

County of Monterey

State of California



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2023

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

Sand City Coastline

From Big Sur to Moss Point, the County of Monterey has nearly 100 miles of coastline, a mile and a half of this coastline is part of Sand City. Sand City is located on the shores of Monterey Bay and surrounded on most sides by the larger city of Seaside. The city is located 2 miles northeast of Monterey, at an elevation of 72 feet with a total area of 2.9 square miles, of which 0.5 square miles are land and 2.4 square miles are water.

The city is blessed with spectacular dunes formed during the Pleistocene era at the tail end of the last ice age. These dunes are the highest found on the California's Central Coast. 75% of Sand City's coastline has been targeted for open space and habitat protection, due to a Memorandum of Understanding between Sand City, the Monterey Peninsula Regional Park District, and the California Department of Parks and Recreation. This allows the natural beauty of the coastal dunes to thrive and allow for a beautiful landscape with ocean, sand, and native plants as far as the eye can see. The city also maintained two development areas primarily dedicated to coastal resort development which is allowed in the City's certified local coastal plan. This blending of fiscal responsibility and coastal stewardship is reinforced by the City's ability to garner a larger percentage of property tax revenues within the redevelopment project plan area adopted in 1987.

Cover Photo: Sand City Coastline provided by Juan Avila

COUNTY OF MONTEREY
STATE OF CALIFORNIA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2023

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Rupa Shah, CPA



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ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2023

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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



February 23, 2024

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, 2023, 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, 2023. 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.

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.

Population: The County population has exhibited consistent growth over the past decade. In 2023, the County had a population of approximately 446,000, with an average population of 135.2 per square milage. The City of Salinas serves as the County seat and is the County's largest city, with a population of 161,020. 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

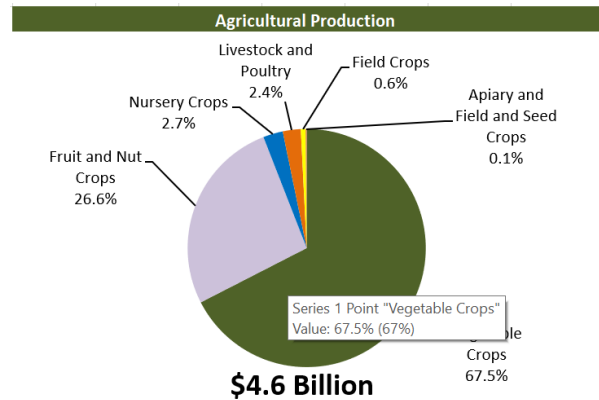
State Government

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

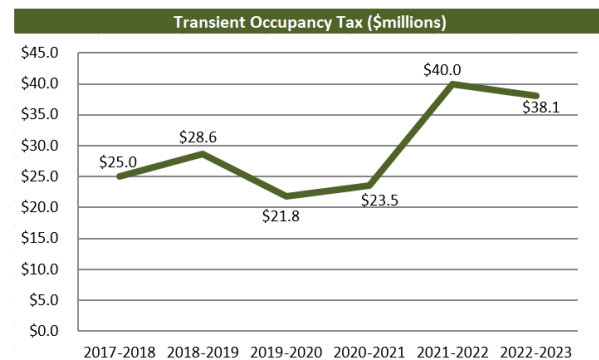
The County's economy is primarily based on agribusiness in the Salinas Valley, tourism in the coastal regions, and government and non-profit sectors. The trade, transportation, and utilities group continue to be a larger part of the County economy.

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 83,500 jobs to the region. According to the County's Agricultural Commissioner, the 2022 Crop Report reflects a production gross value of \$4.6 billion for the County, an increase of 13.1% from the prior year. County of Monterey's top crops were ranked as follows: 1) strawberries (\$1.0 billion), 2) leaf lettuce (\$0.8 billion) and 3) head lettuce (\$0.5 billion).



Tourism: Tourism spending in the County was \$3.1 billion in 2022, representing a 20.2% percent increase from 2021. The tourism industry contributed 25,370 jobs to the local economy and generated \$307 million in total taxes, of which \$176 million in local tax dollars directly benefited the community.

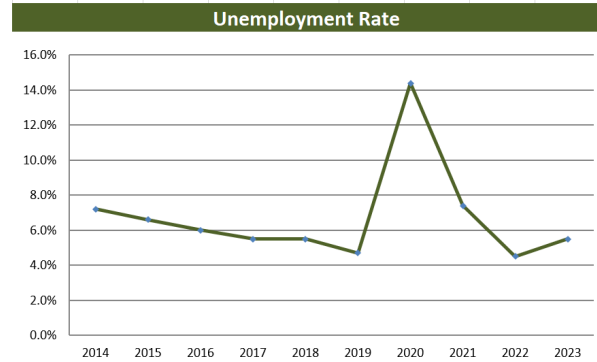
Tourism continues to be the second largest industry in the County. 2023 Visitor Profile research found Monterey's visitors spent an average of \$2,000 per trip, with a lodging spend of \$278 per day. Similarly, the County's second-largest source of discretionary revenue is Transient Occupancy Tax (TOT). 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 a slight decline in the County, after traveling peaked last year following the hard hit of the COVID-19 pandemic and shelter in place order. TOT revenues for FY2023 were \$38.1 million, a decrease of 4.88% over the prior year.

Employment: The County's unemployment rate reflects an increase 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 5.5% as of June 2023, an increase of 1.0% compared to the year-ago rate of 4.5%. The state average unemployment rate as of June 2023 was 4.6%. 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 and the accommodations and food service industry. The increase of 9,000 agricultural seasonal jobs and an additional 1,500 jobs from the accommodations and food service

sector was not enough to prevent unemployment from rising.



Real Estate / Housing: The Federal Reserve efforts to tame inflation by enacting large interest rates increases has impacted the real estate industry. Steep mortgage rates, and scant home inventory continue to impact the County of Monterey real estate and housing market. The still-limited supply spurred homebuyers to act quickly, decreasing the median time on market of single-family homes to 11 days from 12 days last year. According to the California Association of Realtors, the median home sales price for single-family homes in the County was \$796,370 as of June 2023.

Long-Term Financial Planning

Three-Year Financial Forecast: In order to provide County policymakers 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 Obligation Bonds	AA+ /Stable	Aa2 Implied	AAA/Stable
Lease Obligation Bonds (COPs)	AA/Stable	Aa3 Stable	AA+/Stable

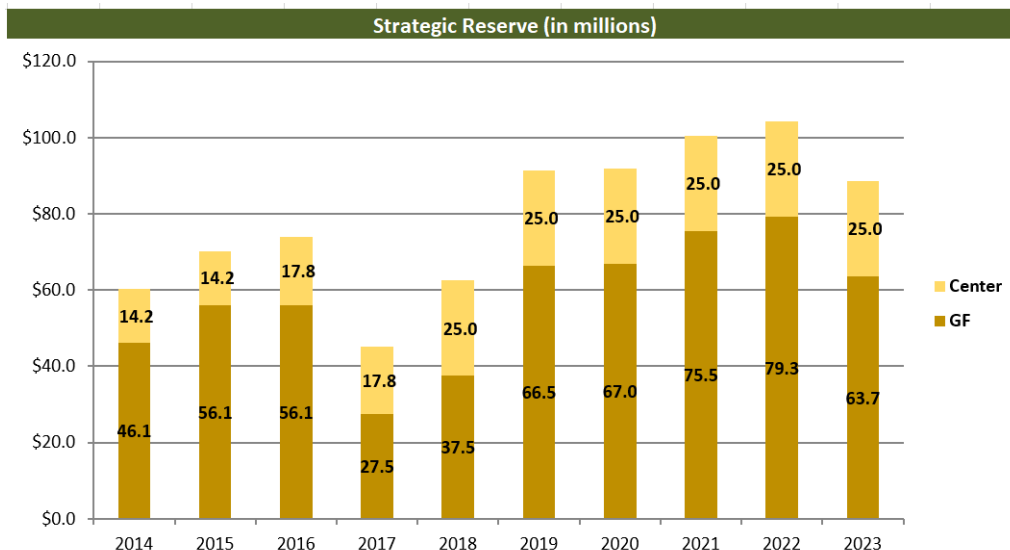
The County continues developing strategies to aggressively improve the efficiencies and effectiveness of operations and capitalize on these re-engineering efforts to improve its finances.

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 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 fund balance from the General Fund 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 fiscal year 2023, the County utilized funds from the Strategic Reserve to advance funding to the Public Works, Facilities and Parks department, and the County of Monterey Water Resources Agency to fulfill the Winter Storm Repair Projects. As of June 30, 2023, the Strategic Reserve balance was \$88.7 million – consisting of a General Fund Strategic Reserve at \$63.7 million and a Center's Strategic Reserve of \$25.0 million (funded from unrestricted Center's 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, 2022. This is the 18th 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

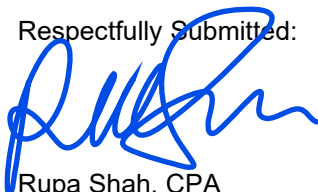
The GFOA presented an award for Distinguished Budget Presentation to the County of Monterey for the annual budget for the fiscal year beginning July 1, 2022. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operational 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, 2022

Christopher P. Morill

Executive Director/CEO

COUNTY OF MONTEREY
DIRECTORY OF COUNTY OFFICIALS

June 30, 2023

Elected Officials:

Legislative Branch:

Board of Supervisors

District #1.....Luis A. Alejo
District #2.....Glenn Church
District #3.....Chris Lopez
District #4.....Wendy R. Askew
District #5.....Mary Adams

Executive Branch:

Assessor – County Clerk-Recorder.....Marina Camacho
Auditor-Controller.....Rupa Shah, CPA
District Attorney.....Jeannine Pacioni
Sheriff-Coroner.....Tina M. Nieto
Treasurer-Tax Collector.....Mary A. Zeeb

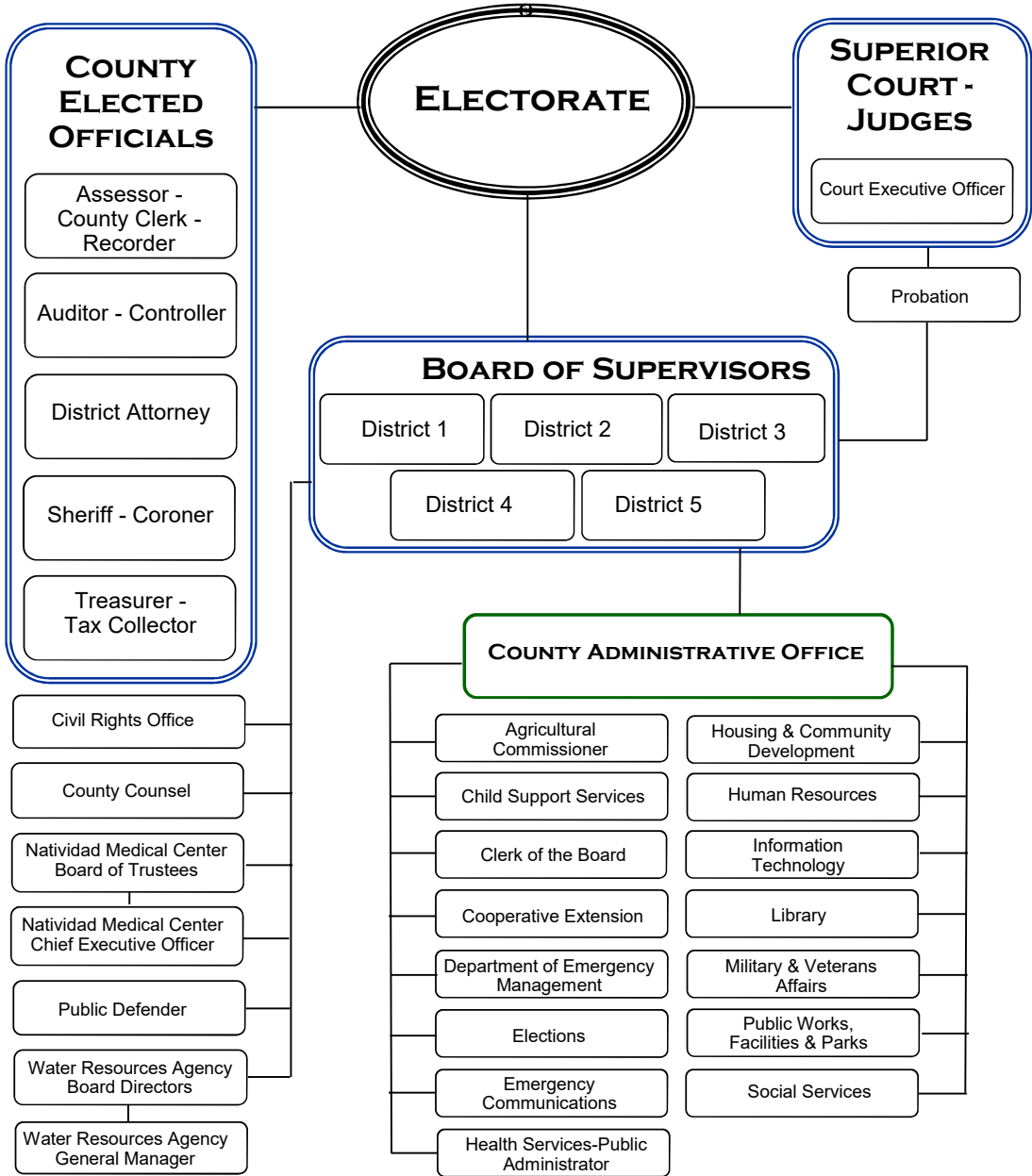
Appointed Department Heads:

County Administrative Officer.....Sonia M. De La Rosa
Agricultural Commissioner.....Juan Hidalgo
Child Support Services DirectorDarrell McGowan
Clerk of the Board.....Valerie Ralph
Cooperative Extension DirectorDavid Gonzalvez
County Counsel.....Leslie Girard
Department of Emergency Management Director.....Kelsey Scanlon
Emergency Communications Director.....Lee Ann Magoski
Civil Rights Officer Juan P. Rodriguez
Health Services Director, Public Administrator.....Elsa M. Jimenez
Housing and Community Development Director.....Erik Lundquist
Human Resources Director.....Irma Ramirez-Bough
Information Technology Director.Eric A. Chatham
Library Director.....Hillary Theyer
Military and Veterans’ Affairs Officer.....Jack Murphy (Interim)
Natividad Medical Center Chief Executive Officer.....Dr. Charles Harris
Public Works, Facilities, and Parks Director.....Randell Ishii
Public Defender.....Susan E. Chapman
Registrar of Voters.....Gina Martinez
Social & Employment Services DirectorLori Medina
Water Resources Agency General Manager.....Ara Azhderian

Appointed by Superior Court:

Chief Probation Officer.....Todd 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 (the County), as of and for the year ended June 30, 2023, 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, 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, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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'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

Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective July 1, 2022, the County adopted new accounting guidance for subscription-based information technology arrangements. The guidance requires subscription-based information technology arrangements to be recognized as a right-to-use asset and corresponding liability. Our opinion is 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

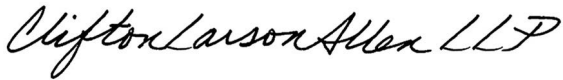
Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not 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.

Board of Supervisors
County of Monterey

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
February 23, 2024

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, 2023. 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 \$1,455.3 (net position). Of this amount, \$47.4 represents unrestricted net position. Restricted net position of \$431.3 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 \$976.6 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 \$180.8 during the current fiscal year. The increase in net position represents the degree to which revenues exceeded expenses, an indication that the financial position of the County is improving.
- As of June 30, 2023, the County's governmental funds reported total ending fund balances of \$634.9. Ending fund balance increased by \$25.2 primarily resulted from \$31.5 increase in other financing sources activities which the implementation of GASB 96 in the current year is the driving majority contributing factor and offset by \$(6.3) excess of expenditures over revenues. Of the total fund balance amount, \$41.3, or 6.5% is limited in how the resources can be used (assigned fund balance). The Board of Supervisors self-imposed limitations of the use of \$130.1, or 20.5% 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 \$399.2, or 62.9% 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 \$63.5, or 10.0% 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 2022-23, the General Fund unassigned fund balance increased by \$58.5 to \$63.5 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 decreased by \$15.6 to \$88.7. The increase was entirely attributable to transfers to the Strategic Reserve by the General Fund. The assigned fund balance of \$36.3 is an decrease of \$50.4 from the prior year assigned fund balance, as discussed above. The restricted fund balance increased \$15.8 to \$70.5 and is primarily due to a transfer of \$18.6 to the County's IRS section 115 pension trust. The nonspendable fund balances (described above) reported \$0.7. (See further discussion in Financial Analysis of the County's Funds.)
- The total long-term debt for the current fiscal year decreased by \$0.2, or 0.1% mainly due to the annual debt service payments and the amortization of premiums for Certificates of Participation. (See Table 4 – Long-Term Debt.)

COUNTY OF MONTEREY

Management Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- 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, and Road Fund, 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 \$1,455.4 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
	2023	2022	2023	2022	2023	2022	
Current and Other Assets	\$ 1,093.0	\$ 1,014.2	\$ 458.2	\$ 384.0	\$ 1,551.2	\$ 1,398.2	\$ 153.0
Capital Assets	<u>1,068.4</u>	<u>999.6</u>	<u>134.7</u>	<u>136.2</u>	<u>1,203.1</u>	<u>1,135.8</u>	<u>67.3</u>
Total Assets	<u>2,161.4</u>	<u>2,013.8</u>	<u>592.9</u>	<u>520.2</u>	<u>2,754.3</u>	<u>2,534.0</u>	<u>220.3</u>
Deferred Outflow from Debt Refunding	0.3	0.3	0.1	0.2	0.4	0.5	(0.1)
Deferred Outflows from Pensions	245.5	87.1	68.4	25.8	313.9	112.9	201.0
Deferred Outflows from OPEB	<u>14.7</u>	<u>10.3</u>	<u>4.0</u>	<u>3.3</u>	<u>18.7</u>	<u>13.6</u>	<u>5.1</u>
Total Deferred Outflows of Resources	<u>260.5</u>	<u>97.7</u>	<u>72.5</u>	<u>29.3</u>	<u>333.0</u>	<u>127.0</u>	<u>206.0</u>
Current and Other Liabilities	192.6	179.5	103.4	105.9	296.0	285.4	10.6
Long Term Liabilities	<u>1,109.5</u>	<u>729.5</u>	<u>213.6</u>	<u>116.2</u>	<u>1,323.1</u>	<u>845.7</u>	<u>477.4</u>
Total Liabilities	<u>1,302.1</u>	<u>909.0</u>	<u>317.0</u>	<u>222.1</u>	<u>1,619.1</u>	<u>1,131.1</u>	<u>488.0</u>
Deferred Inflows from Pensions	4.4	195.0	0.7	48.4	5.1	243.4	(238.3)
Deferred Inflows from Debt Refunding	0.6	0.7	0.2	0.2	0.8	0.9	(0.1)
Deferred Inflows from OPEB	1.2	6.8	0.3	2.2	1.5	9.0	(7.5)
Deferred Inflows from Leases	<u>2.1</u>	<u>2.1</u>	<u>3.3</u>	<u>-</u>	<u>5.4</u>	<u>2.1</u>	<u>3.3</u>
Total Deferred Inflows of Resources	<u>8.3</u>	<u>204.6</u>	<u>4.5</u>	<u>50.8</u>	<u>12.8</u>	<u>255.4</u>	<u>(242.6)</u>
Net Investment in Capital Assets	870.8	804.8	105.8	105.0	976.6	909.8	66.8
Restricted	429.8	384.9	1.6	0.9	431.4	385.8	45.6
Unrestricted	<u>(189.1)</u>	<u>(191.8)</u>	<u>236.5</u>	<u>170.7</u>	<u>47.4</u>	<u>(21.1)</u>	<u>68.5</u>
Total Net Position	<u>\$ 1,111.5</u>	<u>\$ 997.9</u>	<u>\$ 343.9</u>	<u>\$ 276.6</u>	<u>\$ 1,455.4</u>	<u>\$ 1,274.5</u>	<u>\$ 180.9</u>

Net Investment in Capital Assets: The largest portion of the County's net position, \$976.6 or 67.1% reflects its net investment in capital assets, (land, buildings, roads, bridges, machinery and equipment) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used.

Restricted Net Position: The restricted component of the County's net position, \$431.4 or 29.6%, 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 \$45.6, or 11.8% 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 \$47.4 is primarily the result of the County's unfunded pension and Other Postemployment Benefits (OPEB) liabilities. Unrestricted net position increased by \$68.5 compared to prior year primarily. The overall increase in unrestricted net position represents \$2.7 increase in governmental activities and \$65.8 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
	2023	2022	2023	2022	2023	2022	Change	Change
Revenues								
Program Revenue:								
Charges for Service	\$ 143.8	\$ 145.7	\$ 471.0	\$ 441.1	\$ 614.8	\$ 586.8	\$ 28.0	4.8 %
Operating Grants and Contributions	603.7	582.1	0.1	-	603.8	582.1	21.7	3.7 %
Capital Grants and Contributions	24.7	7.0	-	-	24.7	7.0	17.7	252.9 %
General Revenue:								
Property Taxes	225.8	208.9	-	-	225.8	208.9	16.9	8.1 %
Sales and Use Taxes	27.6	25.1	-	-	27.6	25.1	2.5	10.0 %
Transient Occupancy Taxes	38.1	40.0	-	-	38.1	40.0	(1.9)	-4.8 %
Cannabis Taxes	3.5	10.7	-	-	3.5	10.7	(7.2)	-67.3 %
Documentary Transfer Taxes	3.3	5.4	-	-	3.3	5.4	(2.1)	-38.9 %
Other Taxes	0.4	-	-	-	0.4	-	0.4	- %
Unrestricted Interest and Investment Earnings	18.3	(19.7)	8.8	(8.2)	27.1	(27.9)	55.0	-197.1 %
Other Revenues	17.0	7.4	0.8	0.7	17.8	8.1	9.7	119.8 %
Tobacco Settlement Revenues	4.3	4.7	-	-	4.3	4.7	(0.4)	-8.5 %
Non-Program Federal Aid Other	28.5	17.9	-	-	28.5	17.9	10.6	59.2 %
Lease Revenue	0.8	0.8	1.1	-	1.9	0.8	1.1	137.5 %
Total Revenues	<u>1,139.8</u>	<u>1,035.9</u>	<u>481.8</u>	<u>433.6</u>	<u>1,621.6</u>	<u>1,469.6</u>	<u>152.0</u>	<u>10.3 %</u>
Expenses								
General Government	80.0	34.5	-	-	80.0	34.5	45.5	131.9 %
Public Safety and Protection	348.7	300.7	-	-	348.7	300.7	48.0	16.0 %
Public Ways and Facilities	22.8	36.9	-	-	22.8	36.9	(14.1)	-38.2 %
Health and Sanitation	264.5	232.8	-	-	264.5	232.8	31.7	13.6 %
Public Assistance	276.0	263.3	-	-	276.0	263.3	12.7	4.8 %
Education	12.9	10.2	-	-	12.9	10.2	2.7	26.5 %
Recreation and Cultural Services	7.9	6.0	-	-	7.9	6.0	1.9	31.7 %
Interest on Long-Term Debt	6.5	6.6	-	-	6.5	6.6	(0.1)	-1.5 %
Laguna Seca Recreation Area	-	-	18.9	20.1	18.9	20.1	(1.2)	-6.0 %
Natividad Medical Center	-	-	398.7	348.9	398.7	348.9	49.8	14.3 %
Parks and Lake Resort	-	-	3.8	3.6	3.8	3.6	0.2	5.6 %
Total Expenses	<u>1,019.3</u>	<u>890.9</u>	<u>421.4</u>	<u>372.6</u>	<u>1,440.7</u>	<u>1,263.6</u>	<u>177.1</u>	<u>14.0 %</u>
Change in Net Position Before Transfers and Special and Extraordinary Items								
Special and Extraordinary Items	120.5	145.0	60.4	61.0	180.9	206.0	(25.1)	-12.2 %
Transfers	(6.9)	(2.3)	6.9	2.3	-	-	-	- %
Change in Net Position	<u>113.6</u>	<u>142.7</u>	<u>67.3</u>	<u>63.3</u>	<u>180.9</u>	<u>206.0</u>	<u>(25.1)</u>	<u>-12.2 %</u>
Net Position, Beginning								
Net Position, Beginning	997.9	855.9	276.6	213.3	1,274.5	1,069.2	205.3	19.2 %
Prior Period Adjustments	-	(0.7)	-	-	-	(0.7)	0.7	-100.0 %
Net Position, Ending	<u>\$1,111.5</u>	<u>\$ 997.9</u>	<u>\$ 343.9</u>	<u>\$ 276.6</u>	<u>\$ 1,455.4</u>	<u>\$ 1,274.5</u>	<u>\$ 180.9</u>	<u>14.2 %</u>

Governmental Activities Governmental activities increased the County's net position by \$113.6, or \$29.1 less than the prior year increase of \$142.7. Of the \$113.6 million increase, \$120.5 is the amount that program and general revenues exceeded expenses, as discussed in the following sections. This amount was offset by \$(6.9) of the net transfers; a transfer of \$3.4 to Natividad Medical Center for funding of a capital project, a transfer of \$2.5 to Parks Lake and Resort Operations to cover the prior year's deficit.

COUNTY OF MONTEREY

Management Discussion and Analysis

Revenues Revenue for Governmental activities (not including transfers, special and extraordinary items) increased from \$1,035.9 to \$1,139.7, or \$103.8. The increases and any offsetting decreases are discussed in the following sections.

- Charges for Services decreased by \$(1.9), from \$145.7 to \$143.8. The main decrease is attributable to Public Safety which decreased by \$4.3, the main decrease comes from a \$2.0 decrease in District Attorney's office related to a reimbursement from settlements of civil cases. General Government increased by \$12.3 due to an increase by the Pension Unfunded Liability Fund.
- Operating Grants and Contributions increased by \$21.6, or 3.7%. This increase is mainly driven by higher Public Safety and Protection revenue of \$12.0, the increase is largely due to Probation department. The increase of \$8.4 in Public Ways and Facilities is the result of \$6.9 increase in State Disaster Relief and a \$1.2 increase in Roads & Bridges. The remaining \$0.3 is comprised of various minor increases and decreases. Health & Sanitation increased by \$7.9 primarily due to Behavioral Health. Public Assistance decreased \$3.5 mainly due to decrease in Community Programs.
- Capital Grants and Contributions increased by \$17.7, or 252.9%. 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 \$16.9, or 8.1% due to increases in assessed value of real estate properties and continued growth in housing market in the County.
- Transient Occupancy Taxes decreased by \$(1.9), or (4.8)% as the local hospitality industry has weathered the pandemic and is more elastic to inflationary factors.
- Sales and Use Taxes increased \$2.5, or 10.0%. The increase in tourism over the prior year, discussed above, contributed to the increase in general sales taxes.
- Cannabis Taxes decreased by \$(7.2), or (67.3)% due to lower cannabis tax rates adopted by the Board of Supervisors and continued cost pressures impacting the industry.
- The increase of \$38.0, or 192.9% in Investment Earnings is a result of lower interest earnings and decrease in fair value of investments.

Expenses Total governmental expenses increased by \$128.4 or 14.4% to \$1,019.3. The largest contributors to the change were General Government, Public Safety and Protection, Public Ways and Facilities, Health and Sanitation, Public Assistance, and Recreation and Cultural Services:

- General Government expenses increased by \$45.5 or 131.9%. The increase was mainly attributable to a increase in pension liability and pension costs, higher expenses related to Capital Projects by Public Works, Facilities & Parks, increased amortization and depreciation and an overall increase in salaries and benefits. Capital projects include Laguna Seca Recreation Area (LSRA) bridge and track resurfacing projects, new infrastructure, sewer, and water projects throughout the County, as well as the Carmel River and Carmel Lagoon floodplain projects. Amortization increased due to implementation of GASB 96, which capitalizes subscription-based information technology arrangements (SBITA), this increased the County's right-to-use assets as well as the current year amortization. Depreciation increased due to an increase in infrastructure, equipment, structures, and improvements being placed in service in the current year.
- Public Safety and Protection expenses increased by \$48.0 or 16.0%. The main driver was an increase in salaries, pension, insurance, and worker's compensation benefits in most departments. Expenses for the Office of Emergency Services also increased for other professional and special services in response to the winter storms, providing shelter, security, and disaster cleanup for residents as well as continued COVID-19 pandemic response providing vaccinations and testing. Due to the winter storms, there were also increased costs in building & improvement maintenance. These increases were partially offset by decreased contributions and grants for non-county governmental aid.
- Public Ways and Facilities expenses decreased by \$14.1 or 38.2%. The decrease was mainly due to \$23.3 of capital assets that have been capitalized in the current year and removed from expenses compared to \$3.3 in the prior year. Cost plan charges and other professional & special services expenses decreased during the current year. These decreases were partially offset by an increase in salaries and benefits, building and improvement maintenance, and other departmental expenses.

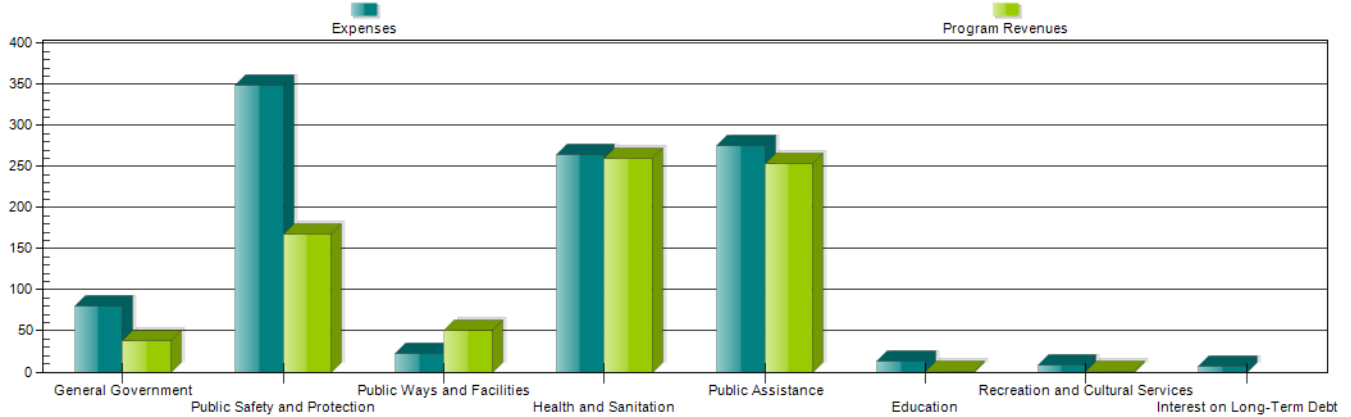
COUNTY OF MONTEREY

Management Discussion and Analysis

- Health and Sanitation expenses increased by \$31.7 or 13.6%. The main drivers were salary and benefit costs, temporary help, and other medical, personnel, and professional services in primary care clinics and behavioral health. The increases were partially offset by decreases in contribution and grants to other agencies.
- Public Assistance expenses increased by \$12.7 or 4.8%. Majority of the increase was due to increased public assistance payments in the Federal Temporary Assistance for Needy Families (TANF) program for Department of Social Services, increase in salaries and benefits, and cost plan charges. These increases were partially offset by lower facility cost for shelters and contracts with private non-profit community-based organizations for the provision of housing support.
- Recreation and Cultural Services expenses increased by \$1.9 or 31.7%. The increase in mainly attributed to an increase in salaries and benefits as well as increased depreciation due to assets being placed in service in the current year. Increase was partially offset by a decreased in cost plan charges.

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 \$247.1.

Expenses & Program Revenues- Governmental Activities

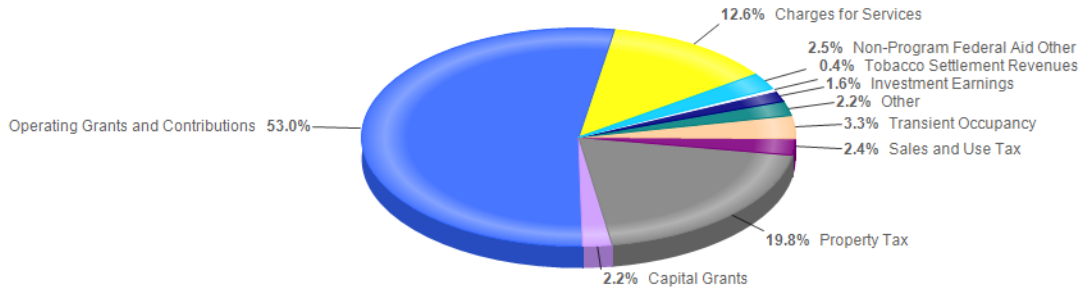


Program revenues are not intended to fully support governmental programs. This presentation is meant to show the net cost of each program prior to allocation of general revenues. The net cost of \$247.1 of these programs is funded by general revenues of \$367.5.

COUNTY OF MONTEREY Management Discussion and Analysis

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

Revenues by Source - Governmental Activities



Business-type Activities Natividad Medical Center (Center) is the major Enterprise Fund reported in this section. The Center is owned and operated by the County and governed by the County Board of Supervisors with the assistance of a separate Board of Trustees. As a County entity, the Center is mandated to treat patients, regardless of ability to pay. Laguna Seca Recreation Area (LSRA) and Parks and Lake Resort (Parks) are the nonmajor Enterprise Funds reported in this section. LSRA is owned by the County and 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 \$53.5 and a net non-operating gain of \$9.4 in fiscal year 2022-23. In addition, this year's change in net position is also attributable to the effect of operating transfers in of \$3.4 and operating transfers out of \$0.5. Overall financial results brought the fiscal year with an ending net position balance of \$325.1, which is 25.4% higher than last year's balance of \$259.4. 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 \$4.0 and a net non-operating loss of \$0.1 in fiscal year 2022-23. This year's change in net position is also attributable to operating transfers in of \$3.25 which partially financed the ongoing Laguna Seca Track and Bridge rehabilitation projects. Operations were impacted by the scheduled closure of the track to complete the Start/Finish Bridge and Track Resurfacing projects. Inflation and fuel costs also contributed to lower-than-expected racetrack events. These activities brought the ending net position to a balance of \$9.1, which is 7.32% lower than last year's balance of \$9.9.

Parks experienced a net operating loss of \$0.5 in fiscal year 2022-23, but still resulted to a \$0.1 increase in net position due to operating transfers in of \$0.7 from General Fund for the annual long-term debt payment, utility reimbursements, and additional funds for facility repairs tree removal and navigational signage replacement due to the winter storms damage. 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 \$2.4, which is 5.49% higher than last year's balance of \$2.3.

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 \$634.9, an increase of \$25.2 from the prior year total fund balances of \$609.7. The net increase is mainly from the \$(6.3) deficiency of revenues over expenditures, and \$31.5 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 \$399.2 or 62.9%, which can only be used as stipulated by legislative code, grants or debt instruments.
- Committed funds of \$130.1 or 20.5%, delegated by the Board of Supervisors as set aside for specific purposes. The main component is \$88.7 of strategic reserve commitments set aside in the General Fund. Refer to Note 9 for complete details.
- Assigned funds of \$41.3 or 6.5% are earmarked to meet the County's current and future needs. The majority of these funds are held in capital project funds while the remaining is set-aside for specific purposes in the General Fund. Refer to Note 9 for additional information.
- Unassigned funds of \$63.5 or 10.0% 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, 2023, totaled \$63.5 while the total fund balance increased to \$259.8 from \$251.5 due to revenue and transfers-in exceeding the expenditure and transfers-out for this fund. Total revenue increased by \$53.7 from the prior year. Revenue from Use of Money and Property increased by \$26.2 mainly due to investment income. Aid from Other Governmental Agencies increased by \$10.3 mainly due to \$6.6 from California Disaster Assistance Act (CDAA) funding that was received due to the various winter storms in 2023, \$1.7 funding for the Juvenile Realignment Block Grant program, and with a net increase of \$2.0 in revenues from state and federal aid for various mandated programs. Tax revenues had a net increase by a total of \$8.8 from a \$16.4 increase in Property Taxes, \$2.1 increase in Sales and Use Tax, \$5.5 decrease in Cannabis Tax, \$2.2 decrease in Real Property Transfer, and \$2.0 decrease in Transient Occupancy Tax. Licenses, Permits, and Franchises increased by \$3.8. Charges for Services increased by \$11.5 mainly due to an increase in the pension liability, a supplemental allocation to PERS, by \$15.4 along with a decrease in Civil Process Services, Election Services, Law enforcement Services, and Recording Fees of \$0.5, \$ 1.0, \$0.7, and \$1.1, respectively. These increases were offset by a decrease in revenues from \$2.0 in Fines, Forfeitures, and Penalties and \$5.1 in Miscellaneous Revenue with \$6.5 coming from a decrease in the Pension Liability fund associated with investment income. Expenditures increased by \$39.8 as compared to the prior year. The main drivers of increased expenses were personnel salaries and benefits with an increase of \$39.9. Lease Capital Outlay expenditures increased by \$2.6 as a result of GASB 96 implementation, Other Charges and Capital Asset expenditures increased by \$11.1 and \$8.6 respectively. Increases in expenditures were offset in decreases from Services and Supplies by \$22.7 mainly for expenditures related to social services.

Road Fund The Road Fund qualified and/or remains to be treated as a major fund again in fiscal year 2023. The Road Fund fund balance was \$18.3 in fiscal year 2022, and increased by approximately \$11.8 in 2023 to \$30.1. The increase was mainly due to actual revenue lower than budget by \$15.4, and actual expenditure is lower than budget by \$24.8. None of the Road Fund's fund balance is unassigned, with \$30.0 allocated for restricted purposes, and the balance of \$0.1 is nonspendable. Revenue increased by \$22.1, due to an increase of \$17.1 in aid received from Other Governmental Agencies for the various winter storms, Davis Road Bridge and Four Lane project and the Bradley Road Bridge Repair project, \$2.8 in Taxes, \$1.5 increase in the Use of Money and Property mostly due to investment income, and in increase in Licenses, Permits, and Franchises, Miscellaneous Revenue, Charges for Services by \$0.4, \$0.2, and \$0.2, respectively. Expenditures increased by \$24.5 as compared to the prior year. Expenditures in Services and Supplies increased by \$1.6, Other Charges increased by \$5.6, Salaries and Employee Benefits increased by \$2.3, and Capital Asset expenditures decreased by \$15.0 mainly due to four projects associated with Cooper Road Reconstruction, Nacimiento Lake Drive Bridge No. 499, Bradley Bridge Scour Repair, and Hartnell Road Bridge Replacement.

COUNTY OF MONTEREY
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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 \$43.9, which decreased by \$17.4. Compared to budgeted amounts, revenues decreased by \$17.8, mainly due to lower than budgeted revenues from Aid from Other Governmental Agencies. Compared to prior year, actual revenues were \$27.1 lower. The decrease is mainly attributed to a \$28.7 decrease in Aid from Other Governmental Agencies for school based services by \$8.3 mainly related to Special Education Local Plan Area (SELPA), mental health administration services by \$4.8, and Whole Person Care Program by \$12.1. Behavioral Health had slight decreases in Miscellaneous revenues and Charges for Services by \$0.6 and \$0.2, respectively. Decreases were offset by increases in Revenue from Use of Money and Property by \$2.4. Actual expenditures were \$16.3 over the budgeted amount. Current year expenditures are \$14.2 higher from the previous year. The increase is due to an increase in Salaries and Employee Benefits by \$5.6 and Services and Supplies by \$10.9 mainly attributed to costs associated with the Adult Systems of Care Program mainly related to Interim Inc.. Increase in expenditures were offset with decreases of \$6.4 in Other Charges mainly related to SEPLA and the Whole Person Care Program, and a \$1.1 decrease in capital projects.

Other Governmental Funds The sum of the non-major governmental funds' fund balances increased \$22.5, from a balance of \$278.7, to \$301.2. The increase was mainly in the Special Revenue Funds, which increased by \$31.5. The fund balance is restated due to the Facility Master Plan Projects fund being reclassified as a non-major fund, under Other Governmental Funds. Of the fund balance increase, \$6.5 is from an increase in Aid from Other Governmental Agencies from the Facility Master Plan Projects fund, \$12.2 from the H&W Realignment fund due to an excess of revenues and transfers in over transfers out, \$4.6 from the Local Revenue Fund due to an excess of revenues and transfers in over transfers out, \$2.8 from the Other Water Resources Agencies fund due to an excess of revenues and transfers in over transfers out, \$2.3 from the County Clerk/Recorder Fund from an increase in transfers in, and \$1.6 from the Emergency Communications and NGEN Operations Fund from an excess of revenues and transfer in over expenditures. The Community Development Fund had lower revenues by \$1.9 from Other Governmental Agencies. The remaining funds have minor changes totaling to an increase of \$3.4 in fund balance mainly due to the increase in Revenue from Use of Money and Property associated from investment income.

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	\$ 670.4	\$ 680.3	\$ 9.9
Appropriations	\$ 795.6	\$ 840.9	\$ 45.3

COUNTY OF MONTEREY

Management Discussion and Analysis

Budgeted revenues for General fund finalized at \$680.3 from original budget of \$670.4, an additional revenue estimate of \$9.9, an increase of 1.5%.

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

The increase of \$9.0 in Aid from other Governmental Agencies was due to the following:

- \$10.7 increase in anticipated federal aid to the Social Services department for use in the Emergency Rental & Utility Assistance program.
- \$5.0 decrease in revenue to from Social Services to go to CalWORKs.
- \$0.3 increase in Department of Transportation to fund the Monterey County zero emissions shared mobility study.
- \$0.3 increase in Health department from estimated increased revenue.
- \$0.7 increase in state aid from estimated Agricultural commissioner revenue.
- \$1.8 increase in state aid from estimated Social Services revenue.
- Remaining \$0.2 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 \$0.3 in Charges for Services revenue budget is due to increase in Election fees, Health fees and other services and non-taxable Sales.

The remaining \$0.6 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 \$45.3 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 \$12.13, Public Safety and Protection by \$12.08, Health and Sanitation by \$.31, Public Assistance by \$20.77 and Recreation and Cultural Services by \$0.01. The following items provide details for the most significant appropriation changes:

- Reduction of \$1.5 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, and additional appropriations to the Office of Emergency Services for the funding of a storm recovery subsidy program for low-income households impacted by the weather disaster events.
- ITD Administration appropriation increased by \$2.01 from original budget to accommodate the Board Chamber Audio Visual and Broadcast System Upgrade.
- Increase of \$9.77 in the Facilities Maintenance appropriation, for Disaster Assistance Assignment financed by the General Fund Strategic Reserve to be repaid with reimbursements from the Federal Emergency Management Agency (FEMA). As well as a \$.07 increase to conduct a feasibility study for consolidating the probation youth center operation.
- Public Safety and Protection appropriations increased by \$6.8 from the original budget due to increased need in support of the severe rain and flooding event which commenced in early January 2023. Support was allocated to Emergency Operations Center (EOC) and ongoing Flooding Mitigation Operation throughout the County including emergency repairs to the San Ardo Water District wastewater treatment facility. Financed by the General Fund Strategic Reserve, to be repaid with reimbursements from the Federal Emergency Management Agency (FEMA).
- Public Safety and Protection appropriations also increased by \$4.96 to cover the deficits in the Administration and Enforcement Operations Unit and Corrections Operations Unit. There were unexpected and unbudgeted charges that the Departments would not be able to fully absorb. Financed by a release of \$1.03 from Strategic Reserve, \$.8 from Compensated Absence Assignment, and \$3.09 in Unassigned Fund Balance.

COUNTY OF MONTEREY
Management Discussion and Analysis

- Public Assistance received an additional \$20.77 in budget appropriations as a result of additional funding from State grants. \$6.6 was awarded to provide emergency and utility assistance to residents in the County through the Emergency Rental Assistance Program, \$9.02 due to funding mandated grant increase of 11% alongside an increase of Public Assistance caseloads, \$2.5 to offset the cost of 6.63% state mandate COLA in the Foster Care and Adoptions programs and rising cost for placement, and \$1.87 to provide various services to older adults including access to COVID-19 vaccines, home delivered meals, and advocacy services.

Final Budget to Actual

	Final	Actual	Increase (Decrease)
Revenues	\$ 680.3	\$ 696.2	\$ 15.9
Expenditures	\$ 840.9	\$ 756.4	\$ 84.5

Actual revenues were higher than final budget by \$15.9 or 2.3%. 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:

- \$20.6 higher than budget in Taxes was a result of a \$10.2 higher than anticipated receipts of Transient Occupancy Tax (TOT), and Property Tax was higher by \$14.3 and a offset by \$3.9 lower Cannabis Tax due to lower rates adopted by the Board of Supervisors and continued cost pressures impacting the industry.
- \$19.2 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).
- \$0.4 decrease in Revenue from Use of Money and Property was largely result of lower interest earnings and decrease in fair value of investments.
- \$1.8 lower than budgeted revenue for Charges for Services which majority of this increase is from the \$15.4 revenue for pension unfunded liability account.
- \$5.7 higher than budgeted revenues in Licenses, Permits, and Franchises was mainly due to electric franchise payments, offset by the reduced revenue from Business licenses.
- \$1.8 decrease in revenues from Fines, Forfeitures and Penalties were collected primarily by CAO, reduced slightly by lower-than-budget revenues from the District Attorney department.
- \$3.1 decrease in Miscellaneous revenues was mainly due to an offset by \$3.9 lower receipts by Social Services. cx

Actual expenditures were less than budget by a combined amount of \$84.5 or 10.0%. 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 \$32.9 are due to the following:

- \$7.4 of combined savings in salaries and benefits from various departments due to vacancies attributable to separations and recruitment challenges.
- \$9.0 lower than budgeted expenditures in other professional and special services across various departments.
- \$4.0 unspent appropriation for contributions and grants for non-governmental agencies.
- \$4.7 savings in minor computer software.
- \$3.1 net savings for various expenditures including accounting and auditing services, travel costs, and other departmental expenses.
- \$6.3 unspent appropriations for Contingencies by the CAO.

COUNTY OF MONTEREY

Management Discussion and Analysis

- \$3.9 over budget for various expenses including vehicle maintenance, printing graphics, binding and communication charges.
- Interfund reimbursement was \$1.1 less than budgeted.

Public Safety and Protection expenditures net savings of \$16.94 are due to the following:

- \$2.0 over budget for professional and special services due to increased expenditures in the Emergency Operations Center's pandemic response.
- Expenditure transfers were \$4.5 less than budgeted.
- \$12.44 underbudget in salaries and benefits significantly in the departments of District Attorney (\$3.6), Probation (\$4.8), Sheriff-Coroner (\$1.6), Health (\$0.9) and \$1.5 in other departments. Savings are attributable to unfilled vacancies.
- \$1.9 under budget in Probation Office for lower operating expenditures.
- \$1.9 over budget for outpatient services in the Sheriff's office.
- \$1.3 savings in Sheriff's Office for equipment maintenance and miscellaneous supplies in jail and patrol operations.
- \$0.7 over budget in actual expenditures across various departments for office supplies, minor equipment, and services.

Health and Sanitation net savings of \$37 are due to the following:

- \$19 savings in salaries and benefits of Health Department from vacancies specifically in Clinic Services (\$9.0), Public Health (\$6.5), Environmental Health (\$1.9), Administration (\$0.94), and Children's Medical Services (\$0.3), were attributable to separations and recruiting challenges.
- \$7.9 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.
- \$2.2 savings in expenditures related to laboratory and medical supplies.
- \$1.2 under budget for other personnel services.
- \$2 net savings from capital asset expenditures including construction in progress.
- \$1.6 net under budget for other services, resulting mainly from Public Health being over budget \$2.4 in intrafund reimbursements and Clinic Services being \$3.3 under budget for reimbursements to other governmental agencies.

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

- \$9.5 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.
- \$15.4 savings in Social Services salaries and benefits due to prolonged unfilled vacancies from hiring challenges.
- \$0.7 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.

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

- \$1.3 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.
- \$1.2 over budget due to increase expenditures for capital assets, utilities and special departmental expenses.

Debt service and capital outlay expenditures totaled \$28.5. This is a result of the implementation 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

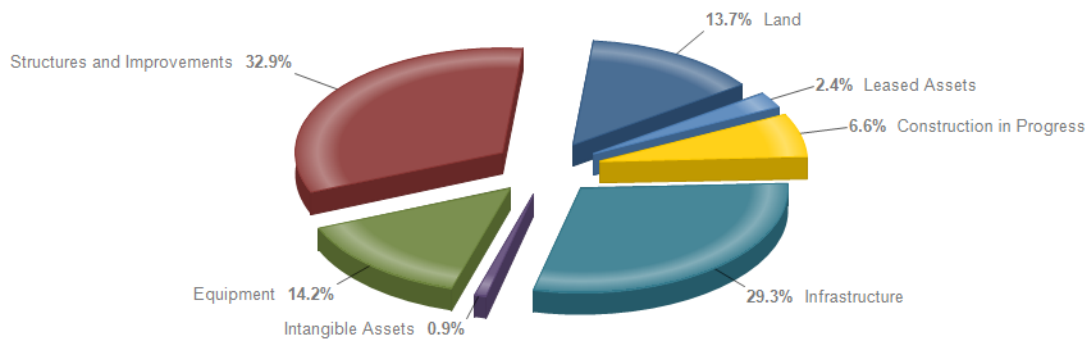
CAPITAL ASSETS

The County’s investment in capital assets for its governmental and business-type activities as of June 30, 2023, amount to \$1,068.4 and \$134.8, 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 96 during the year, which resulted in adding new right to use asset type of leased SBITA's. The total increase in capital assets for the current year was 6.1%.

TABLE 3 - County of Monterey's Capital Assets

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar	Percent
	2023	2022	2023	2022	2023	2022	Change	Change
Land	\$ 312.5	\$ 312.5	\$ -	\$ -	\$ 312.5	\$ 312.5	\$ -	- %
Structures and Improvements	535.9	346.6	215.7	213.0	751.6	559.6	192.0	34.3 %
Equipment	175.8	170.0	148.6	144.5	324.4	314.5	9.9	3.1 %
Intangible Assets	20.8	20.8	-	-	20.8	20.8	-	- %
Infrastructure	668.6	653.8	-	-	668.6	653.8	14.8	2.3 %
Construction in Progress (CIP)	140.5	255.6	10.9	9.1	151.4	264.7	(113.3)	-42.8 %
Right-to-Use Assets	48.5	24.9	6.8	1.7	55.3	26.6	28.7	107.9 %
Total Capital Assets	1,902.6	1,784.2	382.0	368.3	2,284.6	2,152.5	132.1	6.1 %
Accumulated Depreciation	(811.9)	(774.7)	(244.1)	(231.2)	(1,056.0)	(1,005.9)	(50.1)	5.0 %
Accumulated Amortization	(22.3)	(9.8)	(3.1)	(0.9)	(25.4)	(10.7)	(14.7)	137.4 %
Total	\$ 1,068.4	\$ 999.7	\$ 134.8	\$ 136.2	\$ 1,203.2	\$ 1,135.9	\$ 67.3	5.9 %

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 \$115.1 for governmental activities. This was the result of completing projects costing \$205.7 and on-going/new construction costs of \$89.8.

COUNTY OF MONTEREY
Management Discussion and Analysis

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

- Public Works incurred \$37.2 in capitalizable costs for on-going projects with the majority of the costs spent on Cooper Road Overlay Project \$4.4, San Antonio Road at Nacimiento Bridge \$3.6, Las Lomas Storm Drainage \$2.7, Bradley Rd Bridge Scour Repair \$5.9, Hartnell Road Bridge Replacement \$3.3 and San Lucas Sidewalk Improvement Project \$2.2.
- Architectural Services incurred \$40.3 in capitalizable costs for on-going projects, with the majority of costs spent on the Behavioral Health East Clinic \$9.7, Parks Water and Sewer Project ARPA \$3.8, and Laguna Seca Recreation Area (Start- Finish Bridge & Track Overlay) \$18.1.
- Major projects that were completed during the year include Jail Expansion/Housing Project \$92.5, Homeless Shelter - Salinas \$6.9, Laguna Seca Recreation Area (Start-Finish Bridge & Track Overlay) \$18.6, Las Lomas Storm Drainage \$5.8, Cooper Road Overlay Project \$4.4.
- As previously discussed, the County implemented GASB 96 during the year, which resulted in adding new right to use asset type-SBITA's. As of June 30, 2023, the SBITA assets for land, buildings, vehicles, equipment, and other net of accumulated amortization were \$0.7, \$13.8, \$0.8, \$1.2, \$.05 and \$13.5, 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 \$1,050. The County's long-term issues payable is \$215.8, 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 \$166.4. (Refer to Note 8– Long-Term Liabilities).

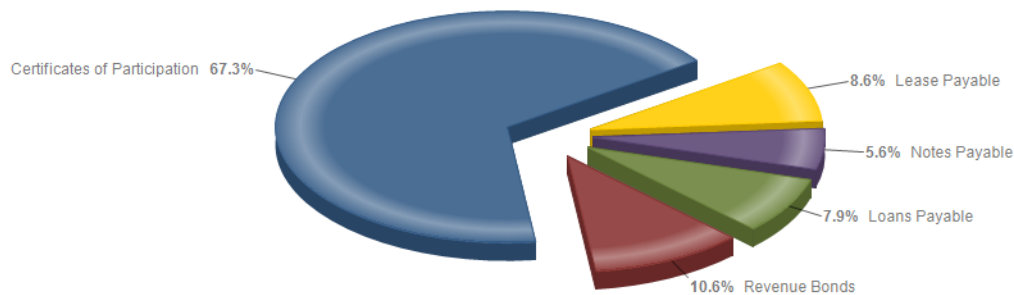
At June 30, 2023 the County had total long-term debt outstanding of \$215.8. This was a minor decrease of \$0.2 or 0.1% from the prior year balance of \$216.0. The decrease was primarily due to a \$11.5 decrease in Certificates of Participation consisting of annual debt service payments of \$10 and amortization of premiums/discounts of \$1.5. The remaining decrease is due to debt service payments and premium amortization of \$3.8 for debt other than Certificates of Participation. This decrease was primarily offset by adding \$15.8 for Lease Payables to the Long-Term Debt. The County added \$12 and \$2.8 in lease liabilities for governmental and business-type activities, respectively, due to the implementation of GASB 87 and GASB 96. 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).

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

	Governmental		Business-Type		Total		Total	
	Activities		Activities		Total		Dollar	Percent
	2023	2022	2023	2022	2023	2022	Change	Change
Certificates of Participation	\$ 111.6	\$ 118.7	\$ 24.8	\$ 29.2	\$ 136.4	\$ 147.9	\$ (11.5)	-7.8 %
Revenue Bonds	21.4	22.5	-	-	21.4	22.5	(1.1)	-4.9 %
Loans Payable	16.0	17.1	-	-	16.0	17.1	(1.1)	-6.4 %
Notes Payable	11.4	12.7	-	-	11.4	12.7	(1.3)	-10.2 %
Lease Payable	17.3	15.1	0.2	0.7	17.5	15.8	1.7	10.8 %
SBITA Payable	9.8	-	3.3	-	13.1	-	13.1	- %
Total	<u>\$ 187.5</u>	<u>\$ 186.1</u>	<u>\$ 28.3</u>	<u>\$ 29.9</u>	<u>\$ 215.8</u>	<u>\$ 216.0</u>	<u>\$ (0.2)</u>	<u>-0.1 %</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 2022-23 as well as the County's budgets for the next fiscal year 2023-24:

- 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 \$851.3 million in appropriations in the fiscal year 2022-23 Adopted Budget, with subsequent modifications throughout the fiscal year to increase total appropriations to \$952.6 million, a \$101.3 million addition to appropriations. Financing sources are primarily from budgeted revenue of \$670.4 million and operating transfers of \$138.3 million, also both modified to increase to \$680.3 and \$166.6 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 \$105.6 million excess of expenditures over revenues. However, this fiscal year ended with a better operating result than the budget, with the \$8.3 million excess of revenues over expenditures. This year's favorable result is attributable to the \$84.5 million savings between budgeted expenditures and actual expenditures, along with a \$15.9 million increase in revenues. The reasons for the favorable budget turnaround for fiscal year 2022-23 were due to other discretionary revenue from property tax, salary and benefit savings from vacant positions, lower than expected overtime and health premium costs, lower than planned contracted services, a decrease in the Strategic Reserve related to a release of funds to respond to the winter storms, a decrease of assigned funds mainly due to the release from the pension trust for a transfer, and a decrease in the cannabis tax assignment. The Adopted Budget for fiscal year 2022-23 reports 5,788.2 full-time employees, with a total budget for all funds of \$1.9 billion, \$1.4 billion of which is for governmental funds, while \$549.4 million is for other funds. For the General Fund, total adopted budget of \$851.3 million used \$57.9 million of the fund balance, with budget amendments increasing this by an additional \$35.4 million from its revenue and expense budget modifications and another \$27.6 million net modification on other financing sources (uses). (Source: Adopted Budget for Fiscal Year 2022-23 and Budget in Brief Fiscal Year 2022-23)
- Meanwhile, the upcoming fiscal year 2023-24, Adopted Budget Summary presents the County revenues and expenses for all funds totaling to \$1.9 billion, with 5,844.0 full-time employee positions. Majority of the revenue sources are expected to come from the \$738.5 million budget for intergovernmental revenue and \$480.6 million from charges for various County-rendered services. Additional funding sources aim to produce \$338.1 million from taxes, licenses and permits, and revenues from fines, forfeitures, and penalties. Revenue from money and property use for \$47.6 million, \$17.1 million of miscellaneous revenue, and \$239.6 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 \$192.4 million for General Government, \$11.9 million for Education, \$343.9 million for Public Assistance, \$532.7 million for Public Safety and Protection, \$790.8 million for Health and Sanitation and \$39.0 million for Recreation and Cultural Services. (Source: Budget in Brief Fiscal Year 2023-24)

COUNTY OF MONTEREY

Management Discussion and Analysis

- Of the overall County budget for the fiscal year 2023-24, \$847.8 million in appropriations is for General Fund, to be financed by estimated General Fund revenues of \$836.7 million and \$11.1 million use of fund balance. This year's General Fund appropriations are budgeted for various programs and functions allocated as follows: 40.0% or \$337.5 million to Public Safety and Protection, 31.0% or \$260.9 million to Public Assistance, 17.0% or \$143.1 million to Health and Sanitation, 11.0% or \$97.8 million to General Government, 1.0% or \$8.1 million to Recreation and Cultural Services, and 0.0% or \$0.5 million to Education. (Source: Budget in Brief Fiscal Year 2023-24)
- For fiscal year 2023-24, the estimated General Fund revenue of \$836.7 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 2023-24, \$309.9 million of the total estimated General Fund revenues, are expected to come from non-program revenue sources. (Source: Budget in Brief Fiscal Year 2023-24)

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, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Children & Families Comm
ASSETS				
Cash and Investments:				
Held in County Treasury	\$ 822,730,926	\$ 328,304,381	\$ 1,151,035,307	\$ 6,627,837
Held with Trustee	81,263,563	-	81,263,563	1,788,046
Other Bank Accounts	8,214,798	9,801	8,224,599	-
Restricted	3,070,295	-	3,070,295	-
Imprest	13,895	4,280	18,175	150
Receivables (Net)	160,797,312	106,531,369	267,328,681	1,118,830
Inventories	799,699	5,715,983	6,515,682	-
Prepaid Items and Other Assets	2,270	7,514,121	7,516,391	3,765
Internal Balances	(6,790,267)	6,790,267	-	-
Note Receivable	20,702,284	-	20,702,284	-
Lease Receivable	2,217,175	3,323,427	5,540,602	-
Capital Assets				
Nondepreciable	452,943,837	10,870,511	463,814,348	-
Depreciable, Net	589,159,608	120,131,567	709,291,175	24,608
Right-to-Use Assets, Net	26,247,380	3,708,606	29,955,986	-
Total Assets	<u>2,161,372,775</u>	<u>592,904,313</u>	<u>2,754,277,088</u>	<u>9,563,236</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflow from Debt Refunding	308,755	144,603	453,358	-
Deferred Outflows from Pensions	245,507,396	68,407,671	313,915,067	-
Deferred Outflows from OPEB	14,708,212	3,984,178	18,692,390	-
Total Deferred Outflows of Resources	<u>260,524,363</u>	<u>72,536,452</u>	<u>333,060,815</u>	<u>-</u>
LIABILITIES				
Accounts Payable and Accrued Liabilities	74,533,492	33,873,462	108,406,954	1,925,098
Accrued Salaries and Benefits	23,539,473	7,985,313	31,524,786	70,430
Accrued Interest Payable	2,238,697	305,654	2,544,351	-
Other Current Liabilities	-	55,025,168	55,025,168	-
Deposits from Others	20,627,807	10,230	20,638,037	-
Unearned Revenues	71,607,045	6,218,933	77,825,978	-
Noncurrent Liabilities:				
Due Within One Year:				
Bonds, Notes, Claims, Compensated Absences	64,039,250	22,026,520	86,065,770	87,803
Lease Liability	4,207,314	138,563	4,345,877	-
SBITA Liability	6,185,737	1,714,212	7,899,949	-
Due in More Than One Year:				
Bonds, Notes, Claims, Compensated Absences	262,745,557	21,094,414	283,839,971	79,238
Net Pension Liability	723,338,073	158,288,671	881,626,744	-
Net OPEB Liability	32,248,812	8,735,596	40,984,408	-
Lease Liability	13,090,377	18,188	13,108,565	-
SBITA Liability	3,621,921	1,614,377	5,236,298	-
Total Liabilities	<u>1,302,023,555</u>	<u>317,049,301</u>	<u>1,619,072,856</u>	<u>2,162,569</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows from Pensions	4,435,217	664,092	5,099,309	-
Deferred Inflows from Debt Refunding	614,747	156,591	771,338	-
Deferred Inflows from OPEB	1,179,851	319,599	1,499,450	-
Deferred Inflows from Leases	2,128,063	3,270,130	5,398,193	-
Total Deferred Inflows of Resources	<u>8,357,878</u>	<u>4,410,412</u>	<u>12,768,290</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	870,813,916	105,812,707	976,626,623	-
Restricted for:				
Capital Projects	63,822,256	-	63,822,256	-
Debt Service	1,040,798	-	1,040,798	-
Education	7,680,820	-	7,680,820	-
General Government	8,937,423	-	8,937,423	-
Health and Sanitation	167,484,938	-	167,484,938	-
Housing and Redevelopment	8,980,609	-	8,980,609	-
Public Assistance	51,017,707	-	51,017,707	334,915
Public Protection	54,065,628	-	54,065,628	-
Public Ways and Facilities	31,381,137	-	31,381,137	-
Recreation and Culture	153,733	1,713,531	1,867,264	-
Section 115 Pension Trust	35,213,374	-	35,213,374	-
Unrestricted (Deficit)	(189,076,634)	236,454,815	47,378,181	7,065,752
Total Net Position	<u>\$ 1,111,515,705</u>	<u>\$ 343,981,053</u>	<u>\$ 1,455,496,758</u>	<u>\$ 7,400,667</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, 2023

<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	\$ 80,040,153	\$ 27,634,796	\$ 2,577,682	\$ 8,490,422
Public Safety and Protection	348,729,302	41,648,447	126,208,223	-
Public Ways and Facilities	22,798,668	5,129,437	29,828,594	16,183,920
Health and Sanitation	264,460,360	55,899,895	203,561,261	-
Public Assistance	275,961,564	12,299,689	241,216,727	-
Education	12,930,508	68,268	303,663	-
Recreation and Cultural Services	7,850,284	1,152,226	-	-
Interest on Long-Term Debt	6,501,047	-	-	-
Total Governmental Activities	1,019,271,886	143,832,758	603,696,150	24,674,342
Business-Type Activities:				
Laguna Seca Recreation Area	18,885,848	15,000,974	95,542	-
Natividad Medical Center	398,692,268	452,734,334	-	-
Parks and Lake Resort	3,770,766	3,219,310	-	-
Total Business-Type Activities	421,348,882	470,954,618	95,542	-
Total Primary Government	<u>\$ 1,440,620,768</u>	<u>\$ 614,787,376</u>	<u>\$ 603,791,692</u>	<u>\$ 24,674,342</u>
Component Unit:				
Children and Families Commission	\$ 7,359,570	\$ -	\$ 6,173,741	\$ -
Total Component Unit:	<u>\$ 7,359,570</u>	<u>\$ -</u>	<u>\$ 6,173,741</u>	<u>\$ -</u>

General Revenues:
Taxes:
Property Taxes
Sales and Use Taxes
Transient Occupancy Taxes
Cannabis Taxes
Documentary Transfer Taxes
Other 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
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, 2023

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Totals	Children & Families Comm
\$ (41,337,253)	\$ -	\$ (41,337,253)	\$ -
(180,872,632)	-	(180,872,632)	-
28,343,283	-	28,343,283	-
(4,999,204)	-	(4,999,204)	-
(22,445,148)	-	(22,445,148)	-
(12,558,577)	-	(12,558,577)	-
(6,698,058)	-	(6,698,058)	-
(6,501,047)	-	(6,501,047)	-
<u>(247,068,636)</u>	<u>-</u>	<u>(247,068,636)</u>	<u>-</u>
-	(3,789,332)	(3,789,332)	-
-	54,042,066	54,042,066	-
-	(551,456)	(551,456)	-
-	49,701,278	49,701,278	-
<u>\$ (247,068,636)</u>	<u>\$ 49,701,278</u>	<u>\$ (197,367,358)</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,185,829)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,185,829)</u>

\$ 225,804,968	\$ -	\$ 225,804,968	\$ -
27,600,406	-	27,600,406	-
38,073,618	-	38,073,618	-
3,465,249	-	3,465,249	-
3,252,197	-	3,252,197	-
431,355	-	431,355	-
18,309,963	8,914,902	27,224,865	122,917
16,963,144	754,165	17,717,309	57,844
4,283,004	-	4,283,004	-
28,504,490	-	28,504,490	-
840,109	1,100,511	1,940,620	-
(6,873,272)	6,873,272	-	-
<u>360,655,231</u>	<u>17,642,850</u>	<u>378,298,081</u>	<u>180,761</u>
<u>113,586,595</u>	<u>67,344,128</u>	<u>180,930,723</u>	<u>(1,005,068)</u>
<u>997,929,110</u>	<u>276,636,925</u>	<u>1,274,566,035</u>	<u>8,405,735</u>
<u>\$ 1,111,515,705</u>	<u>\$ 343,981,053</u>	<u>\$ 1,455,496,758</u>	<u>\$ 7,400,667</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, 2023

	General	Road Fund	Behavioral Health	Other Governmental	Total
Assets					
Cash and Investments:					
Held in County Treasury	\$236,000,316	\$ 55,670,524	\$ 50,261,558	\$ 289,588,738	\$ 631,521,136
Held with Trustee	81,257,521	-	-	6,042	81,263,563
Other Bank Accounts	1,476,841	-	-	966,703	2,443,544
Restricted Cash	3,070,295	-	-	-	3,070,295
Imprest Cash	11,795	300	-	1,800	13,895
Receivables (Net)	82,796,838	7,847,725	37,009,613	33,133,536	160,787,712
Inventories	733,722	65,977	-	-	799,699
Prepaid Items and Other Assets	2,270	-	-	-	2,270
Loans and Notes Receivable	-	-	-	20,702,284	20,702,284
Lease Receivable	1,458,226	-	-	758,949	2,217,175
Total Assets	406,807,824	63,584,526	87,271,171	345,158,052	902,821,573
Liabilities					
Accounts Payable and Accrued					
Liabilities	22,823,578	14,531,206	13,651,287	20,547,026	71,553,097
Accrued Salaries and Benefits	17,803,945	765,401	3,018,454	1,511,404	23,099,204
Due to Other Funds	186,932	-	-	-	186,932
Deposits from Others	14,187,295	6,070,544	-	369,968	20,627,807
Unearned Revenues	51,124,768	8,293,085	-	12,189,192	71,607,045
Total Liabilities	106,126,518	29,660,236	16,669,741	34,617,590	187,074,085
Deferred Inflows of Resources					
Unavailable Revenue	39,506,411	3,836,476	26,708,712	8,629,954	78,681,553
Deferred Inflows from Leases	1,420,055	-	-	708,008	2,128,063
Total Deferred Inflows of Resources	40,926,466	3,836,476	26,708,712	9,337,962	80,809,616
Fund Balances					
Nonspendable	735,992	65,977	-	-	801,969
Restricted	70,461,296	30,021,837	43,892,718	254,793,963	399,169,814
Committed	88,715,479	-	-	41,404,778	130,120,257
Assigned	36,294,986	-	-	5,020,763	41,315,749
Unassigned	63,547,087	-	-	(17,004)	63,530,083
Total Fund Balances	259,754,840	30,087,814	43,892,718	301,202,500	634,937,872
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$406,807,824	\$ 63,584,526	\$ 87,271,171	\$ 345,158,052	\$ 902,821,573

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, 2023

Fund Balance – Total Governmental Funds		\$ 634,937,872
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.		1,036,610,257
Right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		26,247,380
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	6,898,314	
Other Unavailable Revenues	<u>71,783,239</u>	
		78,681,553
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.		83,807,983
Deferred outflows of resources related to OPEB are not recognized as expenditures in the governmental funds		14,708,212
Pension contributions are reported as deferred outflow of resources in the statement of net position.		245,507,396
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, 2023:		
Bonds and Notes Payable	\$ (46,281,310)	
Certificate of Participation	(98,159,836)	
Unamortized Premium on Certificates of Participation	(15,967,925)	
Unamortized Losses on Refunding Debts	308,755	
Unamortized Gains on Refunding Debts	(614,747)	
Accrued Interest on Long-Term Debt	(2,238,697)	
Compensated Absences Payable	(50,428,206)	
Total OPEB Liability	(32,248,812)	
Net Pension Liability	(723,338,073)	
Lease Liability	(17,297,691)	
SBITA Liability	<u>(9,807,658)</u>	
		(996,074,201)
Deferred inflows of resources related to pensions are not recognized as revenues in the governmental funds		(4,435,217)
Deferred inflows of resources related to OPEB are not recognized as revenues in the governmental funds		(1,179,851)
Adjustment necessary to close Internal Service Funds activities. This is the cumulative excess of revenues over expenses allocable to business-type activities.		<u>(7,295,679)</u>
Net Positions of Governmental Activities		<u>\$ 1,111,515,705</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, 2023

	General	Road Fund	Behavioral Health	Other Governmental	Total
Revenues					
Taxes	\$ 271,134,181	\$ 9,849,786	\$ -	\$ 17,379,509	\$ 298,363,476
Licenses, Permits, and Franchises	28,560,987	667,967	-	195,117	29,424,071
Fines, Forfeitures, and Penalties	9,511,540	-	138,695	640,183	10,290,418
Revenue from Use of Money and Property	15,064,335	620,684	1,265,623	4,721,163	21,671,805
Aid from other Governmental Agencies	284,515,625	44,580,350	96,843,823	203,379,680	629,319,478
Charges for Services	79,224,579	1,515,631	1,001,216	29,550,678	111,292,104
Miscellaneous Revenues	7,883,426	973,811	564,694	689,515	10,111,446
Lease Revenue	336,115	-	-	503,994	840,109
Total Revenues	696,230,788	58,208,229	99,814,051	257,059,839	1,111,312,907
Expenditures					
Current:					
General Government	41,911,437	-	-	13,930,522	55,841,959
Public Protection	311,965,060	-	-	27,414,257	339,379,317
Public Ways and Facilities	-	70,868,613	-	3,968,098	74,836,711
Health and Sanitation	106,561,900	-	146,023,378	8,022,903	260,608,181
Public Assistance	258,937,882	-	-	14,640,343	273,578,225
Education	513,334	-	-	11,908,329	12,421,663
Recreation and Cultural Services	8,036,343	-	-	-	8,036,343
Debt Service:					
Principal	9,724,687	-	1,172,771	9,064,445	19,961,903
Interest and Debt Service Costs	588,776	-	227,914	6,343,066	7,159,756
Capital Outlay	18,132,407	-	5,121,832	42,545,194	65,799,433
Total Expenditures	756,371,826	70,868,613	152,545,895	137,837,157	1,117,623,491
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(60,141,038)</u>	<u>(12,660,384)</u>	<u>(52,731,844)</u>	<u>119,222,682</u>	<u>(6,310,584)</u>
Other Financing Sources (Uses)					
Transfers In	121,336,439	24,477,877	30,967,859	61,536,008	238,318,183
Transfers Out	(71,091,011)	(51,755)	(757,593)	(159,520,052)	(231,420,411)
Sale of Capital Assets	67,590	6,000	4,525	8,100	86,215
Lease and SBITA Proceeds	18,132,407	-	5,121,832	1,281,196	24,535,435
Total Other Financing Sources (Uses)	68,445,425	24,432,122	35,336,623	(96,694,748)	31,519,422
Net Change in Fund Balances	8,304,387	11,771,738	(17,395,221)	22,527,934	25,208,838
Fund Balances, Beginning of Year	<u>251,450,453</u>	<u>18,316,076</u>	<u>61,287,939</u>	<u>278,674,566</u>	<u>609,729,034</u>
Fund Balances, End of Year	<u>\$ 259,754,840</u>	<u>\$ 30,087,814</u>	<u>\$ 43,892,718</u>	<u>\$ 301,202,500</u>	<u>\$ 634,937,872</u>

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, 2023**

Net Change in Fund Balance – Total Governmental Funds \$ 25,208,838

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, lease, and other related capital asset additions	99,164,405	
Less current year depreciation	(33,623,296)	
Less amortization	(13,213,256)	
Proceeds on Sale of Assets	<u>(21,280)</u>	52,306,573

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations). (7,789)

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. 28,855,545

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	(357,664)	
Change in Compensated Absences	(613,789)	
Change in Estimated Landfill Closure and Postclosure	208,948	
Change in OPEB Liability	137,743	
Change in Pension Liability	(15,490,488)	
Amortization of Premiums and Discounts	1,154,393	
Setup and Related Amortization of Refunding Loss	(28,068)	
Amortization of Refunding Gain	<u>43,910</u>	(14,945,015)

Principal Repayments:		
Certificates of Participation	6,149,954	
Bonds, Notes, and Loans	2,770,304	
Leases	4,747,659	
SBITAs	<u>7,107,929</u>	20,775,846

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. 9,099,159
Fair Market Value adjustment related to Internal Service Funds (5,425,151)

Adjustment necessary to close internal service funds activities. This is the current year excess of revenues over expenses allocable to business-type activities. (2,281,411)

Change in Net Position of Governmental Activities \$ 113,586,595

COUNTY OF MONTEREY

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

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 250,489,150	\$ 250,489,150	\$ 271,134,181	\$ 20,645,031
Licenses, Permits, and Franchises	22,923,918	22,923,918	28,560,987	5,637,069
Fines, Forfeitures, and Penalties	11,233,632	11,317,639	9,511,540	(1,806,099)
Revenue from Use of Money and Property	3,130,646	3,461,946	15,064,335	11,602,389
Aid from other Governmental Agencies	294,723,355	303,709,393	284,515,625	(19,193,768)
Charges for Services	77,163,578	77,451,264	79,224,579	1,773,315
Miscellaneous Revenues	10,772,582	10,972,582	7,883,426	(3,089,156)
Lease Revenue	-	-	336,115	336,115
Total Revenues	670,436,861	680,325,892	696,230,788	15,904,896
Expenditures				
Current:				
General Government	62,699,067	74,832,604	41,911,437	32,921,167
Public Protection	316,814,622	328,901,828	311,965,060	16,936,768
Health and Sanitation	143,254,678	143,566,174	106,561,900	37,004,274
Public Assistance	264,104,944	284,878,109	258,937,882	25,940,227
Education	551,347	551,347	513,334	38,013
Recreation and Cultural Services	8,132,737	8,151,926	8,036,343	115,583
Debt Service:				
Principal	-	-	9,724,687	(9,724,687)
Interest and Debt Service Costs	-	-	588,776	(588,776)
Capital Outlay	-	-	18,132,407	(18,132,407)
Total Expenditures	795,557,395	840,881,988	756,371,826	84,510,162
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125,120,534)	(160,556,096)	(60,141,038)	100,415,058
Other Financing Sources (Uses):				
Transfers In	138,280,289	166,609,020	121,336,439	(45,272,581)
Transfers Out	(55,742,218)	(111,702,505)	(71,091,011)	40,611,494
Sale of Capital Assets	40,000	40,000	67,590	27,590
Lease and SBITA Proceeds	-	-	18,132,407	18,132,407
Total Other Financing Sources (Uses)	82,578,071	54,946,515	68,445,425	13,498,910
Net Changes in Fund Balances	(42,542,463)	(105,609,581)	8,304,387	113,913,968
Fund Balances, Beginning	251,450,453	251,450,453	251,450,453	-
Fund Balances, Ending	\$ 208,907,990	\$ 145,840,872	\$ 259,754,840	\$ 113,913,968

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, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 7,652,168	\$ 7,652,168	\$ 9,849,786	\$ 2,197,618
Licenses, Permits, and Franchises	173,132	173,132	667,967	494,835
Revenue from Use of Money and Property	77,762	77,762	620,684	542,922
Aid from other Governmental Agencies	62,760,051	62,760,051	44,580,350	(18,179,701)
Charges for Services	604,181	604,181	1,515,631	911,450
Miscellaneous Revenues	<u>2,342,583</u>	<u>2,342,583</u>	<u>973,811</u>	<u>(1,368,772)</u>
Total Revenues	<u>73,609,877</u>	<u>73,609,877</u>	<u>58,208,229</u>	<u>(15,401,648)</u>
Expenditures				
Current:				
Public Ways and Facilities	<u>77,068,999</u>	<u>95,688,999</u>	<u>70,868,613</u>	<u>24,820,386</u>
Total expenditures	<u>77,068,999</u>	<u>95,688,999</u>	<u>70,868,613</u>	<u>24,820,386</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,459,122)</u>	<u>(22,079,122)</u>	<u>(12,660,384)</u>	<u>9,418,738</u>
Other Financing Sources (Uses)				
Transfers In	5,984,574	24,604,574	24,477,877	(126,697)
Transfers Out	-	-	(51,755)	(51,755)
Sale of Capital Assets	<u>13,195</u>	<u>13,195</u>	<u>6,000</u>	<u>(7,195)</u>
Total Other Financing Sources (Uses)	<u>5,997,769</u>	<u>24,617,769</u>	<u>24,432,122</u>	<u>(185,647)</u>
Net Changes in Fund Balances	2,538,647	2,538,647	11,771,738	9,233,091
Fund Balances, Beginning	<u>18,316,076</u>	<u>18,316,076</u>	<u>18,316,076</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 20,854,723</u>	<u>\$ 20,854,723</u>	<u>\$ 30,087,814</u>	<u>\$ 9,233,091</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, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Fines, Forfeitures, and Penalties	\$ 78,090	\$ 78,090	\$ 138,695	\$ 60,605
Revenue from Use of Money and Property	238,900	238,900	1,265,623	1,026,723
Aid from other Governmental Agencies	114,686,761	114,686,761	96,843,823	(17,842,938)
Charges for Services	1,469,241	1,469,241	1,001,216	(468,025)
Miscellaneous Revenues	200,000	200,000	564,694	364,691
Total Revenues	<u>116,672,992</u>	<u>116,672,992</u>	<u>99,814,051</u>	<u>(16,858,944)</u>
Expenditures				
Current:				
Health and Sanitation	153,098,344	153,098,344	146,023,378	7,074,966
Debt Service:				
Principal	-	-	1,172,771	(1,172,771)
Interest and Debt Service Costs	-	-	227,914	227,914
Capital Outlay	-	-	5,121,832	(5,121,832)
Total Expenditures	<u>153,098,344</u>	<u>153,098,344</u>	<u>152,545,895</u>	<u>552,449</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(36,425,352)</u>	<u>(36,425,352)</u>	<u>(52,731,844)</u>	<u>(16,306,492)</u>
Other Financing Sources (Uses):				
Transfers In	33,606,114	33,606,114	30,967,859	(2,638,255)
Transfers Out	(4,300,360)	(4,300,360)	(757,593)	3,542,767
Sale of Capital Assets	-	-	4,525	4,525
Lease and SBITA Proceeds	-	-	5,121,832	5,121,832
Total Other Financing Sources (Uses)	<u>29,305,754</u>	<u>29,305,754</u>	<u>35,336,623</u>	<u>6,030,869</u>
Net Changes in Fund Balances	(7,119,598)	(7,119,598)	(17,395,221)	(10,275,623)
Fund Balances, Beginning	61,287,939	61,287,939	61,287,939	-
Fund Balances, Ending	<u>\$ 54,168,341</u>	<u>\$ 54,168,341</u>	<u>\$ 43,892,718</u>	<u>\$ (10,275,623)</u>

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

COUNTY OF MONTEREY
Statement of Net Position
Proprietary Funds
June 30, 2023

	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	\$ 317,583,568	\$ 10,720,813	\$ 328,304,381	\$ 191,209,790
Other Bank Accounts	9,801	-	9,801	5,771,254
Imprest Cash	4,280	-	4,280	-
Receivables (Net)	105,487,437	1,043,932	106,531,369	9,600
Due from Other Funds	-	-	-	692,344
Inventories	5,412,718	303,265	5,715,983	-
Prepaid Expense	4,987,292	2,526,829	7,514,121	-
Lease Receivable	3,323,427	-	3,323,427	-
Total Current Assets	<u>436,808,523</u>	<u>14,594,839</u>	<u>451,403,362</u>	<u>197,682,988</u>
Noncurrent Assets:				
Capital Assets	121,801,022	9,201,056	131,002,078	5,493,188
Right-to-Use Assets	3,645,722	62,884	3,708,606	-
Total Noncurrent Assets	<u>125,446,744</u>	<u>9,263,940</u>	<u>134,710,684</u>	<u>5,493,188</u>
Total Assets	<u>562,255,267</u>	<u>23,858,779</u>	<u>586,114,046</u>	<u>203,176,176</u>
Deferred Outflows of Resources				
Unamortized Losses on Refunding Debts	144,603	-	144,603	-
Deferred Outflows from Pensions	68,152,084	255,587	68,407,671	-
Deferred Outflows from OPEB	3,971,910	12,268	3,984,178	-
Total Deferred Outflows of Resources	<u>72,268,597</u>	<u>267,855</u>	<u>72,536,452</u>	<u>-</u>
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	29,095,940	4,777,522	33,873,462	2,980,393
Accrued Salaries and Benefits	7,776,399	208,914	7,985,313	440,269
Accrued Interest Payable	305,413	241	305,654	-
Other Current Liabilities	55,025,168	-	55,025,168	-
Due to Other Funds	-	505,412	505,412	-
Deposits from Others	-	10,230	10,230	-
Unearned Revenues	-	6,218,933	6,218,933	-
Claims Liability- Current Portion	-	-	-	23,028,344
Bonds and Notes Payable - Current Portion	4,003,251	-	4,003,251	-
Compensated Absences - Current Portion	17,995,347	27,922	18,023,269	-
Lease Liability - Current Portion	115,689	22,874	138,563	-
SBITA Liability - Current Portion	1,691,380	22,832	1,714,212	-
Total Current Liabilities	<u>116,008,587</u>	<u>11,794,880</u>	<u>127,803,467</u>	<u>26,449,006</u>
Long-Term Liabilities:				
Claims Liability	-	-	-	92,919,187
Bonds and Notes Payable	20,748,665	-	20,748,665	-
Net Pension Liability	157,697,266	591,405	158,288,671	-
Net OPEB Liability	8,708,697	26,899	8,735,596	-
Compensated Absences - Noncurrent Portion	221,960	123,789	345,749	-
Lease Liability - Noncurrent Portion	-	18,188	18,188	-
SBITA Liability - Noncurrent Portion	1,614,377	-	1,614,377	-
Total Long-Term Liabilities	<u>188,990,965</u>	<u>760,281</u>	<u>189,751,246</u>	<u>92,919,187</u>
Total Liabilities	<u>304,999,552</u>	<u>12,555,161</u>	<u>317,554,713</u>	<u>119,368,193</u>

continued

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

COUNTY OF MONTEREY
Statement of Net Position
Proprietary Funds
June 30, 2023

	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	661,611	2,481	664,092	-
Deferred Inflows from OPEB	318,615	984	319,599	-
Unamortized Gains on Refunding Debts	156,591	-	156,591	-
Deferred Inflows from Leases	3,270,130	-	3,270,130	-
Total Deferred Inflows of Resources	<u>4,406,947</u>	<u>3,465</u>	<u>4,410,412</u>	<u>-</u>
Net Position				
Net Investment in Capital Assets	96,575,730	9,236,977	105,812,707	5,493,188
Restricted for Recreation and Culture	-	1,713,531	1,713,531	-
Unrestricted (Deficit)	228,541,636	617,500	229,159,136	78,314,795
Total Net Position	<u>325,117,366</u>	<u>11,568,008</u>	<u>336,685,374</u>	<u>\$ 83,807,983</u>
Adjustment To Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Fund	<u>6,836,591</u>	<u>459,088</u>	<u>7,295,679</u>	
Net Position of Business-Type Activities	<u>\$ 331,953,957</u>	<u>\$ 12,027,096</u>	<u>\$ 343,981,053</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, 2023

	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	\$ 445,807,506	\$ -	\$ 445,807,506	\$ -
Charges for Services	-	17,026,330	17,026,330	61,629,930
Other Operating Revenues	6,531,417	1,205,821	7,737,238	6,548,001
Lease Revenue	1,100,433	78	1,100,511	-
Aid from other Governmental Agencies	-	95,542	95,542	-
Total Operating Revenues	<u>453,439,356</u>	<u>18,327,771</u>	<u>471,767,127</u>	<u>68,177,931</u>
Operating Expenses:				
Salaries, Wages and Benefits	240,552,473	1,128,517	241,680,990	5,300,827
Services and Supplies	45,939,784	20,934,649	66,874,433	19,272,976
Claims Expense	-	-	-	31,186,418
Purchased Services	95,552,901	-	95,552,901	-
Depreciation and Amortization	14,581,435	765,465	15,346,900	4,586,356
Other Operating Expenses	3,330,977	26,169	3,357,146	(9,861,920)
Total Operating Expenses	<u>399,957,570</u>	<u>22,854,800</u>	<u>422,812,370</u>	<u>50,484,657</u>
Net Operating Income (Loss)	<u>53,481,786</u>	<u>(4,527,029)</u>	<u>48,954,757</u>	<u>17,693,274</u>
Non-Operating Revenues (Expenses):				
Interest Income	8,883,926	30,976	8,914,902	4,988,449
Interest Expense	(654,161)	(42,174)	(696,335)	(5,064)
Rents, Concessions and Royalties	395,411	-	395,411	-
Other Non-Operating Revenues	742,299	(121,589)	620,710	193,544
Total Non-Operating Revenues (Expenses)	<u>9,367,475</u>	<u>(132,787)</u>	<u>9,234,688</u>	<u>5,176,929</u>
Net Income (Loss) Before Transfers and Capital Contributions	62,849,261	(4,659,816)	58,189,445	22,870,203
Transfers In	3,401,067	3,972,205	7,373,272	-
Transfers Out	(500,000)	-	(500,000)	(13,771,044)
Change in Net Position	65,750,328	(687,611)	65,062,717	9,099,159
Net Position, Beginning of Year	<u>259,367,038</u>	<u>12,255,619</u>	<u>271,622,657</u>	<u>74,708,824</u>
Net Position, End of Year	<u>\$ 325,117,366</u>	<u>\$ 11,568,008</u>	<u>\$ 336,685,374</u>	<u>\$ 83,807,983</u>
Change in Net Position, From Above	\$ 65,750,328	\$ (687,611)	\$ 65,062,717	
Adjustment To Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Funds	<u>1,919,463</u>	<u>361,949</u>	<u>2,281,411</u>	
Change in Net Position of Business-Type Activities	<u>\$ 67,669,791</u>	<u>\$ (325,662)</u>	<u>\$ 67,344,128</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, 2023

	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	\$ 458,102,537	\$ -	\$ 458,102,537	\$ -
Cash Receipts from Customers	-	19,728,092	19,728,092	6,731,405
Cash Receipts from Interfund Charges	-	206,620	206,620	61,437,829
Cash (Paid)/Received for Other Services	(4,650,081)	(43,549)	(4,693,630)	-
Cash Paid to Employees for Services	(233,721,117)	(766,352)	(234,487,469)	(5,300,827)
Cash Paid to Suppliers for Goods and Services	(153,857,499)	(15,377,180)	(169,234,679)	(35,813,324)
Net cash provided (used) by operating activities	<u>65,873,840</u>	<u>3,747,631</u>	<u>69,621,469</u>	<u>27,055,083</u>
Cash Flows From Noncapital Financing Activities:				
Grants Revenues Received	(34,263,587)	-	(34,263,587)	-
Transfers from Other Funds	3,401,067	3,972,205	7,373,272	-
Transfers to Other Funds	(500,000)	-	(500,000)	(13,771,044)
Due from Other Funds	-	-	-	(33,696)
Due to Other Funds	-	24,599	24,599	-
Unrestricted Donations Received	742,299	-	742,299	-
Net cash provided (used) by noncapital financing activities	<u>(30,620,221)</u>	<u>3,996,804</u>	<u>(26,623,417)</u>	<u>(13,804,740)</u>
Cash Flows From Capital and Related Financing Activities:				
Collection of Advances	-	-	-	692,344
Repayment of Advances	-	(505,412)	(505,412)	-
Principal Paid on Capital Related Debt	(3,817,583)	-	(3,817,583)	(485,175)
Interest Paid on Capital Related Debt	(1,173,827)	(38,392)	(1,212,219)	(5,064)
Payments Related to Acquisition of Capital Assets	(8,538,703)	(108,348)	(8,647,051)	(1,599,270)
Collections Related to Dispositions of Capital Assets	-	-	-	193,544
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(13,530,113)</u>	<u>(652,152)</u>	<u>(14,182,265)</u>	<u>(1,203,621)</u>
Cash Flows From Investing Activities				
Cash Received from Rental Income	395,411	-	395,411	-
Interest Payments Received	8,883,926	30,976	8,914,902	4,988,449
Interest Paid on Capital Related Debt	-	(120,842)	(120,842)	-
Net Cash Provided (Used) by Investing Activities	<u>9,279,337</u>	<u>(89,866)</u>	<u>9,189,471</u>	<u>4,988,449</u>
Net Cash Increase (Decreases) in Cash and Cash Equivalents	<u>31,002,843</u>	<u>7,002,417</u>	<u>38,005,260</u>	<u>17,035,171</u>
Cash and Cash Equivalents, July 1	<u>286,594,806</u>	<u>3,718,396</u>	<u>290,313,202</u>	<u>179,945,873</u>
Cash and Cash Equivalents, June 30	<u>317,597,649</u>	<u>10,720,813</u>	<u>328,318,462</u>	<u>196,981,044</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position				
Cash and Cash Equivalents	317,583,568	10,720,813	328,304,381	191,209,790
Imprest Cash	9,801	-	9,801	5,771,254
Other Bank Accounts	4,280	-	4,280	-
Total Cash and Cash Equivalents	<u>317,597,649</u>	<u>10,720,813</u>	<u>328,318,462</u>	<u>196,981,044</u>

COUNTY OF MONTEREY
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	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)	53,481,786	(4,527,029)	48,954,757	17,693,274
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation and Amortization	12,376,692	697,643	13,074,335	4,586,356
(Increase) Decrease in Receivables	5,763,614	1,400,399	7,164,013	183,404
(Increase) Decrease in Inventories	(460,206)	(149,762)	(609,968)	-
(Increase) Decrease in Prepaid Items	(560,112)	(1,830,886)	(2,390,998)	122,573
Increase (Decrease) in Accounts Payable	(1,441,753)	1,779,147	337,394	1,098,957
Increase (Decrease) in Deferred Outflows - Pension	(42,374,450)	(217,738)	(42,592,188)	-
Increase (Decrease) in Deferred Outflows - OPEB	(637,714)	244	(637,470)	-
Increase (Decrease) in Other Accrued Liabilities	-	-	-	(292,011)
Increase (Decrease) in Other Salaries and Benefits	963,941	20,851	984,792	-
Increase (Decrease) in Other Liabilities	(9,841,896)	-	(9,841,896)	-
Increase (Decrease) in Compensated Absences	1,349,462	134,485	1,483,947	-
Increase (Decrease) in Post-employment Liability	1,535,724	(20)	1,535,704	-
Increase (Decrease) in Deferred Inflows - Pension	(47,717,050)	(68,553)	(47,785,603)	-
Increase (Decrease) in Deferred inflows - OPEB	(1,903,384)	(7,355)	(1,910,739)	-
Increase (Decrease) in Pension Liability	95,614,827	500,251	96,115,078	-
Increase (Decrease) in Claims Liability	-	-	-	3,662,530
Increase (Decrease) in Deferred Revenues	3,270,130	5,991,759	9,261,889	-
Increase (Decrease) in Lease Liability	(3,545,771)	24,195	(3,521,576)	-
Total Adjustments	<u>12,392,054</u>	<u>8,274,660</u>	<u>20,666,714</u>	<u>9,361,809</u>
Net Cash Provided (Used) by Operating Activities:	<u>\$ 65,873,840</u>	<u>\$ 3,747,631</u>	<u>\$ 69,621,471</u>	<u>\$ 27,055,083</u>

COUNTY OF MONTEREY
Statement of Fiduciary Funds Net Position
June 30, 2023

	Investment Trust	Private Purpose Trust	Custodial Funds
Assets			
Held in County Treasury	\$1,785,906,754	\$ 10,270,976	\$ 78,652,207
Other Bank Accounts	-	21,251	-
Taxes Receivable	-	-	38,141,352
Long-Term Receivables	-	27,938	-
Assets Held for Resale	-	24,068	-
Equipment	-	371,290	-
Total Assets	1,785,906,754	10,715,523	116,793,559
Liabilities			
Accounts Payable and Accrued Expenses	-	324,115	951,218
Unearned Revenues	-	45,153	-
Assets Held as Agency for Others	-	108,584	18,935,953
Total Liabilities	-	477,852	19,887,171
Net Position			
Net Position Held in Trust for Investment Pool	1,785,906,754	-	-
Restricted to Individual, Organizations, and Other Governments	-	10,237,671	96,906,388
Total Net Position	\$1,785,906,754	\$ 10,237,671	\$ 96,906,388

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, 2023

	Investment Trust	Private Purpose Trust	Custodial Funds
Additions			
Property Taxes	\$ -	\$ 2,215,198	\$ -
Local Tax Collected for other Governments	-	-	1,213,392,617
Assistance Fund Received for other Governments	-	-	31,990,925
Contributions to Investment Pool	2,515,941,185	-	-
Investment Related Collections for other Governments	34,586,127	328,220	48,641,055
Gifts & Bequests	-	6,890,716	-
Other Contributions	-	76,647	1,296,204
Total Additions	<u>2,550,527,312</u>	<u>9,510,781</u>	<u>1,295,320,801</u>
Deductions			
Distributions from Investment Pool	2,158,973,671	-	-
Administrative Expenses	-	3,005,425	3,761,252
Payment of Local Tax to other Governments	-	-	1,199,669,584
Payment of Assistance fund to other Governments	-	-	33,205,628
Investment related Payments	-	-	59,359,203
Beneficiary payments to individuals	-	5,500,845	-
Depreciation and Amortization	-	103,379	-
Total Deductions	<u>2,158,973,671</u>	<u>8,609,649</u>	<u>1,295,995,667</u>
Change in Net Position	391,553,641	901,132	(674,866)
Net Position, Beginning of Year	<u>1,394,353,113</u>	<u>9,336,539</u>	<u>97,581,254</u>
Net Position, End of Year	<u>\$1,785,906,754</u>	<u>\$ 10,237,671</u>	<u>\$ 96,906,388</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, 2023

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

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 1: Summary of Significant Accounting Policies (continued)

A. The Financial Reporting Entity (continued)

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

B. Basis of Presentation

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

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

Government-Wide Financial Statements

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

The Statement of Activities presents a comparison between program expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, which are each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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 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, 2023

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, 2023

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 leases) using the straight-line method over the lesser of the 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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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 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 and there's no impact to the financial statements.

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 and there's no impact to the financial statements.

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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 1: Summary of Significant Accounting Policies (continued)

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

In April 2022, the GASB issued GASB Statement No. 99, Omnibus 2022. 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 were effective upon issuance and these were implemented last fiscal year with no impact to the financial statements. The requirements related to leases, public-private partnerships (PPPs), and SBITAs are effective for the County's fiscal year ending June 30, 2023 and there's no impact to the financial statements. 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 and the County early implemented. There's 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 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, 2024.

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, 2023

Note 2: Cash and Investments (continued)

As of June 30, 2023, the County's cash, deposits and investments were as follows:

	Pooled	With Fiscal Agents	Other	Total
Imprest Cash and Cash on Hand	\$ 99,625	\$ -	\$ 18,325	\$ 117,950
Deposits With Financial Institutions	2,599,263	88,000,525	6,366,233	96,966,021
Outstanding Warrants and Wires	(7,766,899)	-	-	(7,766,899)
Investments	3,037,561,094	994	-	3,037,562,088
Totals	\$ 3,032,493,083	\$ 88,001,519	\$ 6,384,558	\$ 3,126,879,160

Total cash and investments at June 30, 2023, were presented on the County's financial statements as follows:

Primary Government	\$ 1,243,611,939
Investment Trust Fund	1,785,906,754
Custodial Funds	78,652,207
Private Purpose Trust Fund	10,292,227
Discretely Presented Component Unit	8,416,033
Total Cash and Investments	\$ 3,126,879,160

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, 2023

Note 2: Cash and Investments (continued)

At June 30, 2023, the County had the following investments:

	<u>Interest Rates</u>	<u>Maturities</u>	<u>Par</u>	<u>Fair Value</u>	<u>WAM (Years)</u>
Investments in Investment Pool					
Federal Agency Obligations	0.125% - 5.6%	07/10/23-12/15/25	\$ 562,845,000	\$ 547,233,770	0.86
U.S. Treasury Obligations	0.125% - 4.5%	09/15/23-05/31/28	1,065,090,000	1,014,965,461	1.29
Medium Term Notes	0.45% - 5.751%	07/5/23-05/17/28	519,448,000	496,388,031	1.74
Commercial Paper	5.14% - 5.54%	08/11/23 - 01/19/24	145,000,000	141,672,200	0.40
Asset Backed Securities	1.04%	11/16/26	195,000	183,491	3.38
Supranationals	0.25% - 1.5%	11/24/23 - 09/23/24	37,575,000	36,468,289	0.71
Municipal Bonds	0.51% - 1.477%	07/01/23 - 07/01/26	1,120,000	1,042,841	1.61
Money Market Mutual Funds	Variable	On Demand	9,513,688	9,513,689	-
California Asset Management Program	Variable	On Demand	447,500,000	447,500,000	-
CalTRUST	Variable	On Demand	341,593,323	341,593,322	-
California Local Agency Investment Fund	Variable	On Demand	1,000,000	1,000,000	-
Total Investment Pool Excluding Defaulted Securities			<u>\$3,130,880,011</u>	<u>\$3,037,561,094</u>	-
Default Securities					
Lehman Brothers Medium-Term Notes	N/A	In Default	\$ 10,000,000	\$ -	-
Total Investment Pool			<u>\$3,140,880,011</u>	<u>\$ 3,037,561,094</u>	-
Investments Outside Investment Pool					
<i>Cash Held with Fiscal Agent</i>					
Money Market Mutual Funds	Variable	On Demand	\$ 994	\$ 994	-
Total Outside Investment Pool			<u>\$ 994</u>	<u>\$ 994</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, 2023

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, 2023.

	Moody's	Standard & Poor's	% of Portfolio
U.S. Treasury Obligations*	Aaa	AA	0.01 %
U.S. Treasury Obligations*	Aaa	Not rated	32.44 %
U.S. Treasury Obligations*	Not rated	Not rated	0.97 %
Federal Agency Obligations*	Aaa	AA+	11.72 %
Federal Agency Obligations*	Aaa	Not rated	1.11 %
Federal Agency Obligations*	Not rated	AA+	3.60 %
Federal Agency Obligations*	Not rated	Not rated	1.59 %
Commercial Paper	P-1	A-1	3.87 %
Commercial Paper	P-1	A-1+	0.80 %
Supranationals	Aaa	AAA	0.48 %
Supranationals	Not rated	AAA	0.72 %
Medium-Term Notes	A1	A	1.52 %
Medium Term Notes	A1	A-	1.89 %
Medium-Term Notes	A1	A+	2.06 %
Medium-Term Notes	A1	AA	0.95 %
Medium-Term Notes	A1	AA-	1.12 %
Medium-Term Notes	A2	A	1.96 %
Medium-Term Notes	A2	A-	0.30 %
Medium-Term Notes	A2	A+	0.33 %
Medium-Term Notes	A2	BBB+	0.34 %
Medium-Term Notes	A3	A	0.17 %
Medium-Term Notes	A3	A-	1.25 %
Medium-Term Notes	A3	A+	0.37 %
Medium-Term Notes	A3	BBB+	0.30 %
Medium-Term Notes	Aa1	AA+	0.16 %
Medium-Term Notes	Aa2	AA	0.98 %
Medium-Term Notes	Aa2	AA+	0.16 %
Medium-Term Notes	Aa2	AA-	0.16 %
Medium-Term Notes	Aa3	AA-	0.64 %
Medium-Term Notes	Aaa	AA+	0.59 %
Medium-Term Notes	Not rated	A-1	1.08 %
Medium-Term Notes	Not rated	AA-	0.01 %
Medium-Term Notes	Not rated	AA+	0.01 %
Municipal Obligations	Not rated	AA+	0.01 %
Municipal Obligations	Not rated	AAA	0.01 %
Money Market Mutual Funds	Not rated	Not rated	0.31 %
CalTrust	Not rated	AAA	14.73 %
CalTrust	Not rated	Not rated	11.25 %
Asset Backed Security	Not rated	AAA	0.01 %
California Local Agency Investment Pool	Not rated	Not rated	0.03 %
Total			100.00 %

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

As of the year ended June 30, 2023, 2 Categories 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, 2023

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, 2023, 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 \$2,599,263 as of June 30, 2023, \$275,000 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, 2023, the County's investment position in LAIF was \$1.0 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 \$177.0 billion. Of that amount, 2.78% was invested in structured notes and asset-backed securities with the remaining 97.22% 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, 2023

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, 2023:

Statement of Net Position	
Net Position for Pool Participants	<u>\$ 3,032,493,083</u>
Equity of Internal Pool Participants	\$ 1,239,958,492
Equity of External Pool Participants	<u>1,792,534,591</u>
Total Net Position	<u>\$ 3,032,493,083</u>
Statement of Changes in Net Position	
Net Investment Earnings	\$ 55,842,827
Investment Expenses	(1,248,444)
Net Contribution from Pool Participants	<u>367,377,766</u>
Change in Net Position	421,972,149
Net Position at July 1, 2022	<u>2,610,520,934</u>
Net Position at June 30, 2023	<u>\$ 3,032,493,083</u>

The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2023, 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, 2023

Note 2: Cash and Investments (continued)

The County's cash equivalents and investments by fair value measurement as of June 30, 2023:

	Fair Value Measurement			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Observable Inputs Other Than Quoted Market Prices (Level 2)	Unobservable Inputs (Level 3)
Investments - Fair Value Level				
Commercial Paper	\$ 141,672,200	\$ -	\$ 141,672,200	\$ -
Corporate Notes	496,388,031	-	496,388,031	-
Negotiable CDs	-	-	-	-
US Treasuries	1,014,965,461	1,014,965,461	-	-
Federal Agencies	547,233,770	-	547,233,770	-
Asset Backed Securities	183,491	-	183,491	-
Supranationals	36,468,289	-	36,468,289	-
Municipal bonds	1,042,841	-	1,042,841	-
Total Investments Measured at Fair Value	\$ 2,237,954,083	<u>\$ 1,014,965,461</u>	<u>\$ 1,222,988,622</u>	<u>\$ -</u>
Investments Not Subject to Fair Value Hierarchy:				
Money Market Mutual Funds	9,514,683			
California Asset Management Program	447,500,000			
CalTRUST	341,593,322			
California Local Agency Investment Fund	1,000,000			
Total Pooled and Directed Investments	<u>\$ 3,037,562,088</u>			

Note 3: Interfund Transactions

The composition of interfund balances as of June 30, 2023, is as follows:

Due to/From Other Funds

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

Receivable Fund	Payable Fund	Amount
Internal Service Fund	General Fund	\$ 186,932
	Other Enterprise Funds	505,412
	Total	<u>\$ 692,344</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 3: Interfund Transactions (continued)

Transfers

Transfers are indicative of funding for capital projects, debt service, subsidies of various County operations, and re-allocations of special revenues. Transfers between funds for the year ended June 30, 2023, were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Behavioral Health	\$ 532,678	General Fund Contribution
	Road Fund	18,620,000	2022-23 Winter Storm Repair
	Road Fund	5,809,574	TOT Contribution
	Road Fund	48,303	General Fund Contribution
	Other Governmental Funds	12,536,120	Master Plan Project Contribution
	Other Governmental Funds	4,227,911	General Fund Contribution
	Other Governmental Funds	8,982,687	Debt Service
	Other Governmental Funds	3,367,970	VLF Match
	Other Governmental Funds	1,320,603	Water & Sewer Infrastructure Repair
	Other Governmental Funds	11,672,960	2022-23 Winter Storm Repair
	Other Enterprise Funds	519,205	Debt Service
	Other Enterprise Funds	3,453,000	2022-23 Winter Storm Repair
			<u>71,091,011</u>
Road Fund	Other Governmental Funds	<u>51,755</u>	Capital Projects
Behavioral Health	General Fund	<u>757,593</u>	Health Programs
Other Governmental Funds	General Fund	57,264,890	2011 Realignment Program Reimbursements
	General Fund	681,500	EG Community Service District Allocation
	General Fund	20,000	Other
	General Fund	62,087,798	Health & Welfare Realignment Program Reimbursements
	Behavioral Health	20,435,181	2011 Realignment Program Reimbursements
	Behavioral Health	10,000,000	Health & Welfare Realignment Program Reimbursements
	Other Governmental Funds	461,545	2011 Realignment Program Reimbursements
	Other Governmental Funds	3,854,642	Debt Service
	Other Governmental Funds	515,000	Interlake Tunnel Project
	Other Governmental Funds	139,000	NGEN Reimbursement
	Other Governmental Funds	538,267	NGEN Microwave Upgrade Project
	Other Governmental Funds	121,162	Other
	Natividad Medical Center		<u>3,401,067</u>
		<u>159,520,052</u>	
Internal Service Funds	General Fund	24,658	911 Facility HVAC Replacements
	Other Governmental Funds	10,748,386	Facilities Capital Projects
	Other Governmental Funds	<u>2,998,000</u>	Juvenile Hall Project
		<u>13,771,044</u>	
Natividad Medical Center	General Fund	<u>500,000</u>	Health Residency Program Support
	Total	<u>\$ 245,691,455</u>	

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 4: Receivables

Receivables as of June 30, 2023, for the County’s individual major, nonmajor, internal service, and enterprise funds are as follows:

Governmental Funds:

	<u>General</u>	<u>Road Fund</u>	<u>Behavioral Health</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
Receivables:					
Accounts – Net	\$ 21,292,269	\$ 2,485,961	\$ 393,624	\$ 1,248,999	\$ 25,420,853
Taxes Receivable	5,825,362	-	-	1,666,799	7,492,161
Due From Other Agencies	55,667,693	5,361,764	36,615,989	26,225,960	123,871,406
Interest	11,514	-	-	3,991,778	4,003,292
Totals	<u>\$ 82,796,838</u>	<u>\$ 7,847,725</u>	<u>\$ 37,009,613</u>	<u>\$ 33,133,536</u>	<u>\$ 160,787,712</u>

Proprietary Funds:

	<u>Natividad Medical Center</u>	<u>LSRA</u>	<u>Parks Lake & Resort Operations</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
Receivables:					
Accounts – Net	\$ 53,884,336	\$ 398,484	\$ 645,448	\$ 54,928,268	\$ 9,600
Due From Other Agencies	51,592,487	-	-	51,592,487	-
Interest	10,614	-	-	10,614	-
Totals	<u>\$ 105,487,437</u>	<u>\$ 398,484</u>	<u>\$ 645,448</u>	<u>\$ 106,531,369</u>	<u>\$ 9,600</u>

At June 30, 2023, accounts receivables reported by Natividad Medical Center were reduced by allowances for doubtful accounts and contractual adjustments as follows:

Allowance for Doubtful Accounts	\$ 18,295,312
Allowance for Contractual Adjustments	<u>146,094,093</u>
Totals	<u>\$ 164,389,405</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, 2023, 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	\$ 6,467,737
Unavailable Revenue – Taxes Receivable	6,898,314
Unavailable Revenue – Due From Other Agencies	61,524,311
Unavailable Revenue – Interest Receivable	3,791,191
Total Unavailable Revenue	<u>78,681,553</u>
Unearned Revenues - Grant Advances Prior to Meeting All Eligibility Requirements	<u>71,607,045</u>
Total Unavailable and Unearned Revenue	<u>\$ 150,288,598</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions	Retirements	Transfers	Balance June 30, 2023
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 312,483,650	\$ -	\$ -	\$ -	\$ 312,483,650
Construction in Progress	255,577,131	90,672,180	(60,350)	(205,728,774)	140,460,187
Total Capital Assets, Not Being Depreciated	568,060,781	90,672,180	(60,350)	(205,728,774)	452,943,837
Capital Assets, Being Depreciated:					
Infrastructure	653,808,887	-	-	14,769,368	668,578,255
Structures and Improvements	346,592,093	-	-	189,320,694	535,912,787
Equipment	169,995,345	10,365,918	(6,207,252)	1,638,712	175,792,723
Intangible Assets	20,757,733	-	-	-	20,757,733
Total Capital Assets, Being Depreciated	1,191,154,058	10,365,918	(6,207,252)	205,728,774	1,401,041,498
Less Accumulated Depreciation For:					
Infrastructure	(455,777,660)	(13,670,914)	-	-	(469,448,574)
Structures and Improvements	(183,177,848)	(11,346,464)	-	-	(194,524,312)
Equipment	(116,759,632)	(10,056,732)	1,025,650	-	(125,790,714)
Intangible Assets	(18,982,748)	(3,135,542)	-	-	(22,118,290)
Total Accumulated Depreciation	(774,697,888)	(38,209,652)	1,025,650	-	(811,881,890)
Total Capital Assets, Being Depreciated, Net	416,456,170	(27,843,734)	(5,181,602)	205,728,774	589,159,608
Right-to-Use Assets, Being Amortized					
Land - Right-to-Use	702,320	618,456	-	-	1,320,776
Buildings - Right-to-Use	19,191,005	5,760,723	(644,545)	-	24,307,183
Vehicles - Right-to-Use	519,721	610,877	-	-	1,130,598
Equipment - Right-to-Use	4,494,242	558,829	(212,832)	-	4,840,239
Other - Right-to-Use	-	70,958	-	-	70,958
SBITA - Right-to-Use	-	16,915,592	-	-	16,915,592
Total Right-to-Use Assets, Being Amortized	24,907,288	24,535,435	(857,377)	-	48,585,346
Less Accumulated Amortization For:					
Land - Right-to-Use	(439,764)	(182,710)	-	-	(622,474)
Buildings - Right-to-Use	(6,457,633)	(5,020,327)	583,866	-	(10,894,094)
Vehicles - Right-to-Use	(161,178)	(226,843)	-	-	(388,021)
Equipment - Right-to-Use	(2,749,243)	(1,051,171)	99,242	-	(3,701,172)
Other - Right-to-Use	-	(23,653)	-	-	(23,653)
SBITA - Right-to-Use	-	(6,708,552)	-	-	(6,708,552)
Total Accumulated Amortization	(9,807,818)	(13,213,256)	683,108	-	(22,337,966)
Total Right-to-Use Assets, Being Amortized, Net	15,099,470	11,322,179	(174,269)	-	26,247,380
Total Capital Assets, Being Depreciated and Amortized, Net	431,555,640	(16,521,555)	(5,355,871)	205,728,774	615,406,988
Governmental Activities Capital Assets, Net	\$ 999,616,421	\$ 74,150,625	\$ (5,416,221)	\$ -	\$1,068,350,825

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 5: Capital Assets (continued)

	Balance July 1, 2022	Additions	Retirements	Transfers	Balance June 30, 2023
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Construction in Progress	\$ 9,133,559	\$ 4,667,284	\$ -	\$ (2,930,332)	\$ 10,870,511
Total Capital Assets, Not Being Depreciated	9,133,559	4,667,284	-	(2,930,332)	10,870,511
Capital Assets, Being Depreciated:					
Structures and Improvements	212,957,793	1,381,358	-	1,348,367	215,687,518
Equipment	144,539,666	2,598,409	(164,215)	1,581,965	148,555,825
Total Capital Assets, Being Depreciated	357,497,459	3,979,767	(164,215)	2,930,332	364,243,343
Less Accumulated Depreciation					
Structures and Improvements	(116,675,559)	(5,843,502)	-	-	(122,519,061)
Equipment	(114,526,096)	(7,230,833)	164,215	-	(121,592,714)
Total Accumulated Depreciation	(231,201,655)	(13,074,335)	164,215	-	(244,111,775)
Total Capital Assets, Being Depreciated, Net	126,295,804	(9,094,568)	-	2,930,332	120,131,568
Right-to-Use Assets, Being Amortized					
Buildings - Right-to-Use	1,325,934	-	-	-	1,325,934
Equipment - Right-to-Use	355,173	63,319	(24,431)	-	394,061
SBITA - Right-to-Use	-	5,118,590	-	-	5,118,590
Total Right-to-Use Assets, Being Amortized	1,681,107	5,181,909	(24,431)	-	6,838,585
Less Accumulated Amortization For:					
Buildings - Right-to-Use	(623,969)	(311,985)	-	-	(935,954)
Equipment - Right-to-Use	(248,739)	(120,188)	15,294	-	(353,633)
SBITA - Right-to-Use	-	(1,840,392)	-	-	(1,840,392)
Total Accumulated Amortization	(872,708)	(2,272,565)	15,294	-	(3,129,979)
Total Right-to-Use Assets, Being Amortized	808,399	2,909,344	(9,137)	-	3,708,606
Total Capital Assets, Being Depreciated and Amortized, Net	127,104,203	(6,185,224)	(9,137)	2,930,332	123,840,174
Business-Type Activities Capital Assets, Net	\$ 136,237,762	\$ (1,517,940)	\$ (9,137)	\$ -	\$ 134,710,685

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government Depreciation	\$ 9,998,812
Public Safety	8,179,318
Public Ways and Facilities	12,696,940
Health and Sanitation	2,012,220
Public Assistance	407,136
Education	201,252
Recreation and Cultural Services	127,618
Depreciation on Capital Assets Held by the County Internal Service Funds Are Charged to Various Functions Based on Their Usage of the Assets.	4,586,356
Total Depreciation Expense - Governmental Functions	<u>\$ 38,209,652</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 5: Capital Assets (continued)

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

Natividad Medical Center	\$ 12,376,692
Parks Lake and Resort Operations	193,190
Laguna Seca Recreation Area	504,453
Total Depreciation Expense - Business-Type Activities	<u>\$ 13,074,335</u>

Amortization expense was charged to functions/programs as follows:

Governmental Activities:

General government	\$ 5,159,332
Public safety	2,025,078
Health and welfare	2,364,696
Public Assistance	3,367,728
Education	296,422
Total amortization expense - governmental activities	<u>\$ 13,213,256</u>

Amortization expense was charged to functions/programs as follows:

Business-type Activities:

Natividad Medical Center	\$ 2,204,743
Laguna Seca Recreation Area	67,822
Total amortization expense - business-type activities	<u>\$ 2,272,565</u>

Note 6: Leases

A. Lessor

The County entered into various lease agreements as a lessor for the right to use land, buildings and other. As of June 30, 2023, the value of the lease receivable is \$2,217,175. The County receives monthly fixed payments ranging from \$875 to \$3,586. The leases have an interest rate range of 4.02% to 5%. The right to use other estimated useful life was 20 years as of the contract commencement, related to space on a radio tower. 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, 2023, the balance of the deferred inflow from leases for governmental activities was \$2,128,063.

		Governmental Activities	
Classification	Term Range	Lease Receivable as of June 30, 2022	Lease Receivable as of June 30, 2023
Land - Right-to-Use	2 to 17 years	\$ 466,210	\$ 1,604,614
Buildings - Right-to-Use	1 to 5 years	1,669,767	330,758
Other - Right-to-Use	20 years	-	281,803
Total Right-to-Use Assets		<u>\$ 2,135,977</u>	<u>\$ 2,217,175</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 6: Leases (continued)

A. Lessor (continued)

The County entered into various lease agreements as a lessor for the right-to-use buildings. As of June 30, 2023, the value of the lease receivable is \$3,323,427. The County receives monthly fixed payments ranging from \$1,701 to \$29,112. The lease has an interest rate ranging from 4.02% to 5%. The right to use buildings estimated useful life has a range of 1 to 5 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, 2023, the balance of the deferred inflow from leases for business activities was \$3,270,130.

Business-Type Activities			
Classification	Term Range	Lease Receivable as of June 30, 2022	Lease Receivable as of June 30, 2023
Other - Right-to-Use	2 years	\$ 28,034	\$ -
Buildings - Right-to-Use	1 to 5 years	-	3,323,427
Total Right-to-Use Assets		\$ 28,034	\$ 3,323,427

B. Leases and SBITAs

The County has entered into various leases as lessee for the right-to-use land, buildings, vehicles, equipment, other, and SBITAs with various lease terms. As of June 30, 2023, the value of lease liability, excluding SBITAs, for governmental and business activities was \$17,297,691 and \$156,751, respectively. As of June 30, 2023, the value of SBITA lease liability for governmental and business activities was \$9,807,658 and \$3,328,589, respectively. The County is required to make monthly payments ranging from \$50 to \$73,664 through the terms of the leases, excluding SBITAs. The County is required to make monthly payments ranging from \$730 to \$128,768 through the terms of the SBITA leases. The leases have an interest rate ranging from 4.02% to 5%. The total value of the right-to-use assets as of June 30, 2023 was \$55,423,931 with accumulated amortization of \$25,467,945. 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	\$ 1,320,776	\$ (622,474)
Buildings - Right-to-Use	25,633,117	(11,830,048)
Vehicles - Right-to-Use	1,130,598	(388,021)
Equipment - Right-to-Use	5,234,300	(4,054,805)
Other - Right-to-Use	70,958	(23,653)
SBITA - Right-to-Use	22,034,182	(8,548,944)
Totals	\$ 55,423,931	\$ (25,467,945)

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 6: Leases (continued)

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
2024	\$ 10,393,051	\$ 235,719	\$ 10,628,770	\$ 1,852,775	\$ 8,806	\$ 1,861,581
2025	5,387,023	79,019	5,466,042	673,243	9,503	682,746
2026	3,794,696	59,131	3,853,827	565,502	8,980	574,482
2027	2,136,128	32,719	2,168,847	333,713	8,562	342,275
2028	1,051,043	3,986	1,055,029	60,107	206	60,313
2029-2033	1,865,467	7,100	1,872,567	-	-	-
2034-2038	815,726	2,622	818,348	-	-	-
2039-2041	10,358	41	10,399	-	-	-
Thereafter	1,651,857	6,551	1,658,408	-	-	-
Total	<u>\$ 27,105,349</u>	<u>\$ 426,888</u>	<u>\$ 27,532,237</u>	<u>\$ 3,485,340</u>	<u>\$ 36,057</u>	<u>\$ 3,521,397</u>

Note 7: Deferred Outflow and Inflow of Resources for Refunding

The summary of the deferred outflow and inflow of resources reported on the Statement of Net Position for the year ended June 30, 2023, are as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Unamortized Losses on Refunding Debts:				
Governmental Activities	\$ 336,823	\$ -	\$ 28,068	\$ 308,755
Business-Type Activities	178,627	-	34,024	144,603
Total	<u>\$ 515,450</u>	<u>\$ -</u>	<u>\$ 62,092</u>	<u>\$ 453,358</u>

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Unamortized Gains on Refunding Debts:				
Governmental Activities	\$ 658,657	\$ -	\$ 43,910	\$ 614,747
Business-Type Activities	167,776	-	11,185	156,591
Total	<u>\$ 826,433</u>	<u>\$ -</u>	<u>\$ 55,095</u>	<u>\$ 771,338</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 8: Long-Term Liabilities

Legal Debt Limit

The County's legal debt limit for the year ended June 30, 2023, was \$1.055 billion. 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 \$155 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, 2023</u>
<u>Governmental Activities</u>						
Certificates of Participation						
2017 Public Facilities Refunding (Defeased the 2007 Issue for the County of Monterey)	2037	4.125% - 5.0%	\$ 223,386 - \$ 5,798,533	2017	\$ 74,682,250	\$ 54,891,192
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	42,450,000
2018 Revenue Refunding Bonds - Water Resources (Defeased 2008A Revenue Refunding Bonds-Originally Issued To Finance the Salinas Valley Water Project)	2037	3.0% - 5.0%	\$730,000 - \$ 1,720,000	2018	22,890,000	18,755,000
NGEN Issue (Finance Acquisition, Construction and Installation of Communications System)	2023	3.95%	\$508,887 - \$818,645	2010	8,518,628	818,644
Revenue bonds - Special Districts						
Agencies Under Board of Supervisors	2026	5.0%	\$5,400 - \$37,000	1981-96	1,244,700	105,000
Notes Payable - Parks & Recreation (Acquire Recreational Properties)						
San Antonio Lakes Resort	2023	5.0%	\$33,095	2007	4,185,000	-
Lake Nacimiento Resort	2023	5.0%	\$89,478	2007	11,315,000	-
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	15,969,028
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>22,000</u>
					<u>\$ 206,568,368</u>	<u>\$ 133,010,864</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	2,853,805
2019 COP Refunding	2028	5.0%	\$2,235,000-\$3,230,000	2019	<u>29,005,000</u>	<u>18,760,000</u>
					<u>\$ 32,887,750</u>	<u>\$ 21,613,805</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 8: Long-Term Liabilities (continued)

The following is a summary of long-term liabilities transactions for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Amount Due Within One Year
Governmental activities:					
Certificates of Participation 2017 Issue	\$ 59,268,609	\$ -	\$ 4,377,417	\$ 54,891,192	\$ 4,101,749
Unamortized Premium	11,277,661	-	791,415	10,486,246	-
Certificates of Participation 2015 Issue	\$ 43,435,000	-	985,000	42,450,000	1,035,000
Unamortized Premium	3,077,108	-	132,349	2,944,759	-
Certificates of Participation NGEN Program	1,606,181	-	787,537	818,644	818,644
Revenue Bonds	19,717,000	-	857,000	18,860,000	893,000
Unamortized Premium	2,767,549	-	230,629	2,536,920	-
Notes From Direct Borrowings	17,539,563	-	1,570,535	15,969,028	1,090,550
Special Assessment Bonds	36,000	-	14,000	22,000	15,000
Notes Payable	12,244,226	-	813,944	11,430,282	946,521
Compensated Absences	49,814,417	37,102,892	36,489,103	50,428,206	32,110,442
Estimated Self-Insurance Liabilities	112,285,001	31,186,418	27,523,889	115,947,530	23,028,344
Estimated Landfill Postclosure Costs	208,948	-	208,948	-	-
Lease Payable	15,066,342	7,132,115	4,900,766	17,297,691	4,207,314
SBITA Payable	-	16,915,588	7,107,929	9,807,659	6,185,737
Total Governmental Activities	\$ 348,343,605	\$ 92,337,013	\$ 86,790,461	\$ 353,890,157	\$ 74,432,301
Business-Type Activities:					
Certificates of Participation	\$ 25,431,389	\$ -	\$ 3,817,584	\$ 21,613,805	\$ 4,003,251
Unamortized Premium (Discount)	3,789,355	-	651,246	3,138,109	-
Net Certificates of Participation	29,220,744	-	4,468,830	24,751,914	4,003,251
Compensated Absences	16,885,072	20,584,585	19,100,637	18,369,020	18,023,269
Lease Payable	673,215	63,319	579,783	156,751	138,563
SBITA Payable	-	5,118,590	1,790,001	3,328,589	1,714,212
Total Business-Type Activities	\$ 46,779,031	\$ 25,766,494	\$ 25,939,251	\$ 46,606,274	\$ 23,879,295

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, 2023, 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
2024	\$ 908,000	\$ 900,687	\$ 5,955,393	\$ 4,524,574	\$ 1,090,550	\$ 452,901
2025	947,000	854,162	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	1,050,000	704,338	6,236,529	3,355,079	1,115,577	336,092
2029-2033	6,130,000	2,654,188	33,448,151	11,932,805	5,702,387	1,211,782
2034-2038	7,850,000	935,678	15,423,212	5,918,765	4,753,619	364,703
2039-2043	-	-	11,760,000	2,881,000	-	-
2044-2048	-	-	8,279,998	496,032	-	-
	\$ 18,882,000	\$ 7,610,404	\$ 98,159,836	\$ 40,946,897	\$ 15,969,028	\$ 3,551,264

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 8: Long-Term Liabilities (continued)

As of June 30, 2023, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30	Certificates of Participation	
	Principal	Interest
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	2,493,471	143,715
2029-2033	1,356,849	241,539
2034-2038	316,787	31,332
	<u>\$ 21,613,805</u>	<u>\$ 3,045,132</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, 2023

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, 2023

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 when principal benefits of the project first became available, the sale of reclaimed wastewater, 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, 2023

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, 2023

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 \$26,356,181 payable through June 2038. Principal paid for the current fiscal year was \$825,000 and interest paid was \$933,338. Net pledged revenues for the fiscal year ended June 30, 2023, were \$4,327,782.

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	\$ 1,068,350,825	\$ 134,710,685
Unamortized Losses on Refunding Debts	308,755	144,603
Unamortized Gains on Refunding Debts	(614,747)	(156,591)
Outstanding Capital-Related Accounts Payable and Retainage	(9,716,497)	(648,736)
Outstanding Principal of Capital-Related Debt	<u>(187,514,420)</u>	<u>(28,237,254)</u>
Net Investment in Capital Assets	<u>\$ 870,813,916</u>	<u>\$ 105,812,707</u>

The government-wide statement of net position reports \$429,778,423 of restricted net position, of which \$11,772,145 is restricted by enabling legislation.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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, 2023, is as follows:

	<u>General</u>	<u>Road</u>	<u>Behavioral Health</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:					
Inventory and Prepaid Items	\$ 735,992	\$ 65,977	\$ -	\$ -	\$ 801,969
Total Nonspendable	<u>735,992</u>	<u>65,977</u>	<u>-</u>	<u>-</u>	<u>801,969</u>
Restricted for:					
Capital Projects	-	-	-	63,822,256	63,822,256
Debt Service	-	-	-	1,040,798	1,040,798
Education	-	-	-	7,680,820	7,680,820
General Government	5,382,856	-	-	3,554,567	8,937,423
Health and Sanitation	19,353,524	-	43,892,718	77,862,114	141,108,356
Housing and Redevelopment	-	-	-	8,980,609	8,980,609
Public Assistance	5,949,176	-	-	42,433,024	48,382,200
Public Protection	4,408,633	-	-	49,410,990	53,819,623
Public Ways and Facilities	-	30,021,837	-	8,785	30,030,622
Recreation and Cultural Services	153,733	-	-	-	153,733
Section 115 Pension Trust	35,213,374	-	-	-	35,213,374
Total Restricted	<u>70,461,296</u>	<u>30,021,837</u>	<u>43,892,718</u>	<u>254,793,963</u>	<u>399,169,814</u>
Committed for:					
County Service Areas	-	-	-	12,821,489	12,821,489
General Government	-	-	-	1,255,137	1,255,137
Health and Sanitation	-	-	-	1,436,091	1,436,091
Other Water Resources Agencies	-	-	-	23,307,289	23,307,289
Public Ways and Facilities	-	-	-	2,584,772	2,584,772
Strategic Reserve - General Fund	63,715,479	-	-	-	63,715,479
Strategic Reserve - NMC	25,000,000	-	-	-	25,000,000
Total Committed	<u>88,715,479</u>	<u>-</u>	<u>-</u>	<u>41,404,778</u>	<u>130,120,257</u>
Assigned to:					
Cannabis Tax	3,237,666	-	-	-	3,237,666
Capital Project	1,472,894	-	-	4,168,444	5,641,338
Contingency	8,367,056	-	-	-	8,367,056
Debt Service	-	-	-	852,319	852,319
Disaster Assistance	800,000	-	-	-	800,000
General Capital Assignment	2,784,516	-	-	-	2,784,516
General Government	56,863	-	-	-	56,863
Health Clinic	1,626,052	-	-	-	1,626,052
Information Tech Charges					
Mitigation	2,061,209	-	-	-	2,061,209
Public Safety Sales Tax Revenue	3,160,360	-	-	-	3,160,360
Social Services	19,943	-	-	-	19,943
Terminations	12,708,427	-	-	-	12,708,427
Total Assigned	<u>36,294,986</u>	<u>-</u>	<u>-</u>	<u>5,020,763</u>	<u>41,315,749</u>
Unassigned					
	<u>63,547,087</u>	<u>-</u>	<u>-</u>	<u>(17,004)</u>	<u>63,530,083</u>
Total Fund Balances	<u>\$ 259,754,840</u>	<u>\$ 30,087,814</u>	<u>\$ 43,892,718</u>	<u>\$ 301,202,500</u>	<u>\$ 634,937,872</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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, 2023

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	19.92%	19.92%	54.72%	54.72%	35.97%	35.97%
Status	Closed	Open	Closed	Open	Closed	Open

*Safety bargaining units A, B, L, M, N employees contribute 3.0% of the 54.72% 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	3,991	731	68
Inactive Employees Entitled to but Not Yet Receiving Benefits (Transferred + Terminated)	4,649	291	50
Active Employees	4,817	523	35
Totals	13,457	1,545	153

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, 2022, 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, 2022, using an annual actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 10: Pension Plans (continued)

B. Net Pension Liability (continued)

Actuarial Assumptions

The June 30, 2022 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 Actuarial Cost Method	Entry Age Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions:			
Discount Rate	6.90 %	6.90 %	6.90 %
Inflation	2.30 %	2.30 %	2.30 %
Salary Increases	Varies by Entry Age and Service Derived using CalPERS' membership data for all funds	Varies by Entry Age and Service Derived using CalPERS' membership data for all funds	Varies by Entry Age and Service Derived using CalPERS' membership data for all funds
Mortality Rate Table ¹	The lesser of contract COLA or 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter	The lesser of contract COLA or 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter	Contract COLA up to 2.30% until purchasing power protection allowance floor on purchasing power applies
Post Retirement Benefit Increase			

¹The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 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.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 10: Pension Plans (continued)

B. Net Pension Liability (continued)

<u>Asset Class ¹</u>	<u>Assumed Asset Allocation</u>	<u>Real Return ^{1,2}</u>
Global Equity - Cap-Weighted	30.00 %	4.54 %
Global Equity - Non-Cap Weighted	12.00 %	3.84 %
Private Equity	13.00 %	7.28 %
Treasury	5.00 %	0.27 %
Mortgage-Backed Securities	5.00 %	0.50 %
Investment Grade Corporates	10.00 %	1.56 %
High Yield	5.00 %	2.27 %
Emerging Market Debt	5.00 %	2.48 %
Private Debt	5.00 %	3.57 %
Real Assets	15.00 %	3.21 %
Leverage	(5.00)%	(0.59)%

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

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 pension plan 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, 2023

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, 2022, 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, 2021, rolled forward to June 30, 2022, 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, 2021	\$ 2,152,209,088	\$ 1,920,288,125	\$ 231,920,963
Changes in the Year:			
Service Cost	59,939,945	-	59,939,945
Interest on Total Pension Liability	153,943,548	-	153,943,548
Changes in Benefit Terms	-	-	-
Changes in Assumptions	77,464,697	-	77,464,697
Differences Between Expected and Actual Experience	74,507	-	74,507
Benefit Payments, Including Refunds of Employee Contributions	(100,201,098)	(100,201,098)	-
Administrative Expenses	-	(1,208,146)	1,208,146
Plan to Plan Resource Movement	-	(10,846)	10,846
Contributions - Employees	-	26,699,224	(26,699,224)
Contributions - Employer	-	69,164,875	(69,164,875)
Net Investment Income	-	(146,786,306)	146,786,306
Change in Employer's Proportionate Share	21,448,203	19,136,954	2,311,249
Net Changes	212,669,802	(133,205,343)	345,875,145
Balance at June 30, 2022	\$ 2,364,878,890	\$ 1,787,082,782	\$ 577,796,108

	County Safety Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2021	\$ 800,516,370	\$ 616,540,077	\$ 183,976,293
Changes in the Year:			
Service Cost	17,318,161	-	17,318,161
Interest on Total Pension Liability	56,145,132	-	56,145,132
Changes in Benefit Terms	-	-	-
Changes of Assumptions	26,237,091	-	26,237,091
Differences Between Expected and Actual Experience	(2,365,154)	-	(2,365,154)
Benefit Payments, Including Refunds of Employee Contributions	(38,699,638)	(38,699,638)	-
Administrative Expenses	-	(384,068)	384,068
Plan to Plan Resource Movement	-	11,139	(11,139)
Contributions - Employees	-	5,819,212	(5,819,212)
Contributions - Employer	-	29,683,636	(29,683,636)
Net Investment Income	-	(47,013,713)	47,013,713
Net Changes	58,635,592	(50,583,432)	109,219,024
Balance at June 30, 2022	\$ 859,151,962	\$ 565,956,645	\$ 293,195,317

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, 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, 2021	\$ 36,355,525	\$ 30,986,445	\$ 5,369,080
Net Changes During Measurement Period	1,488,531	(3,777,708)	5,266,239
Balance at June 30, 2022	<u>\$ 37,844,056</u>	<u>\$ 27,208,737</u>	<u>\$ 10,635,319</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	5.90 %	5.90 %	5.90 %
Net Pension Liability	\$ 909,023,611	\$ 413,775,450	\$ 15,794,145
Current Discount Rate	6.90 %	6.90 %	6.90 %
Net Pension Liability	\$ 577,796,108	\$ 293,195,317	\$ 10,635,319
1% Increase	7.90 %	7.90 %	7.90 %
Net Pension Liability	\$ 305,406,129	\$ 194,545,200	\$ 6,390,883

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, 2023, the County recognized pension expense of \$109,612,523 for its Miscellaneous (County MP), \$38,183,851 Safety (County SP) plans; and \$673,061 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, 2023

Note 10: Pension Plans (continued)

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

At June 30, 2023, 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	\$ 58,570,868	\$ -	\$19,509,632	\$ -	\$ 1,089,811	\$ -	\$ 79,170,311	\$ -
Differences Between Expected and Actual Experience	1,630,769	(2,424,115)	1,785,321	(1,758,704)	213,578	(143,045)	3,629,668	(4,325,864)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	90,859,056	-	28,648,870	-	1,948,108	-	121,456,034	-
Differences Between Employer's Contributions and Proportionate Share of Contributions	-	-	-	-	-	(573,928)	-	(573,928)
Change in Employer's Proportion Pension Contributions Subsequent to the Measurement Date	-	-	-	-	46,531	(199,517)	46,531	(199,517)
	<u>98,645,655</u>	<u>-</u>	<u>10,057,796</u>	<u>-</u>	<u>909,072</u>	<u>-</u>	<u>109,612,523</u>	<u>-</u>
Total	<u>\$ 249,706,348</u>	<u>\$ (2,424,115)</u>	<u>\$60,001,619</u>	<u>\$ (1,758,704)</u>	<u>\$ 4,207,100</u>	<u>\$ (916,490)</u>	<u>\$ 313,915,067</u>	<u>\$ (5,099,309)</u>

\$109,612,523 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, 2024. 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
2024	\$ 34,024,725	\$ 12,433,052	\$ 471,789	\$ 46,929,566
2025	31,057,025	10,297,956	453,955	41,808,936
2026	25,613,383	7,572,360	264,264	33,450,007
2027	57,941,444	17,881,751	1,191,531	77,014,726
	<u>\$ 148,636,577</u>	<u>\$ 48,185,119</u>	<u>\$ 2,381,539</u>	<u>\$ 199,203,235</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 (\$151 per month in 2023) 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, 2023

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

A. General Information about the OPEB Plan (continued)

Participants Covered by Benefit Terms

At the June 30, 2022 measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	\$ 1,205
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	1,685
Active Employees	<u>5,288</u>
Total	<u><u>8,178</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, 2023, the County paid a total of \$8,659,516 to the OPEB trust (CERBT). Of this amount, \$2,189,516 was paid for healthcare insurance benefits for eligible retirees, \$1,594,000 was an implicit rate subsidy, and \$4,876,000 was paid to fund future retirees' healthcare.

B. Net OPEB Liability

The County reported a net OPEB liability of \$40,984,408 at June 30, 2023. The County's OPEB liability was measured as of June 30, 2022, 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	6.25%
Inflation	2.50% annually

A long-term expected rate of return of 6.25 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, 2023

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	49%	4.56%
Fixed Income	23%	1.56%
Treasury Inflation-Protected Securities (TIPS)	5%	(0.08)%
Real Estate Investment Trusts (REITs)	20%	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</u>	
		<u>Position</u>	<u>Net OPEB Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balance at 6/30/2022	\$ 95,870,517	\$ 66,600,276	\$ 29,270,241
Changes for the Year:			
Service Cost	4,415,090	-	4,415,090
Interest	6,154,066	-	6,154,066
Contributions - Employer	-	8,306,601	(8,306,601)
Net investment Income	-	(9,412,980)	9,412,980
Benefit Payments	(3,641,096)	(3,641,096)	-
Administrative Expense	-	(38,632)	38,632
Net Changes	<u>6,928,060</u>	<u>(4,786,107)</u>	<u>11,714,167</u>
Balances at 6/30/2023	<u>\$ 102,798,577</u>	<u>\$ 61,814,169</u>	<u>\$ 40,984,408</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)	\$ 55,078,054	\$ 40,984,408	\$ 29,313,670

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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)	\$ 26,519,115	\$ 40,984,408	\$ 59,115,721

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, 2023, the County recognized OPEB expense of \$7,749,862, 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	\$ 5,351,513	\$ -
Differences Between Expected and Actual Experience	1,353,728	1,269,075
Changes of Assumptions	3,296,974	230,375
Employer Contributions Made Subsequent to the Measurement Date	8,690,175	-
Total	\$ 18,692,390	\$ 1,499,450

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, 2024. 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
2024	\$ 1,441,314
2025	1,406,819
2026	1,116,675
2027	3,175,557
2028	447,213
Thereafter	915,187

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 \$1,189,109 in 2022.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 12: Joint Powers Agreement (continued)

Condensed financial information of the Program for the calendar year ended December 31, 2022, (audited by Larson & Rosenberger LLP) is as follows:

Cash and Investments	\$ 618,020,333
Other Assets	<u>96,298,409</u>
Total Assets	<u>\$ 714,318,742</u>
Loss Reserves	\$ 336,838,424
Other Liabilities	150,996,462
Net Position	<u>226,483,856</u>
Total Liabilities and Net Position	<u>\$ 714,318,742</u>
Total Revenues	\$ 143,082,114
Total Expenses	<u>(139,490,613)</u>
Revenue in Excess of Expenses Before Member Surplus Funds Contributed, Change in Net Unrealized Gains on Investments, and Member Dividends	<u>\$ 3,591,501</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, 2023, is as follows:

Current Assets	\$ 34,100,625
Other Assets	5,171,874
Capital Assets, Net	41,537,685
Deferred Outflows of Resources	<u>3,440,113</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 84,250,297</u>
Closure Liability	\$ 5,438,472
Other Liabilities	<u>41,160,565</u>
Total Liabilities	\$ 46,599,037
Deferred Inflows of Resources	<u>656,429</u>
Net Position (Deficit)	<u>\$ 36,994,831</u>
Total Operating Revenues	\$ 24,736,230
Total Operating Expenses	(18,808,894)
Other Revenues and Expenses	<u>387,286</u>
Change in Net Position	<u>\$ 6,314,622</u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

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

As of June 30, 2023, 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, 2023, 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, 2023, 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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 13: Commitments and Contingencies (continued)

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.

Construction Commitments

At June 30, 2023, the County had ongoing construction commitments that totaled approximately \$419.1 million.

Note 14: Non-Commitment Debt

Community Facilities District No. 2006-1 Special Tax Bonds

On December 6, 2016, \$9,540,000 of Special Tax Bonds (Series 2016 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 was 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 \$19,060,000 (total balances of 2016 Series of \$8,820,000 and the 2019 Series of \$10,240,000). Accordingly, such obligations are not included in the accompanying basic financial statements.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 15: Natividad Medical Center - Net Patient Service Revenue

Net patient service revenue is comprised of the following for the year ended June 30, 2023:

Revenue at Established Rates	\$ 1,418,934,833
Medicare Contractual Allowance	(254,868,201)
Medi-Cal Contractual Allowance	(610,822,397)
Allowances for Other Payors and Indigent Accounts	(166,268,210)
Provision for Bad Debts	<u>(28,553,026)</u>
Net Patient Service Revenue Before Additional Funding	<u>358,422,999</u>
California's Medi-Cal Hospital Waiver	30,197,567
Managed Care Supplemental Funding	54,253,879
Senate Bill 1732	<u>2,933,061</u>
Additional Funding	<u>87,384,507</u>
Net Patient Service Revenue	<u><u>445,807,506</u></u>

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. Final reconciliations of rate versus cost is done during audit settlement.

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, 2023, patients for which reimbursement was calculated under the third-party payor programs comprised approximately 25.0% of the Center’s gross patient service revenues, as follows:

Other Third Parties	23.7 %
Medi-Cal	52.8 %
Medicare	23.4 %
Short Doyle	<u>0.1 %</u>
Total	<u><u>100.0 %</u></u>

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 15: Natividad Medical Center - Net Patient Service Revenue (continued)

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.

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 \$14.3 million for the year ended June 30, 2023. 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 \$38.0 million of Directed Payments as of June 30, 2023.

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, 2022, through July 31, 2023. 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).

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 15: Natividad Medical Center - Net Patient Service Revenue (continued)

The Center received under the Hospital Fee Program, a direct grant component payment of \$1.7 million in 2023 from DHCS.

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

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

Assembly Bill 915 – State of California Assembly Bill 915, Public Hospital Outpatient Services Supplemental Reimbursement Program, provides for supplemental reimbursement equal to the federal share of unreimbursed facility costs incurred by public hospital outpatient departments. This supplemental payment covers only Medi-Cal fee-for-service outpatient services. The supplemental payment is based on each eligible hospital's certified public expenditures ("CPE"), which are matched with federal Medicaid funds. For the year ended June 30, 2023, the Center recorded revenue of \$3.4 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 \$2.9 million for 2023.

The Center provides care to patients who meet certain criteria under its discounted payment and charity care policy without charge or at amounts less than its established rates. The Center does not pursue collection of amounts determined to qualify as charity care.

Charity care provided during the year ended June 30, 2023, measured on the basis of estimated uncompensated costs, was \$2,056,960. The estimated cost of providing charity care is calculated by multiplying the ratio of cost to gross charges for the Center by the gross uncompensated charges associated with providing charity care to its patients.

Note 16: 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 August 31, 2026, 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.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 16: Related Party Transactions (continued)

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, 2022, the Foundation has recorded \$52,867 of contracts and grant administration revenues.

The following is a summary of the program transactions for the year ended December 31, 2022:

Contracts and Grant Receipts	\$ 685,902
Disbursements	687,559

Accounts payable of \$15,881 included \$13,431 due to the Center for payment of restricted funds and other expenses as of December 31, 2022.

The Foundation also has an agreement with the Center for January 1, 2020 through December 31, 2023 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 17: 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 \$5,601,922 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 \$3,325,407 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 PRISM "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 \$2,250,000. The property insurance program premiums are allocated to the County departments based upon premium rate and square footage occupied.

COUNTY OF MONTEREY
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 17: Insurance and Contingent Liabilities (continued)

Changes in the balance of claims liabilities during fiscal years 2022-23 and 2021-22 for all self-insurance risks are approximately as follows:

	<u>2022-23</u>	<u>2021-22</u>
Unpaid Claims, Beginning of Year	\$ 112,285,001	\$ 106,359,108
Estimated Claims Incurred	31,186,418	34,650,749
Claim Payments	<u>(27,523,888)</u>	<u>(28,724,856)</u>
Unpaid Claims, End of Year	<u>\$ 115,947,531</u>	<u>\$ 112,285,001</u>

Note 18: Stewardship, Compliance and Accountability

Deficit Fund Balances/Net Position

As of June 30, 2023, the Homeland Security Grant special revenue fund had a deficit net position of \$17,004. 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 19: 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 the land in agricultural production. In exchange the owner is eligible for a reduction of the 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, 2023, Williamson Act related tax abatements were approximately \$10.7 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, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 4,415,090	\$ 3,814,910	\$ 3,703,796	\$ 3,405,703	\$ 3,306,508	\$ 3,210,000
Interest	6,154,066	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	(3,641,096)	(3,340,093)	(2,912,657)	(2,665,673)	(2,726,371)	(2,453,000)
Net Change in Total OPEB Liability	6,928,060	9,029,253	6,374,359	7,666,251	5,269,654	5,105,000
Total OPEB Liability - Beginning	95,870,517	86,841,264	80,466,905	72,800,654	67,531,000	62,426,000
Total OPEB Liability - Ending (a)	<u>\$102,798,577</u>	<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	8,306,601	8,547,855	8,518,191	7,303,971	6,972,371	5,073,000
Contributions - Employee	-	-	-	-	-	-
Net Investment Income	(9,412,980)	13,678,179	1,424,586	2,132,823	2,217,043	2,387,000
Benefit Payments, Including Refunds of Employee Contributions	(3,641,096)	(3,340,093)	(2,912,657)	(2,665,673)	(2,726,371)	(2,453,000)
Administrative Expenses	(38,632)	(38,668)	(41,405)	(24,617)	(51,259)	(12,000)
Net Change in Fiduciary Net Position	(4,786,107)	18,847,273	6,988,715	6,746,504	6,411,784	4,995,000
Plan Fiduciary Net Position - Beginning	66,600,276	47,753,003	40,764,288	34,017,784	27,606,000	22,611,000
Plan Fiduciary Net Position - Ending (b)	\$ 61,814,169	\$ 66,600,276	\$ 47,753,003	\$ 40,764,288	\$ 34,017,784	\$ 27,606,000
Plan Net OPEB Liability/(Asset) - Ending (a) - (b)	<u>\$ 40,984,408</u>	<u>\$ 29,270,241</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	60.13 %	69.47 %	54.99 %	50.66 %	46.73 %	40.88 %
Covered Employee Payroll**	\$499,678,857	\$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	8.20 %	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, 2022 (Measurement Date).

County of Monterey
Required Supplementary Information
Schedule of OPEB Contributions
Last Ten Fiscal Years*
June 30, 2023

	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution	\$ 8,788,000	\$ 8,331,000	\$ 8,083,000	\$ 8,252,000	\$ 7,620,000	\$ 7,165,000
Contributions in Relation to the Actuarially Determined Contribution	<u>(8,690,175)</u>	<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>\$ 97,825</u>	<u>\$ 24,399</u>	<u>\$ (464,856)</u>	<u>\$ (266,191)</u>	<u>\$ 316,029</u>	<u>\$ 193,000</u>
Covered Employee Payroll**	\$530,223,287	\$499,678,857	\$471,499,897	\$440,092,562	\$416,355,728	\$399,446,000
Contribution as a Percentage of Covered-Employee Payroll	1.66 %	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

** For the twelve-month period ended on June 30, 2023 (fiscal year end).

Notes to Schedule

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022-23 were from the June 30, 2021 valuation date.

Actuarial Cost Method	Entry Age Normal, Level percentage of pay
Amortization Method	Level percentage of pay
Amortization Period	Nine year fixed period for 2022-23
Asset Valuation Method	Investment gains and losses spread over a five-year rolling period
Discount Rate	6.25%
General Inflation	2.50%
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
Mortality	CalPERS 1997-2015 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

County of Monterey
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Miscellaneous Plan
June 30, 2023

	2022	2021	2020	2019
Total Pension Liability				
Service Cost	59,939,945	51,957,059	51,617,267	50,369,004
Interest on Total Pension Liability	153,943,548	144,989,554	138,432,251	130,692,556
Changes of Benefit Terms	-	-	-	-
Changes of Assumptions	77,464,697	-	-	-
Difference Between Expected and Actual Experience	74,507	(4,686,097)	2,301,184	19,748,290
Benefit Payments, Including Refunds of Employee Contributions	(100,201,098)	(93,169,857)	(87,051,224)	(80,679,185)
Change in Employer's Proportionate Share	21,448,203	(3,712,229)	8,125,807	(2,809,381)
Net Change in Total Pension Liability	<u>212,669,802</u>	<u>95,378,430</u>	<u>113,425,285</u>	<u>117,321,284</u>
Total Pension Liability - Beginning	<u>2,152,209,088</u>	<u>2,056,830,658</u>	<u>1,943,405,373</u>	<u>1,826,084,089</u>
Total Pension Liability - Ending (a)	<u><u>2,364,878,890</u></u>	<u><u>2,152,209,088</u></u>	<u><u>2,056,830,658</u></u>	<u><u>1,943,405,373</u></u>
Plan Fiduciary Net Pension				
Contributions - Employees	26,699,224	25,577,000	23,558,529	22,822,360
Contributions - Employer	69,164,875	64,574,735	56,554,357	48,611,102
Net Investment Income	(146,786,306)	355,584,878	75,252,306	93,238,275
Benefit Payments, Including Refunds of Employee Contributions	(100,201,098)	(93,169,857)	(87,051,224)	(80,679,185)
Administrative Expense	(1,208,146)	(1,567,599)	(2,122,715)	1,010,833
Plan to Plan Resource Movement	(10,846)	24,847	176,387	(4,280)
Other Miscellaneous Income/(Expense) ¹	-	-	-	3,279
Change in Employer's Proportionate Share	19,136,954	(2,837,376)	(6,269,592)	2,182,580
Net Change in Plan Fiduciary Net Position	<u>(133,205,343)</u>	<u>348,186,628</u>	<u>72,637,232</u>	<u>80,798,138</u>
Plan Fiduciary Net Position - Beginning ²	<u>1,920,288,125</u>	<u>1,572,101,497</u>	<u>1,499,464,265</u>	<u>1,418,666,127</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>1,787,082,782</u></u>	<u><u>1,920,288,125</u></u>	<u><u>1,572,101,497</u></u>	<u><u>1,499,464,265</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>577,796,108</u></u>	<u><u>231,920,963</u></u>	<u><u>484,729,161</u></u>	<u><u>443,941,108</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76 %	89 %	76 %	77 %
Covered Payroll ³	379,607,001	352,490,220	346,192,270	328,414,971
Net Pension Liability as a Percentage of Covered Payroll	152.21 %	65.80 %	140.02 %	135.18 %

continued

County of Monterey
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Miscellaneous Plan
June 30, 2023

	2018	2017	2016	2015	2014
Total Pension Liability					
Service Cost	50,511,029	48,599,853	41,097,374	38,758,180	37,919,451
Interest on Total Pension Liability	122,660,308	116,595,855	110,554,592	104,227,023	98,401,770
Changes of Benefit Terms	-	-	-	-	-
Changes of Assumptions	(9,939,254)	98,334,006	-	(25,708,249)	-
Difference Between Expected and Actual Experience	85,675	(1,897,655)	3,021,512	(5,164,441)	-
Benefit Payments, Including Refunds of Employee Contributions	(74,721,030)	(68,551,573)	(63,987,386)	(59,645,438)	(54,905,897)
Change in Employer's Proportionate Share	156,095	(16,871)	4,560,083	-	-
Net Change in Total Pension Liability	<u>88,752,823</u>	<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>1,737,331,266</u>	<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>1,826,084,089</u></u>	<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	22,323,442	21,055,994	20,475,011	19,027,910	18,329,326
Contributions - Employer	42,227,433	40,333,457	37,466,772	31,775,780	27,839,162
Net Investment Income	111,633,416	133,502,263	6,337,893	26,539,331	175,983,207
Benefit Payments, Including Refunds of Employee Contributions	(74,721,030)	(68,551,573)	(63,987,386)	(59,645,438)	(54,905,897)
Administrative Expense	2,061,884	1,769,495	730,695	1,352,697	-
Plan to Plan Resource Movement	(3,284)	177	(492)	(466,265)	-
Other Miscellaneous Income/(Expense) ¹	(3,915,553)	-	-	-	-
Change in Employer's Proportionate Share	(118,875)	13,094	(3,500,759)	-	-
Net Change in Plan Fiduciary Net Position	<u>95,601,415</u>	<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>1,323,064,712</u>	<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>1,418,666,127</u></u>	<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>407,417,962</u></u>	<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	78 %	76 %	78 %	83 %	16 %
Covered Payroll ³	329,835,633	31,544,007	292,258,379	270,846,820	252,712,105
Net Pension Liability as a Percentage of Covered Payroll	123.52 %	1,313.30 %	118.31 %	93.62 %	85.86 %

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.

3) Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75 payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal year ended June 30, 2014-17.

continued

County of Monterey
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Miscellaneous Plan
June 30, 2023

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 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: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

* 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, 2023

	2022	2021	2020	2019
Total Pension Liability				
Service Cost	17,318,161	15,718,459	15,838,695	15,464,570
Interest on Total Pension Liability	56,145,132	54,101,304	51,745,784	48,986,308
Changes of Benefit Terms	-	-	-	-
Changes of assumptions	26,237,091	-	-	-
Differences Between Expected and Actual Experience	(2,365,154)	276,279	6,059,438	5,570,582
Benefit Payments, Including Refunds of Employee Contributions	<u>(38,699,638)</u>	<u>(36,211,499)</u>	<u>(33,501,121)</u>	<u>(30,705,510)</u>
Net Change in Total Pension Liability	<u>58,635,592</u>	<u>33,884,543</u>	<u>40,142,796</u>	<u>39,315,950</u>
Total Pension Liability - Beginning	<u>800,516,370</u>	<u>766,631,827</u>	<u>726,489,031</u>	<u>687,173,081</u>
Total Pension Liability - Ending (a)	<u>859,151,962</u>	<u>800,516,370</u>	<u>766,631,827</u>	<u>726,489,031</u>
Plan Fiduciary Net Pension				
Contributions - Employer	29,683,636	27,346,968	24,808,113	21,517,685
Contributions - Employee	5,819,212	5,555,960	5,418,497	(5,279,736)
Net Investment Income	(47,013,713)	115,057,327	24,260,752	(30,253,634)
Benefit Payments, Including Refunds of Employee Contributions	(38,699,638)	(36,211,499)	(33,501,121)	(30,705,510)
Administrative Expense	(384,068)	(504,786)	684,016	327,680
Plan to Plan Resource Movement	11,139	(25,772)	(182,620)	4,450
Other Miscellaneous Income/(Expense) ¹	-	-	-	1,066
Net Change in Plan Fiduciary Net Position	<u>(50,583,432)</u>	<u>111,218,198</u>	<u>20,119,605</u>	<u>26,023,381</u>
Plan Fiduciary Net Position - Beginning ²	<u>616,540,077</u>	<u>505,321,879</u>	<u>485,202,274</u>	<u>459,178,893</u>
Plan Fiduciary Net Position - Ending (b)	<u>565,956,645</u>	<u>616,540,077</u>	<u>505,321,879</u>	<u>485,202,274</u>
Net Pension Liability - Ending (a) - (b)	<u>293,195,317</u>	<u>183,976,293</u>	<u>261,309,948</u>	<u>241,286,757</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Covered Payroll ³	65.87 %	77.02 %	65.91 %	66.79 %
Net Pension Liability as a Percentage of Covered Payroll	58,566,660	56,724,862	56,405,609	54,318,828
	500.62 %	324.33 %	463.27 %	444.20 %

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, 2023

	2018	2017	2016	2015	2014
Total Pension Liability					
Service Cost	14,949,233	14,648,978	13,120,502	12,994,101	12,851,917
Interest on Total Pension Liability	46,316,764	43,913,660	42,184,786	40,037,212	37,995,536
Changes of Benefit Terms	-	-	-	-	-
Changes of assumptions	(3,444,367)	38,100,026	-	(10,182,750)	-
Differences Between Expected and Actual Experience	6,304,456	(5,484,464)	(1,088,628)	(1,418,672)	-
Benefit Payments, Including Refunds of Employee Contributions	(28,810,424)	(27,115,598)	(24,770,649)	(23,095,395)	(22,028,663)
Net Change in Total Pension Liability	35,315,662	64,062,602	29,446,011	18,334,496	28,818,790
Total Pension Liability - Beginning	<u>651,857,419</u>	<u>587,794,817</u>	<u>558,348,806</u>	<u>540,014,310</u>	<u>511,195,520</u>
Total Pension Liability - Ending (a)	<u>687,173,081</u>	<u>651,857,419</u>	<u>587,794,817</u>	<u>558,348,806</u>	<u>540,014,310</u>
Plan Fiduciary Net Pension					
Contributions - Employer	18,792,681	16,846,914	15,456,197	14,143,949	14,444,054
Contributions - Employee	(5,017,206)	(4,697,110)	(4,714,002)	(4,623,587)	(4,670,204)
Net Investment Income	(36,255,035)	(43,510,662)	(2,016,611)	(8,668,988)	(58,212,266)
Benefit Payments, Including Refunds of Employee Contributions	(28,810,424)	(27,115,598)	24,770,649	23,095,395	22,028,663
Administrative Expense	669,852	579,512	240,935	444,425	-
Plan to Plan Resource Movement	(1,066)	(184)	-	483,447	-
Other Miscellaneous Income/(Expense) ¹	(1,272,060)	-	-	-	-
Net Change in Plan Fiduciary Net Position	29,311,520	37,359,392	(2,824,774)	4,380,151	55,297,861
Plan Fiduciary Net Position - Beginning ²	<u>429,867,373</u>	<u>392,507,981</u>	<u>395,332,755</u>	<u>390,952,604</u>	<u>335,654,743</u>
Plan Fiduciary Net Position - Ending (b)	<u>459,178,893</u>	<u>429,867,373</u>	<u>392,507,981</u>	<u>395,332,755</u>	<u>390,952,604</u>
Net Pension Liability - Ending (a) - (b)	<u>227,994,188</u>	<u>221,990,046</u>	<u>195,286,836</u>	<u>163,016,051</u>	<u>149,061,706</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.82 %	65.94 %	66.78 %	70.80 %	72.40 %
Covered Payroll ³	51,962,991	51,954,100	52,065,484	50,805,839	48,098,494
Net Pension Liability as a Percentage of Covered Payroll	438.76 %	427.28 %	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.

3) Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022; 2.75 payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal year ended June 30, 2014-17.

County of Monterey
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Fiscal Years*
Safety Plan
June 30, 2023

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: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

*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, 2023

	2022	2021	2020	2019	2018	2017	2016	2015	2014
MCWRA's Proportion of the Net Pension Liability/(Asset)	0.18 %	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)	10,635,319	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	3,293,390	3,297,899	2,933,797	2,810,396	2,976,230	3,104,824	3,155,265	2,965,838	3,289,999
MCWRA's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of Covered Payroll	322.93 %	162.80 %	308.46 %	297.25 %	256.95 %	251.09 %	211.55 %	170.42 %	147.62 %
MCWRA's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	71.90 %	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 2019-2022. 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, 2023

Miscellaneous Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	74,853,212	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>(98,645,655)</u>	<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>(23,792,443)</u>	<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**	412,971,944	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	23.89 %	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 Supplementary Information
Schedule of Pension Contributions
 Last Ten Fiscal Years*
 June 30, 2023

Safety Plan

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	32,772,739	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	(10,057,796)	(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>22,714,943</u>	<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**	59,891,366	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	16.79 %	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, 2023

MCWRA Plan

	<u>2023</u>	<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	1,144,637	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>(909,072)</u>	<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>235,565</u>	<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**	3,470,610	3,345,282	3,345,135	2,901,405	2,788,104	2,861,315	3,282,276	3,169,019	3,447,710	,537,912
Contribution as a Percentage of Covered Payroll	26.19 %	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, 2023

	Special Revenue	Debt Service	Capital Projects	Total
Assets				
Cash and Investments:				
Held in County Treasury	\$ 204,577,485	\$ 1,886,295	\$ 83,124,958	\$ 289,588,738
Held with Trustee	-	6,042	-	6,042
Other Bank Accounts	966,703	-	-	966,703
Imprest Cash	1,800	-	-	1,800
Receivables (Net)	33,132,293	1,243	-	33,133,536
Loans and Notes Receivable	20,687,334	-	14,950	20,702,284
Lease Receivable	758,949	-	-	758,949
Total Assets	\$ 260,124,564	\$ 1,893,580	\$ 83,139,908	\$ 345,158,052
 Liabilities				
Accounts Payable and Accrued Liabilities	\$ 7,316,763	\$ -	\$ 13,230,263	\$ 20,547,026
Accrued Salaries and Benefits	1,514,898	-	(3,494)	1,511,404
Deposits from Others	269,163	-	100,805	369,968
Unearned Revenues	10,367,558	-	1,821,634	12,189,192
Total Liabilities	19,468,382	-	15,149,208	34,617,590
 Deferred Inflows of Resources				
Unavailable Revenue	8,629,491	463	-	8,629,954
Deferred Inflows from Leases	708,008	-	-	708,008
Total Deferred Inflows of Resources	9,337,499	463	-	9,337,962
 Fund Balances				
Restricted	189,930,909	1,040,798	63,822,256	254,793,963
Committed	41,404,778	-	-	41,404,778
Assigned	-	852,319	4,168,444	5,020,763
Unassigned	(17,004)	-	-	(17,004)
Total Fund Balances	231,318,683	1,893,117	67,990,700	301,202,500
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 260,124,564	\$ 1,893,580	\$ 83,139,908	\$ 345,158,052

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023

	Special Revenue	Debt Service	Capital Projects	Total
Revenues:				
Taxes	\$ 17,379,509	\$ -	\$ -	\$ 17,379,509
Licenses, Permits, and Franchises	195,117	-	-	195,117
Fines, Forfeitures, and Penalties	640,183	-	-	640,183
Revenue from Use of Money and Property	3,266,200	1,508,148	(53,185)	4,721,163
Aid from other Governmental Agencies	193,459,049	-	9,920,631	203,379,680
Charges for Services	29,535,414	14,654	610	29,550,678
Miscellaneous Revenues	618,951	-	70,564	689,515
Lease Revenue	503,994	-	-	503,994
Total Revenues	245,598,417	1,522,802	9,938,620	257,059,839
Expenditures:				
Current:				
General Government	13,331,027	-	599,495	13,930,522
Public Protection	27,414,257	-	-	27,414,257
Public Ways and Facilities	3,968,098	-	-	3,968,098
Health and Sanitation	8,022,903	-	-	8,022,903
Public Assistance	14,640,343	-	-	14,640,343
Education	11,908,329	-	-	11,908,329
Debt service:				
Principal	958,131	8,106,314	-	9,064,445
Interest and Debt Service Costs	101,742	6,241,324	-	6,343,066
Capital Outlay	1,281,196	-	41,263,998	42,545,194
Total Expenditures	81,626,026	14,347,638	41,863,493	137,837,157
Excess (Deficiency) of Revenues Over (Under) Expenditures	163,972,391	(12,824,836)	(31,924,873)	119,222,682
Other Financing Sources (Uses):				
Transfers In	21,829,992	12,833,489	26,872,527	61,536,008
Transfers Out	(155,603,985)	-	(3,916,067)	(159,520,052)
Sale of Capital Assets	8,100	-	-	8,100
Lease and SBITA Proceeds	1,281,196	-	-	1,281,196
Total Other Financing Sources (Uses)	(132,484,697)	12,833,489	22,956,460	(96,694,748)
Net Change in Fund Balances	31,487,694	8,653	(8,968,413)	22,527,934
Fund Balances, Beginning of Year	199,830,989	1,884,464	76,959,113	278,674,566
Fund Balances, End of Year	\$ 231,318,683	\$ 1,893,117	\$ 67,990,700	\$ 301,202,500

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, 2023

	<u>Library Fund</u>	<u>In-Home Support Services</u>	<u>Fish & Game Propagation Fund</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 8,191,568	\$ 189,844	\$ 79,717
Other Bank Accounts	-	-	-
Imprest cash	1,700	-	-
Receivables (Net)	279,372	188,823	-
Loans and Notes Receivable	-	-	-
Lease Receivable	-	-	-
Total Assets	<u>\$ 8,472,640</u>	<u>\$ 378,667</u>	<u>\$ 79,717</u>
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 382,444	\$ 1,817	\$ 4,767
Accrued Salaries and Benefits	172,651	116,219	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>555,095</u>	<u>118,036</u>	<u>4,767</u>
Deferred Inflows of Resources			
Unavailable Revenue	236,725	142,982	-
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>236,725</u>	<u>142,982</u>	<u>-</u>
Fund Balances			
Restricted	7,680,820	117,649	74,950
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>7,680,820</u>	<u>117,649</u>	<u>74,950</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,472,640</u>	<u>\$ 378,667</u>	<u>\$ 79,717</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2023

	<u>Community Action Partnership</u>	<u>Inclusionary Housing</u>	<u>Community Development</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 236,315	\$ 401,376	\$ 1,178,867
Other Bank Accounts	-	-	966,703
Imprest cash	-	-	-
Receivables (Net)	34,611	24,311	2,677,210
Loans and Notes Receivable	-	292,715	13,314,193
Lease Receivable	-	-	-
Total Assets	<u>\$ 270,926</u>	<u>\$ 718,402</u>	<u>\$ 18,136,973</u>
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 21,251	\$ -	\$ 258,765
Accrued Salaries and Benefits	235	-	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>21,486</u>	<u>-</u>	<u>258,765</u>
Deferred Inflows of Resources			
Unavailable Revenue	-	-	2,459,142
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>2,459,142</u>
Fund Balances			
Restricted	249,440	-	15,419,066
Committed	-	718,402	-
Unassigned	-	-	-
Total Fund Balances	<u>249,440</u>	<u>718,402</u>	<u>15,419,066</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 270,926</u>	<u>\$ 718,402</u>	<u>\$ 18,136,973</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2023

	<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	\$ 2,421,808	\$ 286,524	\$ 61,375,167
Other Bank Accounts	-	-	-
Imprest cash	-	-	-
Receivables (Net)	-	424,092	11,989,996
Loans and Notes Receivable	-	-	-
Lease Receivable	-	-	-
Total Assets	<u>\$ 2,421,808</u>	<u>\$ 710,616</u>	<u>\$ 73,365,163</u>
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 1,967,796	\$ 400,973	\$ -
Accrued Salaries and Benefits	-	36,996	2,146
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>1,967,796</u>	<u>437,969</u>	<u>2,146</u>
Deferred Inflows of Resources			
Unavailable Revenue	-	173,377	-
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>173,377</u>	<u>-</u>
Fund Balances			
Restricted	454,012	99,270	73,363,017
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	<u>454,012</u>	<u>99,270</u>	<u>73,363,017</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,421,808</u>	<u>\$ 710,616</u>	<u>\$ 73,365,163</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2023

	<u>Homeland Security Grant</u>	<u>H&W Realignment</u>	<u>Emergency Communications & NGEN Operations</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 261,499	\$ 51,336,592	\$ 4,251,046
Other Bank Accounts	-	-	-
Imprest cash	-	-	-
Receivables (Net)	-	12,208,105	862,523
Loans and Notes Receivable	-	-	-
Lease Receivable	-	-	281,804
Total Assets	<u>\$ 261,499</u>	<u>\$ 63,544,697</u>	<u>\$ 5,395,373</u>
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 226,336	\$ -	\$ 117,979
Accrued Salaries and Benefits	52,167	-	846,770
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>278,503</u>	<u>-</u>	<u>964,749</u>
Deferred Inflows of Resources			
Unavailable Revenue	-	2,319,148	67,046
Deferred Inflows from Leases	-	-	272,276
Total Deferred Inflows of Resources	<u>-</u>	<u>2,319,148</u>	<u>339,322</u>
Fund Balances			
Restricted	-	61,225,549	3,554,567
Committed	-	-	536,735
Unassigned	<u>(17,004)</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>(17,004)</u>	<u>61,225,549</u>	<u>4,091,302</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 261,499</u>	<u>\$ 63,544,697</u>	<u>\$ 5,395,373</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2023

	<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	\$ 3,454,509	\$ 13,791,435	\$ 2,682,326
Other Bank Accounts	-	-	-
Imprest cash	-	-	-
Receivables (Net)	-	-	882
Loans and Notes Receivable	-	-	-
Lease Receivable	-	-	-
Total Assets	<u>\$ 3,454,509</u>	<u>\$ 13,791,435</u>	<u>\$ 2,683,208</u>
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 16,165	\$ 12,879	\$ 98,436
Accrued Salaries and Benefits	-	-	-
Deposits from Others	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>16,165</u>	<u>12,879</u>	<u>98,436</u>
Deferred Inflows of Resources			
Unavailable Revenue	-	-	-
Deferred Inflows from Leases	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Restricted	3,438,344	13,778,556	-
Committed	-	-	2,584,772
Unassigned	-	-	-
Total Fund Balances	<u>3,438,344</u>	<u>13,778,556</u>	<u>2,584,772</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,454,509</u>	<u>\$ 13,791,435</u>	<u>\$ 2,683,208</u>

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2023

	Agencies Under Board of Supervisors		
	Nacimiento Hydroelectric Operations	Other Water Resources Agencies	County Service Areas
Assets			
Cash and Investments:			
Held in County Treasury	\$ 963,413	\$ 30,078,587	\$ 16,393,281
Other Bank Accounts	-	-	-
Imprest cash	-	100	-
Receivables (Net)	457,511	2,205,207	99,897
Loans and Notes Receivable	-	-	-
Lease Receivable	-	249,532	-
Total Assets	\$ 1,420,924	\$ 32,533,426	\$ 16,493,178
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 22,873	\$ 1,874,664	\$ 1,467,964
Accrued Salaries and Benefits	9,487	241,516	-
Deposits from Others	-	247,644	12,519
Unearned Revenues	-	6,163,000	1,000,375
Total Liabilities	32,360	8,526,824	2,480,858
Deferred Inflows of Resources			
Unavailable Revenue	-	1,814,515	59,182
Deferred Inflows from Leases	-	273,362	-
Total Deferred Inflows of Resources	-	2,087,877	59,182
Fund Balances			
Restricted	-	-	1,131,649
Committed	1,388,564	21,918,725	12,821,489
Unassigned	-	-	-
Total Fund Balances	1,388,564	21,918,725	13,953,138
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,420,924	\$ 32,533,426	\$ 16,493,178

County of Monterey
Combining Balance Sheet
Special Revenue
June 30, 2023

Agencies Under Board of Supervisors

	<u>Sanitation Districts</u>	<u>Housing Successor</u>	<u>Total</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 5,284,037	\$ 1,719,574	\$ 204,577,485
Other Bank Accounts	-	-	966,703
Imprest cash	-	-	1,800
Receivables (Net)	154,405	1,525,348	33,132,293
Loans and Notes Receivable	-	7,080,426	20,687,334
Lease Receivable	-	227,613	758,949
Total Assets	<u>\$ 5,438,442</u>	<u>\$ 10,552,961</u>	<u>\$ 260,124,564</u>
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 372,721	\$ 68,933	\$ 7,316,763
Accrued Salaries and Benefits	36,711	-	1,514,898
Deposits from Others	-	9,000	269,163
Unearned Revenues	<u>3,204,183</u>	<u>-</u>	<u>10,367,558</u>
Total Liabilities	<u>3,613,615</u>	<u>77,933</u>	<u>19,468,382</u>
Deferred Inflows of Resources			
Unavailable Revenue	25,325	1,332,049	8,629,491
Deferred Inflows from Leases	<u>-</u>	<u>162,370</u>	<u>708,008</u>
Total Deferred Inflows of Resources	<u>25,325</u>	<u>1,494,419</u>	<u>9,337,499</u>
Fund Balances			
Restricted	363,411	8,980,609	189,930,909
Committed	1,436,091	-	41,404,778
Unassigned	<u>-</u>	<u>-</u>	<u>(17,004)</u>
Total Fund Balances	<u>1,799,502</u>	<u>8,980,609</u>	<u>231,318,683</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,438,442</u>	<u>\$ 10,552,961</u>	<u>\$ 260,124,564</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2023

	<u>Library Fund</u>	<u>In-Home Support Services</u>	<u>Fish & Game Propagation Fund</u>
Revenues:			
Taxes	\$ 11,182,538	\$ -	\$ -
Licenses, Permits, and Franchises	-	-	-
Fines, Forfeitures, and Penalties	-	-	40,258
Revenue from Use of Money and Property	157,905	(3,554)	2,127
Aid from other Governmental Agencies	296,667	857,411	-
Charges for Services	45,560	-	-
Miscellaneous Revenues	222,396	-	5,001
Lease Revenue	-	-	-
Total Revenues	<u>11,905,066</u>	<u>853,857</u>	<u>47,386</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	-	-	45,887
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	-	829,385	-
Education	11,908,329	-	-
Debt Service:			
Principal	446,113	31,278	-
Interest and Debt Service Costs	51,053	1,772	-
Capital Outlay	375,876	63,617	-
Total Expenditures	<u>12,781,371</u>	<u>926,052</u>	<u>45,887</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(876,305)</u>	<u>(72,195)</u>	<u>1,499</u>
Other Financing Sources (Uses):			
Transfers In	2,075,356	34,658	10,500
Transfers Out	-	-	-
Sale of Capital Assets	8,100	-	-
Lease and SBITA Proceeds	375,876	63,617	-
Total Other Financing Sources (Uses)	2,459,332	98,275	10,500
Net Change in Fund Balances	1,583,027	26,080	11,999
Fund Balances, Beginning of Year	<u>6,097,793</u>	<u>91,569</u>	<u>62,951</u>
Fund Balances, End of Year	<u>\$ 7,680,820</u>	<u>\$ 117,649</u>	<u>\$ 74,950</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2023

	<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	2,263	19,269	348,438
Aid from other Governmental Agencies	527,511	-	2,426,800
Charges for Services	-	1,740	-
Miscellaneous Revenues	-	-	10,458
Lease Revenue	-	-	-
Total Revenues	<u>529,774</u>	<u>21,009</u>	<u>2,785,696</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	-	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	519,417	131,985	4,223,958
Education	-	-	-
Debt Service:			
Principal	-	-	-
Interest and Debt Service Costs	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>519,417</u>	<u>131,985</u>	<u>4,223,958</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,357</u>	<u>(110,976)</u>	<u>(1,438,262)</u>
Other Financing Sources (Uses):			
Transfers In	755	-	-
Transfers Out	-	-	-
Sale of Capital Assets	-	-	-
Lease and SBITA Proceeds	-	-	-
Total Other Financing Sources (Uses)	<u>755</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	11,112	(110,976)	(1,438,262)
Fund Balances, Beginning of Year	<u>238,328</u>	<u>829,378</u>	<u>16,857,328</u>
Fund Balances, End of Year	<u>\$ 249,440</u>	<u>\$ 718,402</u>	<u>\$ 15,419,066</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2023

	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	599,925	-	-
Revenue from Use of Money and Property	63,523	(11,076)	-
Aid from other Governmental Agencies	-	7,947,298	100,062,175
Charges for Services	-	-	-
Miscellaneous Revenues	8,286	158,016	-
Lease Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>671,734</u>	<u>8,094,238</u>	<u>100,062,175</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	-	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	2,337,154	-	-
Public Assistance	-	8,636,873	-
Education	-	-	-
Debt Service:			
Principal	-	274,218	-
Interest and Debt Service Costs	-	32,119	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>2,337,154</u>	<u>8,943,210</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,665,420)</u>	<u>(848,972)</u>	<u>100,062,175</u>
Other Financing Sources (Uses):			
Transfers In	-	711,544	-
Transfers Out	-	-	(78,161,616)
Sale of Capital Assets	-	-	-
Lease and SBITA Proceeds	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>711,544</u>	<u>(78,161,616)</u>
Net Change in Fund Balances	(1,665,420)	(137,428)	21,900,559
Fund Balances, Beginning of Year	<u>2,119,432</u>	<u>236,698</u>	<u>51,462,458</u>
Fund Balances, End of Year	<u>\$ 454,012</u>	<u>\$ 99,270</u>	<u>\$ 73,363,017</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2023

	<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	22,048	-	275,013
Aid from other Governmental Agencies	70,878	73,838,936	4,513,217
Charges for Services	-	-	7,952,585
Miscellaneous Revenues	100,000	-	21,031
Lease Revenue	-	-	38,993
	<u>-</u>	<u>-</u>	<u>38,993</u>
Total Revenues	<u>192,926</u>	<u>73,838,936</u>	<u>12,800,839</u>
Expenditures:			
Current:			
General Government	-	-	13,331,027
Public Protection	590,492	-	-
Public Ways and Facilities	-	-	-
Health and Sanitation	-	-	-
Public Assistance	-	-	-
Education	-	-	-
Debt Service:			
Principal	-	-	25,448
Interest and Debt Service Costs	-	-	4,552
Capital Outlay	-	-	136,107
	<u>-</u>	<u>-</u>	<u>136,107</u>
Total Expenditures	<u>590,492</u>	<u>-</u>	<u>13,497,134</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(397,566)</u>	<u>73,838,936</u>	<u>(696,295)</u>
Other Financing Sources (Uses):			
Transfers In	-	3,367,970	1,032,148
Transfers Out	-	(72,587,798)	(677,267)
Sale of Capital Assets	-	-	-
Lease and SBITA Proceeds	-	-	136,107
	<u>-</u>	<u>-</u>	<u>136,107</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(69,219,828)</u>	<u>490,988</u>
Net Change in Fund Balances	(397,566)	4,619,108	(205,307)
Fund Balances, Beginning of Year	<u>380,562</u>	<u>56,606,441</u>	<u>4,296,609</u>
Fund Balances, End of Year	<u>\$ (17,004)</u>	<u>\$ 61,225,549</u>	<u>\$ 4,091,302</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2023

	<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	28,069	394,697	74,336
Aid from other Governmental Agencies	-	-	-
Charges for Services	353,346	-	1,430,105
Miscellaneous Revenues	-	-	-
Lease Revenue	-	-	-
Total Revenues	<u>381,415</u>	<u>394,697</u>	<u>1,504,441</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	450,201	-	-
Public Ways and Facilities	-	-	842,158
Health and Sanitation	-	-	-
Public Assistance	-	61,071	-
Education	-	-	-
Debt Service:			
Principal	55,290	-	-
Interest and Debt Service Costs	-	-	-
Capital Outlay	529,384	-	-
Total Expenditures	<u>1,034,875</u>	<u>61,071</u>	<u>842,158</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(653,460)</u>	<u>333,626</u>	<u>662,283</u>
Other Financing Sources (Uses):			
Transfers In	-	-	-
Transfers Out	-	-	(681,500)
Sale of Capital Assets	-	-	-
Lease and SBITA Proceeds	529,384	-	-
Total Other Financing Sources (Uses)	529,384	-	(681,500)
Net Change in Fund Balances	(124,076)	333,626	(19,217)
Fund Balances, Beginning of Year	<u>3,562,420</u>	<u>13,444,930</u>	<u>2,603,989</u>
Fund Balances, End of Year	<u>\$ 3,438,344</u>	<u>\$ 13,778,556</u>	<u>\$ 2,584,772</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2023

	Agencies Under Board of Supervisors		
	Nacimiento Hydroelectric Operations	Other Water Resources Agencies	County Service Areas
Revenues:			
Taxes	\$ -	\$ 3,349,987	\$ 2,525,825
Licenses, Permits, and Franchises	-	188,403	-
Fines, Forfeitures, and Penalties	-	-	-
Revenue from Use of Money and Property	55,889	1,302,092	357,871
Aid from other Governmental Agencies	-	1,460,054	115,967
Charges for Services	634,394	17,639,513	583,084
Miscellaneous Revenues	-	93,763	-
Lease Revenue	-	247,042	-
Total Revenues	<u>690,283</u>	<u>24,280,854</u>	<u>3,582,747</u>
Expenditures:			
Current:			
General Government	-	-	-
Public Protection	580,632	25,747,045	-
Public Ways and Facilities	-	-	3,125,940
Health and Sanitation	-	-	2,054,170
Public Assistance	-	-	-
Education	-	-	-
Debt Service:			
Principal	3,127	122,657	-
Interest and Debt Service Costs	296	11,950	-
Capital Outlay	-	176,212	-
Total Expenditures	<u>584,055</u>	<u>26,057,864</u>	<u>5,180,110</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>106,228</u>	<u>(1,777,010)</u>	<u>(1,597,363)</u>
Other Financing Sources (Uses):			
Transfers In	-	8,586,164	3,511,294
Transfers Out	(121,162)	(3,316,392)	(20,000)
Sale of Capital Assets	-	-	-
Lease and SBITA Proceeds	-	176,212	-
Total Other Financing Sources (Uses)	<u>(121,162)</u>	<u>5,445,984</u>	<u>3,491,294</u>
Net Change in Fund Balances	<u>(14,934)</u>	<u>3,668,974</u>	<u>1,893,931</u>
Fund Balances, Beginning of Year	<u>1,403,498</u>	<u>18,249,751</u>	<u>12,059,207</u>
Fund Balances, End of Year	<u>\$ 1,388,564</u>	<u>\$ 21,918,725</u>	<u>\$ 13,953,138</u>

continued

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue
For the Fiscal Year Ended June 30, 2023

	<u>Agencies Under Board of Supervisors</u>		
	<u>Sanitation Districts</u>	<u>Housing Successor</u>	<u>Total</u>
Revenues:			
Taxes	\$ 321,159	\$ -	\$ 17,379,509
Licenses, Permits, and Franchises	6,714	-	195,117
Fines, Forfeitures, and Penalties	-	-	640,183
Revenue from Use of Money and Property	9,035	168,255	3,266,200
Aid from other Governmental Agencies	1,342,135	-	193,459,049
Charges for Services	887,087	8,000	29,535,414
Miscellaneous Revenues	-	-	618,951
Lease Revenue	-	217,959	503,994
	<u>2,566,130</u>	<u>394,214</u>	<u>245,598,417</u>
Total Revenues			
Expenditures:			
Current:			
General Government	-	-	13,331,027
Public Protection	-	-	27,414,257
Public Ways and Facilities	-	-	3,968,098
Health and Sanitation	3,631,579	-	8,022,903
Public Assistance	-	237,654	14,640,343
Education	-	-	11,908,329
Debt Service:			
Principal	-	-	958,131
Interest and Debt Service Costs	-	-	101,742
Capital Outlay	-	-	1,281,196
	<u>3,631,579</u>	<u>237,654</u>	<u>81,626,026</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,065,449)</u>	<u>156,560</u>	<u>163,972,391</u>
Other Financing Sources (Uses):			
Transfers In	2,499,603	-	21,829,992
Transfers Out	(38,250)	-	(155,603,985)
Sale of Capital Assets	-	-	8,100
Lease and SBITA Proceeds	-	-	1,281,196
	<u>2,461,353</u>	<u>-</u>	<u>(132,484,697)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	1,395,904	156,560	31,487,694
Fund Balances, Beginning of Year	403,598	8,824,049	199,830,989
Fund Balances, End of Year	<u>\$ 1,799,502</u>	<u>\$ 8,980,609</u>	<u>\$ 231,318,683</u>

County of Monterey
Budgetary Comparison Schedule
Library Fund
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
Revenues:				
Taxes	\$ 10,298,831	\$ 10,298,831	\$ 11,182,538	\$ 883,707
Revenue from Use of Money and Property	7,908	7,908	157,905	149,997
Aid from other Governmental Agencies	227,847	227,847	296,667	68,820
Charges for Services	120,000	120,000	45,560	(74,440)
Miscellaneous Revenues	240,783	240,783	222,396	(18,387)
Total Revenues	<u>10,895,369</u>	<u>10,895,369</u>	<u>11,905,066</u>	<u>1,009,697</u>
Expenditures:				
Current:				
Education	13,138,848	13,138,848	11,908,329	1,230,519
Debt Service:				
Principal	-	-	446,113	(446,113)
Interest and Debt Service Costs	-	-	51,053	(51,053)
Capital Outlay	-	-	375,876	(375,876)
Total Expenditures	<u>13,138,848</u>	<u>13,138,848</u>	<u>12,781,371</u>	<u>357,477</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,243,479)</u>	<u>(2,243,479)</u>	<u>(876,305)</u>	<u>1,367,174</u>
Other Financing Sources (Uses):				
Transfers In	2,108,171	2,108,171	2,075,356	(32,815)
Sale of Capital Assets	-	-	8,100	8,100
Lease and SBITA Proceeds	-	-	375,876	375,876
Total Other Financing Sources (Uses)	<u>2,108,171</u>	<u>2,108,171</u>	<u>2,459,332</u>	<u>351,161</u>
Net Change in Fund Balances	(135,308)	(135,308)	1,583,027	1,718,335
Fund Balances, Beginning	<u>6,097,793</u>	<u>6,097,793</u>	<u>6,097,793</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 5,962,485</u>	<u>\$ 5,962,485</u>	<u>\$ 7,680,820</u>	<u>\$ 1,718,335</u>

County of Monterey
Budgetary Comparison Schedule
In-Home Support Services
For the Fiscal Year Ended June 30, 2023

	<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	\$ -	\$ -	\$ (3,554)	\$ (3,554)
Aid from other Governmental Agencies	848,659	848,659	857,411	8,752
Total Revenues	<u>848,659</u>	<u>848,659</u>	<u>853,857</u>	<u>5,198</u>
Expenditures:				
Current:				
Public Assistance	1,018,734	1,018,734	829,385	189,349
Debt Services:				
Principal	-	-	31,278	(31,278)
Interest and Debt Service Costs	-	-	1,772	(1,772)
Capital Outlay	-	-	63,617	(63,617)
Total Expenditures	<u>1,018,734</u>	<u>1,018,734</u>	<u>926,052</u>	<u>92,682</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(170,075)</u>	<u>(170,075)</u>	<u>(72,195)</u>	<u>97,880</u>
Other Financing Sources (Uses):				
Transfers In	170,075	170,075	34,658	(135,417)
Lease and SBITA Proceeds	-	-	63,617	63,617
Total Other Financing Sources (Uses)	<u>170,075</u>	<u>170,075</u>	<u>98,275</u>	<u>(71,800)</u>
Net Change in Fund Balances	-	-	26,080	26,080
Fund Balances, Beginning	<u>91,569</u>	<u>91,569</u>	<u>91,569</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 91,569</u>	<u>\$ 91,569</u>	<u>\$ 117,649</u>	<u>\$ 26,080</u>

County of Monterey
Budgetary Comparison Schedule
Fish & Game Propagation Fund
For the Fiscal Year Ended June 30, 2023

	<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	\$ 38,214	\$ 38,214	\$ 40,258	\$ 2,044
Revenue from Use of Money and Property	307	307	2,127	1,820
Miscellaneous Revenues	-	-	5,001	5,001
Total Revenues	<u>38,521</u>	<u>38,521</u>	<u>47,386</u>	<u>8,865</u>
Expenditures:				
Current:				
Public Protection	<u>52,147</u>	<u>52,147</u>	<u>45,887</u>	<u>6,260</u>
Total Expenditures	<u>52,147</u>	<u>52,147</u>	<u>45,887</u>	<u>6,260</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(13,626)</u>	<u>(13,626)</u>	<u>1,499</u>	<u>15,125</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	(3,126)	(3,126)	11,999	15,125
Fund Balances, Beginning	<u>62,951</u>	<u>62,951</u>	<u>62,951</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 59,825</u>	<u>\$ 59,825</u>	<u>\$ 74,950</u>	<u>\$ 15,125</u>

County of Monterey
Budgetary Comparison Schedule
Community Action Partnership
For the Fiscal Year Ended June 30, 2023

	<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	\$ 434	\$ 434	\$ 2,263	\$ 1,829
Aid from other Governmental Agencies	518,692	518,692	527,511	8,819
Total Revenues	<u>519,126</u>	<u>519,126</u>	<u>529,774</u>	<u>10,648</u>
Expenditures:				
Current:				
Public Assistance	519,881	519,881	519,417	464
Total Expenditures	<u>519,881</u>	<u>519,881</u>	<u>519,417</u>	<u>464</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(755)</u>	<u>(755)</u>	<u>10,357</u>	<u>11,112</u>
Other Financing Sources (Uses):				
Transfers In	755	755	755	-
Total Other Financing Sources (Uses)	<u>755</u>	<u>755</u>	<u>755</u>	<u>-</u>
Net Change in Fund Balances	-	-	11,112	11,112
Fund Balances, Beginning	<u>238,328</u>	<u>238,328</u>	<u>238,328</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 238,328</u>	<u>\$ 238,328</u>	<u>\$ 249,440</u>	<u>\$ 11,112</u>

County of Monterey
Budgetary Comparison Schedule
Inclusionary Housing
For the Fiscal Year Ended June 30, 2023

	<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	\$ 13,530	\$ 13,530	\$ 19,269	\$ 5,739
Charges for Services	5,000	5,000	1,740	(3,260)
Miscellaneous Revenues	21,375	21,375	-	(21,375)
Total Revenues	<u>39,905</u>	<u>39,905</u>	<u>21,009</u>	<u>(18,896)</u>
Expenditures:				
Current:				
Public Assistance	120,119	120,119	131,985	(11,866)
Total Expenditures	<u>120,119</u>	<u>120,119</u>	<u>131,985</u>	<u>(11,866)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(80,214)</u>	<u>(80,214)</u>	<u>(110,976)</u>	<u>(30,762)</u>
Transfers In	62,964	62,964	-	(62,964)
Total Other Financing Sources (Uses)	<u>62,964</u>	<u>62,964</u>	<u>-</u>	<u>(62,964)</u>
Net Change in Fund Balances	(17,250)	(17,250)	(110,976)	(93,726)
Fund Balances, Beginning	829,378	829,378	829,378	-
Fund Balances, Ending	<u>\$ 812,128</u>	<u>\$ 812,128</u>	<u>\$ 718,402</u>	<u>\$ (93,726)</u>

County of Monterey
Budgetary Comparison Schedule
Community Development
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Revenue from Use of Money and Property	\$ 175,866	\$ 175,866	\$ 348,438	\$ 172,572
Aid from other Governmental Agencies	7,313,134	7,313,134	2,426,800	(4,886,334)
Charges for Services	121,145	121,145	-	(121,145)
Miscellaneous Revenues	-	-	10,458	10,458
Total Revenues	<u>7,610,145</u>	<u>7,610,145</u>	<u>2,785,696</u>	<u>(4,824,449)</u>
Expenditures:				
Current:				
Public Assistance	<u>10,034,104</u>	<u>10,034,104</u>	<u>4,223,958</u>	<u>5,810,146</u>
Total Expenditures	<u>10,034,104</u>	<u>10,034,104</u>	<u>4,223,958</u>	<u>5,810,146</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,423,959)</u>	<u>(2,423,959)</u>	<u>(1,438,262)</u>	<u>985,697</u>
Net Change in Fund Balances	(2,423,959)	(2,423,959)	(1,438,262)	(10,634,595)
Fund Balances, Beginning	<u>16,857,328</u>	<u>16,857,328</u>	<u>16,857,328</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 14,433,369</u>	<u>\$ 14,433,369</u>	<u>\$ 15,419,066</u>	<u>\$ (10,634,595)</u>

County of Monterey
Budgetary Comparison Schedule
Emergency Medical Service Fund
For the Fiscal Year Ended June 30, 2023

	<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	\$ 910,000	\$ 910,000	\$ 599,925	\$ (310,075)
Revenue from Use of Money and Property	15,000	15,000	63,523	48,523
Miscellaneous Revenues	<u>10,000</u>	<u>10,000</u>	<u>8,286</u>	<u>(1,714)</u>
Total Revenues	<u>935,000</u>	<u>935,000</u>	<u>671,734</u>	<u>(263,266)</u>
Expenditures:				
Current:				
Health and Sanitation	<u>603,000</u>	<u>2,519,307</u>	<u>2,337,154</u>	<u>182,153</u>
Total Expenditures	<u>603,000</u>	<u>2,519,307</u>	<u>2,337,154</u>	<u>182,153</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>332,000</u>	<u>(1,584,307)</u>	<u>(1,665,420)</u>	<u>(81,113)</u>
Net Change in Fund Balances	332,000	(1,584,307)	(1,665,420)	(81,113)
Fund Balances, Beginning	<u>2,119,432</u>	<u>2,119,432</u>	<u>2,119,432</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 2,451,432</u>	<u>\$ 535,125</u>	<u>\$ 454,012</u>	<u>\$ (81,113)</u>

County of Monterey
Budgetary Comparison Schedule
Workforce Development Board
For the Fiscal Year Ended June 30, 2023

	<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	\$ -	\$ -	\$ (11,076)	\$ (11,076)
Aid from other Governmental Agencies	7,970,380	8,620,380	7,947,298	(673,082)
Miscellaneous Revenues	-	-	158,016	158,016
Total Revenues	<u>7,970,380</u>	<u>8,620,380</u>	<u>8,094,238</u>	<u>(526,142)</u>
Expenditures:				
Current:				
Public Assistance	8,681,924	9,331,924	8,636,873	695,051
Debt Service:				
Principal	-	-	274,218	274,218
Interest and Debt Service Costs	-	-	32,119	32,119
Total Expenditures	<u>8,681,924</u>	<u>9,331,924</u>	<u>8,943,210</u>	<u>388,714</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(711,544)</u>	<u>(711,544)</u>	<u>(848,972)</u>	<u>(137,428)</u>
Other Financing Sources (Uses):				
Transfers In	711,544	711,544	711,544	-
Total Other Financing Sources (Uses)	<u>711,544</u>	<u>711,544</u>	<u>711,544</u>	<u>-</u>
Net Change in Fund Balances	-	-	(137,428)	(137,428)
Fund Balances, Beginning	<u>236,698</u>	<u>236,698</u>	<u>236,698</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 236,698</u>	<u>\$ 236,698</u>	<u>\$ 99,270</u>	<u>\$ (137,428)</u>

County of Monterey
Budgetary Comparison Schedule
Local Revenue Fund 2011
For the Fiscal Year Ended June 30, 2023

	<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	\$ 83,670,169	\$ 86,122,570	\$ 100,062,175	\$ 13,939,605
Total Revenues	<u>83,670,169</u>	<u>86,122,570</u>	<u>100,062,175</u>	<u>13,939,605</u>
Expenditures:				
Current:				
Public Protection	696,489	696,489	-	696,489
Total Expenditures	696,489	696,489	-	696,489
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>82,973,680</u>	<u>85,426,081</u>	<u>100,062,175</u>	<u>13,243,116</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(85,982,997)</u>	<u>(88,435,398)</u>	<u>(78,161,616)</u>	<u>10,273,782</u>
Total Other Financing Sources (Uses)	<u>(85,982,997)</u>	<u>(88,435,398)</u>	<u>(78,161,616)</u>	<u>10,273,782</u>
Net Change in Fund Balances	(3,009,317)	(3,009,317)	21,900,559	24,909,876
Fund Balances, Beginning	<u>51,462,458</u>	<u>51,462,458</u>	<u>51,462,458</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 48,453,141</u>	<u>\$ 48,453,141</u>	<u>\$ 73,363,017</u>	<u>\$ 24,909,876</u>

County of Monterey
Budgetary Comparison Schedule
Homeland Security Grant
For the Fiscal Year Ended June 30, 2023

	<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	\$ 3,818	\$ 18,818	\$ 22,048	\$ 3,230
Aid from other Governmental Agencies	1,642,141	1,642,141	70,878	(1,571,263)
Miscellaneous Revenues	-	-	100,000	100,000
Total Revenues	<u>1,645,959</u>	<u>1,660,959</u>	<u>192,926</u>	<u>(1,468,033)</u>
Expenditures:				
Current:				
Public Protection	<u>1,645,959</u>	<u>1,660,959</u>	<u>590,492</u>	<u>1,070,467</u>
Total Expenditures	<u>1,645,959</u>	<u>1,660,959</u>	<u>590,492</u>	<u>1,070,467</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(397,566)</u>	<u>(397,566)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(397,566)</u>	<u>(397,566)</u>
Fund Balances, Beginning	<u>380,562</u>	<u>380,562</u>	<u>380,562</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 380,562</u>	<u>\$ 380,562</u>	<u>\$ (17,004)</u>	<u>\$ (397,566)</u>

County of Monterey
Budgetary Comparison Schedule
H&W Realignment
For the Fiscal Year Ended June 30, 2023

	<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	\$ 60,511,201	\$ 60,511,201	\$ 73,838,936	\$ 13,327,735
Total Revenues	<u>60,511,201</u>	<u>60,511,201</u>	<u>73,838,936</u>	<u>13,327,735</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>60,511,201</u>	<u>60,511,201</u>	<u>73,838,936</u>	<u>13,327,735</u>
Other Financing Sources (Uses):				
Transfers In	5,336,288	5,336,288	3,367,970	(1,968,318)
Transfers Out	<u>(66,709,183)</u>	<u>(76,709,183)</u>	<u>(72,587,798)</u>	<u>4,121,385</u>
Total Other Financing Sources (Uses)	<u>(61,372,895)</u>	<u>(71,372,895)</u>	<u>(69,219,828)</u>	<u>2,153,067</u>
Net Change in Fund Balances	(861,694)	(10,861,694)	4,619,108	15,480,802
Fund Balances, Beginning	<u>56,606,441</u>	<u>56,606,441</u>	<u>56,606,441</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 55,744,747</u></u>	<u><u>\$ 45,744,747</u></u>	<u><u>\$ 61,225,549</u></u>	<u><u>\$ 15,480,802</u></u>

County of Monterey
Budgetary Comparison Schedule
Emergency Communications & NGEN Operations
For the Fiscal Year Ended June 30, 2023

	<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	\$ 176,687	\$ 176,687	\$ 275,013	\$ 98,326
Aid from other Governmental Agencies	4,365,787	4,365,787	4,513,217	147,430
Charges for Services	7,981,615	7,981,615	7,952,585	(29,030)
Miscellaneous Revenues	7,000	7,000	21,031	14,031
Lease Revenue	-	-	38,993	38,993
Total Revenues	<u>12,531,089</u>	<u>12,531,089</u>	<u>12,800,839</u>	<u>269,750</u>
Expenditures:				
Current:				
General Government	13,838,202	13,838,202	13,331,027	507,175
Debt Service:				
Principal	-	-	25,448	(25,448)
Interest and Debt Service Costs	-	-	4,552	(4,552)
Capital Outlay	-	-	136,107	(136,107)
Total Expenditures	<u>13,838,202</u>	<u>13,838,202</u>	<u>13,497,134</u>	<u>341,068</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	<u>(1,307,113)</u>	<u>(1,307,113)</u>	<u>(696,295)</u>	<u>(71,318)</u>
Transfers In	1,775,113	1,775,113	1,032,148	(742,965)
Transfers Out	(677,267)	(677,267)	(677,267)	-
Lease and SBITA Proceeds	-	-	136,107	(136,107)
Total Other Financing Sources (Uses)	<u>1,097,846</u>	<u>1,097,846</u>	<u>490,988</u>	<u>(879,072)</u>
Net Change in Fund Balances	(209,267)	(209,267)	(205,307)	3,960
Fund Balances, Beginning	<u>4,296,609</u>	<u>4,296,609</u>	<u>4,296,609</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 4,087,342</u>	<u>\$ 4,087,342</u>	<u>\$ 4,091,302</u>	<u>\$ 3,960</u>

County of Monterey
Budgetary Comparison Schedule
County Clerk/Recorder
For the Fiscal Year Ended June 30, 2023

	<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	\$ -	\$ -	\$ 28,069	\$ 28,069
Charges for Services	400,000	400,000	353,346	(46,654)
Total Revenues	<u>400,000</u>	<u>400,000</u>	<u>381,415</u>	<u>(18,585)</u>
Expenditures				
Current:				
Public Protection	400,000	708,819	450,201	258,618
Debt Service:				
Principal	-	-	55,290	(55,290)
Capital Outlay	-	-	529,384	(529,384)
Total Expenditures	<u>400,000</u>	<u>708,819</u>	<u>1,034,875</u>	<u>(326,056)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(308,819)	(653,460)	(344,641)
Lease and SBITA Proceeds	-	-	529,384	529,384
Total Other Financing Sources (Uses)	-	-	<u>529,384</u>	<u>529,384</u>
Net Change in Fund Balances	-	(308,819)	(124,076)	184,743
Fund Balances, Beginning	<u>3,562,420</u>	<u>3,562,420</u>	<u>3,562,420</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 3,562,420</u>	<u>\$ 3,253,601</u>	<u>\$ 3,438,344</u>	<u>\$ 184,743</u>

County of Monterey
Budgetary Comparison Schedule
Habitat Management Program
For the Fiscal Year Ended June 30, 2023

	<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	\$ 177,006	\$ 177,006	\$ 394,697	\$ 217,691
Total Revenues	<u>177,006</u>	<u>177,006</u>	<u>394,697</u>	<u>217,691</u>
Expenditures:				
Current:				
Public Assistance	545,625	545,625	61,071	484,554
Total Expenditures	<u>545,625</u>	<u>545,625</u>	<u>61,071</u>	<u>484,554</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(368,619)</u>	<u>(368,619)</u>	<u>333,626</u>	<u>702,245</u>
Net Change in Fund Balances	(368,619)	(368,619)	333,626	702,245
Fund Balances, Beginning	<u>13,444,930</u>	<u>13,444,930</u>	<u>13,444,930</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 13,076,311</u>	<u>\$ 13,076,311</u>	<u>\$ 13,778,556</u>	<u>\$ 702,245</u>

County of Monterey
Budgetary Comparison Schedule
E. Garrison Community Services District
For the Fiscal Year Ended June 30, 2023

	<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	\$ 13,954	\$ 13,954	\$ 74,336	\$ 60,382
Charges for Services	<u>1,853,613</u>	<u>1,853,613</u>	<u>1,430,105</u>	<u>(423,508)</u>
Total Revenues	<u>1,867,567</u>	<u>1,867,567</u>	<u>1,504,441</u>	<u>(363,126)</u>
Expenditures				
Public Ways and Facilities	<u>1,331,628</u>	<u>1,331,628</u>	<u>842,158</u>	<u>489,470</u>
Total Expenditures	<u>1,331,628</u>	<u>1,331,628</u>	<u>842,158</u>	<u>489,470</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>535,939</u>	<u>535,939</u>	<u>662,283</u>	<u>126,344</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(678,629)</u>	<u>(678,629)</u>	<u>(681,500)</u>	<u>(2,871)</u>
Total Other Financing Sources (Uses)	<u>(678,629)</u>	<u>(678,629)</u>	<u>(681,500)</u>	<u>(2,871)</u>
Net Change in Fund Balances	(142,690)	(142,690)	(19,217)	123,473
Fund Balances, Beginning	<u>2,603,989</u>	<u>2,603,989</u>	<u>2,603,989</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 2,461,299</u>	<u>\$ 2,461,299</u>	<u>\$ 2,584,772</u>	<u>\$ 123,473</u>

County of Monterey
Budgetary Comparison Schedule
Nacimiento Hydroelectric Operations
For the Fiscal Year Ended June 30, 2023

	<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	\$ 23,239	\$ 23,239	\$ 55,889	\$ 32,650
Charges for Services	<u>30,000</u>	<u>30,000</u>	<u>634,394</u>	<u>604,394</u>
Total Revenues	<u>53,239</u>	<u>53,239</u>	<u>690,283</u>	<u>637,044</u>
Expenditures:				
Current:				
Public Protection	685,240	685,240	580,632	104,608
Debt Service:	-	-	-	-
Principal	-	-	3,127	3,127
Interest and Debt Service Costs	<u>-</u>	<u>-</u>	<u>296</u>	<u>296</u>
Total Expenditures	<u>685,240</u>	<u>685,240</u>	<u>584,055</u>	<u>101,185</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(632,001)</u>	<u>(632,001)</u>	<u>106,228</u>	<u>535,859</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(175,000)</u>	<u>(175,000)</u>	<u>(121,162)</u>	<u>53,838</u>
Total Other Financing Sources (Uses)	<u>(175,000)</u>	<u>(175,000)</u>	<u>(121,162)</u>	<u>53,838</u>
Net Change in Fund Balances	(807,001)	(807,001)	(14,934)	792,067
Fund Balances, Beginning	<u>1,403,498</u>	<u>1,403,498</u>	<u>1,403,498</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 596,497</u>	<u>\$ 596,497</u>	<u>\$ 1,388,564</u>	<u>\$ 792,067</u>

County of Monterey
Budgetary Comparison Schedule
Other Water Resources Agencies
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,956,007	\$ 2,956,007	\$ 3,349,987	\$ 393,980
Licenses, Permits, and Franchises	78,391	78,391	188,403	110,012
Revenue from Use of Money and Property	983,409	983,409	1,302,092	318,683
Aid from other Governmental Agencies	5,304,105	5,304,105	1,460,054	(3,844,051)
Charges for Services	18,962,435	18,962,435	17,639,513	(1,322,922)
Miscellaneous Revenues	148,000	148,000	93,763	(54,237)
Lease Revenue	-	-	247,042	247,042
Total Revenues	<u>28,432,347</u>	<u>28,432,347</u>	<u>24,280,854</u>	<u>(4,151,493)</u>
Expenditures				
Current:				
Public Protection	32,060,216	38,910,216	25,747,045	13,163,171
Debt Service:				
Principal	-	-	122,657	(122,657)
Interest and Debt Service Costs	-	-	11,950	(11,950)
Capital Outlay	-	-	176,212	(176,212)
Total Expenditures	<u>32,060,216</u>	<u>38,910,216</u>	<u>26,057,864</u>	<u>12,852,352</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,627,869)</u>	<u>(10,477,869)</u>	<u>(1,777,010)</u>	<u>8,700,859</u>
Other financing Sources (Uses):				
Transfers In	2,501,100	8,401,100	8,586,164	185,064
Transfers Out	(2,366,010)	(2,366,010)	(3,316,392)	(950,382)
Lease and SBITA Proceeds	-	-	176,212	176,212
Total Other Financing Sources (Uses)	<u>135,090</u>	<u>6,035,090</u>	<u>5,445,984</u>	<u>(589,106)</u>
Net Change in Fund Balances	<u>(3,492,779)</u>	<u>(4,442,779)</u>	<u>3,668,974</u>	<u>8,111,753</u>
Fund Balances, Beginning	<u>18,249,751</u>	<u>18,249,751</u>	<u>18,249,751</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 14,756,972</u>	<u>\$ 13,806,972</u>	<u>\$ 21,918,725</u>	<u>\$ 8,111,753</u>

County of Monterey
Budgetary Comparison Schedule
County Service Areas
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,408,148	\$ 2,408,881	\$ 2,525,825	\$ 116,944
Revenue from Use of Money and Property	74,760	74,760	357,871	283,111
Aid from other Governmental Agencies	2,393	2,393	115,967	113,574
Charges for Services	<u>456,453</u>	<u>456,453</u>	<u>583,081</u>	<u>126,628</u>
Total Revenues	<u>2,941,754</u>	<u>2,942,487</u>	<u>3,582,744</u>	<u>640,257</u>
Expenditures				
Current:				
Public Ways and Facilities	3,664,073	7,179,010	3,125,937	4,053,073
Health and Sanitation	<u>2,198,103</u>	<u>2,198,103</u>	<u>2,054,170</u>	<u>143,933</u>
Total Expenditures	<u>5,862,176</u>	<u>9,377,113</u>	<u>5,180,107</u>	<u>4,197,006</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,920,422)</u>	<u>(6,434,626)</u>	<u>(1,597,363)</u>	<u>4,837,263</u>
Other Financing Sources (Uses):				
Transfers In	485,000	3,996,294	3,511,294	(485,000)
Transfers Out	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>485,000</u>	<u>3,976,294</u>	<u>(3,491,294)</u>	<u>(485,000)</u>
Net Change in Fund Balances	(2,435,422)	(2,458,332)	1,893,931	4,352,263
Fund Balances, Beginning	<u>12,059,207</u>	<u>12,059,207</u>	<u>12,059,207</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 9,623,785</u>	<u>\$ 9,600,875</u>	<u>\$ 13,953,138</u>	<u>\$ 4,352,263</u>

County of Monterey
Budgetary Comparison Schedule
Sanitation Districts
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 279,889	\$ 279,889	\$ 321,159	\$ 41,270
Licenses, Permits, and Franchises	1,200	1,200	6,714	5,514
Revenue from Use of Money and Property	3,247	3,247	9,035	5,788
Aid from other Governmental Agencies	1,273	1,311,411	1,342,135	30,724
Charges for Services	869,000	869,000	887,087	18,087
Total revenues	<u>1,154,609</u>	<u>2,464,747</u>	<u>2,566,130</u>	<u>101,383</u>
Expenditures				
Current:				
Health and Sanitation	1,421,474	5,231,215	3,631,579	1,599,636
Total Expenditures	<u>1,421,474</u>	<u>5,231,215</u>	<u>3,631,579</u>	<u>1,599,636</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(266,865)</u>	<u>(2,766,468)</u>	<u>(1,065,449)</u>	<u>1,701,019</u>
Other Financing Sources (Uses):				
Transfers In	-	2,499,603	2,499,603	-
Transfers Out	(38,250)	(38,250)	(38,250)	-
Total Other Financing Sources (Uses)	<u>(38,250)</u>	<u>2,461,353</u>	<u>2,461,353</u>	<u>-</u>
Net Change in Fund Balances	<u>(305,115)</u>	<u>(305,115)</u>	<u>1,395,904</u>	<u>1,701,019</u>
Fund Balances, Beginning	<u>403,598</u>	<u>403,598</u>	<u>403,598</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 98,483</u>	<u>\$ 98,483</u>	<u>\$ 1,799,502</u>	<u>\$ 1,701,019</u>

County of Monterey
Budgetary Comparison Schedule
Housing Successor
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ 298,200	\$ 298,200	\$ 168,255	\$ (129,945)
Charges for Services	4,000	4,000	8,000	4,000
Lease Revenue	-	-	217,959	217,959
Total Revenues	<u>302,200</u>	<u>302,200</u>	<u>394,214</u>	<u>92,014</u>
Expenditures				
Current:				
Public Assistance	809,943	809,943	237,654	572,289
Total Expenditures	<u>809,943</u>	<u>809,943</u>	<u>237,654</u>	<u>572,289</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	<u>(507,743)</u>	<u>(507,743)</u>	156,560	664,303
Transfers Out	(1,905)	(1,905)	-	1,905
Total Other Financing Sources (Uses)	(1,905)	(1,905)	-	1,905
Net Change in Fund Balances	(509,648)	(509,648)	156,560	666,208
Fund Balances, Beginning	<u>8,824,049</u>	<u>8,824,049</u>	<u>8,824,049</u>	<u>-</u>
Fund Balances, Ending	<u><u>\$ 8,314,401</u></u>	<u><u>\$ 8,314,401</u></u>	<u><u>\$ 8,980,609</u></u>	<u><u>\$ 666,208</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, 2023

	Debt Service General	Monterey County Financing Authority	Public Improvement Corporation Debt Service	Total
Assets				
Cash and Investments:				
Held in County Treasury	\$ 852,319	\$ 1,033,976	\$ -	\$ 1,886,295
Held with Trustee	-	994	5,048	6,042
Receivables (Net)	463	780	-	1,243
Total Assets	\$ 852,782	\$ 1,035,750	\$ 5,048	\$ 1,893,580
 Liabilities				
Deferred Inflows of Resources				
Unavailable Revenue	463	-	-	463
Total Deferred Inflows of Resources	463	-	-	463
 Fund Balances				
Restricted	-	1,035,750	5,048	1,040,798
Assigned	852,319	-	-	852,319
Total Fund Balances	852,319	1,035,750	5,048	1,893,117
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 852,782	\$ 1,035,750	\$ 5,048	\$ 1,893,580

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Debt Service
For the Fiscal Year Ended June 30, 2023

	<u>Debt Service General</u>	<u>Monterey County Financing Authority</u>	<u>Public Improvement Corporation Debt Service</u>	<u>Total</u>
Revenues				
Revenue from Use of Money and Property	\$ 2,560	\$ 759	\$ 1,504,829	\$ 1,508,148
Charges for Services	<u>14,654</u>	<u>-</u>	<u>-</u>	<u>14,654</u>
Total Revenues	<u>17,214</u>	<u>759</u>	<u>1,504,829</u>	<u>1,522,802</u>
Expenditures				
Debt Service:				
Principal	1,131,360	825,000	6,149,954	8,106,314
Interest and Debt Service Costs	<u>480,782</u>	<u>933,337</u>	<u>4,827,205</u>	<u>6,241,324</u>
Total Expenditures	<u>1,612,142</u>	<u>1,758,337</u>	<u>10,977,159</u>	<u>14,347,638</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,594,928)</u>	<u>(1,757,578)</u>	<u>(9,472,330)</u>	<u>(12,824,836)</u>
Other Financing Sources (Uses):				
Transfers In	<u>1,596,304</u>	<u>1,758,338</u>	<u>9,478,847</u>	<u>12,833,489</u>
Total Other Financing Sources (Uses)	<u>1,596,304</u>	<u>1,758,338</u>	<u>9,478,847</u>	<u>12,833,489</u>
Net Change in Fund Balance	1,376	760	6,517	8,653
Fund Balances, Beginning	<u>850,943</u>	<u>1,034,990</u>	<u>(1,469)</u>	<u>1,884,464</u>
Fund Balances, Ending	<u>\$ 852,319</u>	<u>\$ 1,035,750</u>	<u>\$ 5,048</u>	<u>\$ 1,893,117</u>

County of Monterey
Budgetary Comparison Schedule
Debt Service General
For the Fiscal Year Ended June 30, 2023

	<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	\$ 535	\$ 535	\$ 2,560	\$ 2,025
Charges for Services	<u>15,437</u>	<u>15,437</u>	<u>14,653</u>	<u>(784)</u>
Total Revenues	<u>15,972</u>	<u>15,972</u>	<u>17,213</u>	<u>1,241</u>
Expenditures				
Debt Service:				
Principal	1,065,000	1,065,000	1,131,360	(66,360)
Interest and Debt Service Costs	<u>657,099</u>	<u>657,099</u>	<u>480,781</u>	<u>176,318</u>
Total Expenditures	<u>1,722,099</u>	<u>1,722,099</u>	<u>1,612,141</u>	<u>109,958</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,706,127)</u>	<u>(1,706,127)</u>	<u>(1,594,928)</u>	<u>111,199</u>
Other Financing Sources (Uses)				
Transfers In	<u>1,706,250</u>	<u>1,706,250</u>	<u>1,596,304</u>	<u>(109,946)</u>
Total Other Financing Sources (Uses)	<u>1,706,250</u>	<u>1,706,250</u>	<u>1,596,304</u>	<u>(109,946)</u>
Net Change in Fund Balances	123	123	1,376	1,253
Fund Balances, Beginning	<u>850,943</u>	<u>850,943</u>	<u>850,943</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 851,066</u>	<u>\$ 851,066</u>	<u>\$ 852,319</u>	<u>\$ 1,253</u>

County of Monterey
Budgetary Comparison Schedule
Monterey County Financing Authority
For the Fiscal Year Ended June 30, 2023

	<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	\$ 1,758,338	\$ 1,758,338	\$ 759	\$ (1,757,579)
Total Revenues	<u>1,758,338</u>	<u>1,758,338</u>	<u>759</u>	<u>(1,757,579)</u>
Expenditures				
Debt Service:				
Principal	825,000	825,000	825,000	-
Interest and Debt Service Costs	<u>933,338</u>	<u>933,338</u>	<u>933,337</u>	<u>1</u>
Total Expenditures	<u>1,758,338</u>	<u>1,758,338</u>	<u>1,758,337</u>	<u>1</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(1,757,578)</u>	<u>(1,757,578)</u>
Other Financing Sources (Uses):				
Transfers In	<u>-</u>	<u>-</u>	<u>1,758,338</u>	<u>1,758,338</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,758,338</u>	<u>1,758,338</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>760</u>	<u>760</u>
Fund Balances, Beginning	<u>1,034,990</u>	<u>1,034,990</u>	<u>1,034,990</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,034,990</u>	<u>\$ 1,034,990</u>	<u>\$ 1,035,750</u>	<u>\$ 760</u>

County of Monterey
Budgetary Comparison Schedule
Public Improvement Corporation Debt Service
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Revenue from Use of Money and Property	\$ 14,478,525	\$ 14,478,525	\$ 1,504,829	\$ (12,973,696)
Fines, Forfeitures, and Penalties	1,500,000	1,500,000	-	(1,500,000)
Total Revenues	15,978,525	15,978,525	1,504,829	(14,473,696)
Expenditures				
Debt Service:				
Principal	9,967,537	9,967,537	6,149,954	3,817,583
Interest and Debt Service Costs	6,010,988	6,010,988	4,827,205	1,183,783
Total Expenditures	15,978,525	15,978,525	10,977,159	5,001,366
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(9,472,330)	(9,472,330)
Other Financing Sources (Uses):				
Transfers In	-	-	9,478,847	9,478,847
Total Other Financing Sources (Uses)	-	-	9,478,847	9,478,847
Net Change in Fund Balances	-	-	6,517	6,517
Fund Balances, Beginning	(1,469)	(1,469)	(1,469)	-
Fund Balances, Ending	<u>\$ (1,469)</u>	<u>\$ (1,469)</u>	<u>\$ 5,048</u>	<u>\$ 6,517</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

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.

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
Combining Balance Sheet
Capital Projects
June 30, 2023

	<u>Facility Master Plan Projects</u>	<u>Capital Projects Fund</u>	<u>Facilities Project Fund</u>	<u>Other Water Resources Agencies</u>
Assets				
Cash and Investments:				
Held in County Treasury	\$ 76,924,243	\$ 2,559,848	\$ 10,948	\$ 2,417,518
Loans and Notes Receivable	-	14,950	-	-
Total Assets	<u>\$ 76,924,243</u>	<u>2,574,798</u>	<u>10,948</u>	<u>2,417,518</u>
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 13,101,987	72,506	545	54,758
Accrued Salaries and Benefits	-	-	-	(3,494)
Deposits from Others	-	-	-	-
Unearned Revenues	-	22,146	-	1,799,488
Total Liabilities	<u>13,101,987</u>	<u>94,652</u>	<u>545</u>	<u>1,850,752</u>
Deferred Inflows of Resources				
Fund Balances				
Restricted	63,822,256	-	-	-
Assigned	-	2,480,146	10,403	566,766
Total Fund Balances	<u>63,822,256</u>	<u>2,480,146</u>	<u>10,403</u>	<u>566,766</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 76,924,243</u>	<u>\$ 2,574,798</u>	<u>\$ 10,948</u>	<u>\$ 2,417,518</u>

County of Monterey
Combining Balance Sheet
Capital Projects
June 30, 2023

	<u>NGEN Radio Project</u>	<u>East Garrison Capital Projects</u>	<u>Total</u>
Assets			
Cash and Investments:			
Held in County Treasury	\$ 1,007,083	\$ 205,318	\$ 83,124,958
Loans and Notes Receivable	-	-	14,950
	<u>1,007,083</u>	<u>205,318</u>	<u>83,139,908</u>
Total Assets			
Liabilities			
Accounts Payable and Accrued Liabilities	1,042	(575)	13,230,263
Accrued Salaries and Benefits	-	-	(3,494)
Deposits from Others	-	100,805	100,805
Unearned Revenues	-	-	1,821,634
	<u>1,042</u>	<u>100,230</u>	<u>15,149,208</u>
Total Liabilities			
Deferred Inflows of Resources			
Fund Balances			
Restricted	-	-	63,822,256
Assigned	1,006,041	105,088	4,168,444
	<u>1,006,041</u>	<u>105,088</u>	<u>67,990,700</u>
Total Fund Balances			
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,007,083</u>	<u>\$ 205,318</u>	<u>\$ 83,139,908</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects
For the Fiscal Year Ended June 30, 2023

	<u>Facility Master Plan Projects</u>	<u>Capital Projects Fund</u>	<u>Facilities Project Fund</u>	<u>Other Water Resources Agencies</u>
Revenues				
Revenue from Use of Money and Property	\$ (183,419)	\$ 70,535	\$ -	\$ 23,775
Aid from other Governmental Agencies	8,490,422	646,333	-	708,876
Charges for Services	610	-	-	-
Miscellaneous Revenues	70,564	-	-	-
Total Revenues	<u>8,378,177</u>	<u>716,868</u>	<u>-</u>	<u>732,651</u>
Expenditures				
General Government	-	-	-	-
Capital Outlay	40,810,494	-	-	391,664
Total Expenditures	<u>40,810,494</u>	<u>-</u>	<u>-</u>	<u>391,664</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(32,432,317)</u>	<u>716,868</u>	<u>-</u>	<u>340,987</u>
Other Financing Sources (Uses)				
Transfers In	26,334,260	-	-	-
Transfers Out	(3,401,067)	-	-	(515,000)
Total Other Financing Sources (Uses)	<u>22,933,193</u>	<u>-</u>	<u>-</u>	<u>(515,000)</u>
Net Change in Fund Balances	(9,499,124)	716,868	-	(174,013)
Fund Balances, Beginning	<u>73,321,380</u>	<u>1,763,278</u>	<u>10,403</u>	<u>740,779</u>
Fund Balances, Ending	<u>\$ 63,822,256</u>	<u>\$ 2,480,146</u>	<u>\$ 10,403</u>	<u>\$ 566,766</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects
For the Fiscal Year Ended June 30, 2023

	<u>NGEN Radio Project</u>	<u>East Garrison Capital Projects</u>	<u>Total</u>
Revenues			
Revenue from Use of Money and Property	\$ 27,646	\$ 8,278	\$ (53,185)
Aid from other Governmental Agencies	75,000	-	9,920,631
Charges for Services	-	-	610
Miscellaneous Revenues	-	-	70,564
Total Revenues	<u>102,646</u>	<u>8,278</u>	<u>9,938,620</u>
Expenditures			
General Government	599,495	-	599,495
Capital Outlay	-	61,840	41,263,998
Total Expenditures	<u>599,495</u>	<u>61,840</u>	<u>41,863,493</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(496,849)</u>	<u>(53,562)</u>	<u>(31,924,873)</u>
Other Financing Sources (Uses)			
Transfers In	538,267	-	26,872,527
Transfers Out	-	-	(3,916,067)
Total Other Financing Sources (Uses)	<u>538,267</u>	<u>-</u>	<u>22,956,460</u>
Net Change in Fund Balances	41,418	(53,562)	(8,968,413)
Fund Balances, Beginning	<u>964,623</u>	<u>158,650</u>	<u>76,959,113</u>
Fund Balances, Ending	<u><u>\$ 1,006,041</u></u>	<u><u>\$ 105,088</u></u>	<u><u>\$ 67,990,700</u></u>

County of Monterey
Budgetary Comparison Schedule
Facility Master Plan Projects
For the Fiscal Year Ended June 30, 2023

	<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	\$ -	\$ -	\$ (183,419)	\$ (183,419)
Aid from other Governmental Agencies	28,727,347	29,871,284	8,490,422	(21,380,862)
Charges for Services	-	-	610	610
Miscellaneous Revenues	-	-	70,564	70,564
Total Revenues	<u>28,727,347</u>	<u>29,871,284</u>	<u>8,378,177</u>	<u>(21,493,107)</u>
Expenditures:				
Capital Outlay	49,052,709	68,903,085	40,810,494	28,092,591
Total Expenditures	<u>49,052,709</u>	<u>68,903,085</u>	<u>40,810,494</u>	<u>28,092,591</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(20,325,362)</u>	<u>(39,031,801)</u>	<u>(32,432,317)</u>	<u>6,599,484</u>
Other Financing Sources (Uses):				
Transfers In	28,396,296	41,667,136	26,334,260	(15,332,876)
Transfers Out	<u>(25,000,000)</u>	<u>(25,000,000)</u>	<u>(3,401,067)</u>	<u>21,598,933</u>
Total Other Financing Sources (Uses)	<u>3,396,296</u>	<u>16,667,136</u>	<u>22,933,193</u>	<u>6,266,057</u>
Net Change in Fund Balances	(16,929,066)	(22,364,665)	(9,499,124)	12,865,541
Fund Balances, Beginning	<u>73,321,380</u>	<u>73,321,380</u>	<u>73,321,380</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 56,392,314</u>	<u>\$ 50,956,715</u>	<u>\$ 63,822,256</u>	<u>\$ 12,865,541</u>

County of Monterey
Budgetary Comparison Schedule
Capital Projects Fund
For the Fiscal Year Ended June 30, 2023

	<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	\$ -	\$ -	\$ 70,535	\$ 70,535
Aid from other Governmental Agencies	-	-	646,333	646,333
Total Revenues	<u>-</u>	<u>-</u>	<u>716,868</u>	<u>716,868</u>
Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>716,868</u>	<u>716,868</u>
Other Financing Sources (Uses):				
Net Change in Fund Balances	-	-	716,868	716,868
Fund Balances, Beginning	<u>1,763,278</u>	<u>1,763,278</u>	<u>1,763,278</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,763,278</u>	<u>\$ 1,763,278</u>	<u>\$ 2,480,146</u>	<u>\$ 716,868</u>

County of Monterey
Budgetary Comparison Schedule
Facilities Project Fund
For the Fiscal Year Ended June 30, 2023

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

County of Monterey
Budgetary Comparison Schedule
Other Water Resources Agencies
For the Fiscal Year Ended June 30, 2023

	<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	\$ 12,128	\$ 12,128	\$ 23,775	\$ 11,647
Aid from other Governmental Agencies	<u>2,010,500</u>	<u>2,010,500</u>	<u>708,876</u>	<u>(1,301,624)</u>
Total Revenues	<u>2,022,628</u>	<u>2,022,628</u>	<u>732,651</u>	<u>(1,289,977)</u>
Expenditures				
Capital Outlay	1,227,516	1,227,516	391,664	835,852
Public Protection	<u>1,975</u>	<u>1,975</u>	<u>-</u>	<u>1,975</u>
Total Expenditures	<u>1,229,491</u>	<u>1,229,491</u>	<u>391,664</u>	<u>837,827</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>793,137</u>	<u>793,137</u>	<u>340,987</u>	<u>(452,150)</u>
Transfers Out	<u>(1,280,000)</u>	<u>(1,280,000)</u>	<u>(515,000)</u>	<u>765,000</u>
Total Other Financing Sources (Uses)	<u>(1,280,000)</u>	<u>(1,280,000)</u>	<u>(515,000)</u>	<u>765,000</u>
Net Change in Fund Balances	<u>(486,863)</u>	<u>(486,863)</u>	<u>(174,013)</u>	<u>312,850</u>
Fund Balances, Beginning	<u>740,779</u>	<u>740,779</u>	<u>740,779</u>	<u>-</u>
Fund Balances, Ending	<u><u>\$ 253,916</u></u>	<u><u>\$ 253,916</u></u>	<u><u>\$ 566,766</u></u>	<u><u>\$ 312,850</u></u>

County of Monterey
Budgetary Comparison Schedule
NGEN Radio Project
For the Fiscal Year Ended June 30, 2023

	<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	\$ -	\$ -	\$ 27,646	\$ 27,646
Aid from other Governmental Agencies	-	-	75,000	75,000
Total Revenues	<u>-</u>	<u>-</u>	<u>102,646</u>	<u>102,646</u>
Expenditures				
General Government	1,536,000	1,536,000	599,495	936,505
Total Expenditures	<u>1,536,000</u>	<u>1,536,000</u>	<u>599,495</u>	<u>936,505</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,536,000)</u>	<u>(1,536,000)</u>	<u>(496,849)</u>	<u>1,039,151</u>
Total Other Financing Sources (Uses)	<u>538,267</u>	<u>538,267</u>	<u>538,267</u>	<u>-</u>
Net Change in Fund Balances	(997,733)	(997,733)	41,418	(1,039,151)
Fund Balances, Beginning	<u>964,623</u>	<u>964,623</u>	<u>964,623</u>	<u>-</u>
Fund Balances, Ending	<u>\$ (33,110)</u>	<u>\$ (33,110)</u>	<u>\$ 1,006,041</u>	<u>\$ 1,039,151</u>

County of Monterey
Budgetary Comparison Schedule
East Garrison Capital Projects
For the Fiscal Year Ended June 30, 2023

	<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	\$ 8,278	\$ 6,278
Miscellaneous Revenues	<u>134,000</u>	<u>134,000</u>	<u>-</u>	<u>(134,000)</u>
Total Revenues	<u>136,000</u>	<u>136,000</u>	<u>8,278</u>	<u>(127,722)</u>
Expenditures:				
Capital Outlay	<u>172,925</u>	<u>172,925</u>	<u>61,840</u>	<u>111,085</u>
Total Expenditures	<u>172,925</u>	<u>172,925</u>	<u>61,840</u>	<u>111,085</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(36,925)</u>	<u>(36,925)</u>	<u>(53,562)</u>	<u>(16,637)</u>
Other Financing Sources (Uses):				
Transfers In	<u>34,750</u>	<u>34,750</u>	<u>-</u>	<u>(34,750)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>34,750</u>	<u>-</u>	<u>(34,750)</u>
Net Change in Fund Balances	(2,175)	(2,175)	(53,562)	(51,387)
Fund Balances, Beginning	<u>158,650</u>	<u>158,650</u>	<u>158,650</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 156,475</u>	<u>\$ 156,475</u>	<u>\$ 105,088</u>	<u>\$ (51,387)</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, 2023

	LSRA	Parks Lake & Resort Operations	Total
Assets			
Current Assets:			
Held in County Treasury	\$ 8,824,753	\$ 1,896,060	\$ 10,720,813
Receivables (Net)	398,484	645,448	1,043,932
Inventories	303,265	-	303,265
Prepaid Expense	2,526,829	-	2,526,829
Total Current Assets	<u>12,053,331</u>	<u>2,541,508</u>	<u>14,594,839</u>
Noncurrent Assets			
Capital Assets	8,382,601	818,455	9,201,056
Right-to-Use Assets	62,884	-	62,884
Total Noncurrent Assets	<u>8,445,485</u>	<u>818,455</u>	<u>9,263,940</u>
Total Assets	<u>20,498,816</u>	<u>3,359,963</u>	<u>23,858,779</u>
Deferred Outflows of Resources			
Deferred Outflows from Pensions	255,587	-	255,587
Deferred Outflows from OPEB	12,268	-	12,268
Total Deferred Outflows of Resources	<u>267,855</u>	<u>-</u>	<u>267,855</u>
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Liabilities	4,595,710	181,812	4,777,522
Accrued Salaries and Benefits	28,534	180,380	208,914
Accrued Interest Payable	241	-	241
Due to Other Funds	-	505,412	505,412
Deposits from Others	-	10,230	10,230
Unearned Revenue	6,188,295	30,638	6,218,933
Compensated Absences - Current Portion	27,922	-	27,922
Lease Liability - Current Portion	45,706	-	45,706
Total Current Liabilities	<u>10,886,408</u>	<u>908,472</u>	<u>11,794,880</u>
Long-term liabilities:			
Net Pension Liability	591,405	-	591,405
Net OPEB Liability	26,899	-	26,899
Compensated Absences - Noncurrent Portion	123,789	-	123,789
Lease Liability - Noncurrent Portion	18,188	-	18,188
Total Long-Term Liabilities	<u>760,281</u>	<u>-</u>	<u>760,281</u>
Total Liabilities	<u>11,646,689</u>	<u>908,472</u>	<u>12,555,161</u>
Deferred Inflows of Resources			
Deferred Inflows from Pensions	2,481	-	2,481
Deferred Inflows from OPEB	984	-	984
Total Deferred Inflows of Resources	<u>3,465</u>	<u>-</u>	<u>3,465</u>
Net Position			
Investment in Capital Assets	8,417,776	819,201	9,236,977
Restricted	800,000	913,531	1,713,531
Unrestricted (Deficit)	(101,259)	718,759	617,500
Total Net Position	<u>\$ 9,116,517</u>	<u>\$ 2,451,491</u>	<u>\$ 11,568,008</u>

County of Monterey
Combining Statement of Revenues, Expenditures and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2023

	LSRA	Parks Lake & Resort Operations	Total
Operating Revenues:			
Charges for Services	\$ 13,807,020	\$ 3,219,310	\$ 17,026,330
Other Operating Revenues	1,205,794	27	1,205,821
Aid from other Governmental Agencies	95,542	-	95,542
Lease Revenue	78	-	78
Total Operating Revenues	<u>15,108,434</u>	<u>3,219,337</u>	<u>18,327,771</u>
Operating Expenses:			
Salaries, Wages and Benefits	1,128,517	-	1,128,517
Services and Supplies	17,351,041	3,583,608	20,934,649
Depreciation and Amortization	572,275	193,190	765,465
Other Operating Expenses	26,169	-	26,169
Total Operating Expenses	<u>19,078,002</u>	<u>3,776,798</u>	<u>22,854,800</u>
Net Operating Income (Loss)	<u>(3,969,568)</u>	<u>(557,461)</u>	<u>(4,527,029)</u>
Non-Operating Revenues (Expenses):			
Interest Income	29,644	1,332	30,976
Interest Expense	(3,782)	(38,392)	(42,174)
Other Non-Operating Revenues	(121,589)	-	(121,589)
Total Non-Operating Revenues (Expenses)	<u>(95,727)</u>	<u>(37,060)</u>	<u>(132,787)</u>
Net Income (Loss) Before Transfers and Capital Contributions	<u>(4,065,295)</u>	<u>(594,521)</u>	<u>(4,659,816)</u>
Transfers In	<u>3,250,000</u>	<u>722,205</u>	<u>3,972,205</u>
Change in Net Position	(815,295)	127,684	(687,611)
Net Position, Beginning of Year	<u>9,931,812</u>	<u>2,323,807</u>	<u>12,255,619</u>
Net Position, End of Year	<u>\$ 9,116,517</u>	<u>\$ 2,451,491</u>	<u>\$ 11,568,008</u>

County of Monterey
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2023

	LSRA	Parks Lake & Resort Operations	Total
Cash Flows From Operating Activities:			
Cash Receipts from Customers	\$ 16,656,398	\$ 3,071,694	\$ 19,728,092
Cash Receipts from Interfund Charges	206,620	-	206,620
Cash (Paid)/Received for Other Services	(43,549)	-	(43,549)
Cash Paid to Employees for Services	(766,352)	-	(766,352)
Cash Paid to Suppliers for Goods and Services	(11,924,276)	(3,452,904)	(15,377,180)
Net Cash Provided (Used) by Operating Activities	<u>4,128,841</u>	<u>(381,210)</u>	<u>3,747,631</u>
Cash Flows From Noncapital Financing Activities:			
Transfers from Other Funds	3,250,000	722,205	3,972,205
Due to Other Funds	-	24,599	24,599
Net Cash Provided (Used) by Noncapital Financing Activities	<u>3,250,000</u>	<u>746,804</u>	<u>3,996,804</u>
Cash Flows From Capital and Related Financing Activities			
Repayment of Advances	-	(505,412)	(505,412)
Interest Paid on Capital Related Debt	-	(38,392)	(38,392)
Payments Related to Acquisition of Capital Assets	(108,348)	-	(108,348)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(108,348)</u>	<u>(543,804)</u>	<u>(652,152)</u>
Cash Flows From Investing Activities			
Interest Payments Received	29,644	1,332	30,976
Interest Paid on Capital Related Debt	(120,842)	-	(120,842)
Net Cash Provided (Used) by Investing Activities	<u>(91,198)</u>	<u>1,332</u>	<u>(89,866)</u>
Net Cash Increase (Decreases) in Cash and Cash Equivalents	<u>7,179,295</u>	<u>(176,878)</u>	<u>7,002,417</u>
Cash and Cash Equivalents, July 1	<u>1,645,458</u>	<u>2,072,938</u>	<u>3,718,396</u>
Cash and Cash Equivalents, June 30	<u>8,824,753</u>	<u>1,896,060</u>	<u>10,720,813</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position			
Cash and Cash Equivalents	<u>8,824,753</u>	<u>1,896,060</u>	<u>10,720,813</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income (Loss)	(3,969,568)	(557,461)	(4,527,029)
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	504,453	193,190	697,643
(Increase) Decrease in Receivables	1,548,041	(147,642)	1,400,399
(Increase) Decrease in Inventories	(149,762)	-	(149,762)
(Increase) Decrease in Prepaid Items	(1,830,886)	-	(1,830,886)
Increase (Decrease) in Accounts Payable	1,679,082	100,065	1,779,147
Increase (Decrease) in Deferred Outflows - Pension	(217,738)	-	(217,738)
Increase (Decrease) in Deferred Outflows - OPEB	244	-	244
Increase (Decrease) in Other Salaries and Benefits	20,851	-	20,851
Increase (Decrease) in Compensated Absences	134,485	-	134,485
Increase (Decrease) in Post-employment Liability	(20)	-	(20)
Increase (Decrease) in Deferred Inflows - Pension	(68,553)	-	(68,553)
Increase (Decrease) in Deferred inflows - OPEB	(7,355)	-	(7,355)
Increase (Decrease) in Pension Liability	500,251	-	500,251
Increase (decrease) in deferred revenues	5,961,121	30,638	5,991,759
Increase (decrease) in Lease Liabilities	24,195	-	24,195
Total Adjustments	<u>8,098,409</u>	<u>176,251</u>	<u>8,274,660</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 4,128,841</u>	<u>\$ (381,210)</u>	<u>\$ 3,747,631</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, 2023

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Assets					
Current Assets:					
Held in County Treasury	\$ 27,826,326	\$ 98,993,333	\$ 3,834,082	\$ 60,556,049	\$ 191,209,790
Other Bank Accounts	500,000	4,351,656	919,598	-	5,771,254
Receivables (Net)	-	-	-	9,600	9,600
Due from Other Funds	692,344	-	-	-	692,344
Total Current Assets	<u>29,018,670</u>	<u>03,344,989</u>	<u>4,753,680</u>	<u>60,565,649</u>	<u>197,682,988</u>
Noncurrent Assets:					
Capital Assets	-	-	-	5,493,188	5,493,188
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,493,188</u>	<u>5,493,188</u>
Total Assets	<u>29,018,670</u>	<u>03,344,989</u>	<u>4,753,680</u>	<u>66,058,837</u>	<u>203,176,176</u>
Liabilities					
Current Liabilities:					
Accounts Payable and Accrued Liabilities	88,516	2,002,750	468,347	420,780	2,980,393
Accrued Salaries and Benefits	181	159	439,929	-	440,269
Current Portion of Claims Liability	6,286,683	15,531,653	1,210,008	-	23,028,344
Total Current Liabilities	<u>6,375,380</u>	<u>17,534,562</u>	<u>2,118,284</u>	<u>420,780</u>	<u>26,449,006</u>
Long-Term Liabilities:					
Claims Liability	15,494,175	77,425,012	-	-	92,919,187
Total Long-Term Liabilities	<u>15,494,175</u>	<u>77,425,012</u>	<u>-</u>	<u>-</u>	<u>92,919,187</u>
Total Liabilities	<u>21,869,555</u>	<u>94,959,574</u>	<u>2,118,284</u>	<u>420,780</u>	<u>119,368,193</u>
Net Position:					
Net Investment in Capital Assets	-	-	-	5,493,188	5,493,188
Unrestricted (Deficit)	7,149,115	8,385,415	2,635,396	60,144,869	78,314,795
Total Net Position	<u>7,149,115</u>	<u>8,385,415</u>	<u>2,635,396</u>	<u>65,638,057</u>	<u>83,807,983</u>
Total Liabilities and Net Position	<u>\$ 29,018,670</u>	<u>\$ 03,344,989</u>	<u>\$ 4,753,680</u>	<u>\$ 66,058,837</u>	<u>\$ 203,176,176</u>

County of Monterey
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2023

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Operating Revenues:					
Charges for Services	\$ 20,681,193	\$ 25,685,015	\$ 6,714,878	\$ 8,548,844	\$ 61,629,930
Other Operating Revenues	-	2,267,983	4,263,809	16,209	6,548,001
Total Operating Revenues	<u>20,681,193</u>	<u>27,952,998</u>	<u>10,978,687</u>	<u>8,565,053</u>	<u>68,177,931</u>
Operating Expenses:					
Salaries, Wages and Benefits	-	-	5,300,827	-	5,300,827
Services and Supplies	11,100,849	6,313,497	1,602,541	256,089	19,272,976
Claims Expense	3,121,815	21,497,190	6,567,413	-	31,186,418
Depreciation and Amortization	-	-	-	4,586,356	4,586,356
Other Operating Expenses	317,857	216,112	278,472	(10,674,361)	(9,861,920)
Total Operating Expenses	<u>14,540,521</u>	<u>28,026,799</u>	<u>13,749,253</u>	<u>(5,831,916)</u>	<u>50,484,657</u>
Net Operating Income (Loss)	<u>6,140,672</u>	<u>(73,801)</u>	<u>(2,770,566)</u>	<u>14,396,969</u>	<u>17,693,274</u>
Non-Operating Revenues (Expenses):					
Interest Income	529,143	2,679,408	273,008	1,506,890	4,988,449
Interest Expense	(5,064)	-	-	-	(5,064)
Other Non-Operating Revenues	-	-	-	193,544	193,544
Total Non-Operating Revenues (Expenses)	<u>524,079</u>	<u>2,679,408</u>	<u>273,008</u>	<u>1,700,434</u>	<u>5,176,929</u>
Net Income (Loss) Before Transfers and Capital Contributions	6,664,751	2,605,607	(2,497,558)	16,097,403	22,870,203
Transfers Out	<u>(2,998,000)</u>	-	-	<u>(10,773,044)</u>	<u>(13,771,044)</u>
Change in Net Position	3,666,751	2,605,607	(2,497,558)	5,324,359	9,099,159
Net Position, Beginning 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>
Net Position, End of Year	<u>\$ 7,149,115</u>	<u>\$ 8,385,415</u>	<u>\$ 2,635,396</u>	<u>\$ 65,638,057</u>	<u>\$ 83,807,983</u>

County of Monterey
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2023

	General Liability Fund	Worker's Comp Fund	Benefit Programs Fund	Resource Planning	Total
Cash Flows from Operating Activities:					
Cash Receipts From Customers	\$ 338	\$ 2,453,498	\$ 4,263,808	\$ 13,761	\$ 6,731,405
Cash Receipts From Interfund Charges	20,681,193	25,685,015	6,422,867	8,648,754	61,437,829
Cash Paid to Employees for Services	-	-	(5,300,827)	-	(5,300,827)
Cash Paid to Suppliers for Good and Services	<u>(14,087,971)</u>	<u>(23,638,222)</u>	<u>(8,630,942)</u>	<u>10,543,811</u>	<u>(35,813,324)</u>
Net Cash Provided (Used) by Operating Activities	<u>6,593,560</u>	<u>4,500,291</u>	<u>(3,245,094)</u>	<u>19,206,326</u>	<u>27,055,083</u>
Cash Flows From Noncapital Financing Activities:					
Transfers to Other Funds	(2,998,000)	-	-	(10,773,044)	(13,771,044)
Due From Other Funds	<u>(33,696)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,696)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(3,031,696)</u>	<u>-</u>	<u>-</u>	<u>(10,773,044)</u>	<u>(13,804,740)</u>
Cash flows from capital and related financing activities:					
Collection of Advances	692,344	-	-	-	692,344
Principal Paid on Capital Related Debt	(485,175)	-	-	-	(485,175)
Interest Paid on Capital Related Debt	(5,064)	-	-	-	(5,064)
Payments Related to Acquisition of Capital Assets	-	-	-	(1,599,270)	(1,599,270)
Collections Related to Dispositions of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>193,544</u>	<u>193,544</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>202,105</u>	<u>-</u>	<u>-</u>	<u>(1,405,726)</u>	<u>(1,203,621)</u>
Cash Flows From Investing Activities:					
Interest Payments Received	<u>529,143</u>	<u>2,679,407</u>	<u>273,009</u>	<u>1,506,890</u>	<u>4,988,449</u>
Net Cash Provided (Used) by Investing Activities	<u>529,143</u>	<u>2,679,407</u>	<u>273,009</u>	<u>1,506,890</u>	<u>4,988,449</u>
Net Cash Increase (Decreases) in Cash and Cash Equivalents	<u>4,293,112</u>	<u>7,179,698</u>	<u>(2,972,085)</u>	<u>8,534,446</u>	<u>17,035,171</u>
Cash and Cash Equivalents, July 1	<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>
Cash and Cash Equivalents, June 30	<u>28,326,326</u>	<u>103,344,989</u>	<u>4,753,680</u>	<u>60,556,049</u>	<u>196,981,044</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position:					
Cash and Cash Equivalents	27,826,326	98,993,333	3,834,082	60,556,049	191,209,790
Other Bank Accounts	<u>500,000</u>	<u>4,351,656</u>	<u>919,598</u>	<u>-</u>	<u>5,771,254</u>
Total Cash and Cash Equivalents	<u>28,326,326</u>	<u>103,344,989</u>	<u>4,753,680</u>	<u>60,556,049</u>	<u>196,981,044</u>

County of Monterey
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2023

	<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)	6,140,672	(73,801)	(2,770,566)	14,396,969	17,693,274
Adjustments To Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	-	-	-	4,586,356	4,586,356
(Increase) Decrease in Receivables	338	185,514	-	(2,448)	183,404
(Increase) Decrease in Prepaid Items	122,573	-	-	-	122,573
Increase (Decrease) in Accounts Payable	(40,146)	1,137,417	(223,763)	225,449	1,098,957
Increase (Decrease) in Other Accrued Liabilities	-	-	(292,011)	-	(292,011)
Increase (Decrease) in Claims Liability	370,123	3,251,160	41,247	-	3,662,530
Net Cash Provided (Used) by Operating Activities:	<u>\$ 6,593,560</u>	<u>\$ 4,500,290</u>	<u>\$ (3,245,093)</u>	<u>\$ 19,206,326</u>	<u>\$ 27,055,083</u>

FIDUCIARY FUNDS



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County of Monterey
 Combining Statement of Fiduciary Net Position - Investment Trust Funds
 June 30, 2023

	Special Districts	Schools	County	Total
Assets				
Held in County Treasury	\$ 207,996,377	\$ 1,577,670,471	\$ 239,906	\$ 1,785,906,754
Total Assets	<u>207,996,377</u>	<u>1,577,670,471</u>	<u>239,906</u>	<u>1,785,906,754</u>
Net Position				
Net Position Held in Trust for Investment Pool	207,996,377	1,577,670,471	239,906	1,785,906,754
Total Net Position	<u>\$ 207,996,377</u>	<u>\$ 1,577,670,471</u>	<u>\$ 239,906</u>	<u>\$ 1,785,906,754</u>

County of Monterey
Combining Statement of Changes in Fiduciary Net Position- Investment Trust Funds
For the Fiscal Year Ended June 30, 2023

	Special Districts	Schools	County	Total
Additions				
Contributions to Investment Pool	\$ 129,230,380	\$ 2,386,313,785	\$ 397,020	\$ 2,515,941,185
Investment Related Collections for other Governments	5,167,841	29,411,500	6,786	34,586,127
Total Additions	<u>134,398,221</u>	<u>2,415,725,285</u>	<u>403,806</u>	<u>2,550,527,312</u>
Deductions				
Distributions from Investment Pool	120,453,697	2,038,114,682	405,292	2,158,973,671
Total Deductions	<u>120,453,697</u>	<u>2,038,114,682</u>	<u>405,292</u>	<u>2,158,973,671</u>
Change in Net Position				
Net Position, Beginning of Year	13,944,524	377,610,603	(1,486)	391,553,641
Net Position, End of Year	<u>194,051,853</u>	<u>1,200,059,868</u>	<u>241,392</u>	<u>1,394,353,113</u>
	<u>\$ 207,996,377</u>	<u>\$ 1,577,670,471</u>	<u>\$ 239,906</u>	<u>\$ 1,785,906,754</u>

County of Monterey
Combining Statement of Fiduciary Net Position - Private Purpose Trust Funds
June 30, 2023

	Public Guardian	Successor Agencies	Total
Assets			
Held in County Treasury	\$ 5,944,104	\$ 4,326,872	\$ 10,270,976
Other Bank Accounts	21,251	-	21,251
Long-Term Receivables	-	27,938	27,938
Assets Held for Resale	-	24,068	24,068
Equipment	-	371,290	371,290
Total Assets	<u>5,965,355</u>	<u>4,750,168</u>	<u>10,715,523</u>
Liabilities			
Accounts Payable and Accrued Expenses	-	324,115	324,115
Unearned Revenues	-	45,153	45,153
Assets Held as Agency for Others	-	108,584	108,584
Total Liabilities	<u>-</u>	<u>477,852</u>	<u>477,852</u>
Net Position			
Restricted to Individual, Organizations, and Other Governments	<u>5,965,355</u>	<u>4,272,316</u>	<u>10,237,671</u>
Total Net Position	<u>\$ 5,965,355</u>	<u>\$ 4,272,316</u>	<u>\$ 10,237,671</u>

County of Monterey
Combining Statement of Changes in Fiduciary Net Position - Private Purpose Trust Funds
For the Fiscal Year Ended June 30, 2023

	Public Guardian	Successor Agencies	Total
Additions			
Property Taxes	\$ -	\$ 2,215,198	\$ 2,215,198
Investment Related Collections for other Governments	141,997	186,223	328,220
Gifts & Bequests	6,890,716	-	6,890,716
Other Contributions	-	76,647	76,647
Total Additions	<u>7,032,713</u>	<u>2,478,068</u>	<u>9,510,781</u>
Deductions			
Administrative Expenses	-	3,005,425	3,005,425
Beneficiary payments to individuals	5,500,845	-	5,500,845
Depreciation and Amortization	-	103,379	103,379
Total Deductions	<u>5,500,845</u>	<u>3,108,804</u>	<u>8,609,649</u>
Change in Net Position			
	1,531,868	(630,736)	901,132
Net Position, Beginning of Year	<u>4,433,487</u>	<u>4,903,052</u>	<u>9,336,539</u>
Net Position, End of Year	<u>\$ 5,965,355</u>	<u>\$ 4,272,316</u>	<u>\$ 10,237,671</u>

County of Monterey
Combining Statement of Fiduciary Net Position- Custodial Funds
June 30, 2023

	Taxes and Interest	Departmental	Transit	Community Facilities Districts	Total
Assets					
Held in County Treasury	\$10,435,357	\$64,376,018	\$ 2,234,969	\$ 1,605,863	\$ 78,652,207
Taxes Receivable	<u>38,141,352</u>	-	-	-	<u>38,141,352</u>
Total Assets	<u>48,576,709</u>	<u>64,376,018</u>	<u>2,234,969</u>	<u>1,605,863</u>	<u>116,793,559</u>
Liabilities					
Accounts Payable and Accrued Expenses	42,725	908,493	-	-	951,218
Assets Held as Agency for Others	<u>18,935,953</u>	-	-	-	<u>18,935,953</u>
Total Liabilities	<u>18,978,678</u>	<u>908,493</u>	-	-	<u>19,887,171</u>
Net Position					
Restricted to Individual, Organizations, and Other Governments	<u>29,598,031</u>	<u>63,467,525</u>	<u>2,234,969</u>	<u>1,605,863</u>	<u>96,906,388</u>
Total Net Position	<u><u>\$29,598,031</u></u>	<u><u>\$63,467,525</u></u>	<u><u>\$ 2,234,969</u></u>	<u><u>\$ 1,605,863</u></u>	<u><u>\$ 96,906,388</u></u>

County of Monterey
Combining Statement of Changes in Fiduciary Net Position- Custodial Funds
For the Fiscal Year Ended June 30, 2023

	Taxes and Interest	Departmental	Transit	Community Facilities Districts	Total
Additions					
Local Tax collected for other Government	\$ 1,173,820,025	\$ 38,428,945	\$ -	\$ 1,143,647	\$ 1,213,392,617
Assistance Fund Received for other Government	-	887,383	31,103,542	-	31,990,925
Investment Related Collections for other Governments	47,301,551	1,270,639	68,852	13	48,641,055
Other Contributions	-	387,720	908,484	-	1,296,204
Total Additions	<u>1,221,121,576</u>	<u>40,974,687</u>	<u>32,080,878</u>	<u>1,143,660</u>	<u>1,295,320,801</u>
Deductions					
Administrative Expenses	1,575,813	1,274,544	910,895	-	3,761,252
Payment of Local Tax to other Governments	1,172,868,030	25,659,147	-	1,142,407	1,199,669,584
Payment of Assistance fund to other Government	-	734,183	32,469,487	1,958	33,205,628
Investment related Payments	59,359,203	-	-	-	59,359,203
Total Deductions	<u>1,233,803,046</u>	<u>27,667,874</u>	<u>33,380,382</u>	<u>1,144,365</u>	<u>1,295,995,667</u>
Change in Net Position	(12,681,470)	13,306,813	(1,299,504)	(705)	(674,866)
Net Position, Beginning 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>
Net Position, End of Year	<u>\$ 29,598,031</u>	<u>\$ 63,467,525</u>	<u>\$ 2,234,969</u>	<u>\$ 1,605,863</u>	<u>\$ 96,906,388</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, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>General Government</u>				
Annual County Audit	\$ 118,885	\$ 118,885	\$ 117,819	\$ 1,066
Assessor	7,731,268	7,731,268	7,157,704	573,564
Auditor-Controller	1,788,784	1,788,784	983,187	805,597
Board of Supervisors	4,795,331	4,795,331	4,779,212	16,119
CAO - Administration / Finance / Budget	1,788,644	1,886,933	1,653,560	233,373
CAO Auxiliary Services	26,144	26,144	17,700	8,444
CAO-Community Engagement & Strategic				
Advocacy	810,973	645,702	336,443	309,259
Civil Rights Office	381,261	381,261	273,805	107,456
Clerk of the Board	1,155,754	1,161,754	994,386	167,368
Contingencies	7,398,322	5,884,158	-	5,884,158
Contracts & Purchasing	(740,870)	(658,888)	(680,680)	21,792
County Counsel	1,209,263	1,209,263	504,912	704,351
County Memberships	81,682	81,682	81,438	244
Courier & Mail Services	(301,961)	(301,961)	(344,080)	42,119
Courier & Mail Services	-	-	(37,737)	37,737
Development Set-Aside	6,231,129	6,231,129	3,752,000	2,479,129
Elections	5,523,076	5,653,076	5,333,519	319,557
Enterprise Risk	206,905	206,905	5,098	201,807
Facilities Services	2,599,693	13,022,761	4,259,024	8,763,737
Fleet Operations	600,142	600,142	418,418	181,724
Human Resources	1,470,406	1,470,406	908,429	561,977
Information Technology Systems	(680,701)	1,335,546	(6,370,851)	7,706,397
Insurance & Other General Expenditures	288,674	288,674	19,575	269,099
Intergovernmental / Legislative Affairs	5,310,022	5,708,618	3,963,472	1,745,146
Pension Unfunded Liability	-	250,000	176,328	73,672
PWFP Administration	3,922,310	3,998,273	4,048,710	(50,437)
Records Retention	(402,499)	(402,499)	(420,664)	18,165
Risk Management	-	-	(6,975)	6,975
Treasurer - Tax Collector	9,514,514	9,514,514	7,850,983	1,663,531
Utilities	1,871,916	2,204,743	2,136,702	68,041
	<u>62,699,067</u>	<u>74,832,604</u>	<u>41,911,437</u>	<u>32,921,167</u>
Total General Government				

continued

County of Monterey
Schedule of Expenditures-Budget and Actual
General
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>Public Safety and Protection</u>				
Agriculture Commissioner	13,038,300	13,038,300	13,326,431	(288,131)
Animal Services	4,825,854	4,825,854	4,294,809	531,045
Child Support Services	11,646,776	11,646,776	10,624,190	1,022,586
Clerk-Recorder	2,899,594	2,899,594	2,647,775	251,819
Contributions	4,968,576	5,003,576	4,973,338	30,238
Courts	8,937,113	8,937,113	7,966,569	970,544
District Attorney	39,246,040	39,346,040	35,673,273	3,672,767
Grand Jury	342,952	342,952	321,034	21,918
Office of Emergency Services	3,271,091	10,261,197	8,787,805	1,473,392
Probation	64,139,321	64,139,321	57,867,449	6,271,872
Public Defender	18,449,637	18,449,637	17,971,808	477,829
Public Guardian / Administrator	3,100,211	3,100,211	2,857,618	242,593
Sheriff - Admin & Enforcement Ops	61,335,234	62,597,334	60,961,013	1,636,321
Sheriff - Custody Operations	79,469,213	83,169,213	82,389,298	779,915
Stormwater Floodplain Management	1,144,710	1,144,710	1,302,650	(157,940)
Total Public Safety and Protection	<u>316,814,622</u>	<u>328,901,828</u>	<u>311,965,060</u>	<u>16,936,768</u>
<u>Health and Sanitation</u>				
Children's Medical Services	5,176,413	5,176,413	4,558,623	617,790
Clinic Services	69,575,906	69,575,906	58,172,134	11,403,772
County Disposal Sites	149,410	149,410	117,144	32,266
Emergency Medical Services	319,694	429,694	256,047	173,647
Environmental Health	13,039,456	13,039,456	10,739,233	2,300,223
Health Department Administration	8,509,804	8,840,923	5,202,975	3,637,948
Litter Control	474,287	344,664	158,092	186,572
Public Health	45,950,412	45,950,412	27,298,512	18,651,900
Special Districts Administration	59,296	59,296	59,140	156
Total Health and Sanitation	<u>143,254,678</u>	<u>143,566,174</u>	<u>106,561,900</u>	<u>37,004,274</u>

continued

County of Monterey
Schedule of Expenditures-Budget and Actual
General
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<u>Public Assistance</u>				
Community Development	15,507,128	15,317,299	13,897,938	1,419,361
Community Programs	6,256,681	13,636,890	12,742,422	894,468
Entitlement Programs	77,751,973	89,222,911	83,793,466	5,429,445
Entitlement Programs - Gen. Assistance	1,064,495	1,064,495	930,758	133,737
HCD Administration	3,993,238	4,183,067	3,900,272	282,795
Housing and Economic Dev Admin	1,028,523	1,078,523	1,073,346	5,177
Military & Veterans' Services	2,175,989	2,175,989	1,812,280	363,709
Senior & Aging Services	3,348,151	5,220,169	4,447,525	772,644
Social Services	152,978,766	152,978,766	136,339,875	16,638,891
Total Public Assistance	<u>264,104,944</u>	<u>284,878,109</u>	<u>258,937,882</u>	<u>25,940,227</u>
<u>Education</u>				
Cooperative Extension Service	551,347	551,347	513,334	38,013
Total Education	<u>551,347</u>	<u>551,347</u>	<u>513,334</u>	<u>38,013</u>
<u>Recreation and Cultural Services</u>				
Laguna Seca Rifle Range	229,349	229,349	227,890	1,459
Recreation Services	7,903,388	7,922,577	7,808,453	114,124
Total Recreation and Culture Services	<u>8,132,737</u>	<u>8,151,926</u>	<u>8,036,343</u>	<u>115,583</u>
<u>Non-Appropriations Unit</u>				
Debt Service - Principal	-	-	9,724,687	(9,724,687)
Debt Service - Interest	-	-	588,776	(588,776)
Capital Outlay	-	-	18,132,407	(18,132,407)
Total Non-Appropriations Unit	<u>-</u>	<u>-</u>	<u>28,445,870</u>	<u>(28,445,870)</u>
Total General Fund	<u>\$ 795,557,395</u>	<u>\$ 840,881,988</u>	<u>\$ 756,371,826</u>	<u>\$ 84,510,162</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,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities:										
Net Investment in Capital Assets	476,707	493,398	441,551	507,422	573,659	626,801	778,855	795,940	804,837	870,814
Restricted	58,531	75,295	153,788	147,046	233,669	229,199	296,092	332,842	384,866	429,779
Unrestricted (Deficit)	179,220	(157,025)	(136,368)	(157,830)	(180,147)	(159,315)	(254,959)	(272,801)	(191,774)	(189,077)
Total Governmental Activities Net Position	<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>	<u>1,111,516</u>
Business-Type Activities:										
Net Investment in Capital Assets	64,921	76,209	74,272	78,269	75,026	77,653	87,736	102,807	104,965	105,813
Restricted	-	101	845	604	604	854	788	964	947	1,713
Unrestricted (Deficit)	54,336	(39,095)	(16,865)	(10,842)	(19,472)	43,117	38,942	109,450	170,725	236,455
Total Business-Type Activities Net Position	<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>	<u>343,981</u>
Total Primary Government:										
Net investment in capital assets	541,628	569,607	515,823	585,691	648,685	704,454	866,591	898,747	909,802	976,627
Restricted	58,531	75,396	154,633	147,650	234,273	230,053	296,880	333,806	385,813	431,492
Unrestricted	233,556	(196,120)	(153,233)	(168,672)	(199,619)	(116,198)	(216,017)	(163,351)	(21,049)	47,378
Total Primary Government Net Position	<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>	<u>1,455,497</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,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expense (By Function)										
Governmental Activities:										
General Government	62,834	64,747	60,364	52,580	57,968	63,448	72,581	63,580	34,457	\$ 80,040
Public Safety and Protection	215,556	225,461	230,062	255,735	288,016	294,152	325,688	363,876	317,706	348,729
Public Ways and Facilities	30,513	29,676	31,793	37,027	35,677	29,885	33,433	34,191	36,332	22,799
Health and Sanitation	133,639	147,810	162,094	184,533	193,742	213,880	226,447	239,049	232,174	264,460
Public Assistance	168,359	171,051	180,651	197,944	197,637	200,968	211,118	227,039	246,138	275,962
Education	8,373	8,876	9,316	9,939	9,111	9,925	10,448	10,468	10,151	12,931
Recreation and Cultural Services	5,342	6,041	6,441	11,850	19,103	26,695	24,807	4,338	6,047	7,850
Interest on Long-Term Debt	8,656	8,248	10,083	10,681	10,324	7,627	7,292	6,808	7,940	6,501
Total Governmental Activities Expenses	633,272	661,910	690,804	760,289	811,578	846,580	911,814	949,349	890,945	1,019,272
Business-Type Activities:										
Natividad Medical Center	184,553	213,033	234,616	263,623	294,713	308,181	333,149	353,088	348,885	398,171
Parks and Lake Resort	8,502	6,118	5,546	5,932	7,446	6,813	3,384	3,166	3,574	3,771
Laguna Seca Recreation Area	-	-	-	-	-	-	-	9,841	20,081	18,886
Total Business Type Activities Expenses	193,055	219,151	240,162	269,555	302,159	314,994	336,533	366,095	372,540	421,349
Total Primary Government Expenses	826,327	881,061	930,966	1,029,844	1,113,737	1,161,573	1,248,348	1,315,444	1,263,485	1,440,621
Program Revenues (By Function)										
Governmental Activities:										
Charges For Services:										
General Government	22,855	25,265	26,482	28,828	31,088	30,092	29,130	36,573	36,758	\$ 27,635
Public Safety and Protection	38,654	41,729	43,159	42,071	46,943	42,230	42,192	45,671	47,350	41,648
Public Way and Facilities	3,309	3,715	4,984	2,803	3,379	3,063	4,157	5,226	5,128	5,129
Health and Sanitation	37,201	43,476	47,342	50,228	67,115	53,872	55,649	58,176	54,635	55,900
Public Assistance	2,574	-	107	223	1,618	2,866	1,554	1,377	634	12,300
Education	149	157	154	155	156	134	78	33	33	68
Recreation and Cultural Services	957	1,472	1,593	2,447	832	959	1,035	1,145	1,161	1,152
Operating Grants and Contributions	354,894	393,283	399,091	414,960	438,209	442,265	472,305	522,682	582,119	603,696
Capital Grants and Contributions	5,370	3,140	4,219	9,781	68,186	45,848	74,489	3,022	6,958	24,674
Total Governmental Activities Revenues	465,963	512,237	527,131	551,496	657,526	621,330	680,588	673,905	734,777	772,203
Business-Type Activities:										
Charges For Services:										
Natividad Medical Center	181,565	216,345	258,456	292,732	345,748	364,240	345,618	413,229	417,457	452,734
Parks and Lake Resort	4,727	2,874	3,833	4,340	6,066	4,359	2,992	3,577	3,435	3,219
Laguna Seca Raceway	-	-	-	-	-	-	-	9,251	20,236	15,001
Operating Grants and Contributions	96	-	2	26	23	88	-	-	-	96
PR Capital Grants and Contributions-NMC	-	392	-	-	-	-	-	-	-	-
Total Business-Type Activities Revenues	186,388	219,611	262,291	297,098	351,837	368,687	348,610	426,057	441,128	471,050
Total Primary Government Program Revenues	652,351	731,848	789,422	848,594	1,009,363	990,017	1,029,198	1,099,962	1,175,905	1,243,157
Net (Expense) Revenue										
Governmental Activities	(167,309)	(149,673)	(163,673)	(208,793)	(154,052)	(225,250)	(231,226)	(275,444)	(156,168)	(247,069)
Business-Type Activities	(6,667)	460	22,129	27,543	49,678	53,693	12,077	59,962	68,588	49,701
Total Primary Net Expense	(173,976)	(149,213)	(141,544)	(181,250)	(104,374)	(171,557)	(219,149)	(215,482)	(87,580)	(197,368)

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

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues & Other										
Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	128,477	135,415	143,365	150,772	159,373	170,410	175,300	185,877	208,931	\$ 225,805
Sales and Use Taxes	9,688	11,901	11,741	10,339	18,010	23,717	18,708	21,459	25,099	27,600
Transient Occupancy and Other										
Transient Occupancy Taxes	28,102	25,912	22,834	21,279	24,960	28,608	21,774	23,529	40,026	38,074
Cannabis Taxes	-	-	12,857	15,678	27,620	29,672	34,581	39,807	10,683	3,465
Documentary Transfer Taxes	-	-	-	-	-	-	-	-	5,410	3,252
Other Taxes	-	-	-	-	-	-	-	-	-	431
	<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>	<u>45,222</u>
Unrestricted Interest and Investment Earnings	8,666	10,517	12,160	15,842	21,842	31,283	10,830	6,660	(19,749)	18,310
Miscellaneous										
Other Revenues	10,485	9,286	2,170	2,571	2,391	926	531	927	7,332	16,963
Tobacco Settlement Revenues	-	-	3,577	3,679	4,393	4,258	4,082	4,608	4,721	4,283
Non-Program Federal Aid										
Other	-	-	-	-	-	-	-	51,069	17,936	28,504
	<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>56,604</u>	<u>29,989</u>	<u>49,750</u>
Transfers	(862)	(1,898)	2,274	19,552	60,892	(6,430)	11,510	(22,498)	(2,337)	(6,873)
Lease Revenue	-	-	-	-	-	-	-	-	791	840
Total Governmental Activities	<u>184,556</u>	<u>191,133</u>	<u>210,978</u>	<u>239,712</u>	<u>319,481</u>	<u>282,443</u>	<u>277,316</u>	<u>311,438</u>	<u>298,843</u>	<u>360,656</u>
Business-Type Activities:										
Unrestricted Interest and Investment Earnings	217	214	457	888	1,806	4,622	4,554	2,562	(8,322)	8,915
Other Revenues	4,950	5,440	725	899	1,315	722	720	732	745	754
Transfers	862	1,898	(2,274)	(19,552)	(60,892)	6,430	(11,510)	22,498	2,337	6,873
Lease Revenue	-	-	-	-	-	-	-	-	29	1,101
Total Business-Type Activities	<u>6,029</u>	<u>7,552</u>	<u>(1,092)</u>	<u>(17,765)</u>	<u>(57,771)</u>	<u>11,774</u>	<u>(6,235)</u>	<u>25,792</u>	<u>(5,211)</u>	<u>17,643</u>
Total Primary Government	<u>190,585</u>	<u>198,685</u>	<u>209,886</u>	<u>221,947</u>	<u>261,710</u>	<u>294,217</u>	<u>271,081</u>	<u>337,230</u>	<u>293,631</u>	<u>378,298</u>
Change in Net Position										
Governmental Activities	17,247	23,824	47,305	30,919	165,429	57,193	46,090	35,994	142,675	113,587
Business-Type Activities	(638)	8,012	21,037	9,778	(8,093)	65,467	5,842	85,754	63,377	67,344
Total Primary Government	<u>16,609</u>	<u>31,836</u>	<u>68,342</u>	<u>40,697</u>	<u>157,336</u>	<u>122,660</u>	<u>51,932</u>	<u>121,748</u>	<u>206,052</u>	<u>180,931</u>

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	251	371	328	433	574	662	1,889	585	675	736
Restricted	534	913	12,463	12,461	28,753	29,168	29,964	45,972	54,713	70,461
Committed	60,293	70,293	73,893	45,300	62,500	91,461	91,979	100,483	104,335	88,715
Assigned	39,275	62,598	56,181	76,633	80,031	81,488	87,968	39,792	86,734	36,295
Unassigned	17,552	6,615	6,018	8,695	3,862	2,358	282	50,205	4,993	63,548
Total General Fund	117,905	140,790	148,883	143,522	175,720	205,137	212,082	237,037	251,450	259,755
All Other Governmental Funds										
Nonspendable	239	145	119	119	121	-	76	88	86	66
Restricted	57,997	81,258	124,519	128,891	151,200	145,287	250,550	271,676	317,130	328,708
Committed	6,932	9,801	12,280	15,994	19,032	22,298	37,010	36,802	36,575	41,405
Assigned	58,005	51,571	57,560	84,383	81,219	75,974	7,700	7,270	4,489	5,021
Unassigned	-	(15)	(17)	(3,506)	(1,159)	(62)	-	-	(1)	(17)
Total All Other Governmental Funds	123,173	142,760	194,461	225,881	250,413	243,497	295,336	315,836	358,279	375,183
Total Governmental Funds Balances	<u>241,078</u>	<u>283,550</u>	<u>343,344</u>	<u>369,403</u>	<u>426,133</u>	<u>448,634</u>	<u>507,418</u>	<u>552,873</u>	<u>609,729</u>	<u>634,938</u>

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,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Taxes	167,007	173,418	190,999	197,487	230,271	251,060	249,229	270,466	285,455	\$ 298,363
Licenses, Permits, and Franchises	18,587	20,831	20,545	21,427	26,282	22,234	23,037	23,619	25,029	29,424
Fines, Forfeitures, and Penalties	8,486	9,447	9,807	8,979	9,563	9,702	10,697	11,822	12,338	10,290
Revenue from Use of Money and Property	6,909	8,178	10,718	14,261	20,869	29,217	26,682	8,685	(12,426)	21,672
Aid from Other Governmental Agencies	361,406	384,407	392,091	427,029	460,941	485,258	518,707	582,161	606,802	629,319
Charges for Services	77,780	84,808	93,608	95,387	111,148	97,894	96,880	102,626	100,310	111,292
Miscellaneous Revenues	12,125	11,618	8,295	9,348	11,389	9,754	8,897	12,374	17,810	10,111
Lease Revenue	-	-	-	-	-	-	-	-	790	840
Total Revenues	652,300	692,707	726,063	773,918	870,463	905,120	934,130	1,011,753	1,036,108	1,111,312
Expenditures:										
Current:										
General Government	48,892	52,032	57,826	45,167	50,046	49,652	47,297	43,015	54,550	55,842
Public Protection	214,653	224,710	235,078	249,925	264,009	263,692	286,657	328,501	324,618	339,379
Public Ways and Facilities	25,058	24,049	25,396	34,039	34,674	34,011	35,501	50,096	48,362	74,837
Health and Sanitation	132,906	147,202	165,157	178,813	187,639	206,033	216,808	233,373	243,446	260,608
Public Assistance	168,031	170,529	182,527	205,531	195,755	197,180	206,073	224,200	254,969	273,578
Education	8,281	8,798	9,419	9,402	8,675	9,477	9,817	9,994	10,618	12,422
Recreation and Cultural Services	4,801	5,249	5,866	11,635	18,451	26,826	23,869	5,990	7,182	8,036
Debt Service:										
Principal	6,533	6,732	6,962	7,977	18,382	9,389	7,250	7,412	14,289	19,962
Interest and Debt Service Costs	8,157	7,868	9,359	9,504	9,855	8,293	7,316	6,988	7,549	7,160
Capital Outlay	10,182	23,462	23,559	32,319	79,827	66,396	40,955	21,434	14,482	65,799
Total expenditures	627,494	670,631	721,149	784,312	867,313	870,949	881,543	931,003	980,065	1,117,623
Excess (Deficiency) of Revenue Over (Under) Expenditures	24,806	22,076	4,914	(10,394)	3,150	34,171	52,587	80,750	56,043	(6,311)
Other Financing Sources (Uses):										
Premium on Issuance of Debt	-	-	3,970	-	15,037	3,690	-	-	-	-
Transfers In	114,285	177,944	147,409	182,195	248,186	162,383	185,779	170,517	190,907	238,318
Transfers Out	(116,484)	(179,223)	(145,135)	(162,643)	(187,780)	(175,186)	(179,613)	(205,959)	(191,489)	(231,420)
Lease Proceeds	-	-	-	17,240	126	-	-	-	-	-
Issuance of Debt	-	-	48,440	-	74,682	22,890	-	-	-	-
Lease	-	32	-	-	-	-	-	-	-	-
Sale of Capital Assets	51	87	197	208	256	86	33	147	120	(86)
Lease and SBITA Proceeds	-	-	-	-	-	-	-	-	1,264	24,535
Total Other Financing Sources (Uses)	(2,148)	(1,160)	54,881	37,000	150,507	13,863	6,198	(35,295)	802	31,347
Special Item										
Special Item	-	(230)	-	-	-	-	-	-	-	-
Net Change in Fund Balances:	22,658	20,686	59,795	26,606	153,657	48,034	58,786	45,455	56,845	25,209
Debt Service as a Percentage of Non-Capital Expenditures	2.42 %	2.28 %	2.39 %	2.42 %	3.67 %	2.26 %	1.87 %	1.64 %	2.31 %	2.66 %

(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
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%
2023	83,402,624	3,924,155	(2,929,117)	84,397,662	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, 2023 and June 30, 2014

Tax Payer	Type of Business	2023			2014		
		Taxable Assessed Value (\$'000)	Rank	Percentage of Total County Assessed Value	Taxable Assessed Value (\$'000)	Rank	Percentage of Total County Assessed Value
Pebble Beach Company	Tourism	960,522	1	1.14%	716,702	1	1.39%
Pacific Gas & Electric Company	Utility	956,204	2	1.13%	493,521	2	0.96%
Chevron USA Inc	Petroleum	457,244	3	0.54%	408,145	3	0.79%
Dynegy Moss Landing LLC	Utility	289,800	4	0.34%	357,781	5	0.69%
D'Arrigo Bros Co.	Agriculture	226,401	5	0.27%	-	-	-
California - American Water Company	Utility	191,831	6	0.23%	118,469	7	0.23%
Northridge Owner LP	Retail	162,089	7	0.19%	121,207	-	0.24%
Global AG Properties LLC	Agriculture	133,666	9	0.16%	-	-	-
AAT Del Monte LLC	Real Estate	124,050	10	0.15%	-	-	-
Scheid Vineyards California Inc	Agriculture	-	-	-	94,274	5	0.18%
Aera Energy LLC	Utility	-	-	-	406,152	6	0.79%
Pacific Bell Telephone Company	Retail	-	-	-	97,546	8	0.19%
Pacific Holdings	Utility	-	-	-	94,246	9	0.18%
Ten Largest Taxpayers' Total		3,501,807		4.16%	2,908,043		5.64%
All Other Taxpayers' Total		<u>80,753,015</u>		<u>95.84%</u>	<u>48,639,022</u>		<u>94.36%</u>
Total		<u>84,254,822</u>		<u>100%</u>	<u>51,547,065</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 thousands 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
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	98.74 %	6,834	767,663	746,456	97.24 %
2019	800,083	787,856	98.48 %	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	919,010	97.15 %
2023	997,206	982,350	98.51 %	10,219	1,024,095	992,569	96.92 %

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,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
County Direct Rates										
General	14.575602	14.393790	14.482198	14.615871	14.592533	14.662911	14.676180	14.650910	14.741656	14.813889
Library	1.147987	1.136914	1.153592	1.173274	1.160721	1.163969	1.161050	1.163189	1.170153	1.179298
County Service Areas & Sanitation	0.110616	0.112319	0.111543	0.110578	0.112473	0.114429	0.114835	0.102093	0.102427	0.153308
Water Resources	0.360169	0.356559	0.355875	0.353710	0.358293	0.361855	0.363468	0.357898	0.358306	0.358991
City Rates										
Carmel	0.924317	0.928475	0.917682	0.905651	0.919484	0.928584	0.925324	0.917630	0.904430	0.913139
Del Rey Oaks	0.069627	0.072111	0.072425	0.071862	0.073633	0.074358	0.075784	0.073900	0.072360	0.073054
Gonzales	0.062982	0.066290	0.065751	0.066087	0.068991	0.072192	0.074007	0.074625	0.075226	0.076742
Greenfield	0.058944	0.060248	0.058958	0.056088	0.053842	0.055499	0.056536	0.057209	0.060089	0.059165
King City	0.126231	0.126813	0.125852	0.124264	0.129211	0.129605	0.129815	0.132241	0.133946	0.131165
Marina	0.337026	0.344842	0.345671	0.339330	0.344972	0.342877	0.342913	0.342603	0.345570	0.375805
Monterey	1.306083	1.132810	1.132790	1.134106	1.152602	1.143935	1.157047	1.155349	1.103643	1.158205
Pacific Grove	0.844621	0.838985	0.831067	0.821151	0.825886	0.824130	0.819703	0.805354	0.807166	0.821313
Salinas	2.229227	2.274016	2.286494	2.273387	2.310360	2.343531	2.363633	2.341976	2.329014	2.263236
Sand City	0.010508	0.011363	0.011799	0.012258	0.013088	0.013921	0.014689	0.015332	0.016233	0.017156
Seaside	0.267120	0.271396	0.269081	0.267910	0.271064	0.273837	0.275050	0.275665	0.276836	0.277707
Soledad	0.063371	0.065583	0.065579	0.062802	0.060610	0.059097	0.057585	0.057346	0.057528	0.053927
Successor Agency Rates	7.976089	9.009454	8.766019	8.409409	8.154961	7.734818	7.586144	8.367956	8.248791	8.026337
School district	60.940141	60.392535	60.346479	60.711811	60.826832	61.172296	61.357629	60.882411	61.016724	62.254048
Fire District Rates	3.946783	3.793770	4.038303	3.984402	4.013157	3.947294	3.849456	3.755478	3.766515	3.800211
Other Special District Rates	4.642556	4.611727	4.562842	4.506049	4.557387	4.580862	4.599152	4.470835	4.413387	4.458292

Source: County of Monterey Records

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

Type of Business	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Apparel Stores	\$ 9,255	\$ 8,493	\$ 8,661	\$ 8,138	\$ 8,248	\$ 7,597	\$ 7,011	\$ 5,033	\$ 6,560	\$ 6,983
General Merchandise	1,649	1,748	1,719	1,837	618	395	590	703	966	1,312
Packaged Liquor	6,763	7,801	-	-	-	-	-	-	-	-
Food Stores	54,887	58,200	56,359	46,171	45,371	45,219	47,468	53,005	48,696	48,887
Furniture and Appliances	11,515	14,514	-	-	-	-	-	-	-	-
Eating and Drinking Places	73,437	73,350	82,741	90,783	87,238	95,187	99,256	70,238	99,975	107,778
Building Materials	139,121	144,064	125,980	131,715	134,741	148,293	154,631	171,532	148,897	196,479
Auto Dealers and Suppliers	36,475	38,867	36,171	40,692	49,315	47,265	45,440	38,441	48,666	51,792
Service Stations	147,047	143,251	130,627	119,799	124,227	150,663	136,893	119,161	146,829	192,085
Other Retail Stores	50,780	48,748	64,342	71,242	76,599	87,817	94,828	95,980	119,271	117,684
All Other Outlets	428,300	500,605	526,970	543,916	566,652	712,970	684,719	566,913	717,494	950,058
Totals	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	1,673,058
County Direct Sales Tax Rate	0.08 %	0.08 %	0.08 %	0.09 %	0.08 %	0.09 %	0.09 %	0.09 %	0.09 %	0.09 %

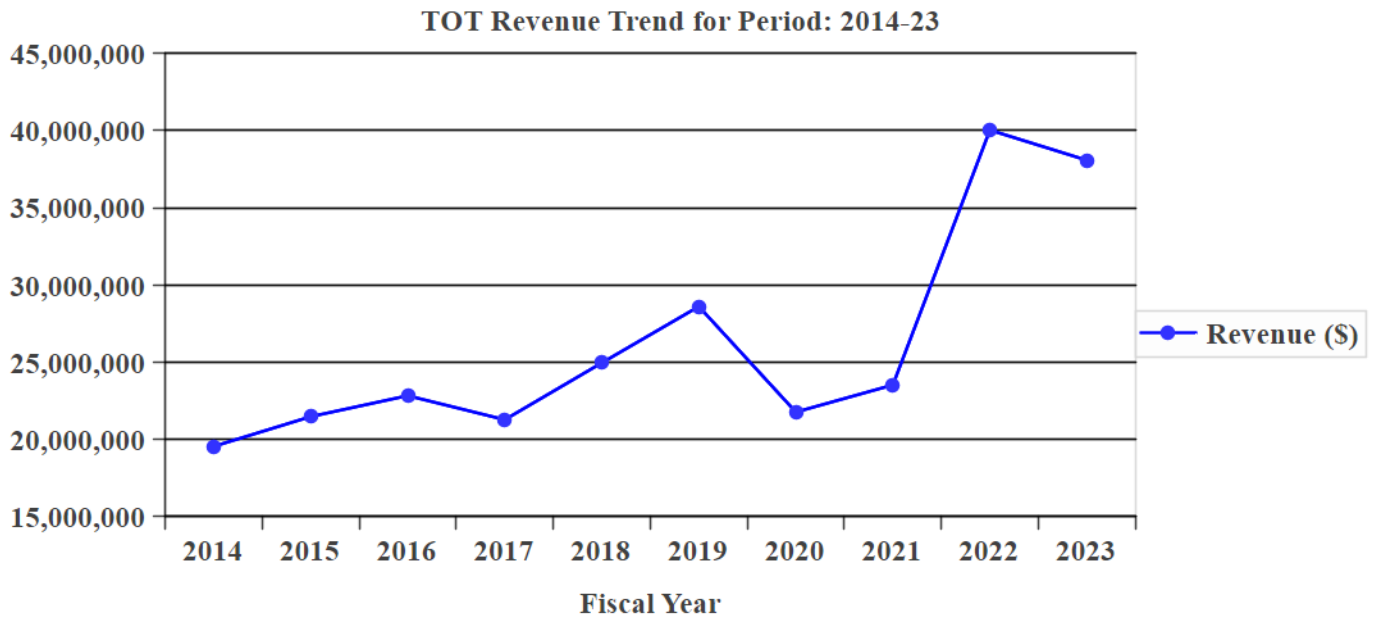
Source: State of California Board of Equalization and The HdL Companies

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
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	8.06%
2023	38,073,618	-4.88%



Source:

County of Monterey Treasurer- Tax Collector Transient Occupancy Tax Statements

Financial system data effective FY 2023

COUNTY OF MONTEREY
Ratios of Outstanding Debt by Type
Last 10 years (in thousands, except per capita)
As of Fiscal Year 2022 - 23

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)				
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	215,930	497	0.78 %	
2023	111,591	11,430	21,397	15,969	22	27,105	-	24,752	-	3,485	215,751	483	0.77 %	

Note:

1. Details regarding the County's outstanding debt can be found in the notes to the financial statements.
2. The County adopted GASB 87 in FY 2021-2022 and prior amounts were not restated.
3. Includes all debt shown for Government and Business-Type Activities.
4. 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, 2023</u>	
Net Assessed Value	84,397,663
Debt Limit 1.25% of Net Assessed Value	\$1,054,971
Debts Applicable to Limit:	
General Obligation Bonds	\$0
Less: Amount Set Aside for	\$0
Repayment of Debt	<u>\$0</u>
Net Debt Applicable to Limit	<u>\$0</u>
Legal Debt Margin	<u>\$ 1,054,971</u>

Fiscal Year	Fiscal Year Ended June 30									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	1,054,971	974,418	937,577	902,174	845,953	795,566	753,605	721,358	680,831	644,338
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>1,054,971</u>	<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>
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 2022 - 23

Fiscal Year Ended June 30	Sanitation Revenue Bonds						Water Revenue Bonds						Special Assessment Bonds			
	Debt Service						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
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
2023	185,429	127,060	58,369	33,000	5,250	1.53	4,327,782	-	4,327,782	825,000	933,338	2.46	14,829	14,000	1,838	0.94

Note:

Details regarding the County's outstanding debt can be found in the notes to the financial statements. Sanitation, Water, and Other charges include property tax revenues and investment earnings. Where expenses exceed revenues in any one year, excess revenues from prior years (Fund Balance) were used to meet debt requirements.

COUNTY OF MONTEREY
Direct and Overlapping Bonded Debt
As of June 30, 2023

2022-23 Assessed Valuation (includes unitary utility valuation) \$ 84,397,662

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</u>	(1) Percentage Applicable	Debt at June 30, 2023
Hartnell Community College District	99.836 %	\$ 242,752,898
Monterey Peninsula Community College District	100	118,657,396
Carmel Unified School District	100	15,683,445
Monterey Peninsula Unified School District	100	216,717,679
North Monterey County Unified School District	100	27,990,000
Pacific Grove Unified School District	100	39,598,000
Soledad Unified School District	100	68,261,602
South Monterey County Joint Union High School District	98.786	37,746,346
Salinas Union High School District and School Facilities Improvement District	100	191,789,077
Alisal Union School District	100	96,029,385
Greenfield Union School District	100	29,662,164
Salinas City School District	100	52,562,030
Santa Rita Union School District	100	18,595,291
Washington Union School District	100	9,420,000
Other School Districts	Various	61,783,210
City of Marina	100	6,135,000
Community Facilities Districts	100	25,515,000
City 1915 Act Bonds	100	4,695,000
Special District 1915 Act Bonds	100	3,200,000
Monterey County Water Resources Agency Benefit Assessment District Zone 2C	100	21,291,920
County of Monterey Special Assessment Bonds	100	22,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$ <u>1,288,107,443</u>

<u>DIRECT AND OVERLAPPING GENERAL GOVERNMENT DEBT:</u>	(1) Percentage Applicable	Debt at June 30, 2023
County of Monterey Certificates of Participation	100 %	\$ 111,590,841
County of Monterey Revenue Bonds	100	105,000
County of Monterey Notes Payable	100	11,430,282
County of Monterey Loans Payable	100	15,969,025
County of Monterey Lease Payable	100	27,105,349
Monterey County Office of Education General Fund Obligations	100	4,534,000
Salinas Union High School District General Fund Obligations	100	26,008,581
Salinas City School District Certificates of Participation	100	4,111,117
Other School District General Fund Obligations	Various	25,889,168
City of Carmel General Fund Obligations	100	3,895,000
City of Carmel Pension Obligation Bonds	100	434,982
City of Greenfield General Fund Obligations	100	1,932,141
City of Gonzales General Fund Obligations	100	10,550,000
City of Monterey General Fund Obligations	100	4,480,000
City of Pacific Grove Pension Obligation Bonds	100	2,671,690
City of Salinas General Fund Obligations	100	91,044,000
City of Seaside Cutino Park Lease Revenue Bonds	100	15,608,359
City of Seaside Pension Obligation Bonds	100	1,425,000
Monterey County Fire Protection District Pension Obligation Bonds	100	21,575,000
Pajaro/Sunny Mesa Community Services District Genreal Fund Obligations	100	150,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL GOVERNMENT DEBT	-	380,509,535
Less: City of Seaside Measure X Lease Revenue Bonds supported by sales tax revenues	-	-
TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$ <u>380,509,535</u>

OVERLAPPING TAX INCREMENT DEBT (Successor Agencies)	100	\$ 100,204,981
TOTAL DIRECT DEBT		\$ <u>187,514,417</u>
TOTAL GROSS OVERLAPPING DEBT		1,581,307,542
TOTAL NET OVERLAPPING DEBT		1,581,307,542
GROSS COMBINED TOTAL DEBT		1,768,821,959
NET COMBINED TOTAL DEBT	(2)	\$ <u>1,768,821,959</u>

COUNTY OF MONTEREY
Direct and Overlapping Bonded Debt
As of June 30, 2023

Ratios to 2022-2023 Assessed Valuation:	
Total Direct and Overlapping Tax and Assessment Debt	1.53 %
Total Direct Debt (\$187,514,417)	0.22 %
Gross Combined Total Debt	2.16 %
Net Combined Total Debt	2.10 %
9	
Ratios to Redevelopment Incremental Valuation (\$7,552,763,285):	
Total Overlapping Tax Increment Debt	1.33 %

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 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
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 %
2022	446,229	65,123	28,189,179	37	73,643	18.1 %

Sources:

1. U.S. Census Bureau-As of July 1, 2020, Released March 2021
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 2022-23
6. California Employment Development; Labor Market Info Division

Notes:

Population data estimates are as of July 2022.

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	2013 Total	2014 Total	2015 Total	2016 Total	2017 Total	2018 Total	2019 Total	2020 Total	2021 Total	2022 Total
SALINAS MSA										
Total										
No.of Businesses	11,717	12,123	12,180	12,274	12,681	13,380	13,648	13,735	13,907	13,472
No.of Employees	158,846	166,546	170,385	170,383	173,386	178,844	181,536	164,126	172,939	176,578
Payroll (in thousands)	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	2,356,110
Agriculture										
No.of Businesses	540	546	539	520	530	548	557	561	566	565
No.of Employees	62,874	66,033	67,029	66,347	67,159	69,481	70,231	67,795	68,579	76,629
Payroll (in thousands)	520,761	557,753	596,901	658,994	675,089	702,286	722,652	739,270	816,000	891,569
Utilities										
No.of Businesses	21	22	20	20	20	21	23	22	21	22
No.of Employees	872	763	789	784	804	788	803	829	538	551
Payroll (in Thousands)	21,089	18,131	20,427	21,753	22,014	21,481	23,302	25,955	17,537	21,617
Construction and Mining										
No.of Businesses	825	857	886	914	951	1,049	1,066	1,095	1,104	1,123
No.of Employees	4,823	5,080	5,538	6,067	6,416	6,790	6,888	6,485	6,793	7,314
Payroll (in Thousands)	62,188	65,513	75,409	91,161	94,666	101,151	108,057	104,888	112,696	133,526
Manufacturing										
No.of Businesses	265	267	259	264	271	289	296	276	292	307
No.of Employees	5,439	5,337	5,685	5,529	5,759	5,538	5,311	4,695	5,096	5,183
Payroll (in Thousands)	59,826	60,774	65,737	69,340	73,079	69,305	71,060	66,334	72,847	80,385
Wholesale Trade										
No.of Businesses	368	386	384	375	366	375	379	376	387	376
No.of Employees	5,227	5,496	5,459	5,548	5,868	5,923	5,836	5,369	5,317	5,565
Payroll (in Thousands)	92,922	88,835	94,037	101,499	99,856	101,941	100,277	98,253	103,086	111,160
Retail Trade										
No.of Businesses	1,175	1,227	1,199	1,212	1,188	1,199	1,193	1,220	1,222	477
No.of Employees	16,144	16,146	16,366	16,356	16,241	16,684	16,671	15,346	15,983	7,461
Payroll (in Thousands)	120,072	123,709	128,116	134,773	134,980	141,741	147,826	148,372	169,595	96,238
Transportation and Warehousing										
No.of Businesses	239	253	269	266	283	313	329	335	347	383
No.of Employees	3,309	3,847	3,907	3,817	3,493	3,352	3,531	2,995	3,236	3,216
Payroll (in Thousands)	40,049	45,023	48,726	46,978	45,508	44,062	45,883	40,301	46,267	50,301
Information										
No.of Businesses	102	93	84	88	87	93	96	94	98	44
No.of Employees	1,517	1,361	1,325	1,126	1,036	1,028	994	735	852	431
Payroll (in Thousands)	23,947	21,563	23,019	17,431	15,534	14,268	14,254	12,894	14,518	6,263
Finance and Insurance										
No.of Businesses	333	341	333	354	349	366	363	352	345	339
No.of Employees	2,235	2,136	2,247	2,354	2,430	2,514	2,442	2,290	2,155	2,229
Payroll (in Thousands)	43,238	41,400	45,027	49,584	51,645	51,634	48,911	48,964	50,686	53,483
Real Estate, Rental and Leasing										
No.of Businesses	380	396	387	382	390	421	426	451	459	470
No.of Employees	1,639	1,743	1,781	1,803	1,933	2,032	1,960	1,780	1,978	2,042
Payroll (in Thousands)	18,071	18,431	20,113	22,487	22,408	24,369	24,675	23,178	26,708	28,692
Services										
No.of Businesses	7,469	7,735	7,820	7,879	8,246	8,706	8,920	8,953	9,066	9,366
No.of Employees	54,767	58,604	60,259	60,652	62,247	64,714	66,869	55,807	62,412	65,957
Payroll (in Thousands)	505,549	543,970	567,068	609,620	633,751	674,084	723,235	639,626	779,575	882,878

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.
2. Data are suppressed because confidential data could be extrapolated if these totals were included.
3. MSA-level data includes private ownership establishments only. Tables do not include government or nonclassifiable establishments.
4. 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.
5. Beginning 2017/1, the Size of Business Report uses Average Monthly Employment (AME) instead of third-month employment. The industry standard was to report employment using third month, but average monthly employment is now California's data standard. The average value of the three months of the quarter results in a more complete employment picture.

COUNTY OF MONTEREY
Full-Time Equivalent County Government Employees by Function/Program
Approved Budget Positions

Function/Program	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	593.8	536.5	537.5	568.5	591.5	565.7	574.5	587.5	631.5	638.5
Public Protection	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	1,298.0
Public Ways and Facilities	123.0	114.0	114.0	86.0	86.0	83.0	86.0	89.0	98.0	110.0
Health and Sanitation	851.0	893.3	869.8	1,099.3	1,097.3	1,043.8	1,073.2	1,085.0	1,071.2	1,174.3
Public Assistance	862.0	893.0	874.0	921.0	910.0	871.0	886.0	889.0	894.0	931.0
Recreation and Education	137.0	124.0	107.0	116.0	87.0	120.0	69.0	104.0	113.0	118.5
Hospital	886.1	990.9	994.9	1,218.1	1,219.1	1,255.3	1,299.3	1,325.1	1,438.6	1,466.9
Total Governmental Positions	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	5,519.8
Special District:										
Water Resource Agency	63.0	63.0	55.0	55.0	51.0	46.0	48.0	48.0	48.0	51.0
Total Positions:	4,708.9	4,903.0	4,820.5	5,377.9	5,351.9	5,285.3	5,363.5	5,455.6	5,567.8	5,788.2

Source: County of Monterey Adopted Budget Book Position Information

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL GOVERNMENT										
Assessor										
Deeds Processed	14,000	16,000	15,018	15,159	13,349	15,420	15,338	16,245	19,054	12,025
Recorder -County Clerk										
Documents Recorded	76,016	75,012	78,850	82,662	82,852	78,341	77,764	109,312	81,289	59,956
Marriage Licenses Issued	3,226	3,133	3,017	3,116	2,978	2,871	2,360	3,085	3,311	2,826
Fictitious Business Names Filed	2,585	2,688	2,618	2,547	2,464	2,679	2,292	2,876	2,576	2,384
PUBLIC PROTECTION										
Emergency Communications										
911 and Non-Emergency Calls	614,476	719,248	756,869	748,161	744,281	741,261	702,251	727,577	729,619	734,538
CAD Incidents	590,777	591,137	520,060	520,060	587,085	593,392	527,292	520,409	527,713	521,977
District Attorney's Office										
Felonies and Misdemeanors Reviewed	19,248	17,186	16,331	16,422	18,586	18,815	12,955	16,160	14,594	14,747
Child Support Services										
Cases	16,477	16,422	15,957	15,589	15,013	14,448	13,669	13,199	12,992	12,759 ³
Public Defender										
Felonies	5,937	4,599	3,585	5,472	4,856	2,077	1,737	2,146	2,049	2,137
Misdemeanors	8,197	8,147	14,763	16,529	14,310	8,174	7,594	7,645	7,457	7,282
Juveniles	1,416	1,078	1,208	1,593	1,270	645	492	427	563	635
Mental Health and Probate	385	661	211	266	298	100	119	142	100	118
Court Assigned Counsel										
Felonies	604	447	283	374	325	389	324	286	308	316
Misdemeanors	312	327	444	401	307	431	382	333	281	192
Juveniles	97	98	116	192	111	261	145	98	91	124
Truancy Filings/Appearances	324 / 1,548	324/2,003	368 / 1,856	261/1,651	unavail/2,518	198/2430	unavail/1932	unavail/1088	unavail/834	unavail/1182
Sexual Violent Predators (SVP)	-	-	-	-	-	1	-	6	1	7
State Prison Cases	64	54	112	120	166	250	134	65	318	296
Sheriff -Administration and Enforcement Bureau										
Warrants Received	9,234	10,810	13,858	11,546	11,367	13,376	11,587	12,980	11,452	9,237 ³
Felony and Misdemeanor Offenses Reported	3,760	4,170	4,250	4,221	4,031	2,116	1,894	1,854	6,829	6,508 ⁶
Sheriff- Joint Gang Task Force										
Felony and Misdemeanor Arrests	168	108	unavail	unavail	unavail	unavail	unavail	unavail	unavail	unavail ¹
Task Force and/or Gang Awareness	12	15	unavail	unavail	unavail	unavail	unavail	unavail	unavail	unavail ¹
Sheriff- Custody Operations Bureau										
Prisoners Booked	11,480	13,586	14,252	12,484	10,719	12,756	10,974	9,351	10,104	9,824
Average Daily Prisoner Population	974	926	929	912	900	893	817	855	896	906
Court Transportation	22,511	23,411	17,538	18,500	18,500	18,643	13,368	14,485	16,892	16,230
Probation										
Juvenile Referrals	1,526	1,238	2,179	2,670	2,092	1,948	1,606	950	1,417	1,059
Standard Reports	3,138	2,813	2,841	2,924	2,182	2,002	1,661	1,655	1,872	1,579
Supervision	6,911	6,500	6,565	5,947	6,395	6,764	6,433	5,146	5,457	5,916

Schedule 18

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Juvenile Institutions and Alternative Program										
Admissions	1,479	1,214	1,109	851	929	836	597	431	502	438
Sheriff-Coroner										
Total Investigations	1,050	1,100	1,200	1,168	1,133	1,006	1,408	1,492	1,275	1,148
Coroner's Cases	320	350	378	586	359	373	472	465	483	449
Planning										
Discretionary Permits Initiated	866	1,069	1,222	1,283	1,813	1,791	1,007	918	929	946
Building Services										
Building and Grading Permits	2,452	2,942	3,345	3,429	3,640	3,419	3,251	3,559	3,822	4,034
Plan Checks	2,412	1,820	1,546	1,607	1,546	1,393	1,223	2,025	2,935	3,226
Building Inspections	12,024	13,932	14,100	10,851	29,988	24,775	20,907	20,781	20,172	20,535
PUBLIC WAYS AND FACILITIES:										
Public Works										
Road Miles Maintained	1,234	1,234	1,235	1,236	1,242	1,258	1,257	1,262	1,264	1,263
Bridges Maintained	174	174	174	174	174	175	175	175	175	175
Water Resources										
Total Water Deliveries- Acre- Feet	22,784	21,028	18,482	16,970	21,354	17,516	20,662	20,980	21,064	16,413
Nacimiento Hydro Project Kilowatt Hours	3,463,653	940,824	594,682	10,771,771	13,680,397	9,530,793	13,508,425	8,832,936	391,893	9,289,712
HEALTH AND SANITATION										
Animal Field Services										
Licenses Sold / Citations Issued	5,908	5,843	6,751	5,605	5,419	4,617	3,981	4,257	4,397	7,335 ²
Service Calls	3,120	4,345	4,506	3,755	2,759	1,362	913	1,054	1,839	4,840 ²
Animals Admitted To Shelter	3,023	2,472	2,662	2,787	2,273	2,222	1,756	1,157	1,579	3,991 ²
Health										
Public Health Nursing Home Visits	7,781	5,815	6,993	4,820	852	192	969	1,229	1,210	1,258
Laboratory Tests	37,392	40,408	39,098	40,688	41,978	35,853	37,216	68,634	60,637	42,306
Clinic Services										
Primary Care Clinic Visits	159,519	170,419	179,984	183,193	194,469	195,739	194,166	201,795	181,277	177,533
Mental Health										
Inpatient Services (Days)	2,645	2,837	2,108	1,860	2,323	2,661	2,774	2,844	2,351	1,196
Locked Facilities (Days)	12,757	13,543	15,717	13,818	16,094	17,809	19,113	16,101	16,185	14,901
Public Guardian										
Conservatorship Cases	353	341	326	362	317	314	331	345	359	350
Representative Payee Cases	382	375	285	215	221	260	261	272	270	278
Alcohol and Drug Programs										
Methadone Maintenance Dosing	58,321	67,613	75,813	79,963	88,230	88,785	96,480	98,829	93,033	93,754
Narcotic Treatment Program Counseling	31,180	34,655	40,994	48,659	58,383	494,218	600,779	538,514	578,281	606,993
Residential Bed Days	26,962	29,655	28,360	26,183	23,833	19,446	16,906	16,181	19,117	21,313
Children's Medical Services										
CCS Referrals Reviewed for Medical Eligibility	2,072	2,130	2,158	2,120	2,080	2,501	2,683	1,754	1,150	1,196
CCS Referrals Opened for Medical Services	1,036	1,200	1,172	1,136	1,106	1,326	1,422	898	724	753

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CHDP Review Preventive Health Screens	19,408	21,573	19,810	20,264	-	-	-	-	-	-
CHDP Patient Tracking for Follow-Up Screens	2,751	2,377	1,230	2,119	318	157	168	5	110	114
PUBLIC ASSISTANCE										
Social Services										
Food Stamps and Medi-Cal	49,369	50,920	52,194	48,743	44,948	39,691	38,668	40,392	45,038	50,167
CWS Permanent Placement	189	216	261	241	220	197	180	191	162	280
Adult Protective Services & In-Home Supportive Services	3,933	4,264	4,326	4,494	4,722	4,985	4,735	5,786	5,974	6,490
CalWORKs/TANF Benefits Caseloads										
Ongoing	5,709	5,262	4,842	4,174	3,666	3,143	3,035	3,306	3,095	3,649
Employment Services	2,968	3,156	2,799	2,337	1,975	1,616	1,519	1,514	1,329	1,675
Childcare Services	210	217	234	212	210	178	179	168	157	155
Out-of-Home Care, Average Monthly Caseload										
Foster Care Ongoing	387	442	452	393	388	390	375	378	290	374
Court Dependent Children	2	-	-	28	40	5	7	9	10	9
Aid to Adoptions	660	675	701	752	777	821	824	901	851	824
In-Home Support Services- Client Services Paid Cases										
Personal Care Services Program	3,198	3,614	3,668	3,943	4,133	4,362	4,433	4,740	5,429	5,561
Residual/ Waiver Plus	552	365	325	292	310	320	433	858	954	1,118
Aid to Indigents										
Regular General Assistance	673	636	523	408	429	454	469	442	247	299
Military and Veterans Affairs Caseload Items										
Claims Filed	1,477	1,786	2,066	1,729	1,519	1,364	1,547	1,220	1,744	1,990
Other Benefit Claims Filed	-	-	-	-	-	-	3,323	4,084	4,493	4,159 ⁵
Veterans Transported to VA Medical	1,056	823	882	745	771	648	500	-	-	- ⁴
EDUCATION										
Library										
Customers Visiting Library	889,397	873,444	934,585	761,655	768,556	684,329	536,673	9,880	266,312	369,624
Public Library Computer Sessions	166,699	170,287	150,920	154,627	92,304	122,726	90,970	2,230	552,777	52,922
Virtual Visits to Library Websites	247,500	222,750	240,570	262,439	255,106	222,337	122,542	182,925	253,429	325,599
Total Circulation	542,515	573,661	620,206	583,402	490,845	496,215	430,459	243,575	361,833	439,136
Reference Questions	105,337	81,682	75,097	72,307	59,165	91,549	73,103	13,704	34,631	35,457
RECREATION AND CULTURAL SERVICES										
Parks										
Visitors	989,569	623,411	622,346	435,422	672,422	553,910	185,611	192,166	189,583	223,257

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

Source: County of Monterey Departmental Records

Notes:

1. During FY 2016, the Task Force was dissolved.
2. Increase due to merge with former city of Salinas Animal Shelter.
3. FY 2022 number revised. FY 2023 number is an estimate, will be revised in FY 2024
4. Program ended during the Pandemic in March 2020.
5. New indicator added for 2020
6. Prior to 2022 misdemeanors were not part of statistic, misdemeanors are included starting 2022.

COUNTY OF MONTEREY
Capital Asset Statistics
Last Ten Fiscal Years
For Fiscal Year Ended June 30, 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Buildings	14	18	18	18	18	33	36	39	42	51
Vehicles	83	106	97	205	205	205	205	197	191	212
Heavy Equipment	6	6	5	19	19	19	19	42	44	51
Communication Tower	6	9	9	9	9	14	14	14	17	18
Right-to-Use Assets	-	-	-	-	-	-	-	-	36	64
Public Protection										
Buildings	25	28	28	28	28	34	34	34	34	34
Vehicles	447	444	338	347	347	347	347	309	306	296
Boats	1	1	1	1	1	1	1	1	1	1
Heavy Equipment	13	12	11	25	25	25	25	42	48	58
Right-to-Use Assets	-	-	-	-	-	-	-	-	76	101
Public Ways & Facilities (Road Dept)										
Bridges	174	174	174	174	175	175	175	175	175	175
Culverts (ft)	218,749	218,969	218,969	220,777	221,000	221,000	221,000	221,000	221,000	221,000
Drain System Inlets	230	231	235	235	238	238	238	238	238	238
Drain System Pipe (ft)	68,752	68,752	72,000	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	95	92	111	103	103	103	103	102	103	110
Lift Stations	15	15	15	15	15	15	15	15	15	15
Maintained Road Miles (paved)	1,234	1,234	1,234	1,236	1,232	1,257	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	5	4	4
Road Lane Miles	2,611	2,611	2,611	2,611	2,611	2,661	2,661	2,661	2,661	2,661
Sanitary Heavy Equipment	1	1	1	1	-	-	-	-	-	-
Sanitary Sewer Lines(miles)	42	42	42	42	39	39	39	39	39	39
Street Light	380	380	380	380	380	384	384	384	384	384
Traffic Signals	28	27	28	28	28	29	29	29	29	29
Vehicles	74	63	240	94	94	94	94	97	111	116
Water Resources²										
Dams	2	2	2	2	-	-	-	-	-	-
Salinas River Diversion Facility	1	1	1	1	1	1	1	1	1	1
Heavy Equipment	10	10	10	20	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	22	23	23	25	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, 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	25	25	26	26	26
Vehicles	120	130	154	153	153	153	153	172	177	182
Heavy Equipment	-	-	-	3	3	3	3	-	-	10
Right-to-Use Assets	-	-	-	3	3	3	3	-	78	89
Public Assistance										
Buildings	1	5	5	5	5	25	25	22	22	22
Vehicles	100	107	99	97	97	97	97	97	91	92
Equipment	-	-	-	-	-	-	-	-	-	2
Right-to-Use Assets	-	-	-	-	-	-	-	-	12	18
Recreation and Cultural Services										
Basketball courts	1	1	1	1	3	3	3	3	3	3
Boats	34	42	26	40	40	40	40	40	40	40
Buildings	176	176	176	176	173	173	173	173	173	173
Heavy Equipment	37	37	91	190	190	190	190	180	183	189
Lakes Acres	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Land Acres	16,873	16,873	16,873	16,873	16,873	16,873	16,873	16,873	16,873	16,873
Parks	10	10	9	9	8	8	8	8	8	8
Tennis Courts	1	1	1	1	1	1	1	1	1	1
Vehicles	112	98	98	115	115	115	115	106	108	115
Communication Tower	1	1	1	1	1	1	1	1	1	1
Right-to-Use Assets	-	-	-	-	-	-	-	-	2	3
Education										
Bookmobiles	3	3	3	3	3	3	3	3	3	3
Buildings	3	6	6	6	6	6	6	6	6	6
Vehicles	17	17	23	18	18	18	18	19	19	17
Heavy Equipment	1	1	4	5	5	5	5	5	5	5
Right-to-Use Assets	-	-	-	-	-	-	-	-	6	9

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



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