65,792</u>	<u>555,680</u>	<u>2,146</u>
Deferred Inflows of Resources			
Unavailable Revenue	11,615	22,222	1,973,902
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>11,615</u>	<u>22,222</u>	<u>1,973,902</u>
Fund Balances			
Restricted	2,119,432	236,698	51,462,458
Committed	-	-	-
Total Fund Balances	<u>2,119,432</u>	<u>236,698</u>	<u>51,462,458</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,196,839</u>	<u>\$ 814,600</u>	<u>\$ 53,438,506</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2022

	<u>Homeland Security Grant</u>	<u>H&W Realignment</u>	<u>Emergency Communications & NGEN Operations</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 531,529	\$ 49,808,431	\$ 4,518,718
Other Bank Accounts	-	-	-
Imprest cash	-	-	-
Receivables (Net)	4,499	6,600,010	844,186
Due from Other Funds	-	198,000	-
Loans and Notes Receivable	-	-	-
Lease Receivable	-	-	-
Total Assets	<u>\$ 536,028</u>	<u>\$ 56,606,441</u>	<u>\$ 5,362,904</u>
Liabilities			
Vouchers and Accounts Payable	\$ 98,800	\$ -	\$ 258,935
Accrued Salaries and Benefits	52,167	-	787,360
Due to Other Funds	-	-	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>150,967</u>	<u>-</u>	<u>1,046,295</u>
Deferred Inflows of Resources			
Unavailable Revenue	4,499	-	20,000
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>4,499</u>	<u>-</u>	<u>20,000</u>
Fund Balances			
Restricted	380,562	56,606,441	3,270,862
Committed	-	-	1,025,747
Total Fund Balances	<u>380,562</u>	<u>56,606,441</u>	<u>4,296,609</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 536,028</u>	<u>\$ 56,606,441</u>	<u>\$ 5,362,904</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2022

	<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	\$ 3,578,625	\$ 13,471,499	\$ 2,654,701
Other Bank Accounts	-	-	-
Imprest cash	-	-	-
Receivables (Net)	-	-	2,247
Due from Other Funds	-	-	-
Loans and Notes Receivable	-	-	-
Lease Receivable	-	-	-
Total Assets	<u>\$ 3,578,625</u>	<u>\$ 13,471,499</u>	<u>\$ 2,656,948</u>
Liabilities			
Vouchers and Accounts Payable	\$ 16,205	\$ 26,569	\$ 50,712
Accrued Salaries and Benefits	-	-	-
Due to Other Funds	-	-	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>16,205</u>	<u>26,569</u>	<u>50,712</u>
Deferred Inflows of Resources			
Unavailable Revenue	-	-	2,247
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>2,247</u>
Fund Balances			
Restricted	3,562,420	13,444,930	-
Committed	-	-	2,603,989
Total Fund Balances	<u>3,562,420</u>	<u>13,444,930</u>	<u>2,603,989</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,578,625</u>	<u>\$ 13,471,499</u>	<u>\$ 2,656,948</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2022

	Agencies Under Board of Supervisors		
	Nacimiento Hydroelectric Operations	Other Water Resources Agencies	County Service Areas
Assets			
Cash and Investments:			
Held in County Treasury	\$ 1,415,686	\$ 20,358,017	\$ 12,147,825
Other Bank Accounts	-	-	-
Imprest cash	-	100	-
Receivables (Net)	27,465	2,297,494	83,464
Due from Other Funds	-	-	-
Loans and Notes Receivable	-	-	-
Lease Receivable	-	499,502	-
Total Assets	\$ 1,443,151	\$ 23,155,113	\$ 12,231,289
Liabilities			
Vouchers and Accounts Payable	\$ 15,341	\$ 1,617,568	\$ 94,056
Accrued Salaries and Benefits	6,369	226,398	-
Due to Other Funds	-	658,500	-
Deposits from Others	-	249,623	12,519
Unearned Revenues	-	-	2,625
Total Liabilities	21,710	2,752,089	109,200
Deferred Inflows of Resources			
Unavailable Revenue	17,943	1,644,525	62,882
Deferred Inflows from Leases	-	508,748	-
Total Deferred Inflows of Resources	17,943	2,153,273	62,882
Fund Balances			
Restricted	-	-	-
Committed	1,403,498	18,249,751	12,059,207
Total Fund Balances	1,403,498	18,249,751	12,059,207
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,443,151	\$ 23,155,113	\$ 12,231,289

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2022

Agencies Under Board of Supervisors

	<u>Sanitation Districts</u>	<u>Housing Successor</u>	<u>Total</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 625,242	\$ 1,620,857	\$ 171,198,080
Other Bank Accounts	-	-	1,307,681
Imprest cash	-	-	1,800
Receivables (Net)	86,242	1,493,628	22,070,788
Due from Other Funds	-	-	198,000
Loans and Notes Receivable	-	7,080,426	20,523,289
Lease Receivable	-	452,018	951,520
Total Assets	<u>\$ 711,484</u>	<u>\$ 10,646,929</u>	<u>\$ 216,251,158</u>
Liabilities			
Vouchers and Accounts Payable	\$ 251,788	\$ 38,907	\$ 4,731,123
Accrued Salaries and Benefits	36,711	-	1,403,471
Due to Other Funds	-	-	856,500
Deposits from Others	-	9,000	471,142
Unearned Revenues	-	-	2,625
Total Liabilities	<u>288,499</u>	<u>47,907</u>	<u>7,464,861</u>
Deferred Inflows of Resources			
Unavailable Revenue	19,387	1,332,049	8,003,636
Deferred Inflows from Leases	-	442,924	951,672
Total Deferred Inflows of Resources	<u>19,387</u>	<u>1,774,973</u>	<u>8,955,308</u>
Fund Balances			
Restricted	-	8,824,049	163,255,821
Committed	403,598	-	36,575,168
Total Fund Balances	<u>403,598</u>	<u>8,824,049</u>	<u>199,830,989</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 711,484</u>	<u>\$ 10,646,929</u>	<u>\$ 216,251,158</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2022

	<u>Library Fund</u>	<u>In-Home Support Services</u>	<u>Fish & Game Propagation Fund</u>
Revenues:			
Taxes	\$ 10,199,538	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-
Fines, Forfeitures, and Penalties	-	-	38,660
Revenue from Use of Money and Property	(149,432)	1,761	(1,995)
Aid from other Governmental Agencies	314,921	741,086	-
Charges for Services	32,502	-	-
Miscellaneous Revenues	403,145	-	-
Lease Revenue	-	-	-
Total Revenues	<u>10,800,674</u>	<u>742,847</u>	<u>36,665</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	-	-	39,567
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	-	817,126	-
Education	10,211,736	-	-
Debt Service:			
Principal	216,393	-	-
Interest and Debt Service Costs	52,757	-	-
Capital Outlay	371,145	-	-
Total Expenditures	<u>10,852,031</u>	<u>817,126</u>	<u>39,567</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(51,357)</u>	<u>(74,279)</u>	<u>(2,902)</u>
Other Financing Sources (Uses):			
Transfers In	382,648	69,679	10,500
Transfers Out	-	-	-
Sale of Capital Assets	16,920	-	-
Leases (as Lessee)	371,145	-	-
Total Other Financing Sources (Uses)	<u>770,713</u>	<u>69,679</u>	<u>10,500</u>
Net Change in Fund Balances	719,356	(4,600)	7,598
Fund Balances, Beginning of Year	<u>5,378,437</u>	<u>96,169</u>	<u>55,353</u>
Fund Balances, End of Year	<u>\$ 6,097,793</u>	<u>\$ 91,569</u>	<u>\$ 62,951</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2022

	<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	(3,099)	19,661	547,670
Aid from other Governmental Agencies	884,932	13,500	3,559,134
Charges for Services	-	5,630	-
Miscellaneous Revenues	-	-	24,134
Lease Revenue	-	-	-
Total Revenues	<u>881,833</u>	<u>38,791</u>	<u>4,130,938</u>
Expenditures:			
Current:			
General Government	-	227,453	-
Public Protection	-	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	898,916	-	3,099,698
Education	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Debt Service Costs	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>898,916</u>	<u>227,453</u>	<u>3,099,698</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(17,083)</u>	<u>(188,662)</u>	<u>1,031,240</u>
Other Financing Sources (Uses):			
Transfers In	954	-	-
Transfers Out	-	-	-
Sale of Capital Assets	-	-	-
Leases (as Lessee)	-	-	-
Total Other Financing Sources (Uses)	<u>954</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(16,129)	(188,662)	1,031,240
Fund Balances, Beginning of Year	<u>254,457</u>	<u>1,018,040</u>	<u>15,826,088</u>
Fund Balances, End of Year	<u>\$ 238,328</u>	<u>\$ 829,378</u>	<u>\$ 16,857,328</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2022

	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	656,934	-	-
Revenue from Use of Money and Property	(59,618)	2,080	-
Aid from other Governmental Agencies	-	7,854,437	87,236,344
Charges for Services	-	-	-
Miscellaneous Revenues	8,853	96,101	-
Lease Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>606,169</u>	<u>7,952,618</u>	<u>87,236,344</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	-	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	403,044	-	-
Public Assistance	-	8,189,395	-
Education	-	-	-
Debt Service:			
Principal	-	261,402	-
Interest and Debt Service Costs	-	45,493	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>403,044</u>	<u>8,496,290</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>203,125</u>	<u>(543,672)</u>	<u>87,236,344</u>
Other Financing Sources (Uses):			
Transfers In	-	596,728	-
Transfers Out	-	-	(69,422,519)
Sale of Capital Assets	-	-	-
Leases (as Lessee)	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	-	596,728	(69,422,519)
Net Change in Fund Balances	203,125	53,056	17,813,825
Fund Balances, Beginning of Year	<u>1,916,307</u>	<u>183,642</u>	<u>33,648,633</u>
Fund Balances, End of Year	<u>\$ 2,119,432</u>	<u>\$ 236,698</u>	<u>\$ 51,462,458</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2022

	<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	(20,025)	-	39,887
Aid from other Governmental Agencies	15,104	71,210,282	4,724,075
Charges for Services	-	-	8,038,034
Miscellaneous Revenues	2,531	-	12,036
Lease Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>(2,390)</u>	<u>71,210,282</u>	<u>12,814,032</u>
Expenditures:			
Current:			
General Government	-	-	12,477,165
Public Protection	529,162	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	-	-	-
Education	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Debt Service Costs	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>529,162</u>	<u>-</u>	<u>12,477,165</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(531,552)</u>	<u>71,210,282</u>	<u>336,867</u>
Other Financing Sources (Uses):			
Transfers In	-	3,367,970	1,602,097
Transfers Out	-	(63,084,386)	-
Sale of Capital Assets	-	-	-
Leases (as Lessee)	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	-	(59,716,416)	1,602,097
Net Change in Fund Balances	(531,552)	11,493,866	1,938,964
Fund Balances, Beginning of Year	<u>912,114</u>	<u>45,112,575</u>	<u>2,357,645</u>
Fund Balances, End of Year	<u>\$ 380,562</u>	<u>\$ 56,606,441</u>	<u>\$ 4,296,609</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2022

	<u>County Clerk/Recorder</u>	<u>Habitat Management Program</u>	<u>E. Garrison Community Services District</u>
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-
Fines, Forfeitures, and Penalties	-	-	-
Revenue from Use of Money and Property	(31,581)	(368,071)	(69,000)
Aid from other Governmental Agencies	-	-	-
Charges for Services	632,041	249,385	1,671,039
Miscellaneous Revenues	-	-	-
Lease Revenue	-	-	-
Total Revenues	<u>600,460</u>	<u>(118,686)</u>	<u>1,602,039</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	282,823	188,801	-
Public Ways and Facilities	-	-	1,200,867
Health and Sanitation	-	-	-
Public Assistance	-	-	-
Education	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Debt Service Costs	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>282,823</u>	<u>188,801</u>	<u>1,200,867</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>317,637</u>	<u>(307,487)</u>	<u>401,172</u>
Other Financing Sources (Uses):			
Transfers In	2,362,402	-	5,019
Transfers Out	-	-	(614,733)
Sale of Capital Assets	-	-	-
Leases (as Lessee)	-	-	-
Total Other Financing Sources (Uses)	<u>2,362,402</u>	<u>-</u>	<u>(609,714)</u>
Net Change in Fund Balances	<u>2,680,039</u>	<u>(307,487)</u>	<u>(208,542)</u>
Fund Balances, Beginning of Year	<u>882,381</u>	<u>13,752,417</u>	<u>2,812,531</u>
Fund Balances, End of Year	<u>\$ 3,562,420</u>	<u>\$ 13,444,930</u>	<u>\$ 2,603,989</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2022

	Agencies Under Board of Supervisors		
	Nacimiento Hydroelectric Operations	Other Water Resources Agencies	County Service Areas
Revenues:			
Taxes	\$ -	\$ 3,061,020	\$ 2,462,491
Licenses, Permits, and Franchises	-	108,595	-
Fines, Forfeitures, and Penalties	-	-	-
Revenue from Use of Money and Property	(50,542)	122,224	(335,374)
Aid from other Governmental Agencies	-	289,605	2,265
Charges for Services	340,714	17,759,094	530,215
Miscellaneous Revenues	-	2,019,076	-
Lease Revenue	-	260,875	-
Total Revenues	290,172	23,620,489	2,659,597
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	469,305	21,181,258	-
Public Ways and Facilities	-	-	821,963
Health and Sanitation	-	-	2,073,941
Public Assistance	-	-	-
Education	-	-	-
Debt Service:			
Principal	2,942	101,132	-
Interest and Debt Service Costs	434	13,847	-
Capital Outlay	1,006	86,346	-
Total Expenditures	473,687	21,382,583	2,895,904
Excess (Deficiency) of Revenues Over (Under) Expenditures	(183,515)	2,237,906	(236,307)
Other Financing Sources (Uses):			
Transfers In	-	1,809,201	-
Transfers Out	(300,000)	(3,338,291)	-
Sale of Capital Assets	-	1,358	-
Leases (as Lessee)	1,006	86,346	-
Total Other Financing Sources (Uses)	(298,994)	(1,441,386)	-
Net Change in Fund Balances	(482,509)	796,520	(236,307)
Fund Balances, Beginning of Year	1,886,007	17,453,231	12,295,514
Fund Balances, End of Year	\$ 1,403,498	\$ 18,249,751	\$ 12,059,207

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2022

	<u>Agencies Under Board of Supervisors</u>		
	<u>Sanitation Districts</u>	<u>Housing Successor</u>	<u>Total</u>
Revenues:			
Taxes	\$ 296,765	\$ -	\$ 16,019,814
Licenses, Permits, and Franchises	900	-	109,495
Fines, Forfeitures, and Penalties	-	-	695,594
Revenue from Use of Money and Property	(10,071)	147,593	(217,932)
Aid from other Governmental Agencies	79,522	-	176,925,207
Charges for Services	768,235	16,000	30,042,889
Miscellaneous Revenues	-	5,624	2,571,500
Lease Revenue	-	248,874	509,749
	<u>1,135,351</u>	<u>418,091</u>	<u>226,656,316</u>
Expenditures:			
Current:			
General Government	-	160,368	12,864,986
Public Protection	-	-	22,690,916
Public Ways and Facilities	-	-	2,022,830
Health and Sanitation	1,750,182	-	4,227,167
Public Assistance	-	-	13,005,135
Education	-	-	10,211,736
Debt Service:			
Principal	-	-	581,869
Interest and Debt Service Costs	-	-	112,531
Capital Outlay	-	-	458,497
	<u>1,750,182</u>	<u>160,368</u>	<u>66,175,667</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(614,831)</u>	<u>257,723</u>	<u>160,480,649</u>
Other Financing Sources (Uses):			
Transfers In	424,882	-	10,632,080
Transfers Out	(38,350)	-	(136,798,279)
Sale of Capital Assets	-	-	18,278
Leases (as Lessee)	-	-	458,497
	<u>386,532</u>	<u>-</u>	<u>(125,689,424)</u>
Net Change in Fund Balances	(228,299)	257,723	34,791,225
Fund Balances, Beginning of Year	<u>631,897</u>	<u>8,566,326</u>	<u>165,039,764</u>
Fund Balances, End of Year	<u>\$ 403,598</u>	<u>\$ 8,824,049</u>	<u>\$ 199,830,989</u>

County of Monterey
Budgetary Comparison Schedule
Library Fund
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 9,840,787	\$ 9,840,787	\$ 10,199,538	\$ 358,751
Revenue from Use of Money and Property	7,561	7,561	(149,432)	(156,993)
Aid from other Governmental Agencies	376,151	376,151	314,921	(61,230)
Charges for Services	120,000	120,000	32,502	(87,498)
Miscellaneous Revenues	235,000	235,000	403,145	168,145
Total Revenues	<u>10,579,499</u>	<u>10,579,499</u>	<u>10,800,674</u>	<u>221,175</u>
Expenditures:				
Current:				
Education	11,173,474	11,173,474	10,211,736	961,738
Debt Service:	-	-	-	-
Principal	-	-	216,393	(216,393)
Interest and Debt Service Costs	-	-	52,757	(52,757)
Capital Outlay	-	-	371,145	(371,145)
Total Expenditures	<u>11,173,474</u>	<u>11,173,474</u>	<u>10,852,031</u>	<u>321,443</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(593,975)</u>	<u>(593,975)</u>	<u>(51,357)</u>	<u>542,618</u>
Other Financing Sources (Uses):				
Transfers In	562,025	562,025	382,648	(179,377)
Sale of Capital Assets	-	-	16,920	16,920
Leases (as Lessee)	-	-	371,145	371,145
Total Other Financing Sources (Uses)	<u>562,025</u>	<u>562,025</u>	<u>770,713</u>	<u>208,688</u>
Net Change in Fund Balances	(31,950)	(31,950)	719,356	751,306
Fund Balances, Beginning	<u>5,378,437</u>	<u>5,378,437</u>	<u>5,378,437</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 5,346,487</u>	<u>\$ 5,346,487</u>	<u>\$ 6,097,793</u>	<u>\$ 751,306</u>

County of Monterey
Budgetary Comparison Schedule
In-Home Support Services
For the Fiscal Year Ended June 30, 2022

	<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	\$ -	\$ -	\$ 1,761	\$ 1,761
Aid from other Governmental Agencies	889,113	889,113	741,086	(148,027)
Total Revenues	<u>889,113</u>	<u>889,113</u>	<u>742,847</u>	<u>(146,266)</u>
Expenditures:				
Current:				
Public Assistance	969,740	969,740	817,126	152,614
Total Expenditures	<u>969,740</u>	<u>969,740</u>	<u>817,126</u>	<u>152,614</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(80,627)</u>	<u>(80,627)</u>	<u>(74,279)</u>	<u>6,348</u>
Other Financing Sources (Uses):				
Transfers In	80,627	80,627	69,679	(10,948)
Total Other Financing Sources (Uses)	<u>80,627</u>	<u>80,627</u>	<u>69,679</u>	<u>(10,948)</u>
Net Change in Fund Balances	-	-	(4,600)	(4,600)
Fund Balances, Beginning	<u>96,169</u>	<u>96,169</u>	<u>96,169</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 96,169</u>	<u>\$ 96,169</u>	<u>\$ 91,569</u>	<u>\$ (4,600)</u>

County of Monterey
Budgetary Comparison Schedule
Fish & Game Propagation Fund
For the Fiscal Year Ended June 30, 2022

	<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	\$ 36,394	\$ 36,394	\$ 38,660	\$ 2,266
Revenue from Use of Money and Property	<u>623</u>	<u>623</u>	<u>(1,995)</u>	<u>(2,618)</u>
Total Revenues	<u>37,017</u>	<u>37,017</u>	<u>36,665</u>	<u>(352)</u>
Expenditures:				
Current:				
Public Protection	<u>42,192</u>	<u>42,192</u>	<u>39,567</u>	<u>2,625</u>
Total Expenditures	<u>42,192</u>	<u>42,192</u>	<u>39,567</u>	<u>2,625</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,175)</u>	<u>(5,175)</u>	<u>(2,902)</u>	<u>2,273</u>
Other Financing Sources (Uses):				
Transfers In	<u>10,500</u>	<u>10,500</u>	<u>10,500</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>10,500</u>	<u>10,500</u>	<u>10,500</u>	<u>-</u>
Net Change in Fund Balances	5,325	5,325	7,598	2,273
Fund Balances, Beginning	<u>55,353</u>	<u>55,353</u>	<u>55,353</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 60,678</u>	<u>\$ 60,678</u>	<u>\$ 62,951</u>	<u>\$ 2,273</u>

County of Monterey
Budgetary Comparison Schedule
Community Action Partnership
For the Fiscal Year Ended June 30, 2022

	<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	\$ 500	\$ 500	\$ (3,099)	\$ (3,599)
Aid from other Governmental Agencies	<u>983,026</u>	<u>983,026</u>	<u>884,932</u>	<u>(98,094)</u>
Total Revenues	<u>983,526</u>	<u>983,526</u>	<u>881,833</u>	<u>(101,693)</u>
Expenditures:				
Current:				
Public Assistance	<u>984,480</u>	<u>984,480</u>	<u>898,916</u>	<u>85,564</u>
Total Expenditures	<u>984,480</u>	<u>984,480</u>	<u>898,916</u>	<u>85,564</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(954)</u>	<u>(954)</u>	<u>(17,083)</u>	<u>(16,129)</u>
Other Financing Sources (Uses):				
Transfers In	<u>954</u>	<u>954</u>	<u>954</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>954</u>	<u>954</u>	<u>954</u>	<u>-</u>
Net Change in Fund Balances	-	-	(16,129)	(16,129)
Fund Balances, Beginning	<u>254,457</u>	<u>254,457</u>	<u>254,457</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 254,457</u>	<u>\$ 254,457</u>	<u>\$ 238,328</u>	<u>\$ (16,129)</u>

County of Monterey
Budgetary Comparison Schedule
Inclusionary Housing
For the Fiscal Year Ended June 30, 2022

	<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	\$ 18,000	\$ 18,000	\$ 19,661	\$ 1,661
Aid from other Governmental Agencies	-	-	13,500	13,500
Charges for Services	<u>6,000</u>	<u>6,000</u>	<u>5,630</u>	<u>(370)</u>
Total Revenues	<u>24,000</u>	<u>24,000</u>	<u>38,791</u>	<u>14,791</u>
Expenditures:				
Current:				
General Government	<u>496,036</u>	<u>496,036</u>	<u>227,453</u>	<u>268,583</u>
Total Expenditures	<u>496,036</u>	<u>496,036</u>	<u>227,453</u>	<u>268,583</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(472,036)</u>	<u>(472,036)</u>	<u>(188,662)</u>	<u>283,374</u>
Net Change in Fund Balances	(472,036)	(472,036)	(188,662)	283,374
Fund Balances, Beginning	<u>1,018,040</u>	<u>1,018,040</u>	<u>1,018,040</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 546,004</u>	<u>\$ 546,004</u>	<u>\$ 829,378</u>	<u>\$ 283,374</u>

County of Monterey
Budgetary Comparison Schedule
Community Development
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ 152,400	\$ 152,400	\$ 547,670	\$ 395,270
Aid from other Governmental Agencies	1,589,288	3,349,288	3,559,134	209,846
Charges for Services	50,000	50,000	-	(50,000)
Miscellaneous Revenues	-	-	24,134	24,134
Total Revenues	<u>1,791,688</u>	<u>3,551,688</u>	<u>4,130,938</u>	<u>579,250</u>
Expenditures:				
Current:				
Public Assistance	4,188,843	6,998,169	3,099,698	3,898,471
Total Expenditures	<u>4,188,843</u>	<u>6,998,169</u>	<u>3,099,698</u>	<u>3,898,471</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,397,155)</u>	<u>(3,446,481)</u>	<u>1,031,240</u>	<u>(3,319,221)</u>
Net Change in Fund Balances	(2,397,155)	(3,446,481)	1,031,240	(3,319,221)
Fund Balances, Beginning	<u>15,826,088</u>	<u>15,826,088</u>	<u>15,826,088</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 13,428,933</u>	<u>\$ 12,379,607</u>	<u>\$ 16,857,328</u>	<u>\$ (3,319,221)</u>

County of Monterey
Budgetary Comparison Schedule
Emergency Medical Service Fund
For the Fiscal Year Ended June 30, 2022

	<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	\$ 650,000	\$ 650,000	\$ 656,934	\$ 6,934
Revenue from Use of Money and Property	10,000	10,000	(59,618)	(69,618)
Miscellaneous Revenues	<u>10,000</u>	<u>10,000</u>	<u>8,853</u>	<u>(1,147)</u>
Total Revenues	<u>670,000</u>	<u>670,000</u>	<u>606,169</u>	<u>(63,831)</u>
Expenditures:				
Current:				
Health and Sanitation	<u>640,000</u>	<u>640,000</u>	<u>403,044</u>	<u>236,956</u>
Total Expenditures	<u>640,000</u>	<u>640,000</u>	<u>403,044</u>	<u>236,956</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>30,000</u>	<u>30,000</u>	<u>203,125</u>	<u>173,125</u>
Net Change in Fund Balances	30,000	30,000	203,125	173,125
Fund Balances, Beginning	<u>1,916,307</u>	<u>1,916,307</u>	<u>1,916,307</u>	<u>-</u>
Fund Balances, Ending	<u><u>\$ 1,946,307</u></u>	<u><u>\$ 1,946,307</u></u>	<u><u>\$ 2,119,432</u></u>	<u><u>\$ 173,125</u></u>

County of Monterey
Budgetary Comparison Schedule
Workforce Development Board
For the Fiscal Year Ended June 30, 2022

	<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	\$ -	\$ -	\$ 2,080	\$ 2,080
Aid from other Governmental Agencies	8,105,880	8,105,880	7,854,437	(251,443)
Miscellaneous Revenues	-	-	96,101	96,101
Total Revenues	<u>8,105,880</u>	<u>8,105,880</u>	<u>7,952,618</u>	<u>(153,262)</u>
Expenditures:				
Current:				
Public Assistance	8,810,130	8,810,130	8,189,395	620,735
Debt Service:				
Principal	-	-	261,402	261,402
Interest and Debt Service Costs	-	-	45,493	45,493
Total Expenditures	<u>8,810,130</u>	<u>8,810,130</u>	<u>8,496,290</u>	<u>313,840</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(704,250)</u>	<u>(704,250)</u>	<u>(543,672)</u>	<u>160,578</u>
Other Financing Sources (Uses):				
Transfers In	704,250	704,250	596,728	(107,522)
Total Other Financing Sources (Uses)	<u>704,250</u>	<u>704,250</u>	<u>596,728</u>	<u>(107,522)</u>
Net Change in Fund Balances	-	-	53,056	53,056
Fund Balances, Beginning	<u>183,642</u>	<u>183,642</u>	<u>183,642</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 183,642</u>	<u>\$ 183,642</u>	<u>\$ 236,698</u>	<u>\$ 53,056</u>

County of Monterey
Budgetary Comparison Schedule
Local Revenue Fund 2011
For the Fiscal Year Ended June 30, 2022

	<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	\$ 69,064,327	\$ 69,064,327	\$ 87,236,344	\$ 18,172,017
Total Revenues	<u>69,064,327</u>	<u>69,064,327</u>	<u>87,236,344</u>	<u>18,172,017</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>69,064,327</u>	<u>69,064,327</u>	<u>87,236,344</u>	<u>18,172,017</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(72,161,188)</u>	<u>(72,161,188)</u>	<u>(69,422,519)</u>	<u>2,738,669</u>
Total Other Financing Sources (Uses)	<u>(72,161,188)</u>	<u>(72,161,188)</u>	<u>(69,422,519)</u>	<u>2,738,669</u>
Net Change in Fund Balances	(3,096,861)	(3,096,861)	17,813,825	20,910,686
Fund Balances, Beginning	<u>33,648,633</u>	<u>33,648,633</u>	<u>33,648,633</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 30,551,772</u>	<u>\$ 30,551,772</u>	<u>\$ 51,462,458</u>	<u>\$ 20,910,686</u>

County of Monterey
Budgetary Comparison Schedule
Homeland Security Grant
For the Fiscal Year Ended June 30, 2022

	<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	\$ (20,025)	\$ (22,025)
Aid from other Governmental Agencies	1,665,194	1,665,194	15,104	(1,650,090)
Miscellaneous Revenues	-	-	2,531	2,531
Total Revenues	<u>1,667,194</u>	<u>1,667,194</u>	<u>(2,390)</u>	<u>(1,669,584)</u>
Expenditures:				
Current:				
Public Protection	<u>1,675,361</u>	<u>1,675,361</u>	<u>529,162</u>	<u>1,146,199</u>
Total Expenditures	<u>1,675,361</u>	<u>1,675,361</u>	<u>529,162</u>	<u>1,146,199</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(8,167)</u>	<u>(8,167)</u>	<u>(531,552)</u>	<u>(523,385)</u>
Net Change in Fund Balances	(8,167)	(8,167)	(531,552)	(523,385)
Fund Balances, Beginning	<u>912,114</u>	<u>912,114</u>	<u>912,114</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 903,947</u>	<u>\$ 903,947</u>	<u>\$ 380,562</u>	<u>\$ (523,385)</u>

County of Monterey
Budgetary Comparison Schedule
H&W Realignment
For the Fiscal Year Ended June 30, 2022

	<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	\$ 62,152,288	\$ 62,152,288	\$ 71,210,282	\$ 9,057,994
Total Revenues	<u>62,152,288</u>	<u>62,152,288</u>	<u>71,210,282</u>	<u>9,057,994</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>62,152,288</u>	<u>62,152,288</u>	<u>71,210,282</u>	<u>9,057,994</u>
Other Financing Sources (Uses):				
Transfers In	5,336,288	5,336,288	3,367,970	(1,968,318)
Transfers Out	<u>(68,737,670)</u>	<u>(68,737,670)</u>	<u>(63,084,386)</u>	<u>5,653,284</u>
Total Other Financing Sources (Uses)	<u>(63,401,382)</u>	<u>(63,401,382)</u>	<u>(59,716,416)</u>	<u>3,684,966</u>
Net Change in Fund Balances	(1,249,094)	(1,249,094)	11,493,866	12,742,960
Fund Balances, Beginning, As Restated	<u>45,112,575</u>	<u>45,112,575</u>	<u>45,112,575</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 43,863,481</u>	<u>\$ 43,863,481</u>	<u>\$ 56,606,441</u>	<u>\$ 12,742,960</u>

County of Monterey
Budgetary Comparison Schedule
Emergency Communications & NGEN Operations
For the Fiscal Year Ended June 30, 2022

	<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	\$ 167,046	\$ 167,046	\$ 39,887	\$ (127,159)
Aid from other Governmental Agencies	3,631,177	3,631,177	4,724,075	1,092,898
Charges for Services	8,642,794	8,642,794	8,038,034	(604,760)
Miscellaneous Revenues	-	-	12,036	12,036
Total Revenues	<u>12,441,017</u>	<u>12,441,017</u>	<u>12,814,032</u>	<u>373,015</u>
Expenditures:				
Current:				
General Government	<u>14,150,056</u>	<u>14,241,878</u>	<u>12,477,165</u>	<u>1,764,713</u>
Total Expenditures	<u>14,150,056</u>	<u>14,241,878</u>	<u>12,477,165</u>	<u>1,764,713</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,709,039)</u>	<u>(1,800,861)</u>	<u>336,867</u>	<u>(1,391,698)</u>
Transfers In	<u>2,062,127</u>	<u>2,062,127</u>	<u>1,602,097</u>	<u>(460,030)</u>
Total Other Financing Sources (Uses)	<u>2,062,127</u>	<u>2,062,127</u>	<u>1,602,097</u>	<u>(460,030)</u>
Net Change in Fund Balances	353,088	261,266	1,938,964	1,677,698
Fund Balances, Beginning	<u>2,357,645</u>	<u>2,357,645</u>	<u>2,357,645</u>	-
Fund Balances, Ending	<u><u>\$ 2,710,733</u></u>	<u><u>\$ 2,618,911</u></u>	<u><u>\$ 4,296,609</u></u>	<u><u>\$ 1,677,698</u></u>

County of Monterey
Budgetary Comparison Schedule
County Clerk/Recorder
For the Fiscal Year Ended June 30, 2022

	<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	\$ -	\$ -	\$ (31,581)	\$ (31,581)
Charges for Services	350,000	350,000	632,041	282,041
Total Revenues	<u>350,000</u>	<u>350,000</u>	<u>600,460</u>	<u>250,460</u>
Expenditures				
Current:				
Public Protection	350,000	350,000	282,823	67,177
Total Expenditures	<u>350,000</u>	<u>350,000</u>	<u>282,823</u>	<u>67,177</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	317,637	317,637
Transfers In	-	-	2,362,402	(2,362,402)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,362,402</u>	<u>(2,362,402)</u>
Net Change in Fund Balances	-	-	2,680,039	2,680,039
Fund Balances, Beginning	<u>882,381</u>	<u>882,381</u>	<u>882,381</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 882,381</u></u>	<u><u>\$ 882,381</u></u>	<u><u>\$ 3,562,420</u></u>	<u><u>\$ 2,680,039</u></u>

County of Monterey
Budgetary Comparison Schedule
Habitat Management Program
For the Fiscal Year Ended June 30, 2022

	<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	\$ 219,763	\$ 219,763	\$ (368,071)	\$ (587,834)
Charges for Services	-	-	249,385	249,385
Aid from other Governmental Agencies	905,223	905,223	-	(905,223)
Total Revenues	<u>1,124,986</u>	<u>1,124,986</u>	<u>(118,686)</u>	<u>(1,243,672)</u>
Expenditures:				
Current:				
Public Protection	498,883	498,883	188,801	310,082
Total Expenditures	<u>498,883</u>	<u>498,883</u>	<u>188,801</u>	<u>310,082</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>626,103</u>	<u>626,103</u>	<u>(307,487)</u>	<u>(933,590)</u>
Net Change in Fund Balances	626,103	626,103	(307,487)	(933,590)
Fund Balances, Beginning	<u>13,752,417</u>	<u>13,752,417</u>	<u>13,752,417</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 14,378,520</u>	<u>\$ 14,378,520</u>	<u>\$ 13,444,930</u>	<u>\$ (933,590)</u>

County of Monterey
Budgetary Comparison Schedule
E. Garrison Community Services District
For the Fiscal Year Ended June 30, 2022

	<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	\$ 25,000	\$ 25,000	\$ (69,000)	\$ (94,000)
Charges for Services	<u>2,101,453</u>	<u>2,101,453</u>	<u>1,671,039</u>	<u>(430,414)</u>
Total Revenues	<u>2,126,453</u>	<u>2,126,453</u>	<u>1,602,039</u>	<u>(524,414)</u>
Expenditures				
Public Ways and Facilities	<u>1,855,992</u>	<u>1,855,992</u>	<u>1,200,867</u>	<u>655,125</u>
Total Expenditures	<u>1,855,992</u>	<u>1,855,992</u>	<u>1,200,867</u>	<u>655,125</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>270,461</u>	<u>270,461</u>	<u>401,172</u>	<u>130,711</u>
Other Financing Sources (Uses):				
Transfers In	-	5,019	5,019	-
Transfers Out	<u>(700,893)</u>	<u>(700,893)</u>	<u>(614,733)</u>	<u>86,160</u>
Total Other Financing Sources (Uses)	<u>(700,893)</u>	<u>(695,874)</u>	<u>(609,714)</u>	<u>86,160</u>
Net Change in Fund Balances	(430,432)	(425,413)	(208,542)	216,871
Fund Balances, Beginning	<u>2,812,531</u>	<u>2,812,531</u>	<u>2,812,531</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 2,382,099</u>	<u>\$ 2,387,118</u>	<u>\$ 2,603,989</u>	<u>\$ 216,871</u>

County of Monterey
Budgetary Comparison Schedule
Nacimiento Hydroelectric Operations
For the Fiscal Year Ended June 30, 2022

	<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	\$ (50,542)	\$ (60,542)
Charges for Services	300,000	300,000	340,714	40,714
Total Revenues	<u>310,000</u>	<u>310,000</u>	<u>290,172</u>	<u>(19,828)</u>
Expenditures:				
Current:				
Public Protection	733,859	733,859	469,305	264,554
Debt Service:	-	-	-	-
Principal	-	-	2,942	2,942
Interest and Debt Service Costs	-	-	434	434
Capital Outlay	-	-	1,006	(1,006)
Total Expenditures	<u>733,859</u>	<u>733,859</u>	<u>473,687</u>	<u>260,172</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(423,859)</u>	<u>(423,859)</u>	<u>(183,515)</u>	<u>240,344</u>
Other Financing Sources (Uses):				
Transfers Out	(300,000)	(300,000)	(300,000)	-
Leases (as Lessee)	-	-	1,006	1,006
Total Other Financing Sources (Uses)	<u>(300,000)</u>	<u>(300,000)</u>	<u>(298,994)</u>	<u>1,006</u>
Net Change in Fund Balances	(723,859)	(723,859)	(482,509)	241,350
Fund Balances, Beginning	<u>1,886,007</u>	<u>1,886,007</u>	<u>1,886,007</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,162,148</u>	<u>\$ 1,162,148</u>	<u>\$ 1,403,498</u>	<u>\$ 241,350</u>

County of Monterey
Budgetary Comparison Schedule
Other Water Resources Agencies
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,497,679	\$ 2,497,679	\$ 3,061,020	\$ 563,341
Licenses, Permits, and Franchises	-	-	108,595	108,595
Revenue from Use of Money and Property	867,500	867,500	122,224	(745,276)
Aid from other Governmental Agencies	4,046,467	4,046,467	289,605	(3,756,862)
Charges for Services	17,739,305	17,739,305	17,759,094	19,789
Miscellaneous Revenues	-	-	2,019,076	2,019,076
Lease Revenue	-	-	260,875	260,875
Total Revenues	<u>25,150,951</u>	<u>25,150,951</u>	<u>23,620,489</u>	<u>(1,530,462)</u>
Expenditures				
Current:				
Public Protection	30,520,434	31,178,934	21,181,258	9,997,676
Debt Service:				
Principal	-	-	101,132	(101,132)
Interest and Debt Service Costs	-	-	13,847	(13,847)
Capital Outlay	-	-	86,346	(86,346)
Total Expenditures	<u>30,520,434</u>	<u>31,178,934</u>	<u>21,382,583</u>	<u>9,796,351</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,369,483)</u>	<u>(6,027,983)</u>	<u>2,237,906</u>	<u>8,265,889</u>
Other financing Sources (Uses):				
Transfers In	1,914,201	2,572,701	1,809,201	(763,500)
Transfers Out	(1,872,403)	(1,872,403)	(3,338,291)	(1,465,888)
Sale of Capital Assets	-	-	1,358	1,358
Leases (as Lessee)	-	-	86,346	86,346
Total Other Financing Sources (Uses)	<u>41,798</u>	<u>700,298</u>	<u>(1,441,386)</u>	<u>(2,141,684)</u>
Net Change in Fund Balances	<u>(5,327,685)</u>	<u>(5,327,685)</u>	<u>796,520</u>	<u>6,124,205</u>
Fund Balances, Beginning	<u>17,453,231</u>	<u>17,453,231</u>	<u>17,453,231</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 12,125,546</u>	<u>\$ 12,125,546</u>	<u>\$ 18,249,751</u>	<u>\$ 6,124,205</u>

County of Monterey
Budgetary Comparison Schedule
County Service Areas
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,264,267	\$ 2,264,267	\$ 2,462,491	\$ 198,224
Revenue from Use of Money and Property	215,059	215,059	(335,374)	(550,433)
Aid from other Governmental Agencies	2,322	2,322	2,265	(57)
Charges for Services	<u>579,191</u>	<u>579,191</u>	<u>530,216</u>	<u>(48,975)</u>
Total Revenues	<u>3,060,839</u>	<u>3,060,839</u>	<u>2,659,598</u>	<u>(401,241)</u>
Expenditures				
Current:				
Public Ways and Facilities	1,834,327	2,028,729	821,964	1,206,765
Health and Sanitation	<u>2,398,069</u>	<u>2,479,302</u>	<u>2,073,941</u>	<u>405,361</u>
Total Expenditures	<u>4,232,396</u>	<u>4,508,031</u>	<u>2,895,905</u>	<u>1,612,126</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,171,557)</u>	<u>(1,447,192)</u>	<u>(236,307)</u>	<u>1,210,885</u>
Other Financing Sources (Uses):				
Transfers In	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>(400,000)</u>
Total Other Financing Sources (Uses)	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>(400,000)</u>
Net Change in Fund Balances	(771,557)	(1,047,192)	(236,307)	810,885
Fund Balances, Beginning	<u>12,295,514</u>	<u>12,295,514</u>	<u>12,295,514</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 11,523,957</u>	<u>\$ 11,248,322</u>	<u>\$ 12,059,207</u>	<u>\$ 810,885</u>

County of Monterey
Budgetary Comparison Schedule
Sanitation Districts
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 271,033	\$ 271,033	\$ 296,765	\$ 25,732
Licenses, Permits, and Franchises	500	500	900	400
Revenue from Use of Money and Property	1,700	1,700	(10,071)	(11,771)
Aid from other Governmental Agencies	1,273	1,273	79,522	78,249
Charges for Services	869,000	869,000	768,235	(100,765)
Miscellaneous Revenues	102,006	102,006	-	(102,006)
Total revenues	<u>1,245,512</u>	<u>1,245,512</u>	<u>1,135,351</u>	<u>(110,161)</u>
Expenditures				
Current:				
Health and Sanitation	1,790,541	2,038,449	1,750,182	288,267
Total Expenditures	<u>1,790,541</u>	<u>2,038,449</u>	<u>1,750,182</u>	<u>288,267</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(545,029)</u>	<u>(792,937)</u>	<u>(614,831)</u>	<u>178,106</u>
Other Financing Sources (Uses):				
Transfers In	600,284	600,284	424,882	(175,402)
Transfers Out	(38,350)	(38,350)	(38,350)	-
Total Other Financing Sources (Uses)	561,934	561,934	386,532	(175,402)
Net Change in Fund Balances	16,905	(231,003)	(228,299)	2,704
Fund Balances, Beginning	631,897	631,897	631,897	-
Fund Balances, Ending	<u>\$ 648,802</u>	<u>\$ 400,894</u>	<u>\$ 403,598</u>	<u>\$ 2,704</u>

County of Monterey
Budgetary Comparison Schedule
Housing Successor
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ 213,950	\$ 213,950	\$ 147,593	\$ (66,357)
Charges for Services	4,000	4,000	16,000	12,000
Miscellaneous Revenues	-	-	5,624	5,624
Lease Revenue	-	-	248,874	248,874
Total Revenues	<u>217,950</u>	<u>217,950</u>	<u>418,091</u>	<u>200,141</u>
Expenditures				
Current:				
General Government	<u>791,250</u>	<u>791,250</u>	<u>160,368</u>	<u>630,882</u>
Total Expenditures	<u>791,250</u>	<u>791,250</u>	<u>160,368</u>	<u>630,882</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(573,300)</u>	<u>(573,300)</u>	<u>257,723</u>	<u>831,023</u>
Net Change in Fund Balances	(573,300)	(573,300)	257,723	831,023
Fund Balances, Beginning	<u>8,566,326</u>	<u>8,566,326</u>	<u>8,566,326</u>	<u>-</u>
Fund Balances, Ending	<u><u>\$ 7,993,026</u></u>	<u><u>\$ 7,993,026</u></u>	<u><u>\$ 8,824,049</u></u>	<u><u>\$ 831,023</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, 2022

	<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	\$ 850,943	\$ 1,033,976	\$ -	\$ 1,884,919
Held with Trustee	-	235	31	266
Receivables (Net)	<u>333</u>	<u>779</u>	<u>-</u>	<u>1,112</u>
Total Assets	<u>\$ 851,276</u>	<u>\$ 1,034,990</u>	<u>\$ 31</u>	<u>\$ 1,886,297</u>
Liabilities				
Vouchers and Accounts Payable	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>1,500</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,500</u>	<u>1,500</u>
Deferred Inflows of Resources				
Unavailable Revenue	<u>333</u>	<u>-</u>	<u>-</u>	<u>333</u>
Total Deferred Inflows of Resources	<u>333</u>	<u>-</u>	<u>-</u>	<u>333</u>
Fund Balances				
Restricted	-	1,034,990	-	1,034,990
Assigned	850,943	-	-	850,943
Unassigned	<u>-</u>	<u>-</u>	<u>(1,469)</u>	<u>(1,469)</u>
Total Fund Balances	<u>850,943</u>	<u>1,034,990</u>	<u>(1,469)</u>	<u>1,884,464</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 851,276</u>	<u>\$ 1,034,990</u>	<u>\$ 31</u>	<u>\$ 1,886,297</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Debt Service
For the Fiscal Year Ended June 30, 2022

	Debt Service General	Monterey County Financing Authority	Public Improvement Corporation Debt Service	Total
Revenues				
Revenue from Use of Money and Property	\$ (2,358)	\$ 2	\$ 922,152	\$ 919,796
Charges for Services	14,913	-	-	14,913
Total Revenues	<u>12,555</u>	<u>2</u>	<u>922,152</u>	<u>934,709</u>
Expenditures				
Debt Service:				
Principal	1,123,538	790,000	5,870,406	7,783,944
Interest and Debt Service Costs	513,664	965,638	5,115,026	6,594,328
Total Expenditures	<u>1,637,202</u>	<u>1,755,638</u>	<u>10,985,432</u>	<u>14,378,272</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,624,647)</u>	<u>(1,755,636)</u>	<u>(10,063,280)</u>	<u>(13,443,563)</u>
Other Financing Sources (Uses):				
Transfers In	1,621,003	1,755,638	10,061,799	13,438,440
Total Other Financing Sources (Uses)	<u>1,621,003</u>	<u>1,755,638</u>	<u>10,061,799</u>	<u>13,438,440</u>
Net Change in Fund Balance	(3,644)	2	(1,481)	(5,123)
Fund Balances, Beginning	<u>854,587</u>	<u>1,034,988</u>	<u>12</u>	<u>1,889,587</u>
Fund Balances, Ending	<u>\$ 850,943</u>	<u>\$ 1,034,990</u>	<u>\$ (1,469)</u>	<u>\$ 1,884,464</u>

County of Monterey
Budgetary Comparison Schedule
Debt Service General
For the Fiscal Year Ended June 30, 2022

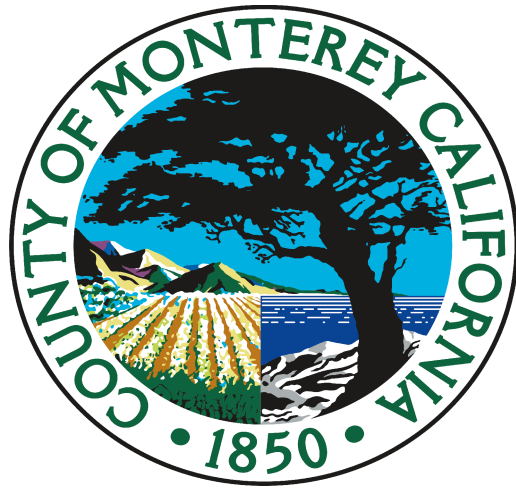
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ -	\$ -	\$ (2,358)	\$ (2,358)
Charges for Services	-	-	14,913	14,913
Total Revenues	<u>-</u>	<u>-</u>	<u>12,555</u>	<u>12,555</u>
Expenditures				
Debt Service:				
Principal	1,067,403	1,121,962	1,123,538	(1,576)
Interest and Debt Service Costs	<u>700,000</u>	<u>700,000</u>	<u>513,664</u>	<u>186,336</u>
Total Expenditures	<u>1,767,403</u>	<u>1,821,962</u>	<u>1,637,202</u>	<u>184,760</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,767,403)</u>	<u>(1,821,962)</u>	<u>(1,624,647)</u>	<u>197,315</u>
Other Financing Sources (Uses)				
Transfers In	<u>1,767,403</u>	<u>1,783,112</u>	<u>1,621,003</u>	<u>(162,109)</u>
Total Other Financing Sources (Uses)	<u>1,767,403</u>	<u>1,783,112</u>	<u>1,621,003</u>	<u>(162,109)</u>
Net Change in Fund Balances	-	(38,850)	(3,644)	35,206
Fund Balances, Beginning	<u>854,587</u>	<u>854,587</u>	<u>854,587</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 854,587</u>	<u>\$ 815,737</u>	<u>\$ 850,943</u>	<u>\$ 35,206</u>

County of Monterey
Budgetary Comparison Schedule
Monterey County Financing Authority
For the Fiscal Year Ended June 30, 2022

	<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	\$ 1,755,638	\$ 1,755,638	\$ 2	\$ (1,755,636)
Total Revenues	<u>1,755,638</u>	<u>1,755,638</u>	<u>2</u>	<u>(1,755,636)</u>
Expenditures				
Debt Service:				
Principal	790,000	790,000	790,000	-
Interest and Debt Service Costs	<u>965,638</u>	<u>965,638</u>	<u>965,638</u>	<u>-</u>
Total Expenditures	<u>1,755,638</u>	<u>1,755,638</u>	<u>1,755,638</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(1,755,636)</u>	<u>(1,755,636)</u>
Other Financing Sources (Uses):				
Transfers In	<u>-</u>	<u>-</u>	<u>1,755,638</u>	<u>1,755,638</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,755,638</u>	<u>1,755,638</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
Fund Balances, Beginning	<u>1,034,988</u>	<u>1,034,988</u>	<u>1,034,988</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,034,988</u>	<u>\$ 1,034,988</u>	<u>\$ 1,034,990</u>	<u>\$ 2</u>

County of Monterey
Budgetary Comparison Schedule
Public Improvement Corporation Debt Service
For the Fiscal Year Ended June 30, 2022

	<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	\$ 16,001,900	\$ 16,001,900	\$ 922,152	\$ (15,079,748)
Total Revenues	<u>16,001,900</u>	<u>16,001,900</u>	<u>922,152</u>	<u>(15,079,748)</u>
Expenditures				
Debt Service:				
Principal	9,512,611	9,512,611	5,870,406	3,642,205
Interest and Debt Service Costs	<u>6,489,289</u>	<u>6,489,289</u>	<u>5,115,026</u>	<u>1,374,263</u>
Total Expenditures	<u>16,001,900</u>	<u>16,001,900</u>	<u>10,985,432</u>	<u>5,016,468</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(10,063,280)</u>	<u>(10,063,280)</u>
Other Financing Sources (Uses):				
Transfers In	<u>-</u>	<u>-</u>	<u>10,061,799</u>	<u>10,061,799</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>10,061,799</u>	<u>10,061,799</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,481)</u>	<u>(1,481)</u>
Fund Balances, Beginning	<u>12</u>	<u>12</u>	<u>12</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 12</u>	<u>\$ 12</u>	<u>\$ (1,469)</u>	<u>\$ (1,481)</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 within the Public Works, Facilities, and Parks Department.

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

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, 2022

	<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	\$ 143,221	\$ 138,221
Aid from other Governmental Agencies	518,697	1,456,334	1,945,399	489,065
Miscellaneous Revenues	-	-	177,560	177,560
Total Revenues	<u>523,697</u>	<u>1,461,334</u>	<u>2,266,180</u>	<u>804,846</u>
Expenditures:				
Capital Outlay	<u>17,006,075</u>	<u>28,099,474</u>	<u>8,125,333</u>	<u>19,974,141</u>
Total Expenditures	<u>17,006,075</u>	<u>28,099,474</u>	<u>8,125,333</u>	<u>19,974,141</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(16,482,378)</u>	<u>(26,638,140)</u>	<u>(5,859,153)</u>	<u>20,778,987</u>
Other Financing Sources (Uses):				
Transfers In	25,936,109	25,936,109	18,008,498	(7,927,611)
Transfers Out	<u>(30,074,066)</u>	<u>(30,074,066)</u>	<u>(8,142,749)</u>	<u>21,931,317</u>
Total Other Financing Sources (Uses)	<u>(4,137,957)</u>	<u>(4,137,957)</u>	<u>9,865,749</u>	<u>14,003,706</u>
Net Change in Fund Balances	(20,620,335)	(30,776,097)	4,006,596	34,782,693
Fund Balances, Beginning	<u>69,314,784</u>	<u>69,314,784</u>	<u>69,314,784</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 48,694,449</u>	<u>\$ 38,538,687</u>	<u>\$ 73,321,380</u>	<u>\$ 34,782,693</u>

County of Monterey
Combining Balance Sheet
Capital Projects
June 30, 2022

	Capital Projects Fund	Facilities Project Fund	Other Water Resources Agencies
Assets			
Cash and Investments:			
Held in County Treasury	\$ 1,933,407	\$ 10,948	\$ 879,456
Receivables (Net)	646,333	-	229,687
Loans and Notes Receivable	14,950	-	-
Total Assets	2,594,690	10,948	1,109,143
Liabilities			
Vouchers and Accounts Payable	162,933	545	139,963
Deposits from Others	-	-	-
Unearned Revenues	22,146	-	-
Total Liabilities	185,079	545	139,963
Deferred Inflows of Resources			
Unavailable Revenue	646,333	-	228,401
Fund Balances			
Assigned	1,763,278	10,403	740,779
Total Fund Balances	1,763,278	10,403	740,779
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,594,690	\$ 10,948	\$ 1,109,143

County of Monterey
Combining Balance Sheet
Capital Projects
June 30, 2022

	<u>NGEN Radio Project</u>	<u>East Garrison Capital Projects</u>	<u>Total</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 965,664	\$ 261,920	\$ 4,051,395
Receivables (Net)	-	10,335	886,355
Loans and Notes Receivable	-	-	14,950
Total Assets	<u>965,664</u>	<u>272,255</u>	<u>4,952,700</u>
Liabilities			
Vouchers and Accounts Payable	1,041	2,465	306,947
Deposits from Others	-	100,805	100,805
Unearned Revenues	-	-	22,146
Total Liabilities	<u>1,041</u>	<u>103,270</u>	<u>429,898</u>
Deferred Inflows of Resources			
Unavailable Revenue	-	10,335	885,069
Fund Balances			
Assigned	<u>964,623</u>	<u>158,650</u>	<u>3,637,733</u>
Total Fund Balances	<u>964,623</u>	<u>158,650</u>	<u>3,637,733</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 965,664</u>	<u>\$ 272,255</u>	<u>\$ 4,952,700</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects
For the Fiscal Year Ended June 30, 2022

	Capital Projects Fund	Facilities Project Fund	Other Water Resources Agencies
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Revenue from Use of Money and Property	\$ (66,202)	\$ -	\$ (22,433)
Aid from other Governmental Agencies	-	-	708,912
Miscellaneous Revenues	154,594	-	-
Total Revenues	<u>88,392</u>	<u>-</u>	<u>686,479</u>
Expenditures			
Capital Outlay	4,105,695	-	956,058
Total Expenditures	<u>4,105,695</u>	<u>-</u>	<u>956,058</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,017,303)</u>	<u>-</u>	<u>(269,579)</u>
Other Financing Sources (Uses)			
Transfers In	1,571,443	-	-
Total Other Financing Sources (Uses)	<u>1,571,443</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(2,445,860)	-	(269,579)
Fund Balances, Beginning	<u>4,209,138</u>	<u>10,403</u>	<u>1,010,358</u>
Fund Balances, Ending	<u>\$ 1,763,278</u>	<u>\$ 10,403</u>	<u>\$ 740,779</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects
For the Fiscal Year Ended June 30, 2022

	<u>NGEN Radio Project</u>	<u>East Garrison Capital Projects</u>	<u>Total</u>
Revenues			
Revenue from Use of Money and Property	\$ (26,470)	\$ (7,624)	\$ (122,729)
Aid from other Governmental Agencies	-	-	708,912
Miscellaneous Revenues	-	2,453	157,047
Total Revenues	<u>(26,470)</u>	<u>(5,171)</u>	<u>743,230</u>
Expenditures			
Capital Outlay	-	30,833	5,092,586
Total Expenditures	<u>-</u>	<u>30,833</u>	<u>5,092,586</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(26,470)</u>	<u>(36,004)</u>	<u>(4,349,356)</u>
Other Financing Sources (Uses)			
Transfers In	-	-	1,571,443
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,571,443</u>
Net Change in Fund Balances	(26,470)	(36,004)	(2,777,913)
Fund Balances, Beginning	<u>991,093</u>	<u>194,654</u>	<u>6,415,646</u>
Fund Balances, Ending	<u>\$ 964,623</u>	<u>\$ 158,650</u>	<u>\$ 3,637,733</u>

County of Monterey
Budgetary Comparison Schedule
Capital Projects Fund
For the Fiscal Year Ended June 30, 2022

	<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	\$ 49,055	\$ 49,055	\$ (66,202)	\$ (115,257)
Aid from other Governmental Agencies	631,430	631,430	-	(631,430)
Miscellaneous Revenues	-	-	154,594	154,594
Total Revenues	<u>680,485</u>	<u>680,485</u>	<u>88,392</u>	<u>(592,093)</u>
Expenditures				
Capital Outlay	<u>5,652,252</u>	<u>7,500,252</u>	<u>4,105,695</u>	<u>3,394,557</u>
Total Expenditures	<u>5,652,252</u>	<u>7,500,252</u>	<u>4,105,695</u>	<u>3,394,557</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,971,767)</u>	<u>(6,819,767)</u>	<u>(4,017,303)</u>	<u>2,802,464</u>
Other Financing Sources (Uses):				
Transfers In	5,056,840	5,056,840	1,571,443	(3,485,397)
Transfers Out	<u>(200,180)</u>	<u>(200,180)</u>	-	200,180
Total Other Financing Sources (Uses)	<u>4,856,660</u>	<u>4,856,660</u>	<u>1,571,443</u>	<u>(3,285,217)</u>
Net Change in Fund Balances	(115,107)	(1,963,107)	(2,445,860)	(482,753)
Fund Balances, Beginning	<u>4,209,138</u>	<u>4,209,138</u>	<u>4,209,138</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 4,094,031</u>	<u>\$ 2,246,031</u>	<u>\$ 1,763,278</u>	<u>\$ (482,753)</u>

County of Monterey
Budgetary Comparison Schedule
Facilities Project Fund
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Fund Balances, Beginning	<u>\$ 10,403</u>	<u>\$ 10,403</u>	<u>\$ 10,403</u>	<u>\$ -</u>
Fund Balances, Ending	<u><u>\$ 10,403</u></u>	<u><u>\$ 10,403</u></u>	<u><u>\$ 10,403</u></u>	<u><u>\$ -</u></u>

County of Monterey
Budgetary Comparison Schedule
Other Water Resources Agencies
For the Fiscal Year Ended June 30, 2022

	<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	\$ -	\$ -	\$ (22,433)	\$ (22,433)
Aid from other Governmental Agencies	<u>1,500,000</u>	<u>1,500,000</u>	<u>708,912</u>	<u>(791,088)</u>
Total Revenues	<u>1,500,000</u>	<u>1,500,000</u>	<u>686,479</u>	<u>(813,521)</u>
Expenditures				
Capital Outlay	<u>1,515,278</u>	<u>1,515,278</u>	<u>956,058</u>	<u>559,220</u>
Total Expenditures	<u>1,515,278</u>	<u>1,515,278</u>	<u>956,058</u>	<u>559,220</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(15,278)</u>	<u>(15,278)</u>	<u>(269,579)</u>	<u>(254,301)</u>
Net Change in Fund Balances	(15,278)	(15,278)	(269,579)	(254,301)
Fund Balances, Beginning	<u>1,010,358</u>	<u>1,010,358</u>	<u>1,010,358</u>	<u>-</u>
Fund Balances, Ending	<u><u>\$ 995,080</u></u>	<u><u>\$ 995,080</u></u>	<u><u>\$ 740,779</u></u>	<u><u>\$ (254,301)</u></u>

County of Monterey
Budgetary Comparison Schedule
NGEN Radio Project
For the Fiscal Year Ended June 30, 2022

	<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	\$ -	\$ -	\$ (26,470)	\$ (26,470)
Total Revenues	<u>-</u>	<u>-</u>	<u>(26,470)</u>	<u>(26,470)</u>
Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(26,470)</u>	<u>(26,470)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(26,470)</u>	<u>(26,470)</u>
Fund Balances, Beginning	<u>991,093</u>	<u>991,093</u>	<u>991,093</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 991,093</u>	<u>\$ 991,093</u>	<u>\$ 964,623</u>	<u>\$ (26,470)</u>

County of Monterey
Budgetary Comparison Schedule
East Garrison Capital Projects
For the Fiscal Year Ended June 30, 2022

	<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	\$ (7,624)	\$ (12,624)
Miscellaneous Revenues	315,015	315,015	2,453	(312,562)
Total Revenues	<u>320,015</u>	<u>320,015</u>	<u>(5,171)</u>	<u>(325,186)</u>
Expenditures:				
Capital Outlay	375,290	375,290	30,833	344,457
Total Expenditures	<u>375,290</u>	<u>375,290</u>	<u>30,833</u>	<u>344,457</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(55,275)</u>	<u>(55,275)</u>	<u>(36,004)</u>	<u>19,271</u>
Other Financing Sources (Uses):				
Transfers In	60,320	60,320	-	(60,320)
Total Other Financing Sources (Uses)	<u>60,320</u>	<u>60,320</u>	<u>-</u>	<u>(60,320)</u>
Net Change in Fund Balances	5,045	5,045	(36,004)	(41,049)
Fund Balances, Beginning	<u>194,654</u>	<u>194,654</u>	<u>194,654</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 199,699</u>	<u>\$ 199,699</u>	<u>\$ 158,650</u>	<u>\$ (41,049)</u>

NONMAJOR ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed primarily through user charges. The following summarizes the County's nonmajor enterprise funds.

NONMAJOR ENTERPRISE FUNDS

Laguna Seca Recreation Area – Provides an assortment of recreational activities associated with the raceway, campground, picnic areas, rifle range, and hospitality pavilion. Revenues consist primarily of user service charges.

Parks Lake & Resort Operations – Provides an assortment of outdoor and recreational activities associated with, and on the lands surrounding, Lake San Antonio and Lake Nacimiento. Revenues consist primarily of user service charges.

County of Monterey
Combining Statement of Fund Net Position
Nonmajor Enterprise Funds
June 30, 2022

	LSRA	Parks Lake & Resort Operations	Total
Assets			
Current Assets:			
Held in County Treasury	\$ 1,645,458	\$ 2,072,938	\$ 3,718,396
Receivables (Net)	1,946,636	497,806	2,444,442
Inventories	153,503	-	153,503
Prepaid Expense	695,943	-	695,943
Lease Receivable	28,034	-	28,034
Total Current Assets	<u>4,469,574</u>	<u>2,570,744</u>	<u>7,040,318</u>
Noncurrent Assets			
Capital Assets	8,778,706	1,011,644	9,790,350
Leased Assets	9,157	-	9,157
Total Noncurrent Assets	<u>8,787,863</u>	<u>1,011,644</u>	<u>9,799,507</u>
Total Assets	<u>13,257,437</u>	<u>3,582,388</u>	<u>16,839,825</u>
Deferred Outflows of Resources			
Deferred Outflows from Pensions	37,849	-	37,849
Deferred Outflows from OPEB	12,512	-	12,512
Total Deferred Outflows of Resources	<u>50,361</u>	<u>-</u>	<u>50,361</u>
Liabilities			
Current Liabilities			
Vouchers and Accounts Payable	2,916,629	81,746	2,998,375
Accrued Salaries and Benefits	7,683	180,380	188,063
Accrued Interest Payable	29	-	29
Due to Other Funds	-	480,813	480,813
Deposits from Others	-	10,230	10,230
Unearned Revenues	199,710	-	199,710
Compensated Absences - Current Portion	8,595	-	8,595
Lease Liability - Current Portion	5,631	-	5,631
Total Current Liabilities	<u>3,138,277</u>	<u>753,169</u>	<u>3,891,446</u>
Long-term liabilities:			
Advances from Other Funds	-	505,412	505,412
Net Pension Liability	91,154	-	91,154
Net OPEB Liability	26,919	-	26,919
Compensated Absences - Noncurrent Portion	8,631	-	8,631
Lease Liability - Noncurrent Portion	4,168	-	4,168
Total Long-Term Liabilities	<u>130,872</u>	<u>505,412</u>	<u>636,284</u>
Total Liabilities	<u>3,269,149</u>	<u>1,258,581</u>	<u>4,527,730</u>
Deferred Inflows of Resources			
Deferred Inflows from Pensions	71,034	-	71,034
Deferred Inflows from OPEB	8,339	-	8,339
Deferred Inflows from Leases	27,464	-	27,464
Total Deferred Inflows of Resources	<u>106,837</u>	<u>-</u>	<u>106,837</u>
Net Position			
Investment in Capital Assets	8,778,064	1,011,644	9,789,708
Restricted	-	947,012	947,012
Unrestricted (Deficit)	1,153,748	365,151	1,518,899
Total Net Position	<u>\$ 9,931,812</u>	<u>\$ 2,323,807</u>	<u>\$ 12,255,619</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2022

	LSRA	Parks Lake & Resort Operations	Total
Operating Revenues:			
Charges for Services	\$ 20,231,014	\$ 3,406,776	\$ 23,637,790
Other Operating Revenues	9,399	28,217	37,616
Lease Revenue	29,481	-	29,481
Total Operating Revenues	<u>20,269,894</u>	<u>3,434,993</u>	<u>23,704,887</u>
Operating Expenses:			
Salaries, Wages and Benefits	220,024	-	220,024
Services and Supplies	18,573,063	3,284,418	21,857,481
Depreciation and Amortization	571,610	193,190	764,800
Other Operating Expenses	1,057,887	-	1,057,887
Lease Amortization Expense	7,637	-	7,637
Total Operating Expenses	<u>20,430,221</u>	<u>3,477,608</u>	<u>23,907,829</u>
Net Operating Income (Loss)	<u>(160,327)</u>	<u>(42,615)</u>	<u>(202,942)</u>
Non-Operating Revenues (Expenses):			
Interest Income	(39,732)	20,930	(18,802)
Interest Expense	(92,491)	(61,794)	(154,285)
Other Non-Operating Revenues	7,850	1,135	8,985
Total Non-Operating Revenues (Expenses)	<u>(124,373)</u>	<u>(39,729)</u>	<u>(164,102)</u>
Net Income (Loss) Before Transfers and Capital Contributions	<u>(284,700)</u>	<u>(82,344)</u>	<u>(367,044)</u>
Transfers In	-	519,205	519,205
Transfers Out	<u>(1,283,905)</u>	<u>(16,621)</u>	<u>(1,300,526)</u>
Change in Net Position	<u>(1,568,605)</u>	<u>420,240</u>	<u>(1,148,365)</u>
Net Position, Beginning of Year, As Restated	<u>11,500,417</u>	<u>1,903,567</u>	<u>13,403,984</u>
Net Position, End of Year	<u>\$ 9,931,812</u>	<u>\$ 2,323,807</u>	<u>\$ 12,255,619</u>

County of Monterey
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2022

	LSRA	Parks Lake & Resort Operations	Total
Cash Flows From Operating Activities:			
Cash Receipts from Customers	\$ 19,040,429	\$ 3,296,821	\$ 22,337,250
Cash (Paid)/Received for Other Services	(6,819)	-	(6,819)
Cash Paid to Employees for Services	(336,781)	-	(336,781)
Cash Paid to Suppliers for Goods and Services	(17,320,725)	(3,288,174)	(20,608,899)
Net Cash Provided (Used) by Operating Activities	<u>1,376,104</u>	<u>8,647</u>	<u>1,384,751</u>
Cash Flows From Noncapital Financing Activities:			
Transfers from Other Funds	-	519,205	519,205
Transfers to Other Funds	(1,283,905)	(16,621)	(1,300,526)
Due to Other Funds	-	23,402	23,402
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(1,283,905)</u>	<u>525,986</u>	<u>(757,919)</u>
Cash Flows From Capital and Related Financing Activities			
Repayment of Advances	-	(480,813)	(480,813)
Interest Paid on Capital Related Debt	-	(61,794)	(61,794)
Collections Related to Dispositions of Capital Assets	7,850	1,135	8,985
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>7,850</u>	<u>(541,472)</u>	<u>(533,622)</u>
Cash Flows From Investing Activities			
Interest Payments Received	(39,732)	20,930	(18,802)
Interest Paid on Capital Related Debt	(91,817)	-	(91,817)
Net Cash Provided (Used) by Investing Activities	<u>(131,549)</u>	<u>20,930</u>	<u>(110,619)</u>
Net Cash Increase (Decreases) in Cash and Cash Equivalents	<u>(31,500)</u>	<u>14,091</u>	<u>(17,409)</u>
Cash and Cash Equivalents, July 1	<u>1,676,958</u>	<u>2,058,847</u>	<u>3,735,805</u>
Cash and Cash Equivalents, June 30	<u>1,645,458</u>	<u>2,072,938</u>	<u>3,718,396</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position			
Cash and Cash Equivalents	<u>1,645,458</u>	<u>2,072,938</u>	<u>3,718,396</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income (Loss)	(160,327)	(42,615)	(202,942)
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	571,610	193,190	764,800
(Increase) Decrease in Receivables	(1,199,985)	(138,173)	(1,338,158)
(Increase) Decrease in Inventories	(153,503)	-	(153,503)
(Increase) Decrease in Prepaid Items	1,289,621	-	1,289,621
Increase (Decrease) in Accounts Payable	1,944,515	(3,986)	1,940,529
Increase (Decrease) in Deferred Outflows - Pension	26,964	-	26,964
Increase (Decrease) in Deferred Outflows - OPEB	(12,512)	-	(12,512)
Increase (Decrease) in Other Salaries and Benefits	(1,764)	-	(1,764)
Increase (Decrease) in Other Liabilities	-	230	230
Increase (Decrease) in Compensated Absences	(43,122)	-	(43,122)
Increase (Decrease) in Post-employment Liability	26,919	-	26,919
Increase (Decrease) in Deferred Inflows - Pension	69,259	-	69,259
Increase (Decrease) in Deferred inflows - OPEB	8,339	-	8,339
Increase (Decrease) in Pension Liability	(190,840)	-	(190,840)
Increase (decrease) in deferred revenues	(770,408)	-	(770,408)
Increase (decrease) in Lease Liabilities	(28,663)	-	(28,663)
Total Adjustments	<u>1,536,430</u>	<u>51,261</u>	<u>1,587,691</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,376,104</u>	<u>\$ 8,647</u>	<u>\$ 1,384,751</u>



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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, 2022

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Assets					
Current Assets:					
Held in County Treasury	\$ 23,533,214	\$ 94,587,744	\$ 6,805,548	\$ 52,021,603	\$ 176,948,109
Other Bank Accounts	500,000	1,577,547	920,217	-	2,997,764
Receivables (Net)	338	185,514	-	7,152	193,004
Due from Other Funds	658,648	-	-	-	658,648
Prepaid Expense	122,573	-	-	-	122,573
Total Current Assets	<u>24,814,773</u>	<u>96,350,805</u>	<u>7,725,765</u>	<u>52,028,755</u>	<u>180,920,098</u>
Noncurrent Assets:					
Advances to Other Funds	692,344	-	-	-	692,344
Capital Assets	-	-	-	8,480,274	8,480,274
Total Noncurrent Assets	<u>692,344</u>	<u>-</u>	<u>-</u>	<u>8,480,274</u>	<u>9,172,618</u>
Total Assets	<u>25,507,117</u>	<u>96,350,805</u>	<u>7,725,765</u>	<u>60,509,029</u>	<u>190,092,716</u>
Liabilities					
Current Liabilities:					
Vouchers and Accounts Payable	128,843	865,492	692,110	195,331	1,881,776
Other Current Liabilities	-	-	731,940	-	731,940
Current Portion of Claims Liability	6,342,656	15,651,525	1,168,761	-	23,162,942
Current Portion of Long-Term Liability	485,175	-	-	-	485,175
Total Current Liabilities	<u>6,956,674</u>	<u>16,517,017</u>	<u>2,592,811</u>	<u>195,331</u>	<u>26,261,833</u>
Long-Term Liabilities:					
Claims Liability	15,068,079	74,053,980	-	-	89,122,059
Total Long-Term Liabilities	<u>15,068,079</u>	<u>74,053,980</u>	<u>-</u>	<u>-</u>	<u>89,122,059</u>
Total Liabilities	<u>22,024,753</u>	<u>90,570,997</u>	<u>2,592,811</u>	<u>195,331</u>	<u>115,383,892</u>
Net Position:					
Net Investment in Capital Assets	-	-	-	17,055,316	17,055,316
Unrestricted (Deficit)	3,482,364	5,779,808	5,132,954	43,258,382	57,653,508
Total Net Position	<u>3,482,364</u>	<u>5,779,808</u>	<u>5,132,954</u>	<u>60,313,698</u>	<u>74,708,824</u>
Total Liabilities and Net Position	<u>\$ 25,507,117</u>	<u>\$ 96,350,805</u>	<u>\$ 7,725,765</u>	<u>\$ 60,509,029</u>	<u>\$ 190,092,716</u>

County of Monterey
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2022

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Operating Revenues:					
Charges for Services	\$ 21,537,560	\$ 23,558,431	\$ 6,351,873	\$ 8,016,002	\$ 59,463,866
Other Operating Revenues	22,279	3,414,122	5,065,864	14,260,266	22,762,531
Total Operating Revenues	<u>21,559,839</u>	<u>26,972,553</u>	<u>11,417,737</u>	<u>22,276,268</u>	<u>82,226,397</u>
Operating Expenses:					
Salaries, Wages and Benefits	-	-	5,050,415	-	5,050,415
Services and Supplies	9,741,924	5,754,166	1,482,903	124,319	17,103,312
Claims Expense	5,224,891	23,171,620	6,254,250	-	34,650,761
Depreciation and Amortization	-	-	-	5,087,605	5,087,605
Other Operating Expenses	-	208,309	33,388	3,945	245,642
Total Operating Expenses	<u>14,966,815</u>	<u>29,134,095</u>	<u>12,820,956</u>	<u>5,215,869</u>	<u>62,137,735</u>
Net Operating Income (Loss)	<u>6,593,024</u>	<u>(2,161,542)</u>	<u>(1,403,219)</u>	<u>17,060,399</u>	<u>20,088,662</u>
Non-Operating Revenues (Expenses):					
Interest Income	(371,563)	(2,504,226)	(247,266)	(1,436,474)	(4,559,529)
Interest Expense	(62,688)	-	-	-	(62,688)
Other Non-Operating Revenues	-	-	-	148,648	148,648
Total Non-Operating Revenues (Expenses)	<u>(434,251)</u>	<u>(2,504,226)</u>	<u>(247,266)</u>	<u>(1,287,826)</u>	<u>(4,473,569)</u>
Net Income (Loss) Before Transfers and Capital Contributions	6,158,773	(4,665,768)	(1,650,485)	15,772,573	15,615,093
Transfers Out	-	-	-	(1,754,807)	(1,754,807)
Change in Net Position	6,158,773	(4,665,768)	(1,650,485)	14,017,766	13,860,286
Net Position, Beginning 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>
Net Position, End of Year	<u>\$ 3,482,364</u>	<u>\$ 5,779,808</u>	<u>\$ 5,132,954</u>	<u>\$ 60,313,698</u>	<u>\$ 74,708,824</u>

County of Monterey
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2022

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Cash Flows from Operating Activities:					
Cash Receipts From Customers	\$ 22,829	\$ 3,322,890	\$ 5,065,864	\$ 14,294,459	\$ 22,706,042
Cash Receipts From Interfund Charges	21,537,560	23,558,431	6,567,490	8,016,002	59,679,483
Cash Paid to Employees for Services	-	-	(5,050,415)	-	(5,050,415)
Cash Paid to Suppliers for Good and Services	<u>(14,852,035)</u>	<u>(23,041,997)</u>	<u>(7,797,302)</u>	<u>(108,325)</u>	<u>(45,799,659)</u>
Net Cash Provided (Used) by Operating Activities	<u>6,708,354</u>	<u>3,839,324</u>	<u>(1,214,363)</u>	<u>22,202,136</u>	<u>31,535,451</u>
Cash Flows From Noncapital Financing Activities:					
Transfers to Other Funds	-	-	-	(1,754,807)	(1,754,807)
Due From Other Funds	<u>(32,057)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,057)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(32,057)</u>	<u>-</u>	<u>-</u>	<u>(1,754,807)</u>	<u>(1,786,864)</u>
Cash flows from capital and related financing activities:					
Collection of Advances	658,648	-	-	-	658,648
Principal Paid on Capital Related Debt	(1,408,191)	-	-	-	(1,408,191)
Interest Paid on Capital Related Debt	(62,688)	-	-	-	(62,688)
Payments Related to Acquisition of Capital Assets	-	-	-	(2,240,342)	(2,240,342)
Collections Related to Dispositions of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,648</u>	<u>148,648</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(812,231)</u>	<u>-</u>	<u>-</u>	<u>(2,091,694)</u>	<u>(2,903,925)</u>
Cash Flows From Investing Activities:					
Interest Payments Received	<u>(371,563)</u>	<u>(2,504,226)</u>	<u>(247,266)</u>	<u>(1,436,474)</u>	<u>(4,559,529)</u>
Net Cash Provided (Used) by Investing Activities	<u>(371,563)</u>	<u>(2,504,226)</u>	<u>(247,266)</u>	<u>(1,436,474)</u>	<u>(4,559,529)</u>
Net Cash Increase (Decreases) in Cash and Cash Equivalents	<u>5,492,503</u>	<u>1,335,098</u>	<u>(1,461,629)</u>	<u>16,919,161</u>	<u>22,285,133</u>
Cash and Cash Equivalents, July 1	<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>
Cash and Cash Equivalents, June 30	<u>24,033,214</u>	<u>96,165,291</u>	<u>7,725,765</u>	<u>52,021,603</u>	<u>179,945,873</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position:					
Cash and Cash Equivalents	23,533,214	94,587,744	6,805,548	52,021,603	176,948,109
Other Bank Accounts	<u>500,000</u>	<u>1,577,547</u>	<u>920,217</u>	<u>-</u>	<u>2,997,764</u>
Total Cash and Cash Equivalents	<u>24,033,214</u>	<u>96,165,291</u>	<u>7,725,765</u>	<u>52,021,603</u>	<u>179,945,873</u>

County of Monterey
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2022

	<u>General Liability Fund</u>	<u>Worker's Comp Fund</u>	<u>Benefit Programs Fund</u>	<u>Resource Planning</u>	<u>Total</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:					
Operating Income (Loss)	6,593,024	(2,161,542)	(1,403,219)	17,060,399	20,088,662
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	-	-	-	5,087,605	5,087,605
(Increase) Decrease in Receivables	550	(91,232)	-	34,193	(56,489)
Increase (Decrease) in Accounts Payable	(28,928)	248,754	34,397	19,939	274,162
Increase (Decrease) in Other Accrued Liabilities	-	-	215,617	-	215,617
Increase (Decrease) in Claims Liability	143,708	5,843,344	(61,158)	-	5,925,894
Net Cash Provided (Used) by Operating Activities:	<u>\$ 6,708,354</u>	<u>\$ 3,839,324</u>	<u>\$ (1,214,363)</u>	<u>\$ 22,202,136</u>	<u>\$ 31,535,451</u>

FIDUCIARY FUNDS



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County of Monterey
 Combining Statement of Fiduciary Net Position - Investment Trust Funds
 June 30, 2022

	Special Districts	Schools	County	Total
Assets				
Held in County Treasury	\$ 194,051,853	\$ 1,200,059,868	\$ 241,392	\$ 1,394,353,113
Total Assets	<u>194,051,853</u>	<u>1,200,059,868</u>	<u>241,392</u>	<u>1,394,353,113</u>
Net Position				
Net Position Held in Trust for Investment Pool	194,051,853	1,200,059,868	241,392	1,394,353,113
Total Net Position	<u>\$ 194,051,853</u>	<u>\$ 1,200,059,868</u>	<u>\$ 241,392</u>	<u>\$ 1,394,353,113</u>

County of Monterey
Combining Statement of Changes in Fiduciary Net Position- Investment Trust Funds
For the Fiscal Year Ended June 30, 2022

	Special Districts	Schools	County	Total
Additions				
Contributions to Investment Pool	\$ 137,407,847	\$ 2,075,382,380	\$ 400,671	\$ 2,213,190,898
Investment Related Collections for other Governments	(5,021,345)	(27,140,933)	(6,329)	(32,168,607)
Total Additions	<u>132,386,502</u>	<u>2,048,241,447</u>	<u>394,342</u>	<u>2,181,022,291</u>
Deductions				
Distributions from investment pool	112,433,788	1,831,815,723	330,521	1,944,580,032
Total Deductions	<u>112,433,788</u>	<u>1,831,815,723</u>	<u>330,521</u>	<u>1,944,580,032</u>
Change in Net Position				
Net Position, Beginning of Year	19,952,714	216,425,724	63,821	236,442,259
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>
	<u>\$ 194,051,853</u>	<u>\$ 1,200,059,868</u>	<u>\$ 241,392</u>	<u>\$ 1,394,353,113</u>

County of Monterey
Combining Statement of Fiduciary Net Position - Private Purpose Trust Funds
June 30, 2022

	Public Guardian	Successor Agencies	Total
Assets			
Held in County Treasury	\$ 4,433,487	\$ 6,859,602	\$ 11,293,089
Long-Term Receivables	-	27,938	27,938
Assets Held for Resale	-	24,068	24,068
Equipment	-	474,669	474,669
Total Assets	<u>4,433,487</u>	<u>7,386,277</u>	<u>11,819,764</u>
Liabilities			
Accounts Payable and Accrued Expenses	-	2,325,788	2,325,788
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>2,483,225</u>	<u>2,483,225</u>
Net Position			
Net Position Held in Trust for Investment Pool	-	6,488,138	6,488,138
Individual, Organizations, and Other Governments	4,433,487	(1,585,086)	2,848,401
Total Net Position	<u>\$ 4,433,487</u>	<u>\$ 4,903,052</u>	<u>\$ 9,336,539</u>

County of Monterey
 Combining Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds
 For the Fiscal Year Ended June 30, 2022

	Public Guardian	Successor Agencies	Total
Additions			
Property Taxes	\$ -	\$ 2,020,521	\$ 2,020,521
Investment Related Collections for other Governments	(133,594)	(185,309)	(318,903)
Gifts & Bequests	4,370,923	-	4,370,923
Total Additions	<u>4,237,329</u>	<u>1,835,212</u>	<u>6,072,541</u>
Deductions			
Administrative Expenses	-	3,316,920	3,316,920
Beneficiary payments to individuals	4,982,980	-	4,982,980
Depreciation and Amortization	-	103,379	103,379
Total Deductions	<u>4,982,980</u>	<u>3,420,299</u>	<u>8,403,279</u>
Change in Net Position			
	(745,651)	(1,585,087)	(2,330,738)
Net Position, Beginning of Year	<u>5,179,138</u>	<u>6,488,139</u>	<u>11,667,277</u>
Net Position, End of Year	<u>\$ 4,433,487</u>	<u>\$ 4,903,052</u>	<u>\$ 9,336,539</u>

County of Monterey
Combining Statement of Fiduciary Net Position- Custodial Funds
June 30, 2022

	Taxes and Interest	Departmental	Transit	Community Facilities Districts	Total
Assets					
Held in County Treasury	\$ 10,614,603	\$ 51,069,203	\$ 3,534,473	\$ 1,606,568	\$ 66,824,847
Taxes Receivable	<u>37,128,619</u>	-	-	-	<u>37,128,619</u>
Total Assets	<u>47,743,222</u>	<u>51,069,203</u>	<u>3,534,473</u>	<u>1,606,568</u>	<u>103,953,466</u>
Liabilities					
Accounts Payable and Accrued Expenses	5,189	419,481	-	-	424,670
Assets Held as Agency for Others	<u>5,458,532</u>	<u>489,010</u>	-	-	<u>5,947,542</u>
Total Liabilities	<u>5,463,721</u>	<u>908,491</u>	-	-	<u>6,372,212</u>
Net Position					
Individual, Organizations, and Other Governments	<u>42,279,501</u>	<u>50,160,712</u>	<u>3,534,473</u>	<u>1,606,568</u>	<u>97,581,254</u>
Total Net Position	<u>\$42,279,501</u>	<u>\$50,160,712</u>	<u>\$ 3,534,473</u>	<u>\$ 1,606,568</u>	<u>\$ 97,581,254</u>

County of Monterey
Combining Statement of Changes in Fiduciary Net Position- Custodial Funds
For the Fiscal Year Ended June 30, 2022

	Taxes and Interest	Departmental	Transit	Community Facilities Districts	Total
Additions					
Local Tax collected for other Government	\$ 2,068,414,830	\$ 37,271,380	\$ -	\$ 2,261,088	\$ 2,107,947,298
Assistance Fund Received for other Government	-	989,399	27,411,846	231	28,401,476
Investment Related Collections for other Governments	18,610,244	(1,215,752)	(65,237)	508	17,329,763
Other Contributions	-	355,928	908,484	-	1,264,412
Total Additions	<u>2,087,025,074</u>	<u>37,400,955</u>	<u>28,255,093</u>	<u>2,261,827</u>	<u>2,154,942,949</u>
Deductions					
Administrative Expenses	1,723,358	140,089	909,692	-	2,773,139
Payment of Local Tax to other Governments	2,061,944,510	22,002,201	-	2,262,695	2,086,209,406
Payment of Assistance fund to other Government	-	819,221	25,315,173	43,746	26,178,140
Investment related Payments	15,765,653	-	96	-	15,765,749
Total Deductions	<u>2,079,433,521</u>	<u>22,961,511</u>	<u>26,224,961</u>	<u>2,306,441</u>	<u>2,130,926,434</u>
Change in Net Position					
Net Position, Beginning of Year	7,591,553	14,439,444	2,030,132	(44,614)	24,016,515
	<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>
Net Position, End of Year	<u>\$ 42,279,501</u>	<u>\$ 50,160,712</u>	<u>\$ 3,534,473</u>	<u>\$ 1,606,568</u>	<u>\$ 97,581,254</u>

DETAILED BUDGET SCHEDULES



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County of Monterey
Schedule of Expenditures-Budget and Actual
General
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>General Government</u>				
Annual County Audit	\$ 52,684	\$ 52,684	\$ (6,830)	\$ 59,514
Assessor	7,424,551	7,424,551	7,133,669	290,882
Auditor-Controller	1,618,868	1,618,868	954,296	664,572
Board of Supervisors	4,410,985	4,410,985	4,353,088	57,897
CAO - Administration / Finance / Budget	1,984,272	1,984,272	1,850,546	133,726
CAO Auxiliary Services	28,899	28,899	24,132	4,767
CAO-Community Engagement & Strategic				
Advocacy	1,013,750	1,013,750	826,083	187,667
Civil Rights Office	77,778	77,778	(61,984)	139,762
Clerk of the Board	941,820	941,820	910,538	31,282
Contingencies	1,945,703	-	-	-
Contracts & Purchasing	(1,499,376)	(1,210,491)	(1,257,708)	47,217
County Counsel	2,134,148	2,145,167	1,868,254	276,913
County Memberships	81,682	81,682	81,682	-
Courier & Mail Services	(237,463)	(287,612)	(522,086)	234,474
Development Set-Aside	2,654,684	3,454,684	3,454,664	20
Elections	5,396,754	6,709,046	6,415,751	293,295
Enterprise Risk	213,802	213,802	159,845	53,957
Facilities Services	3,011,978	3,383,806	3,467,510	(83,704)
Fleet Operations	495,298	495,298	(172,086)	667,384
HCD Administration	2,944,502	2,944,502	2,500,050	444,452
Human Resources	943,447	1,017,520	796,293	221,227
Information Technology Systems	(4,210,859)	(4,210,859)	(6,864,068)	2,653,209
Insurance & Other General Expenditures	168,047	168,047	(106,253)	274,300
Intergovernmental / Legislative Affairs	3,508,748	3,580,803	2,878,657	702,146
Other Financing Uses	38,021	-	-	-
Pension Unfunded Liability	-	45,868	45,859	9
PWWP Administration	4,096,623	4,096,623	3,730,402	366,221
Records Retention	24,664	(44,721)	(151,374)	106,653
Risk Management	-	-	(7,082)	7,082
Treasurer - Tax Collector	8,471,985	8,811,418	7,275,408	1,536,010
Utilities	1,830,282	2,090,000	2,064,187	25,813
Special Districts Administration	43,970	43,970	43,968	2
Total General Government	<u>49,610,247</u>	<u>51,082,160</u>	<u>41,685,411</u>	<u>9,396,749</u>

continued

County of Monterey
Schedule of Expenditures-Budget and Actual
General
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>Public Safety and Protection</u>				
Agriculture Commissioner	12,306,371	12,980,504	12,952,865	27,639
Animal Services	3,648,455	3,648,455	3,418,139	230,316
Child Support Services	11,414,946	11,414,946	10,743,268	671,678
Clerk-Recorder	2,776,147	2,776,147	2,564,772	211,375
Community Development	14,148,024	14,435,458	12,342,696	2,092,762
Contributions	4,935,579	8,191,150	8,127,090	64,060
Courts	8,018,761	8,018,761	7,971,665	47,096
District Attorney	36,457,430	37,826,603	36,497,602	1,329,001
Grand Jury	446,769	446,769	439,069	7,700
Housing and Economic Dev Admin	727,211	727,211	435,953	291,258
Litter Control	503,310	503,310	413,028	90,282
Office of Emergency Services	2,506,166	5,511,731	4,918,679	593,052
Probation	56,553,072	56,553,072	54,143,345	2,409,727
Public Defender	16,435,771	16,435,771	15,935,548	500,223
Public Guardian / Administrator	2,652,725	2,652,725	2,469,329	183,396
Sheriff - Admin & Enforcement Ops	56,196,387	56,525,387	54,694,303	1,831,084
Sheriff - Custody Operations	72,255,505	73,220,892	73,018,988	201,904
Stormwater Floodplain Management	1,153,248	1,153,248	840,929	312,319
Total Public Safety and Protection	<u>303,135,877</u>	<u>313,022,140</u>	<u>301,927,268</u>	<u>11,094,872</u>
<u>Health and Sanitation</u>				
Children's Medical Services	4,895,040	4,895,040	4,659,805	235,235
Clinic Services	65,082,469	65,082,469	52,961,329	12,121,140
County Disposal Sites	194,830	194,830	133,173	61,657
Emergency Medical Services	591,102	591,102	436,763	154,339
Environmental Health	12,380,612	12,387,109	10,258,812	2,128,297
Health Department Administration	5,357,734	8,668,215	6,033,977	2,634,238
Public Health	32,840,560	35,623,546	27,625,311	7,998,235
Total Health and Sanitation	<u>121,342,347</u>	<u>127,442,311</u>	<u>102,109,170</u>	<u>25,333,141</u>

continued

County of Monterey
Schedule of Expenditures-Budget and Actual
General
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>Public Assistance</u>				
Community Programs	21,667,911	44,414,543	38,402,595	6,011,948
Entitlement Programs	77,506,410	77,506,410	70,559,940	6,946,470
Entitlement Programs - Gen. Assistance	1,170,703	1,170,703	496,077	674,626
Military & Veterans' Services	2,948,786	2,283,024	1,711,625	571,399
Senior & Aging Services	2,862,588	4,001,380	3,810,892	190,488
Social Services	<u>134,590,977</u>	<u>134,925,814</u>	<u>126,982,154</u>	<u>7,943,660</u>
Total Public Assistance	<u>240,747,375</u>	<u>264,301,874</u>	<u>241,963,283</u>	<u>22,338,591</u>
<u>Education</u>				
Cooperative Extension Service	<u>509,538</u>	<u>509,538</u>	<u>405,972</u>	<u>103,566</u>
Total Education	<u>509,538</u>	<u>509,538</u>	<u>405,972</u>	<u>103,566</u>
<u>Recreation and Cultural Services</u>				
Laguna Seca Track	216,918	216,918	209,128	7,790
Recreation Services	<u>8,186,692</u>	<u>7,710,146</u>	<u>6,972,474</u>	<u>737,672</u>
Total Recreation and Culture Services	<u>8,403,610</u>	<u>7,927,064</u>	<u>7,181,602</u>	<u>745,462</u>
<u>Non-Appropriations Unit</u>				
Debt Service - Principal	-	-	5,022,046	(5,022,046)
Debt Service - Interest	-	-	728,752	(728,752)
Capital Outlay	<u>-</u>	<u>-</u>	<u>673,146</u>	<u>(673,146)</u>
Total Non-Appropriations Unit	<u>-</u>	<u>-</u>	<u>6,423,944</u>	<u>(6,423,944)</u>
Total General Fund	<u>\$ 723,748,994</u>	<u>\$ 764,285,087</u>	<u>\$ 701,696,650</u>	<u>\$ 62,588,437</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,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities:										
Net Investment in Capital Assets	510,497	476,707	493,398	441,551	507,422	573,659	626,801	778,855	795,940	804,837
Restricted	23,429	58,531	75,295	153,788	147,046	233,669	229,199	296,092	332,842	384,866
Unrestricted (Deficit)	144,625	179,220	(157,025)	(136,368)	(157,830)	(180,147)	(159,315)	(254,959)	(272,801)	(191,774)
Total Governmental Activities Net Position	<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>	<u>997,929</u>
Business-Type Activities:										
Net Investment in Capital Assets	56,799	64,921	76,209	74,272	78,269	75,026	77,653	87,736	102,807	104,965
Restricted	-	-	101	845	604	604	854	788	964	947
Unrestricted (Deficit)	57,815	54,336	(39,095)	(16,865)	(10,842)	(19,472)	43,117	38,942	109,450	170,725
Total Business-Type Activities Net Position	<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>	<u>276,637</u>
Total Primary Government:										
Net investment in capital assets	567,296	541,628	569,607	515,823	585,691	648,685	704,454	866,591	898,747	909,802
Restricted	23,429	58,531	75,396	154,633	147,650	234,273	230,053	296,880	333,806	385,813
Unrestricted	202,440	233,556	(196,120)	(153,233)	(168,672)	(199,619)	(116,198)	(216,017)	(163,351)	(21,049)
Total Primary Government Net Position	<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>	<u>1,274,566</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,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expense (By Function)										
Governmental Activities:										
General Government	68,114	62,834	64,747	60,364	52,580	57,968	63,448	72,581	63,580	\$ 34,457
Public Safety and Protection	202,351	215,556	225,461	230,062	255,735	288,016	294,152	325,688	363,876	317,706
Public Ways and Facilities	28,382	30,513	29,676	31,793	37,027	35,677	29,885	33,433	34,191	36,332
Health and Sanitation	123,088	133,639	147,810	162,094	184,533	193,742	213,880	226,447	239,049	232,174
Public Assistance	161,214	168,359	171,051	180,651	197,944	197,637	200,968	211,118	227,039	246,138
Education	7,807	8,373	8,876	9,316	9,939	9,111	9,925	10,448	10,468	10,151
Recreation and Cultural Services	4,485	5,342	6,041	6,441	11,850	19,103	26,695	24,807	4,338	6,047
Interest on Long-Term Debt	9,483	8,656	8,248	10,083	10,681	10,324	7,627	7,292	6,808	7,940
Total Governmental Activities Expenses	604,924	633,272	661,910	690,804	760,289	811,578	846,580	911,814	949,349	890,945
Business-Type Activities:										
Natividad Medical Center	179,531	184,553	213,033	234,616	263,623	294,713	308,181	333,149	353,088	348,885
Parks and Lake Resort	10,075	8,502	6,118	5,546	5,932	7,446	6,813	3,384	3,166	3,574
Laguna Seca Recreation Area	-	-	-	-	-	-	-	-	9,841	20,081
Total Business Type Activities Expenses	189,606	193,055	219,151	240,162	269,555	302,159	314,994	336,533	366,095	372,540
Total Primary Government Expenses	794,530	826,327	881,061	930,966	1,029,844	1,113,736	1,161,575	1,248,347	1,315,444	1,263,485
Program Revenues (By Function)										
Governmental Activities:										
Charges For Services:										
General Government	24,166	22,855	25,265	26,482	28,828	31,088	30,092	29,130	36,573	\$ 36,758
Public Safety and Protection	38,503	38,654	41,729	43,159	42,071	46,943	42,230	42,192	45,671	47,350
Public Way and Facilities	3,875	3,309	3,715	4,984	2,803	3,379	3,063	4,157	5,226	5,128
Health and Sanitation	40,233	37,201	43,476	47,342	50,228	67,115	53,872	55,649	58,176	54,635
Public Assistance	2,231	2,574	-	107	223	1,618	2,866	1,554	1,377	634
Education	323	149	157	154	155	156	134	78	33	33
Recreation and Cultural Services	1,241	957	1,472	1,593	2,447	832	959	1,035	1,145	1,161
Operating Grants and Contributions	353,380	354,894	393,283	399,091	414,960	438,209	442,265	472,305	522,682	582,119
Capital Grants and Contributions	11,119	5,370	3,140	4,219	9,781	68,186	45,848	74,489	3,022	6,958
Total Governmental Activities Revenues	475,071	465,963	512,237	527,131	551,496	657,527	621,328	680,589	673,905	734,777
Business-Type Activities:										
Charges For Services:										
Natividad Medical Center	170,180	181,565	216,345	258,456	292,732	345,748	364,240	345,618	413,229	417,457
Parks and Lake Resort	7,325	4,727	2,874	3,833	4,340	6,066	4,359	2,992	3,577	3,435
Laguna Seca Raceway	-	-	-	-	-	-	-	-	9,251	20,236
Operating Grants and Contributions	941	96	-	2	26	23	88	-	-	-
PR Capital Grants and Contributions-NMC	1,574	-	392	-	-	-	-	-	-	-
Total Business-Type Activities Revenues	180,020	186,388	219,611	262,291	297,098	351,837	368,687	348,610	426,057	441,128
Total Primary Government Program Revenues	655,091	652,351	731,848	789,422	848,594	,009,364	990,015	,029,199	1,099,962	1,175,905
Net (Expense) Revenue										
Governmental Activities	(129,853)	(167,309)	(149,673)	(163,673)	(208,793)	(154,051)	(225,252)	(231,225)	(275,444)	(156,168)
Business-Type Activities	(9,586)	(6,667)	460	22,129	27,543	49,678	53,693	12,077	59,962	68,588
Total Primary Net Expense	(139,439)	(173,976)	(149,213)	(141,544)	(181,250)	(104,373)	(171,559)	(219,148)	(215,482)	(87,580)

COUNTY OF MONTEREY
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues & Other										
Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	124,796	128,477	135,415	143,365	150,772	159,373	170,410	175,300	185,877	\$ 208,931
Sales and Use Taxes	8,754	9,688	11,901	11,741	10,339	18,010	23,717	18,708	21,459	25,099
Transient Occupancy and Other										
Transient Occupancy Taxes	25,399	28,102	25,912	22,834	21,279	24,960	28,608	21,774	23,529	40,026
Cannabis Taxes	-	-	-	12,857	15,678	27,620	29,672	34,581	39,807	10,683
Documentary Transfer Taxes	-	-	-	-	-	-	-	-	-	5,410
	<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>	<u>56,119</u>
Unrestricted Interest and Investment Earnings	7,779	8,666	10,517	12,160	15,842	21,842	31,283	10,830	6,660	(19,749)
Miscellaneous										
Other Revenues	8,215	10,485	9,286	2,170	2,571	2,391	926	531	927	7,332
Tobacco Settlement Revenues	-	-	-	3,577	3,679	4,393	4,258	4,082	4,608	4,721
	<u>8,215</u>	<u>10,485</u>	<u>9,286</u>	<u>5,747</u>	<u>6,250</u>	<u>6,784</u>	<u>5,184</u>	<u>4,613</u>	<u>5,535</u>	<u>12,053</u>
Transfers	(6,488)	(862)	(1,898)	2,274	19,552	60,892	(6,430)	11,510	(22,498)	(2,337)
Lease Revenue	-	-	-	-	-	-	-	-	-	791
Total Governmental Activities	<u>168,455</u>	<u>184,556</u>	<u>191,133</u>	<u>210,978</u>	<u>239,712</u>	<u>319,480</u>	<u>282,444</u>	<u>277,316</u>	<u>311,438</u>	<u>298,843</u>
Business-Type Activities:										
Unrestricted Interest and Investment Earnings										
Investment Earnings	311	217	214	457	888	1,806	4,622	4,554	2,562	(8,322)
Other Revenues	7,433	4,950	5,440	725	899	1,315	722	720	732	745
Transfers	6,488	862	1,898	(2,274)	(19,552)	(60,892)	6,430	(11,510)	22,498	2,337
Lease Revenue	-	-	-	-	-	-	-	-	-	29
Total Business-Type Activities	<u>14,232</u>	<u>6,029</u>	<u>7,552</u>	<u>(1,092)</u>	<u>(17,765)</u>	<u>(57,771)</u>	<u>11,775</u>	<u>(6,236)</u>	<u>25,793</u>	<u>(5,211)</u>
Total Primary Government	<u>182,687</u>	<u>190,585</u>	<u>198,685</u>	<u>209,886</u>	<u>221,947</u>	<u>261,709</u>	<u>294,219</u>	<u>271,080</u>	<u>337,229</u>	<u>293,631</u>
Change in Net Position										
Governmental Activities	38,602	54,703	41,460	47,305	30,919	165,429	57,192	46,091	35,994	142,675
Business-Type Activities	4,646	(638)	8,012	21,037	9,778	(8,093)	65,468	5,841	85,755	63,377
Total Primary Government	<u>43,248</u>	<u>54,065</u>	<u>49,472</u>	<u>68,342</u>	<u>40,697</u>	<u>157,336</u>	<u>122,660</u>	<u>51,932</u>	<u>121,749</u>	<u>206,052</u>

COUNTY OF MONTEREY
Fund Balances, Governmental Funds
Last Ten Fiscal Years (in thousands)
(Modified Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	262	251	371	328	433	574	662	1,889	585	675
Restricted	448	534	913	12,463	12,461	28,753	29,168	29,964	45,972	54,713
Committed	60,293	60,293	70,293	73,893	45,300	62,500	91,461	91,979	100,483	104,335
Assigned	38,329	39,275	62,598	56,181	76,633	80,031	81,488	87,968	39,792	86,734
Unassigned	5,520	17,552	6,615	6,018	8,695	3,862	2,358	282	50,205	4,993
Total General Fund	104,852	117,905	140,790	148,883	143,522	175,720	205,137	212,082	237,037	251,450
All Other Governmental Funds										
Nonspendable	2,571	239	145	119	119	121	-	76	88	86
Restricted	45,354	57,997	81,258	124,519	128,891	151,200	145,287	250,550	271,676	317,130
Committed	3,510	6,932	9,801	12,280	15,994	19,032	22,298	37,010	36,802	36,575
Assigned	63,770	58,005	51,571	57,560	84,383	81,219	75,974	7,700	7,270	4,489
Unassigned	-	-	(15)	(17)	(3,506)	(1,159)	(62)	-	-	(1)
Total All Other Governmental Funds	115,205	123,173	142,760	194,461	225,881	250,413	243,497	295,336	315,836	358,279
Total Governmental Funds Balances	220,057	241,078	283,550	343,344	369,403	426,133	448,634	507,418	552,873	609,729

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,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Taxes	159,052	167,007	173,418	190,999	197,487	230,271	251,060	249,229	270,466	\$ 285,455
Licenses, Permits, and Franchises	17,155	18,587	20,831	20,545	21,427	26,282	22,234	23,037	23,619	25,029
Fines, Forfeitures, and Penalties	10,216	8,486	9,447	9,807	8,979	9,563	9,702	10,697	11,822	12,338
Revenue from Use of Money and Property	7,181	6,909	8,178	10,718	14,261	20,869	29,217	26,682	8,685	(12,426)
Aid from Other Governmental Agencies	362,079	361,406	384,407	392,091	427,029	460,941	485,258	518,707	582,161	606,802
Charges for Services	73,073	77,780	84,808	93,608	95,387	111,148	97,894	96,880	102,626	100,310
Miscellaneous Revenues	12,966	12,125	11,618	8,295	9,348	11,389	9,754	8,897	12,374	17,810
Lease Revenue	-	-	-	-	-	-	-	-	-	791
Total Revenues	641,722	652,300	692,707	726,063	773,918	870,464	905,120	934,129	,011,753	1,036,109
Expenditures:										
Current:										
General Government	48,960	48,892	52,032	57,826	45,167	50,046	49,652	47,297	43,015	54,550
Public Protection	201,730	214,653	224,710	235,078	249,925	264,009	263,692	286,657	328,501	324,618
Public Ways and Facilities	27,024	25,058	24,049	25,396	34,039	34,674	34,011	35,501	50,096	48,362
Health and Sanitation	127,261	132,906	147,202	165,157	178,813	187,639	206,033	216,808	233,373	243,446
Public Assistance	162,926	168,031	170,529	182,527	205,531	195,755	197,180	206,073	224,200	254,968
Education	7,796	8,281	8,798	9,419	9,402	8,675	9,477	9,817	9,994	10,618
Recreation and Cultural Services	4,155	4,801	5,249	5,866	11,635	18,451	26,826	23,869	5,990	7,182
Debt Service:										
Interest and Debt Service Costs	8,913	8,157	7,868	9,359	9,504	9,855	8,293	7,316	6,988	7,549
Principal	6,615	6,533	6,732	6,962	7,977	18,382	9,389	7,250	7,412	14,289
Capital Outlay	12,549	10,182	23,462	23,559	32,319	79,827	66,396	40,955	21,434	14,482
Total expenditures	607,929	627,494	670,631	721,149	784,312	867,313	870,949	881,543	931,003	980,065
Excess (Deficiency) of Revenue Over (Under) Expenditures	33,793	24,806	22,076	4,914	(10,394)	3,151	34,171	52,586	80,750	56,045
Other Financing Sources (Uses):										
Premium on Issuance of Debt	-	-	-	3,970	-	15,037	3,690	-	-	-
Transfers In	97,359	114,285	177,944	147,409	182,195	248,186	162,383	185,779	170,517	190,907
Transfers Out	(103,847)	(116,484)	(179,223)	(145,135)	(162,643)	(187,780)	(175,186)	(179,613)	(205,959)	(191,489)
Lease Proceeds	60	-	-	-	17,240	126	-	-	-	-
Issuance of Debt	-	-	-	48,440	-	74,682	22,890	-	-	-
Capital Lease	-	-	32	-	-	-	-	-	-	-
Sale of Capital Assets	81	51	87	197	208	256	86	33	147	120
Leases (as Lessee)	-	-	-	-	-	-	-	-	-	20,792
Total Other Financing Sources (Uses)	(6,347)	(2,148)	(1,160)	54,881	37,000	150,507	13,862	6,199	(35,295)	20,330
Special Item										
Special Item	-	-	(230)	-	-	-	-	-	-	-
Net Change in Fund Balances:	27,446	22,658	20,686	59,795	26,606	153,658	48,034	58,785	45,455	56,845
Debt Service as a Percentage of Non-Capital Expenditures	2.68 %	2.42 %	2.28 %	2.39 %	2.42 %	3.67 %	2.26 %	1.87 %	1.64 %	1.49 %

(principal and interest) divided by (total expenditures less capital expenditures)

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
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%
2022	77,334,476	3,444,722	(2,825,750)	77,953,448	1.00%

Source: County of Monterey 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, 2022 and June 30, 2013

Tax Payer	Type of Business	2022		Percentage of Total County Assessed Value	2013		Percentage of Total County Assessed Value
		Taxable Assessed Value (\$'000)	Rank		Taxable Assessed Value (\$'000)	Rank	
Pacific Gas & Electric Company	Utility	861,415	1	1.11%	449,907	3	0.90%
Pebble Beach Company	Tourism	811,369	2	1.04%	539,379	2	1.08%
D'Arrigo Bros Co.	Agriculture	216,115	3	0.28%	-	-	-
California - American Water Company	Utility	194,099	4	0.25%	101,367	7	0.20%
Dynergy Moss Landing LLC	Utility	187,300	5	0.24%	569,000	1	1.14%
Chevron USA Inc	Petroleum	166,959	6	0.21%	313,166	4	0.63%
Northridge Owner LP	Retail	155,726	7	0.20%	-	-	-
Global AG Properties LLC	Agriculture	123,987	8	0.16%	-	-	-
Scheid Vineyards California Inc	Agriculture	115,585	9	0.15%	-	-	-
AAT Del Monte LLC	Real Estate	115,254	10	0.15%	-	-	-
Aera Energy LLC	Utility	-	-	-	298,874	5	0.60%
Pacific Bell Telephone Company	Utility	-	-	-	105,214	6	0.21%
Pacific Holdings	Retail	-	-	-	96,108	8	0.19%
CalPine King City Cogen LLC	Utility	-	-	-	69,882	9	0.14%
Dole Fresh Vegetables Inc	Agriculture	-	-	-	66,612	10	0.13%
Ten Largest Taxpayers' Total		2,947,810		3.78%	2,609,509		5.24%
All Other Taxpayers' Total		<u>75,005,638</u>		<u>96.22%</u>	<u>47,193,741</u>		<u>94.76%</u>
Total		<u>77,953,448</u>		<u>100%</u>	<u>49,803,250</u>		<u>100%</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
2013	\$ 582,546	\$ 572,426	98.26 %	\$ 11,742	\$ 608,897	\$ 584,168	95.94 %
2014	602,945	595,209	98.72 %	11,067	627,327	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	98.75 %	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 %
2022	921,389	907,891	98.54 %	11,119	945,992	919,009	97.15 %

Source: County of Monterey 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,									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
County Direct Rates										
General	14.393790	14.482198	14.615871	14.592533	14.662911	14.676180	14.650910	14.741656	14.813889	14.813870
Library	1.136914	1.153592	1.173274	1.160721	1.163969	1.161050	1.163189	1.170153	1.179298	1.177428
County Service Areas &										
Sanitation	0.112319	0.111543	0.110578	0.112473	0.114429	0.114835	0.102093	0.102427	0.153308	0.116691
Water Resources	0.356559	0.355875	0.353710	0.358293	0.361855	0.363468	0.357898	0.358306	0.358991	0.361016
City Rates										
Carmel	0.928475	0.917682	0.905651	0.919484	0.928584	0.925324	0.917630	0.904430	0.913139	0.903411
Del Rey Oaks	0.072111	0.072425	0.071862	0.073633	0.074358	0.075784	0.073900	0.072360	0.073054	0.072828
Gonzales	0.066290	0.065751	0.066087	0.068991	0.072192	0.074007	0.074625	0.075226	0.076742	0.077329
Greenfield	0.060248	0.058958	0.056088	0.053842	0.055499	0.056536	0.057209	0.060089	0.059165	0.058289
King City	0.126813	0.125852	0.124264	0.129211	0.129605	0.129815	0.132241	0.133946	0.131165	0.130737
Marina	0.344842	0.345671	0.339330	0.344972	0.342877	0.342913	0.342603	0.345570	0.375805	0.380745
Monterey	1.132810	1.132790	1.134106	1.152602	1.143935	1.157047	1.155349	1.103643	1.158205	1.167624
Pacific Grove	0.838985	0.831067	0.821151	0.825886	0.824130	0.819703	0.805354	0.807166	0.821313	0.820216
Salinas	2.274016	2.286494	2.273387	2.310360	2.343531	2.363633	2.341976	2.329014	2.263236	2.282341
Sand City	0.011363	0.011799	0.012258	0.013088	0.013921	0.014689	0.015332	0.016233	0.017156	0.017815
Seaside	0.271396	0.269081	0.267910	0.271064	0.273837	0.275050	0.275665	0.276836	0.277707	0.276452
Soledad	0.065583	0.065579	0.062802	0.060610	0.059097	0.057585	0.057346	0.057528	0.053927	0.054407
Successor Agency Rates	9.009454	8.766019	8.409409	8.154961	7.734818	7.586144	8.367956	8.248791	8.026337	7.915752
School district	60.392535	60.346479	60.711811	60.826832	61.172296	61.357629	60.882411	61.016724	62.254048	62.677332
Fire District Rates	3.793770	4.038303	3.984402	4.013157	3.947294	3.849456	3.755478	3.766515	3.800211	3.806164
Other Special District Rates	4.611727	4.562842	4.506049	4.557387	4.580862	4.599152	4.470835	4.413387	4.458292	4.444871

Source: County of Monterey Records

COUNTY OF MONTEREY
(Unincorporated)
Taxable Sales by Category
Last Ten Fiscal Years
(amounts expressed in thousands)

Type of Business	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Apparel Stores	\$ 9,154	\$ 9,255	\$ 8,493	\$ 8,661	\$ 8,138	\$ 8,248	\$ 7,597	\$ 7,011	\$ 5,033	\$ 6,560
General Merchandise	1,593	1,649	1,748	1,719	1,837	618	395	590	703	966
Packaged Liquor	3,689	6,763	7,801	-	-	-	-	-	-	-
Food Stores	51,658	54,887	58,200	56,359	46,171	45,371	45,219	47,468	53,005	48,696
Furniture and Appliances	10,821	11,515	14,514	-	-	-	-	-	-	-
Eating and Drinking Places	67,564	73,437	73,350	82,741	90,783	87,238	95,187	99,256	70,238	99,975
Building Materials	127,745	139,121	144,064	125,980	131,715	134,741	148,293	154,631	171,532	148,897
Auto Dealers and Suppliers	35,465	36,475	38,867	36,171	40,692	49,315	47,265	45,440	38,441	48,666
Service Stations	147,993	147,047	143,251	130,627	119,799	124,227	150,663	136,893	119,161	146,829
Other Retail Stores	49,061	50,780	48,748	64,342	71,242	76,599	87,817	94,828	95,980	119,271
All Other Outlets	388,015	428,300	500,605	526,970	543,916	566,652	712,970	684,719	566,913	717,494
Totals	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	1,337,354
County Direct Sales Tax Rate	0.08 %	0.08 %	0.08 %	0.08 %	0.09 %	0.08 %	0.09 %	0.09 %	0.09 %	0.09 %

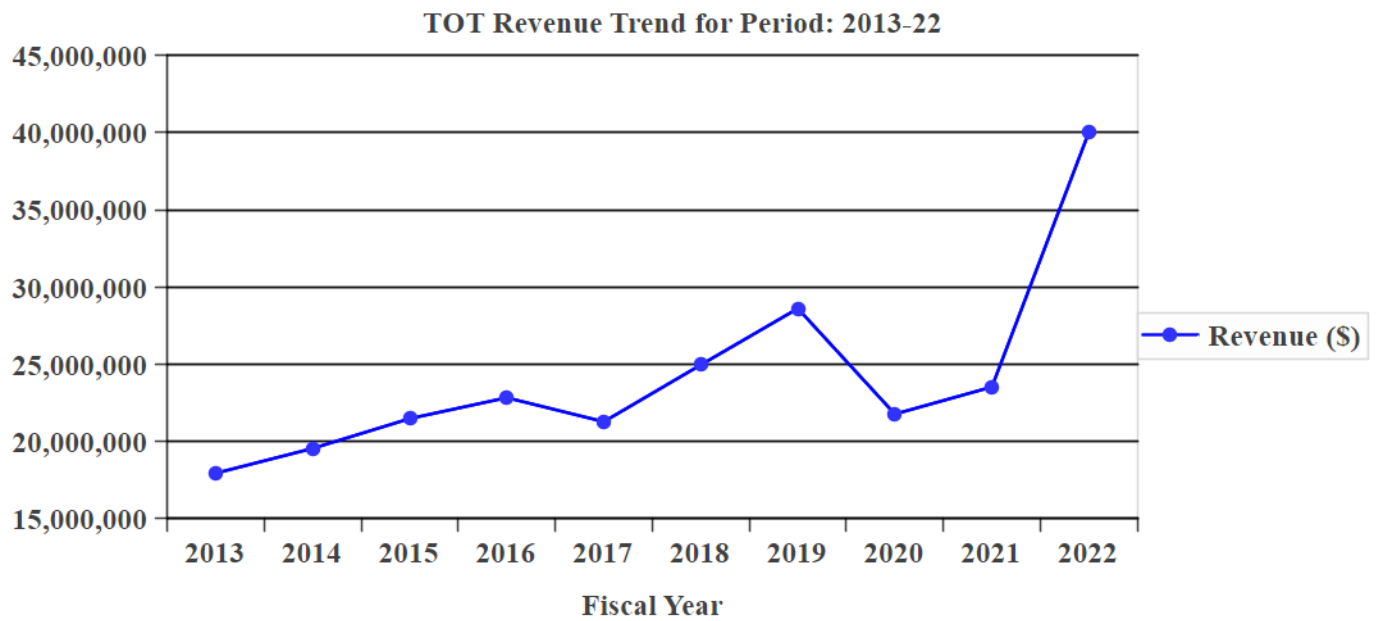
Source: State of California Board of Equalization and The HdL Companies

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
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%
2022	40,025,756	70.11%



Source:

County of Monterey Treasurer- Tax Collector Transient Occupancy Tax Statements
 Financial system data effective FY 2022

COUNTY OF MONTEREY
Ratios of Outstanding Debt by Type
Last 10 years (in thousands, except per capita)
As of Fiscal Year 2021 - 22

Fiscal Year	Governmental Activities						Business-Type Activities					Total Primary Gov (2)	Per Capita (3)	Percentage of Personal Income (3)
	Certificates of Participation	Notes Payable	Revenue Bonds	Long Term Loans	Special Assessment Bonds	Lease Payable (1)	Judgment Obligation Bonds	Certificates of Participation	Long Term Loans	Lease Payable (1)				
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 %	
2022	118,665	12,244	22,485	17,540	36	15,066	-	29,221	-	673	216,603	497	0.78 %	

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) The County adopted GASB 87 in FY 2021-2022 and prior amounts were not restated.

(2) Includes all debt shown for Government and Business-Type Activities.

(3) Population and total personal income can be found in Schedule 15 - Demographics and Economic Statistics(1).

COUNTY OF MONTEREY
Legal Debt Margin Information
Last 10 Fiscal Years (in thousands)

<u>Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2022</u>	
Net Assessed Value	77,953,448
Debt Limit 1.25% of Net Assessed Value	\$974,418
Debts Applicable to Limit:	
General Obligation Bonds	\$0
Less: Amount Set Aside for Repayment of Debt	\$0
Net Debt Applicable to Limit	<u>\$0</u>
Legal Debt Margin	<u>\$ 974,418</u>

Fiscal Year	Fiscal Year Ended June 30									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	974,418	937,577	902,174	845,953	795,566	753,605	721,358	680,831	644,338	622,541
Less: Total Net Debt Applicable to Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>974,418</u>	<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>
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 2021 - 22

Fiscal Year Ended June 30	Sanitation Revenue Bonds						Water Revenue Bonds						Special Assessment Bonds			
				Debt Service						Debt Service						
	Sanitation Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Water Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Special Assessment Collections	Principal	Interest	Coverage
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
2022	147,538	110,187	37,351	32,000	6,850	0.96	4,115,717	-	4,115,717	790,000	965,638	2.34	14,913	13,000	2,699	0.95

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, 2022

2021-22 Assessed Valuation (includes unitary utility valuation) \$ 77,953,448,058

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</u>	(1) Percentage Applicable	Debt at June 30, 2022
Hartnell Community College District	99.827 %	\$ 251,391,007
Monterey Peninsula Community College District	100	131,478,522
Carmel Unified School District	100	17,643,445
Monterey Peninsula Unified School District	100	217,095,903
North Monterey County Unified School District	100	29,230,000
Pacific Grove Unified School District	100	43,390,000
Soledad Unified School District	100	63,279,885
South Monterey County Joint Union High School District	98.786	38,259,818
Salinas Union High School District and School Facilities Improvement District	100	122,454,077
Alisal Union School District	100	66,171,772
Greenfield Union School District	100	29,680,542
Salinas City School District	100	53,737,030
Santa Rita Union School District	100	18,107,313
Washington Union School District	100	9,730,000
Other School Districts	Various	49,102,330
City of Marina	100	6,430,000
Community Facilities Districts	100	27,532,542
City 1915 Act Bonds	100	5,470,000
Special District 1915 Act Bonds	100	3,350,000
Monterey County Water Resources Agency Benefit Assessment District Zone 2C	100	22,347,549
County of Monterey Special Assessment Bonds	100	36,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 1,205,917,735</u>

<u>DIRECT AND OVERLAPPING GENERAL GOVERNMENT DEBT:</u>	(1) Percentage Applicable	Debt at June 30, 2022
County of Monterey Certificates of Participation	100 %	\$ 118,664,559
County of Monterey Revenue Bonds	100	137,000
County of Monterey Notes Payable	100	12,729,399
County of Monterey Loans Payable	100	17,054,388
County of Monterey Lease Payable	100	15,066,342
Monterey County Office of Education General Fund Obligations	100	4,772,000
Salinas Union High School District General Fund Obligations	100	16,540,485
Salinas City School District Certificates of Participation	100	15,469,938
Other School District General Fund Obligations	Various	28,412,169
City of Carmel General Fund Obligations	100	3,895,000
City of Carmel Pension Obligation Bonds	100	680,000
City of Greenfield General Fund Obligations	100	606,838
City of Gonzales General Fund Obligations	100	5,749,042
City of Monterey General Fund Obligations	100	4,865,000
City of Pacific Grove Pension Obligation Bonds	100	3,521,354
City of Salinas General Fund Obligations	100	97,066,000
City of Seaside Cutino Park Lease Revenue Bonds	100	14,820,000
City of Seaside Pension Obligation Bonds	100	2,115,000
Monterey County Fire Protection District Pension Obligation Bonds	100	23,010,000
Pajaro/Sunny Mesa Community Services District Genreal Fund Obligations	100	185,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL GOVERNMENT DEBT	-	385,359,514
Less: City of Seaside Measure X Lease Revenue Bonds supported by sales tax revenues	-	10,330,000
TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 375,029,514</u>

OVERLAPPING TAX INCREMENT DEBT (Successor Agencies)	100	\$ 89,431,791
TOTAL DIRECT DEBT		<u>\$ 186,035,237</u>
TOTAL GROSS OVERLAPPING DEBT		1,494,673,803
TOTAL NET OVERLAPPING DEBT		1,484,343,803
GROSS COMBINED TOTAL DEBT		1,680,709,040
NET COMBINED TOTAL DEBT	(2)	<u>\$ 1,670,379,040</u>

COUNTY OF MONTEREY
Direct and Overlapping Bonded Debt
As of June 30, 2022

Ratios to 2021-2022 Assessed Valuation:

Total Direct and Overlapping Tax and Assessment Debt	1.55 %
Total Direct Debt (\$171,638,086)	0.24 %
Gross Combined Total Debt	2.16 %
Net Combined Total Debt	2.14 %
9	
Ratios to Redevelopment Incremental Valuation (\$6,921,805,249):	
Total Overlapping Tax Increment Debt	1.29 %

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
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 %
2021	434,283	63,449	27,747,802	38	74,700	14.0 %

Sources:

1. U.S. Census Bureau-As of July 1, 2019, Released March 2020
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 2021-22
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	2012 Total	2013 Total	2014 Total	2015 Total	2016 Total	2017 Total	2018 Total	2019 Total	2020 Total	2021 Total
SALINAS MSA										
Total										
No. of Businesses	11,195	11,717	12,123	12,180	12,274	12,681	13,380	13,648	13,735	13,907
No. of Employees	155,869	158,846	166,546	170,385	170,383	173,386	178,844	181,536	164,126	172,939
Payroll (in thousands)	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	2,209,513
Agriculture										
No. of Businesses	532	540	546	539	520	530	548	557	561	566
No. of Employees	60,673	62,874	66,033	67,029	66,347	67,159	69,481	70,231	67,795	68,579
Payroll (in thousands)	472,663	520,761	557,753	596,901	658,994	675,089	702,286	722,652	739,270	816,000
Utilities										
No. of Businesses	21	21	22	20	20	20	21	23	22	21
No. of Employees	868	872	763	789	784	804	788	803	829	538
Payroll (in Thousands)	19,317	21,089	18,131	20,427	21,753	22,014	21,481	23,302	25,955	17,537
Construction and Mining										
No. of Businesses	787	825	857	886	914	951	1,049	1,066	1,095	1,104
No. of Employees	4,673	4,823	5,080	5,538	6,067	6,416	6,790	6,888	6,485	6,793
Payroll (in Thousands)	58,685	62,188	65,513	75,409	91,161	94,666	101,151	108,057	104,888	112,696
Manufacturing										
No. of Businesses	248	265	267	259	264	271	289	296	276	292
No. of Employees	5,287	5,439	5,337	5,685	5,529	5,759	5,538	5,311	4,695	5,096
Payroll (in Thousands)	63,429	59,826	60,774	65,737	69,340	73,079	69,305	71,060	66,334	72,847
Wholesale Trade										
No. of Businesses	377	368	386	384	375	366	375	379	376	387
No. of Employees	5,480	5,227	5,496	5,459	5,548	5,868	5,923	5,836	5,369	5,317
Payroll (in Thousands)	88,422	92,922	88,835	94,037	101,499	99,856	101,941	100,277	98,253	103,086
Retail Trade										
No. of Businesses	1,195	1,175	1,227	1,199	1,212	1,188	1,199	1,193	1,220	1,222
No. of Employees	15,812	16,144	16,146	16,366	16,356	16,241	16,684	16,671	15,346	15,983
Payroll (in Thousands)	120,195	120,072	123,709	128,116	134,773	134,980	141,741	147,826	148,372	169,595
Transportation and Warehousing										
No. of Businesses	230	239	253	269	266	283	313	329	335	347
No. of Employees	3,085	3,309	3,847	3,907	3,817	3,493	3,352	3,531	2,995	3,236
Payroll (in Thousands)	37,895	40,049	45,023	48,726	46,978	45,508	44,062	45,883	40,301	46,267
Information										
No. of Businesses	102	102	93	84	88	87	93	96	94	98
No. of Employees	1,525	1,517	1,361	1,325	1,126	1,036	1,028	994	735	852
Payroll (in Thousands)	23,229	23,947	21,563	23,019	17,431	15,534	14,268	14,254	12,894	14,518
Finance and Insurance										
No. of Businesses	345	333	341	333	354	349	366	363	352	345
No. of Employees	2,480	2,235	2,136	2,247	2,354	2,430	2,514	2,442	2,290	2,155
Payroll (in Thousands)	46,190	43,238	41,400	45,027	49,584	51,645	51,634	48,911	48,964	50,686
Real Estate, Rental and Leasing										
No. of Businesses	369	380	396	387	382	390	421	426	451	459
No. of Employees	1,753	1,639	1,743	1,781	1,803	1,933	2,032	1,960	1,780	1,978
Payroll (in Thousands)	17,891	18,071	18,431	20,113	22,487	22,408	24,369	24,675	23,178	26,708
Services										
No. of Businesses	6,989	7,469	7,735	7,820	7,879	8,246	8,706	8,920	8,953	9,066
No. of Employees	54,233	54,767	58,604	60,259	60,652	62,247	64,714	66,869	55,807	62,412
Payroll (in Thousands)	502,741	505,549	543,970	567,068	609,620	633,751	674,084	723,235	639,626	779,575

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 does 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

		Fiscal Year Ended June 30,								
Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	440.5	593.8	536.5	537.5	568.5	591.5	565.7	574.5	587.5	631.5
Public Protection	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	1,273.5
Public Ways and Facilities	273.5	123.0	114.0	114.0	86.0	86.0	83.0	86.0	89.0	98.0
Health and Sanitation	793.8	851.0	893.3	869.8	1,099.3	1,097.3	1,043.8	1,073.2	1,085.0	10,712.0
Public Assistance	802.0	862.0	893.0	874.0	921.0	910.0	871.0	886.0	889.0	894.0
Recreation and Education	140.0	137.0	124.0	107.0	116.0	87.0	120.0	69.0	104.0	113.0
Hospital	863.4	886.1	990.9	994.9	1,218.1	1,219.1	1,255.3	1,299.3	1,325.1	1,438.6
Total Governmental Positions	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	5,519.8
Special District:										
Water Resource Agency	63.0	63.0	63.0	55.0	55.0	51.0	46.0	48.0	48.0	48.0
Total Positions:	<u>4,523.2</u>	<u>4,708.9</u>	<u>4,903.0</u>	<u>4,820.5</u>	<u>5,377.9</u>	<u>5,351.9</u>	<u>5,285.3</u>	<u>5,363.5</u>	<u>5,455.6</u>	<u>5,567.8</u>

Source: County of Monterey Adopted Budget Book Position Information

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL GOVERNMENT										
Assessor										
Deeds Processed	15,280	14,000	16,000	15,018	15,159	13,349	15,420	15,338	16,245	19,054
Recorder -County Clerk										
Documents Recorded	91,818	76,016	75,012	78,850	82,662	82,852	78,341	77,764	109,312	81,289
Marriage Licenses Issued	2,814	3,226	3,133	3,017	3,116	2,978	2,871	2,360	3,085	3,311
Fictitious Business Names Filed	2,342	2,585	2,688	2,618	2,547	2,464	2,679	2,292	2,876	2,576
PUBLIC PROTECTION										
Emergency Communications										
911 and Non-Emergency Calls	623,669	614,476	719,248	756,869	748,161	744,281	741,261	702,251	727,577	729,619
CAD Incidents	568,587	590,777	591,137	520,060	520,060	587,085	593,392	527,292	520,409	527,713
District Attorney's Office										
Felonies and Misdemeanors Reviewed	13,311	19,248	17,186	16,331	16,422	18,586	18,815	12,955	16,160	14,594
Child Support Services										
Cases	17,085	16,477	16,422	15,957	15,589	15,013	14,448	13,669	13,199	13,092
Public Defender										
Felonies	6,070	5,937	4,599	3,585	5,472	4,856	2,077	1,737	2,146	2,049
Misdemeanors	9,617	8,197	8,147	14,763	16,529	14,310	8,174	7,594	7,645	7,457
Juveniles	1,775	1,416	1,078	1,208	1,593	1,270	645	492	427	563
Mental Health and Probate	265	385	661	211	266	298	100	119	142	100
Court Assigned Counsel										
Felonies	806	604	447	283	374	325	389	324	286	308
Misdemeanors	505	312	327	444	401	307	431	382	333	281
Juveniles	202	97	98	116	192	111	261	145	98	91
Truancy Filings/Appearances	312 / 1,761	324 / 1,548	324/2,003	368 / 1,856	261/1,651	unavail/2,518	198/2430	unavail/1932	unavail/1088	0
Sexual Violent Predators (SVP)	0	0	0	0	0	0	1	0	6	1
State Prison Cases	unavail	64	54	112	120	166	250	134	65	318
Sheriff -Administration and Enforcement Bureau										
Warrants Received	9,732	9,234	10,810	13,858	11,546	11,367	13,376	11,587	12,980	9,836
Felony and Misdemeanor Offenses Reported	4,582	3,760	4,170	4,250	4,221	4,031	2,116	1,894	1,854	6,829
Sheriff- Joint Gang Task Force										
Felony and Misdemeanor Arrests	264	168	108	unavail	unavail	unavail	unavail	unavail	unavail	unavail
Task Force and/or Gang Awareness	14	12	15	unavail	unavail	unavail	unavail	unavail	unavail	unavail
Sheriff- Custody Operations Bureau										
Prisoners Booked	11,574	11,480	13,586	14,252	12,484	10,719	12,756	10,974	9,351	10,104
Average Daily Prisoner Population	1,101	974	926	929	912	900	893	817	855	896
Court Transportation	22,298	22,511	23,411	17,538	18,500	18,500	18,643	13,368	14,485	16,892
Probation										
Juvenile Referrals	1,706	1,526	1,238	2,179	2,670	2,092	1,948	1,606	950	1,417
Standard Reports	2,955	3,138	2,813	2,841	2,924	2,182	2,002	1,661	1,655	1,872
Supervision	7,027	6,911	6,500	6,565	5,947	6,395	6,764	6,433	5,146	5,457

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Juvenile Institutions and Alternative Program										
Admissions	1,540	1,479	1,214	1,109	851	929	836	597	431	502
Sheriff-Coroner										
Total Investigations	1,071	1,050	1,100	1,200	1,168	1,133	1,006	1,408	1,492	1,275
Coroner's Cases	339	320	350	378	586	359	373	472	465	483
Planning										
Discretionary Permits Initiated	807	866	1,069	1,222	1,283	1,813	1,791	1,007	918	929
Building Services										
Building and Grading Permits	2,216	2,452	2,942	3,345	3,429	3,640	3,419	3,251	3,559	3,822
Plan Checks	1,268	2,412	1,820	1,546	1,607	1,546	1,393	1,223	2,025	2,935
Building Inspections	9,350	12,024	13,932	14,100	10,851	29,988	24,775	20,907	20,781	20,172
PUBLIC WAYS AND FACILITIES:										
Public Works										
Road Miles Maintained	1,234	1,234	1,234	1,235	1,236	1,242	1,258	1,257	1,262	1,264
Bridges Maintained	173	174	174	174	174	174	175	175	175	175
Water Resources	-	-	-	-	-	-	-	-	-	-
Total Water Deliveries- Acre- Feet	22,275	22,784	21,028	18,482	16,970	21,354	17,516	20,662	20,980	21,064
Nacimiento Hydro Project Kilowatt Hours	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	391,893
HEALTH AND SANITATION										
Animal Field Services										
Licenses Sold / Citations Issued	6,026	5,908	5,843	6,751	5,605	5,419	4,617	3,981	4,257	4,397
Service Calls	3,451	3,120	4,345	4,506	3,755	2,759	1,362	913	1,054	1,839
Animals Admitted To Shelter	3,853	3,023	2,472	2,662	2,787	2,273	2,222	1,756	1,157	1,579
Health										
Public Health Nursing Home Visits	9,140	7,781	5,815	6,993	4,820	852	192	969	1,229	1,210
Laboratory Tests	35,058	37,392	40,408	39,098	40,688	41,978	35,853	37,216	68,634	60,637
Clinic Services										
Primary Care Clinic Visits	169,144	159,519	170,419	179,984	183,193	194,469	195,739	194,166	201,795	181,277
Mental Health										
Inpatient Services (Days)	2,369	2,645	2,837	2,108	1,860	2,323	2,661	2,774	2,844	2,351
Locked Facilities (Days)	9,841	12,757	13,543	15,717	13,818	16,094	17,809	19,113	16,101	16,185
Public Guardian										
Conservatorship Cases	348	353	341	326	362	317	314	331	345	359
Representative Payee Cases	424	382	375	285	215	221	260	261	272	270
Alcohol and Drug Programs										
Methadone Maintenance Dosing	50,926	58,321	67,613	75,813	79,963	88,230	88,785	96,480	98,829	93,033
Narcotic Treatment Program Counseling	27,737	31,180	34,655	40,994	48,659	58,383	494,218	600,779	538,514	578,281
Residential Bed Days	23,860	26,962	29,655	28,360	26,183	23,833	19,446	16,906	16,181	19,117
Children's Medical Services										
CCS Referrals Reviewed for Medical Eligibility	2,152	2,072	2,130	2,158	2,120	2,080	2,501	2,683	1,754	1,150
CCS Referrals Opened for Medical Services	1,226	1,036	1,200	1,172	1,136	1,106	1,326	1,422	898	724

Schedule 18

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
CHDP Review Preventive Health Screens	19,332	19,408	21,573	19,810	20,264	-	-	-	0	0
CHDP Patient Tracking for Follow-Up Screens	2,153	2,751	2,377	1,230	2,119	318	157	168	5	110
PUBLIC ASSISTANCE										
Social Services										
Food Stamps and Medi-Cal	48,133	49,369	50,920	52,194	48,743	44,948	39,691	38,668	40,392	45,038
CWS Permanent Placement	155	189	216	261	241	220	197	180	191	162
Adult Protective Services & In-Home Supportive Services	3,974	3,933	4,264	4,326	4,494	4,722	4,985	4,735	5,786	5,974
CalWORKs/TANF Benefits Caseloads										
Ongoing	5,905	5,709	5,262	4,842	4,174	3,666	3,143	3,035	3,306	3,095
Employment Services	3,921	2,968	3,156	2,799	2,337	1,975	1,616	1,519	1,514	1,329
Childcare Services	204	210	217	234	212	210	178	179	168	157
Out-of-Home Care, Average Monthly Caseload										
Foster Care Ongoing	347	387	442	452	393	388	390	375	378	290
Court Dependent Children	1	2	-	-	28	40	5	7	9	10
Aid to Adoptions	675	660	675	701	752	777	821	824	901	851
In-Home Support Services- Client Services Paid Cases										
Personal Care Services Program	3,412	3,198	3,614	3,668	3,943	4,133	4,362	4,433	4,740	5,429
Residual/ Waiver Plus	470	552	365	325	292	310	320	433	858	954
Aid to Indigents										
Regular General Assistance	699	673	636	523	408	429	454	469	442	247
Military and Veterans Affairs Caseload Items										
Claims Filed	1,690	1,477	1,786	2,066	1,729	1,519	1,364	1,547	1,220	1,744
Other Benefit Claims Filed	-	-	-	-	-	-	-	3,323	4,084	4,493
Veterans Transported to VA Medical	1,016	1,056	823	882	745	771	648	500	-	-
EDUCATION										
Library										
Customers Visiting Library	885,633	889,397	873,444	934,585	761,655	768,556	684,329	536,673	9,880	266,312
Public Library Computer Sessions	162,313	166,699	170,287	150,920	154,627	92,304	122,726	90,970	2,230	552,777
Virtual Visits to Library Websites	225,000	247,500	222,750	240,570	262,439	255,106	222,337	122,542	182,925	253,429
Total Circulation	602,849	542,515	573,661	620,206	583,402	490,845	496,215	430,459	243,575	361,833
Reference Questions	111,122	105,337	81,682	75,097	72,307	59,165	91,549	73,103	13,704	34,631
RECREATION AND CULTURAL SERVICES										
Parks										
Visitors	1,113,456	989,569	623,411	622,346	435,422	672,422	553,910	185,611	192,166	189,583

COUNTY OF MONTEREY
Operating Indicators by Function/ Program
Last Ten Fiscal Years

Source: County of Monterey Departmental Records

Notes:

1. FY 2021 number revised. FY 2022 number is an estimate, will be revised in FY 2023.
2. Change in reporting requirement enforced by Department of Justice is the reason for this change.
3. The decrease is due to inaction of the hydro power plant, affected by low water level and drought at the Nacimiento Dam.
4. Change in eligibility requirement for general assistance during FY 2022 led to the decrease.
5. Program ended during the Pandemic in March 2020.
6. The increases are mainly due to reopening libraries to public for in-person services.
7. During FY 2022, all day-use parks were free and there was no staff at the gates keeping count of the number of day-use visitors. In addition, San Lorenzo Park continues to be closed to campers due to COVID-19 isolation trailers being on site.

COUNTY OF MONTEREY
Capital Asset Statistics
Last Ten Fiscal Years
For Fiscal Year Ended June 30, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Buildings	14	14	18	18	18	18	33	36	39	42
Vehicles	92	83	106	97	205	205	205	205	197	191
Heavy Equipment	7	6	6	5	19	19	19	19	42	44
Communication Tower	6	6	9	9	9	9	14	14	14	17
Leases - Right-to-Use	-	-	-	-	-	-	-	-	-	36
Public Protection										
Buildings	25	25	28	28	28	28	34	34	34	34
Vehicles	450	447	444	338	347	347	347	347	309	306
Boats	1	1	1	1	1	1	1	1	1	1
Heavy Equipment	49	13	12	11	25	25	25	25	42	48
Leases - Right-to-Use	-	-	-	-	-	-	-	-	-	76
Public Ways & Facilities (Road Dept)										
Bridges	173	174	174	174	174	175	175	175	175	175
Culverts (ft)	218,749	218,749	218,969	218,969	220,777	221,000	221,000	221,000	221,000	221,000
Drain System Inlets	230	230	231	235	235	238	238	238	238	238
Drain System Pipe (ft)	68,752	68,752	68,752	72,000	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	95	92	111	103	103	103	103	102	103
Lift Stations	15	15	15	15	15	15	15	15	15	15
Maintained Road Miles (paved)	1,234	1,234	1,234	1,234	1,236	1,232	1,257	1,257	1,257	1,257
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	5	4
Road Lane Miles	2,611	2,611	2,611	2,611	2,611	2,611	2,661	2,661	2,661	2,661
Sanitary Heavy Equipment	1	1	1	1	1	-	-	-	-	-
Sanitary Sewer Lines(miles)	42	42	42	42	42	39	39	39	39	39
Street Light	380	380	380	380	380	380	384	384	384	384
Traffic Signals	28	28	27	28	28	28	29	29	29	29
Vehicles	100	74	63	240	94	94	94	94	97	111
Water Resources2										
Dams	2	2	2	2	2	-	-	-	-	-
Salinas River Diversion Facility	1	1	1	1	1	1	1	1	1	1
Heavy Equipment	6	10	10	10	20	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	27	22	23	23	25	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, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
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	25	25	26	26
Vehicles	130	120	130	154	153	153	153	153	172	177
Heavy Equipment	-	-	-	-	3	3	3	3	-	-
Leases - Right-to-Use	-	-	-	-	3	3	3	3	-	78
Public Assistance										
Buildings	1	1	5	5	5	5	25	25	22	22
Vehicles	104	100	107	99	97	97	97	97	97	91
Leases - Right-to-Use	-	-	-	-	-	-	-	-	-	12
Recreation and Cultural Services										
Basketball courts	1	1	1	1	1	3	3	3	3	3
Boats	15	34	42	26	40	40	40	40	40	40
Buildings	176	176	176	176	176	173	173	173	173	173
Heavy Equipment	34	37	37	91	190	190	190	190	180	183
Lakes Acres	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Land Acres	14,325	16,873	16,873	16,873	16,873	16,873	16,873	16,873	16,873	16,873
Parks	10	10	10	9	9	8	8	8	8	8
Tennis Courts	1	1	1	1	1	1	1	1	1	1
Vehicles	117	112	98	98	115	115	115	115	106	108
Communication Tower	1	1	1	1	1	1	1	1	1	1
Leases - Right-to-Use	-	-	-	-	-	-	-	-	-	2
Education										
Bookmobiles	3	3	3	3	3	3	3	3	3	3
Buildings	3	3	6	6	6	6	6	6	6	6
Vehicles	15	17	17	23	18	18	18	18	19	19
Heavy Equipment	-	1	1	4	5	5	5	5	5	5
Leases - Right-to-Use	-	-	-	-	-	-	-	-	-	6

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