

**COUNTY OF HUMBOLDT  
FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2021**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](http://CLAconnect.com)

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2021**

**INTRODUCTORY SECTION**

Directory of Public Officials	i
-------------------------------	---

**FINANCIAL SECTION**

Independent Auditors' Report	1
------------------------------	---

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position	4
---------------------------	---

Statement of Activities	5
-------------------------	---

Fund Financial Statements

Governmental Funds

Balance Sheet	7
---------------	---

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position – Governmental Activities	8
--	---

Statement of Revenues, Expenditures, and Changes in Fund Balances	9
---	---

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities	10
--	----

Proprietary Funds

Statement of Net Position	11
---------------------------	----

Statement of Revenues, Expenses, and Changes in Net Position	12
--	----

Statement of Cash Flows	13
-------------------------	----

Fiduciary Funds

Statement of Net Position	15
---------------------------	----

Statement of Changes in Net Position	16
--------------------------------------	----

Notes to Basic Financial Statements	17
-------------------------------------	----

**REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Changes in the Net Pension Liability and Related Ratios	50
---	----

Schedule of Pension Plan Contributions	52
--	----

Schedule of Changes to Net OPEB Liability and Related Ratios	53
--	----

Budgetary Comparison Schedule

General Fund – Budgetary Basis	54
--------------------------------	----

Road Fund	56
-----------	----

Note to Required Supplementary Information	57
--	----

**COUNTY OF HUMBOLDT  
TABLE OF CONTENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND  
SCHEDULES**

Nonmajor Governmental Funds	
Combining Balance Sheet	58
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	60
Internal Service Funds	
Combining Statement of Net Position	62
Combining Statement of Revenues, Expenses, and Changes in Net Position	64
Combining Statement of Cash Flows	66
Insurance Funds	
Combining Schedule of Net Position	70
Combining Schedule of Revenues, Expenses, and Changes in Net Position	73
Combining Schedule of Cash Flows	76

## **INTRODUCTORY SECTION**

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT  
DIRECTORY OF PUBLIC OFFICIALS  
JUNE 30, 2021**

**BOARD OF SUPERVISORS  
(as of June 30, 2021)**

<u>Name</u>	<u>Office</u>
Rex Bohn	Supervisor, District 1
Estelle Fennell	Supervisor, District 2
Mike Wilson	Supervisor, District 3
Virginia Bass	Supervisor, District 4
Steve Madrone	Supervisor, District 5

**FINANCE ADMINISTRATORS**

<u>Name</u>	<u>Office</u>
Amy Nilsen	County Administrative Officer
Karen Paz Dominguez	Auditor/Controller
John Bartholomew	Treasurer/Tax Collector

THIS PAGE INTENTIONALLY LEFT BLANK



## **FINANCIAL SECTION**

THIS PAGE INTENTIONALLY LEFT BLANK



## INDEPENDENT AUDITORS' REPORT

Honorable Board of Supervisors  
County of Humboldt  
Eureka, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Humboldt, California (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Discretely Presented Component Unit	Adverse
General Fund	Unmodified
Headwaters Mitigation Fund	Unmodified
Road Fund	Unmodified
Aviation Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

***Basis for Adverse Opinion on Discretely Presented Component Unit***

Management has not included the Fortuna Fire Protection District in the County's financial statements. Accounting principles generally accepted in the United States of America require the Fortuna Fire Protection District to be presented as a discretely presented component unit. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenses of the omitted discretely presented component unit has not been determined.

***Adverse Opinion***

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on Discretely Presented Component Unit" paragraph, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit as of June 30, 2021, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Unmodified Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

*Cumulative effect of change in accounting principle*

As disclosed in Note 14 to the financial statements, the County adopted GASB Statement No. 84 Fiduciary Activities. As a result of the implementation of this standard, the County reported a restatement for the change in accounting principle. Our opinions are not modified with respect to this matter.

*Prior Period Adjustment*

As disclosed in Note 14 to the financial statements, the County recorded activity of compensated absences not recorded in the prior year. As a result, the County reported a prior period adjustment. Our opinions are not modified with respect to this matter.

***Other Matters***

*Required Supplementary Information*

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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

*Other Information*

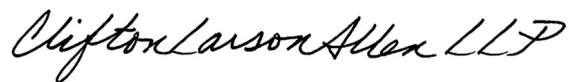
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section and combining and individual fund financial statements and schedules are presented for purposes of additional analysis and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

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Roseville, California  
August 31, 2023

THIS PAGE INTENTIONALLY LEFT BLANK

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

THIS PAGE INTENTIONALLY LEFT BLANK



**COUNTY OF HUMBOLDT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
Cash and Investments	\$ 154,032,171	\$ 400	\$ 154,032,571
Restricted Cash and Investments			
Cash with Fiscal Agent	6,971,935	-	6,971,935
Receivables, Net	44,132,977	539,315	44,672,292
Inventory	-	102,978	102,978
Deposits and Other Assets	598,436	-	598,436
Loan Receivable	25,675,291	-	25,675,291
Internal Balances	709,931	(709,931)	-
Capital Assets:			
Nondepreciable	60,748,401	12,641,681	73,390,082
Depreciable, Net	245,155,021	21,143,564	266,298,585
Total Assets	<u>538,024,163</u>	<u>33,718,007</u>	<u>571,742,170</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pension	49,967,908	281,188	50,249,096
Deferred OPEB	7,224,169	-	7,224,169
Total Deferred Outflows of Resources	<u>57,192,077</u>	<u>281,188</u>	<u>57,473,265</u>
<b>LIABILITIES</b>			
Accounts Payable	25,719,436	249,388	25,968,824
Accrued Salaries and Benefits	9,289,399	57,725	9,347,124
Unearned Revenues	13,753,128	-	13,753,128
Long-Term Liabilities:			
Portion Due or Payable Within One Year:			
Capital Leases	441,413	-	441,413
Compensated Absences	6,943,241	55,033	6,998,274
Claims Liability	2,103,460	-	2,103,460
Portion Due or Payable After One Year:			
Capital Leases	704,654	-	704,654
Compensated Absences	10,472,788	106,828	10,579,616
OPEB Liability - Current	1,604,180	-	1,604,180
OPEB Liability - Noncurrent	44,527,650	-	44,527,650
Net Pension Liability	316,319,061	1,772,699	318,091,760
Total Liabilities	<u>431,878,410</u>	<u>2,241,673</u>	<u>434,120,083</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Pension	596,199	3,240	599,439
Deferred OPEB	6,876,955	-	6,876,955
Total Deferred Inflows of Resources	<u>7,473,154</u>	<u>3,240</u>	<u>7,476,394</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	302,737,618	33,785,245	336,522,863
Restricted for:			
Economic Development	38,221,372	-	38,221,372
Debt Service and Capital Projects	1,623,895	-	1,623,895
PARS Trust	6,971,935	-	6,971,935
General Government	2,483,106	-	2,483,106
Public Protection	36,386,797	-	36,386,797
Public Works	9,246,468	-	9,246,468
Health and Sanitation	32,542,223	-	32,542,223
Public Assistance	4,764,473	-	4,764,473
Education	2,186,612	-	2,186,612
Unrestricted	(281,299,823)	(2,030,963)	(283,330,786)
Total Net Position	<u>\$ 155,864,676</u>	<u>\$ 31,754,282</u>	<u>\$ 187,618,958</u>

See accompanying Notes to Basic Financial Statements.

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities:				
General Government	\$ 38,224,669	\$ 10,966,420	\$ 6,581,672	\$ 2,107,640
Public Protection	96,940,322	10,359,299	71,001,832	-
Public Ways and Facilities	42,769,287	2,022,607	16,575,883	6,884,879
Health and Sanitation	107,828,123	28,411,408	36,452,129	-
Public Assistance	105,302,676	1,413,845	101,068,628	-
Education	7,053,436	251,445	280,298	-
Recreation and Culture	5,834,176	512,027	3,093,739	-
Debt Service				
Interest	66,675	-	-	-
Total Governmental Activities	<u>404,019,364</u>	<u>53,937,051</u>	<u>235,054,181</u>	<u>8,992,519</u>
<b>Business-Type Activities</b>				
Aviation	5,541,634	2,068,699	-	1,783,542
Total Business-Type Activities	<u>5,541,634</u>	<u>2,068,699</u>	<u>-</u>	<u>1,783,542</u>
 Total Humboldt County	 <u>\$ 409,560,998</u>	 <u>\$ 56,005,750</u>	 <u>\$ 235,054,181</u>	 <u>\$ 10,776,061</u>

**General Revenues**

Taxes:

Property Taxes

Sales and Use Taxes

Transient Occupancy Tax

Property Taxes In Lieu of Motor Vehicle License Fees

Other

Unrestricted Interest and Investment Earnings

Miscellaneous

**Transfers**

Total General Revenues and Transfers

**Change in Net Position**

Net Position - Beginning of Year, As Restated

**Net Position - End of Year**

See accompanying Notes to Basic Financial Statements.

Net Revenue (Expense) and  
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (18,568,937)	\$ -	\$ (18,568,937)
(15,579,191)	-	(15,579,191)
(17,285,918)	-	(17,285,918)
(42,964,586)	-	(42,964,586)
(2,820,203)	-	(2,820,203)
(6,521,693)	-	(6,521,693)
(2,228,410)	-	(2,228,410)
-	-	-
(66,675)	-	(66,675)
(106,035,613)	-	(106,035,613)
-	(1,689,393)	(1,689,393)
-	(1,689,393)	(1,689,393)
(106,035,613)	(1,689,393)	(107,725,006)
36,940,765	-	36,940,765
23,709,383	-	23,709,383
2,245,631	-	2,245,631
20,562,699	-	20,562,699
22,501,777	-	22,501,777
4,588,006	(5,958)	4,582,048
2,406,451	12,304	2,418,755
74,395	(74,395)	-
113,029,107	(68,049)	112,961,058
6,993,494	(1,757,442)	5,236,052
148,871,182	33,511,724	182,382,906
<u>\$ 155,864,676</u>	<u>\$ 31,754,282</u>	<u>\$ 187,618,958</u>

THIS PAGE INTENTIONALLY LEFT BLANK

**BASIC FINANCIAL STATEMENTS –  
FUND FINANCIAL STATEMENTS**

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	General Fund	Headwaters Mitigation Fund	Road Fund	Other Governmental	Total
<b>ASSETS</b>					
Cash and Investments	\$ 114,727,713	\$ 13,254,291	\$ 200	\$ 6,808,534	\$ 134,790,738
Department Cash Funds	-	-	-	865	865
Restricted Cash and Investments					
Cash with Fiscal Agent	6,971,935	-	-	-	6,971,935
Receivables, Net	39,803,545	-	3,987,333	340,209	44,131,087
Due from Other Funds	21,618,980	-	-	-	21,618,980
Advance to Other Funds	-	-	-	2,011,554	2,011,554
Loans Receivable	20,885,679	4,789,612	-	-	25,675,291
Prepays and Other Assets	554,271	-	472	39,318	594,061
	<u>204,562,123</u>	<u>18,043,903</u>	<u>3,988,005</u>	<u>9,200,480</u>	<u>235,794,511</u>
Total Assets					
<b>LIABILITIES</b>					
Accounts Payable	\$ 20,530,842	\$ -	\$ 2,528,888	\$ 658,341	\$ 23,718,071
Accrued Salaries and Benefits	8,363,563	-	414,035	262,901	9,040,499
Due to Other Funds	-	-	11,411,593	8,684,313	20,095,906
Unearned Revenue	13,753,128	-	-	-	13,753,128
Total Liabilities	<u>42,647,533</u>	<u>-</u>	<u>14,354,516</u>	<u>9,605,555</u>	<u>66,607,604</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue	19,345,846	-	2,246,805	38,148	21,630,799
<b>FUND BALANCES</b>					
Nonspendable	534,487	-	472	39,318	574,277
Restricted	88,411,135	18,043,903	-	6,341,044	112,796,082
Assigned	24,724,137	-	-	-	24,724,137
Unassigned	28,898,985	-	(12,613,788)	(6,823,585)	9,461,612
Total Fund Balances	<u>142,568,744</u>	<u>18,043,903</u>	<u>(12,613,316)</u>	<u>(443,223)</u>	<u>147,556,108</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 204,562,123</u>	<u>\$ 18,043,903</u>	<u>\$ 3,988,005</u>	<u>\$ 9,200,480</u>	<u>\$ 235,794,511</u>

See accompanying Notes to Basic Financial Statements.



**COUNTY OF HUMBOLDT**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE**  
**GOVERNMENT-WIDE STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES**  
**JUNE 30, 2021**

Fund Balance - Total Governmental Funds	\$ 147,556,108
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.	287,956,460
Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.	21,630,799
Deferred outflows of resources reported in the statement of net position.	57,192,077
Internal service funds are used by the County to charge the cost of its motor pool and copier pool to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	28,854,416
Deferred inflows of resources reported in the statement of net position.	(7,473,154)
Long-term liabilities, including capital leases, are not due and payable in the current period, and therefore are not reported in the governmental funds.	
Capital Leases	(371,266)
Total OPEB Liability	(46,131,830)
Net pension liability	(316,319,061)
Compensated absences	(17,029,873)
	(737,811,026)
Net Position of Governmental Activities	\$ 155,864,676

See accompanying Notes to Basic Financial Statements.

**COUNTY OF HUMBOLDT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	General Fund	Headwaters Mitigation Fund	Road Fund	Other Governmental	Total
<b>REVENUES</b>					
Taxes	\$ 98,487,367	\$ -	\$ 3,861,682	\$ 3,611,206	\$ 105,960,255
Licenses and Permits	4,242,883	-	87,007	54,265	4,384,155
Fines, Forfeitures, and Penalties	4,267,919	-	-	270,375	4,538,294
Use of Money and Property	2,693,314	360,748	(99,129)	65,630	3,020,563
Aid from Other Governments	217,407,102	-	18,549,881	10,626,389	246,583,372
Charges for Services	44,258,018	15,170	675,119	66,295	45,014,602
Other Revenues	1,757,634	-	11,041	532,247	2,300,922
Total Revenues	<u>373,114,237</u>	<u>375,918</u>	<u>23,085,601</u>	<u>15,226,407</u>	<u>411,802,163</u>
<b>EXPENDITURES</b>					
Current:					
General Government	41,200,783	-	-	70,750	41,271,533
Public Protection	82,046,829	-	-	10,694,233	92,741,062
Public Ways and Facilities	3,060,962	-	29,083,066	-	32,144,028
Health and Sanitation	103,768,160	-	-	-	103,768,160
Public Assistance	101,447,893	-	-	-	101,447,893
Education	2,538,245	-	-	4,014,806	6,553,051
Recreation and Culture	6,131,625	-	-	-	6,131,625
Debt Service:					
Principal	-	-	74,689	7,983,242	8,057,931
Interest and Other Charges	-	-	8,749	92,684	101,433
Total Expenditures	<u>340,194,497</u>	<u>-</u>	<u>29,166,504</u>	<u>22,855,715</u>	<u>392,216,716</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	32,919,740	375,918	(6,080,903)	(7,629,308)	19,585,447
<b>OTHER FINANCING SOURCES (USES)</b>					
Capital Leases	-	-	113,713	-	113,713
Transfers In	1,136,705	155,568	226,683	2,061,887	3,580,843
Transfers Out	(3,161,496)	(290,638)	(617)	(234,514)	(3,687,265)
Total Other Financing Sources (Uses)	<u>(2,024,791)</u>	<u>(135,070)</u>	<u>339,779</u>	<u>1,827,373</u>	<u>7,291</u>
<b>NET CHANGES IN FUND BALANCES</b>	30,894,949	240,848	(5,741,124)	(5,801,935)	19,592,738
Fund Balances - Beginning of Year as Restated	<u>111,673,795</u>	<u>17,803,055</u>	<u>(6,872,192)</u>	<u>5,358,712</u>	<u>127,963,370</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 142,568,744</u>	<u>\$ 18,043,903</u>	<u>\$ (12,613,316)</u>	<u>\$ (443,223)</u>	<u>\$ 147,556,108</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF HUMBOLDT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF**  
**ACTIVITIES – GOVERNMENTAL ACTIVITIES**  
**YEAR ENDED JUNE 30, 2021**

Net Change to Fund Balance - Total Governmental Funds \$ 19,592,738

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, and Other Related Capital Assets Adjustments	\$ 12,438,168	
Transfer of Capital Assets from Internal Service Fund	2,403,376	
Less: Current Year Depreciation	<u>(18,860,355)</u>	(4,018,811)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (2,666,616)

Long-term debt proceeds provide resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal Payments on Certificates of Participation and Capital Leases		8,057,931
--	--	-----------

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

Change in Accrued Interest on Debt	34,758	
Change in Total OPEB Liability and Deferred Inflows/Outflows	(1,883,211)	
Changes in Net Pension Liability and Deferred Inflows/Outflows	(11,999,196)	
Change in Compensated Absences	<u>404,372</u>	(13,443,277)

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. (528,471)

Change in Net Position of Governmental Activities \$ 6,993,494

See accompanying Notes to Basic Financial Statements.

**COUNTY OF HUMBOLDT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021**

	Business -Type Activities - Enterprise Fund	Governmental Activities Internal Service Funds
	Aviation	Funds
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ -	\$ 19,240,568
Departmental Cash Funds	400	-
Accounts Receivable	539,315	1,890
Inventory	102,978	-
Prepaid Expenses	-	4,375
Total Current Assets	642,693	19,246,833
Noncurrent Assets:		
Capital Assets:		
Nondepreciable	12,641,681	4,386,317
Depreciable, Net	21,143,564	13,560,645
Total Noncurrent Assets	33,785,245	17,946,962
Total Assets	34,427,938	37,193,795
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Pension	281,188	-
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	249,388	2,001,365
Accrued Salaries and Benefits	57,725	248,900
Due to Other Funds	709,931	813,143
Advances From Other Funds	-	2,011,554
Capital Leases	-	318,630
Compensated Absences	55,033	191,528
Provision for Estimated Claims	-	2,103,460
Total Current Liabilities	1,072,077	7,688,580
Noncurrent Liabilities:		
Capital Leases	-	456,171
Compensated Absences	106,828	194,628
Net Pension Liability	1,772,699	-
Total Noncurrent Liabilities	1,879,527	650,799
Total Liabilities	2,951,604	8,339,379
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Pension	3,240	-
<b>NET POSITION</b>		
Net Investment in Capital Assets	33,785,245	17,172,161
Unrestricted	(2,030,963)	11,682,255
Total Net Position	\$ 31,754,282	\$ 28,854,416

See accompanying Notes to Basic Financial Statements.

**COUNTY OF HUMBOLDT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Business -Type Activities - <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Funds</u>
	<u>Aviation</u>	
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 2,068,699	\$ 44,808,239
Other Revenue	12,304	742,098
Total Operating Revenues	<u>2,081,003</u>	<u>45,550,337</u>
<b>OPERATING EXPENSES</b>		
Salaries and Benefits	1,546,018	6,937,395
Services and Supplies	2,240,637	36,364,924
Claims Expense	-	430,726
Depreciation	1,754,979	1,847,147
Total Operating Expenses	<u>5,541,634</u>	<u>45,580,192</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(3,460,631)</u>	<u>(29,855)</u>
<b>NONOPERATING REVENUE (EXPENSES)</b>		
Interest Income	(5,958)	1,567,443
Gain on Sale of Capital Assets	-	156,500
Total Nonoperating Revenue (Expenses)	<u>(5,958)</u>	<u>1,723,943</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(3,466,589)	1,694,088
Capital Contributions	1,783,542	-
Transfer of Capital Assets	-	(2,403,376)
Transfers In	497,935	219,423
Transfers Out	(572,330)	(38,606)
Total Contributions and Transfers	<u>1,709,147</u>	<u>(2,222,559)</u>
<b>CHANGE IN NET POSITION</b>	(1,757,442)	(528,471)
Net Position - Beginning of Year	<u>33,511,724</u>	<u>29,382,887</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 31,754,282</u>	<u>\$ 28,854,416</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF HUMBOLDT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Fund	Governmental Activities
	Aviation	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Receipts from Customers and Other Funds	\$ 1,573,730	\$ -
Cash Receipts from Internal Fund Services Provided	-	45,551,109
Cash Paid to Suppliers for Goods and Services	(2,195,525)	(35,433,282)
Cash Paid to Employees for Services	(1,205,504)	(6,924,938)
Net Cash Provided (Used) by Operating Activities	(1,827,299)	3,192,889
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers from other Funds	497,935	1,032,566
Transfers to other Funds	109,043	(38,606)
Advances from other Funds	-	2,011,554
Net Cash Provided (Used) by Noncapital Financing Activities	606,978	3,005,514
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital Grants	1,783,542	-
Proceeds from Sale of Capital Assets	-	156,500
Purchase of Capital Assets	(557,263)	(6,499,091)
Principal Paid on Capital Debt	-	(304,180)
Net Cash Provided (Used) by Capital and Related Financing Activities	1,226,279	(6,646,771)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received/Paid	(5,958)	1,567,443
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	-	1,119,075
Cash and Cash Equivalents - Beginning of Year	400	18,121,493
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 400</b>	<b>\$ 19,240,568</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF FUND NET POSITION</b>		
Cash and Investments	\$ -	\$ 19,240,568
Department Cash Funds	400	-
Total Cash and Cash Equivalents	<b>\$ 400</b>	<b>\$ 19,240,568</b>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF HUMBOLDT  
STATEMENT OF CASH FLOWS (CONTINUED)  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Business-Type Activities - Enterprise Fund</u>	<u>Governmental Activities</u>
	<u>Aviation</u>	<u>Internal Service Fund</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (3,460,631)	\$ (29,855)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	1,754,979	1,847,147
Changes in Assets and Liabilities:		
(Increase) Decrease in:		
Receivables	(507,273)	772
Prepays	-	61,665
Deferred Outflows of Resources	(68,386)	-
Increase (Decrease) in:		
Accounts Payable	45,112	895,566
Accrued Salaries and Benefits	8,677	5,265
Compensated Absences	50,933	7,192
Claims Payable	-	405,137
Net Pension Liability	374,937	-
Deferred Inflows of Resources	(25,647)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,827,299)</u>	<u>\$ 3,192,889</u>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>		
Transfer of Capital Assets to Governmental Activities	<u>\$ -</u>	<u>\$ (2,403,376)</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF HUMBOLDT  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2021**

	Private Purpose Trust Fund	Investment Trust Fund	Custodial Funds
<b>ASSETS</b>			
Pooled Cash and Investments	\$ 204,292	\$ 277,065,695	\$ 18,302,863
Accounts receivable	-	1,303,571	119,275
Taxes Receivable	-	-	17,109,921
Total Assets	<u>204,292</u>	<u>278,369,266</u>	<u>35,532,059</u>
<b>LIABILITIES</b>			
Accounts Payable	-	3,659	1,422,620
Due to Other Governments	-	-	679,111
Total Liabilities	<u>-</u>	<u>3,659</u>	<u>2,101,731</u>
<b>NET POSITION</b>			
Restricted for:			
Pool Participants	-	278,365,607	-
Individuals, organizations, and other governments	<u>204,292</u>	<u>-</u>	<u>33,430,328</u>
Total Net Position	<u>\$ 204,292</u>	<u>\$ 278,365,607</u>	<u>\$ 33,430,328</u>

See accompanying Notes to Basic Financial Statements.



**COUNTY OF HUMBOLDT  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2021**

	Private Purpose Trust Fund	Investment Trust Fund	Custodial Funds
<b>ADDITIONS</b>			
Contributions to Pooled Investments	\$ -	\$ 484,793,569	\$ -
Investment Income	2,717	2,905,259	466,780
Property Tax Collected	-	-	330,592,297
Other Income	24,779	-	13,264,555
Total Additions	<u>27,496</u>	<u>487,698,828</u>	<u>344,323,632</u>
<b>DEDUCTIONS</b>			
Distributions from Pooled Investments	-	415,759,990	-
Property Taxes Distributed	-	-	311,839,582
Administrative Expenses	1,879	-	30,168,906
Total Deductions	<u>1,879</u>	<u>415,759,990</u>	<u>342,008,488</u>
<b>CHANGE IN NET POSITION</b>	25,617	71,938,838	2,315,144
Net Position - Beginning of Year, as Previously Stated	-	190,942,250	-
Cumulative Effect of Change in Accounting Principle	178,675	15,484,519	31,115,184
Net Position - Beginning of Year, as Restated	<u>178,675</u>	<u>206,426,769</u>	<u>31,115,184</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 204,292</u>	<u>\$ 278,365,607</u>	<u>\$ 33,430,328</u>

See accompanying Notes to Basic Financial Statements.

## **NOTES TO BASIC FINANCIAL STATEMENTS**

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Reporting Entity**

The County of Humboldt (the County) is a political subdivision created by the state of California. As such, it can exercise the powers specified by the Constitution and statutes of the state. The County is governed by a five member elected Board of Supervisors. The accompanying financial statements present the County's primary government but omits the component unit, Fortuna Fire Protection District over which the County exercises significant influence, and which should be presented as a discretely presented component unit. Significant influence or accountability is based primarily on operational or financial relationships with the County (as distinct from legal relationships). Blended component units, although legally separate entities, are, in substance, part of the County's operations.

The reporting entity excludes certain separate legal entities which may have "Humboldt" in their title, or which are required to keep their funds in the County Treasury or receive their tax apportionment from the County. Some examples are school districts, the community college district, cities, various redevelopment agencies established by local city governments, and a variety of special purpose districts for cemeteries, recreation, and parks. These entities are autonomous organizations with their own governmental powers and constituencies and over which the Board of Supervisors has no oversight responsibility. Accordingly, they are not included in the accompanying financial statements, except as to their assets held by the County (principally cash and investments held by the County Treasurer) as discussed under "fiduciary funds".

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units, although legally separate entities, are in substance, part of the government's operations. Blended component units are an extension of the County and so data from these units are combined with the data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County. Each component unit has a June 30 year-end.

Fortuna Fire Protection District

The Fortuna Fire Protection District (District) was established in 1904 to provides fire protection and other emergency services. The District is governed by a five member Board of Commissioners. The District is required to be reported as a component unit because the County's Board of Supervisors appoints all five members of the District's governing body and can remove members at will. The District should be discretely presented because the board is not substantially the same as the County's. Separately issued financial statements are available for the District by contacting the following office: Fortuna Fire Hall Department Headquarters, 320 South Fortuna Blvd., Fortuna, CA 95540. The District is currently not included in the County's government-wide financial statements because the financial statements for the year ended June 30, 2021 were not available at the time of our audit.

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Blended Component Units

The Public Facilities Corporation (the Corporation) is a nonprofit, public benefit corporation incorporated under the laws of the state of California and recorded by the Secretary of State on December 11, 1985. The Corporation's Board of Directors are appointed by the County's Board of Supervisors. The Corporation has no employees. The County's Auditor-Controller functions as an agent of the Corporation. He does not receive additional compensation for work performed in this capacity.

The County exercises significant influence over operations of the Corporation as it is anticipated that the County will be the sole lessee of all facilities owned by the Corporation. All major financing arrangements, contracts, and other transactions of the Corporation will be reflected in the lease payments of the County. Any surpluses of the Corporation revert to the County at the end of the lease period.

The County has assumed "moral obligation", and potentially a legal obligation, for any debt incurred by the Corporation. The Corporation was formed to provide financing assistance to the County for construction and acquisition of major capital facilities. Upon completion, the County intends to occupy all Corporation facilities. The Corporation has assigned certain rights under the lease agreement to Bank of New York, Union Bank of California, and First Interstate Bank of Trustees. The Corporation has deposited with the Trustee the proceeds from the sales of Certificates of Participation which were used to finance various projects. The bond retirement costs have been factored into the County's lease payment amounts. The Corporation's financial activity is presented in the financial statements as the Debt Service Fund. Certificates of Participation issued by the Corporation are included in the statement of net position – Governmental Activities column.

Capital assets acquired or constructed by the Corporation are included in the statement of net position – Governmental Activities column.

The County has 13 special districts referred to as Special Districts under the Board of Supervisors. Each is established for the purpose of providing specific services in a defined geographic area. Their board members are the same as the County Board of Supervisors. These agencies are reported in the Special Districts under the Board of Supervisors special revenue fund. These districts are as follows: Loleta Fire Protection District, Whitethorn Fire Protection District, Garberville Lighting District, Hydenville Lighting District, Loleta Lighting District, Rohnerville Lighting District, Weott Maintenance and Lighting District, Redcrest Lighting District, Myers Flat Lighting District, Pacific Manor Street Maintenance and Lighting District, Humboldt County Flood Control District – Subzone 1-1, and Janes Creek Drainage District.

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**B. Basis of Presentation**

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its blended component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

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

When both restricted and unrestricted resources are available for use, GASB Statement No. 54 requires that restricted resources are used first, followed by unrestricted resources.

Fund Financial Statements

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

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, public ways and facilities, health and sanitation, public assistance, education and recreation services.
- The *Headwaters Mitigation Fund* is used to reimburse the County for the loss of property and timber tax revenues subsequent to the Headwaters Forest purchase by

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

state and federal agencies. The Fund is also used to provide seed money for local economic development projects.

- The *Road Fund* provides for planning, design, construction, maintenance, and administration of County transportation planning activities.

The County reports the following major enterprise funds:

- The *Aviation Fund* is used to fund general Airport operations, office and administrative expenses and the maintenance of Airport facilities, including the replacement of exterior lighting fixtures, runway, taxiway and ramp lighting, heating and air conditioning service. Major revenue sources include fuel flow fees, rents, land leases, airport royalties, and interest earnings.

The County reports the following additional fund types:

- *Internal Service Funds* account for the County's fleet maintenance and other services provide to other departments or other governments, and self-insurance programs – worker's compensation, dental, medical, unemployment, and general liability on a cost-reimbursement basis.
- The *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for cities. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand.
- The *Custodial Funds* account for assets held by the County for various local governments.
- The *Private Purpose Trust Funds* are used to report trust arrangements under which principal and income benefit other government organizations.

New Accounting Pronouncements

For the fiscal year ended June 30, 2021, the County implemented the following Governmental Accounting Standards Board (GASB) Statement:

- GASB Statement No. 84, *Fiduciary Activities (GASB 84)*. The requirements of this statement are effective for financial statement periods beginning after December 15, 2020. GASB 84 improves consistency in accounting and financial reporting for fiduciary activities by providing guidance on how to report specific fiduciary activities based on certain criteria.

**C. Basis of Accounting**

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place.

Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period so as to be measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

The Governmental Accounting Standards Board (GASB) periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes accounting principles generally accepted in the United States of America for governmental units.

**D. Cash and Cash Equivalents**

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

**E. Restricted Cash and Investments**

The County reports restricted cash and investments as cash with fiscal agent in the General Fund. Amounts are held with Public Agency Retirement Services (PARS) and are restricted for future pension benefits.

**F. Property Tax**

The County is responsible for assessing, collecting, and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property which is situated in the County based on the assessed value as of the preceding January 1. January 1 is also the lien date. Tax rates are set no later than the first workday in September. Property taxes on the secured roll are due in two installments: November 1 and February 1. If unpaid, such taxes become delinquent after December 10 and April 10, respectively. Supplemental property taxes are levied based on changes in assessed values between the date of real property sales and construction and the next



**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

normal assessment date. The additional supplemental property taxes are prorated from the first of the month following the date of such occurrence. Property taxes on the unsecured roll are due on the lien date (March 1), and become delinquent, if unpaid, on August 31.

On September 21, 1993, the County adopted the Teeter Plan. The Teeter Plan provides for a tax distribution procedure in which secured roll taxes, excluding assessments and debt repayment levies, are distributed to participating County taxing agencies on the basis of the tax levy, rather than on the basis of actual tax collections. The County then receives all future delinquent tax payments, penalties and interest, and a complex tax redemption distribution system for all taxing agencies is avoided.

Once adopted by the County, the Teeter Plan remains in effect unless the County orders its discontinuance or prior to the commencement of any subsequent fiscal year the County receives a petition for its discontinuance adopted by resolution of two-thirds of the participating revenue districts in the County. Further, the County may, by resolution adopted not later than July 15 of any subsequent fiscal year after a public hearing, discontinue the Teeter Plan as to any tax levying or assessment levying agency if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls for that agency.

By resolution the County has covenanted that, except for the purpose of securing borrowings, the proceeds of which would be deposited to the General Fund, the County will take no action to sell, assign, or otherwise encumber the future delinquent tax payments, penalties, and interest receivable by the County under the Teeter Plan.

The County is required to create a tax loss reserve fund (included in the general fund) under one or two alternative methods: (1) 1% of the total amount of taxes and assessments levied on the secured roll for the year or (2) 25% of the total delinquent secured taxes for participating entities in the County as calculated at the end of the fiscal year. The County opted to use method (1) which required a tax loss reserve of at least 1% of total taxes and assessments levied on the secured roll.

**G. Loans Receivable**

The County has loans to low-income homeowners for residential housing improvements and to developers for the construction of low-income qualified rental property. The loans are made through the Community Development Block Grant Program, the CalHOME Program, and the HOME Program. The notes have interest rates from 0% to 6%. The terms of the notes range from 5 to 55 years. The notes are due upon sale of the property or maturity date. The notes are secured by real estate.

The County also makes business venture loans through the Headwaters Revolving Loan Fund. Such loans are generally secured by inventory, receivables and cash; as well as the personal assets of the business owners. The loan terms are from 3 to 10 years with interest rates from 5.5% to 10%. The County believes that substantially all loan principal is collectible.

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**H. Inventories and Prepays**

Inventories are stated at cost (first-in, first-out basis) for governmental funds and lower of average cost or market for proprietary funds. Inventory recorded by governmental funds includes postage and materials and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Reported inventories of governmental funds are equally offset by a corresponding nonspendable portion of fund balance to indicate that portion of fund balance not available for future appropriation.

Inventory recorded in the proprietary funds mainly consists of maintenance supplies. Inventory is expensed as the supplies are consumed.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**I. Capital Assets**

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets consisting of certain improvements including roads, bridges, water/sewer, lighting system, drainage systems, and flood control. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds. Depreciation begins when the asset is placed in service and ends in the fiscal year that it is retired from service or is fully depreciated.

The estimated useful lives are as follows:

	<u>Estimated Lives</u>
Infrastructure (Except for the Maintained Pavement Subsystem)	20 to 50 Years
Structures and Improvements	20 to 50 Years
Equipment	3 to 15 Years

Motor pool vehicles are depreciated using historical cost as required by accounting principles generally accepted in the United States of America.

The County has several networks of infrastructure assets – roads, lighting, drainage, and flood control. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, lighting, drainage, and flood control. These infrastructure assets are likely to be the largest asset class of the County. Their historical cost and related depreciation has been reported in the financial statements.

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**J. Deferred Outflows/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, *deferred outflows or resources*, represents a consumption of net assets that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has two items, pension and OPEB, which qualify for reporting in this category.

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, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has two types of items which qualify for reporting in this category: pensions and OPEB. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: intergovernmental revenue and charges for services. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**K. Compensated Absences**

County employees are granted vacation, holiday, comp time, and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation, holiday and comp time at 100%. Employees are reimbursed for accumulated sick leave based on years of service and date of hire.

The County accrues accumulated unpaid compensated absences when earned (or estimated to be earned) by the employee. The liability for governmental funds is reflected in the government-wide statement of net position. In the proprietary funds, accumulated compensated absences is recorded as an expense and liability as the benefits accrue to employees.

**L. Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' 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 benefit terms. Investments are reported at fair value.

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**M. Interfund Transactions**

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

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

**N. Net Position/Fund Balance**

The government-wide and business-type activities fund financial statements utilize a net position presentation. Net position components are categorized as net investment in capital assets, restricted, and unrestricted.

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

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2021, fund balances for governmental funds consist of the following categories:

- Nonspendable Fund Balance – This category includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact (such as inventories or prepaid amounts).

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

- Restricted Fund Balance – This category includes amounts that can be spent only for specific purposes stipulated by external parties (such as creditors, grant providers, or contributors) or by law.
- Committed Fund Balance – This category includes amounts that can be used only for the specific purpose determined by the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action. The formal action must occur prior to the end of the reporting period. The amount which will be subject to the constraint may be determined in the subsequent period.
- Assigned Fund Balance – This category is comprised of amounts intended to be used by the government entity for specific purposes that are neither restricted nor committed. Intent can be expressed by the Board of Supervisors or by an official or body to which the Board delegates the authority. Assigned fund balance can be used to eliminate a projected budgetary deficit in the subsequent year's budget.
- Unassigned Fund Balance – This category is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purposes.

The Board of Supervisors establishes, modifies, or rescinds fund balance commitments and assignments by passage of a resolution or an ordinance. This can be done through the adoption of the budget and subsequent budget amendments that occur throughout the year.

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

Fund Balance Policy

The County has developed a fund balance policy to assist financial statement users in understanding the existing commitments and constraints that apply to fund balances of governments. Committed, assigned, and unassigned fund balances are considered unrestricted. Additional detailed information, along with the complete *Fund Balance Policy*, can be obtained from the County Auditor-Controller's office.

**O. Estimates**

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

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 2 CASH AND INVESTMENTS**

At June 30, 2021, total County cash and investments were as follows:

Cash:	
Cash on Hand and Imprest Cash	\$ 27,145
Deposits	<u>10,068,857</u>
Total Cash and Deposits	10,096,002
Investments:	
In Treasurer's Pool	449,389,246
With Fiscal Agent	<u>6,971,935</u>
Total Investments	456,361,181
In Transit:	
Outstanding Checks	(9,593,324)
Other Adjustments	<u>(286,503)</u>
Total in Transit	<u>(9,879,827)</u>
Total	<u>\$ 456,577,356</u>

Cash and investments were reported in the basic financial statements as follows:

Primary Government:	
Governmental Activities	\$ 161,004,106
Business-Type Activities	400
Investment Trust Fund	277,065,695
Custodial Funds	18,302,863
Private Purpose Trust Fund	<u>204,292</u>
Total	<u>\$ 456,577,356</u>

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Investments**

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury and Agency Securities	5 Years	100%	N/A
U.S. Treas. and Ag. Sec. - Headwaters Investment Portfolio	30 Years	100%	N/A
Bonds and Notes issued by local agencies	5 Years	100%	N/A
Bonds and Notes loc. ag. - Headwaters Investment Portfolio	30 Years	100%	N/A
Registered State Warrants and Municipal Notes and Bonds	5 Years	100%	N/A
Registered St. Warrants - Headwaters Investment Portfolio	30 Years	100%	N/A
Muni. Notes and Bonds - Headwaters Investment Portfolio	30 Years	100%	N/A
Bankers' Acceptances	180 days	40%	N/A
Commercial Paper	270 days	40%	N/A
Negotiable Certificates of Deposit	5 Years	30%	N/A
Negotiable CDs - Headwaters Investment Portfolio	30 Years	30%	N/A
Repurchase Agreements	1 Year	100%	N/A
Reverse Repurchase Agreements and Securities	92 days	20%	N/A
Medium Terms Corporate Notes	5 Years	30%	N/A
Mutual Funds & Money Market Funds	N/A	20%	N/A
California Asset Management Program	N/A	None	N/A
Joint Powers Agreement	N/A	20%	N/A
Local Agency Investment Fund (LAIF)	N/A	As Limited by LAIF	N/A
Investment Trust of California (CalTRUST)	N/A	As Limited by CalTRUST	N/A
Collateralized Time Deposits	5 Years	N/A	N/A

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

	Interest Rate	Maturities	Carrying Value	WAM (Years)
<b>Investment Pool:</b>				
U.S. Government Agencies	0.25 - 3.38	7/14/2021 - 5/26/2026	\$ 237,399,000	3.22
Negotiable CDs	1.70 - 3.35	8/30/2021 - 9/29/2028	7,111,000.00	2.25
Municipal Bonds	1.89 - 2.25	8/01/2021 - 6/01/2024	9,600,000.00	2.07
U.S. Treasury Notes	0.25 - 2.00	7/31/2021 - 3/31/2026	60,402,635.00	2.77
Medium Term Corporate Notes	2.15 - 2.80	5/05/2022 - 1/26/2023	16,000,000.00	1.07
California Asset Management Program	Variable	On Demand	1,414,635	
Local Agency investment Fund	Variable	On Demand	117,461,976	
Total Investment Pool			449,389,246	
<b>Investments Outside Investment Pool:</b>				
<b>Cash Held with Fiscal Agent:</b>				
Money Market Mutual Funds	Variable	On Demand	6,971,935	
Total Investments			\$ 456,361,181	

The fair value of the investments is obtained by the County's safekeeping agent.

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Fair Value Measurements**

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

*Level 1* – Investments reflect prices quoted in active markets;

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

*Level 3* – Investments reflect prices based upon unobservable sources

The Pool has the following recurring fair value measurements as of June 30, 2021:

<u>Investments by Fair Value Level</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Observable Inputs (Level 3)</u>
U.S. Government Agencies	\$ 237,399,000	\$ -	\$ 237,399,000	\$ -
Negotiable CDs	7,111,000	-	7,111,000	-
Municipal Bonds	9,600,000	-	9,600,000	-
U.S. Treasury Notes	60,402,635	60,402,635	-	-
Medium Term Corporate Notes	16,000,000	-	16,000,000	-
Total Investments Measured at Fair Value	330,512,635	<u>\$ 60,402,635</u>	<u>\$ 270,110,000</u>	<u>\$ -</u>
Investment Measured at Amortized Cost:				
California Asset Mgmt Program	1,414,635			
Local Agency Investment Fund	117,461,976			
PARS	6,971,935			
Total Investments	<u>\$ 456,361,181</u>			



**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**Interest Rate Risk**

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

**Credit Risk**

State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by *Standards & Poor's* or P-1 by *Moody's Investors Service*. State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by *Standard & Poor's* and *Moody's Investors Service*. The County does not have credit limits on government agency securities.

**Concentration of Credit Risk**

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

	Standard & Poor's Rating	% of Portfolio
U.S. Government Agency Securities	AA+	52.90
Municipal Bonds	AAA	2.10
U.S. Treasury Notes	Aaa	13.30
Medium Term Corporate Notes	AA-	3.60
Certificates of Deposit	Unrated	1.60
Local Agency Investment Fund	Unrated	26.20
California Local Agency Investment Fund	Unrated	0.30
Total		<u>100.00 %</u>

At June 30, 2021, the County had the following investments in any one issuer that represent 5% or more of the total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded because they are not a concentration of credit risk.

	Fair Value Holdings	Percentage Holdings
Federal National Mortgage	\$ 87,895,000	19.59 %
Federal Home Loan Bank	66,000,000	14.71
Federal Home Mortgage Corporation	36,000,000	8.02
Federal Farm Credit	38,504,000	8.58

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Custodial Credit Risk**

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

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 Agency Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

**Local Agency Investment Fund**

At June 30, 2021, the County's investment position in the State of California Local Agency Investment Fund (LAIF) was \$117,461,976, which approximates fair value and is the same as the value of the pool shares which is determined on an amortized cost basis. The total amount invested by all public agencies in PMIA on that day was \$193,463,490,764. The PMIA portfolio includes 2.31% invested in medium-term asset-backed securities and short term asset-backed commercial paper.

**County Investment pool Condensed Financial Statements**

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

**Statement of Net Position**

Net Position Held for Pool Participants	<u>\$ 449,115,216</u>
Equity of External Pool Participants	\$ 278,365,607
Equity of Internal Pool Participants	<u>170,749,609</u>
Total Net Position	<u>\$ 449,115,216</u>

**Statement of Changes in Net Position**

Net Position at July 1, 2020	\$ 333,210,424
Net Change in Investments by Pool Participants	<u>115,904,792</u>
Net Position at June 30, 2021	<u>\$ 449,115,216</u>

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 3 INTERFUND TRANSACTIONS**

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

**Due to/from Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Aviation Fund	\$ 709,931
	Road Fund	11,411,593
	Nonmajor Governmental Funds	8,684,313
	Internal Service Funds	813,143
	Total	<u>\$ 21,618,980</u>

The due to/from other funds account balances consists of interfund cash transactions to eliminate cash deficits at June 30, 2021 for reporting purposes and short-term loans between funds. As part of the County's short term financial plan to remove COP debt, the County's debt service fund sent the cash to the general fund to cover the debt. This left a cash deficit in the debt service fund which is currently being covered by the general fund until new debt is issued to replenish the debt service fund cash.

**Transfers**

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

<u>Transfer from</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 1,136,705	\$ 3,161,496
Headwaters Mitigation Fund	155,568	290,638
Road Fund	226,683	617
Nonmajor Governmental Funds	2,061,887	234,514
Aviation	497,935	572,330
Internal Service Funds	219,423	38,606
Total	<u>\$ 4,298,201</u>	<u>\$ 4,298,201</u>

**Advances**

<u>Advance From Fund</u>	<u>Advance To Fund</u>	<u>Amount</u>
Nonmajor Governmental Funds	Internal Service Funds	\$ 2,011,554
	Total	<u>\$ 2,011,554</u>

An advance between the debt service fund and the ADA compliance fund was made as part of the County's short term finance plan to promote construction of new assets.

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 4 CAPITAL ASSETS**

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

	Balance July 1, 2020	Additions	Retirements	Transfers and Adjustments	Balance June 30, 2021
<b>Governmental Activities</b>					
Capital Assets, not being Depreciated:					
Land	\$ 10,697,856	\$ 603,830	\$ -	\$ -	\$ 11,301,686
Construction in Progress	36,458,798	13,941,281	-	(953,364)	49,446,715
Total Capital Assets, not being Depreciated	47,156,654	14,545,111	-	(953,364)	60,748,401
Capital Assets, being Depreciated:					
Infrastructure	622,529,873	-	-	719,439	623,249,312
Structures and Improvements	116,562,324	-	-	233,925	116,796,249
Equipment	43,503,062	4,616,312	(965,399)	-	47,153,975
Total Capital Assets, being Depreciated	782,595,259	4,616,312	(965,399)	953,364	787,199,536
Less Accumulated Depreciation for:					
Infrastructure	(422,569,666)	(13,794,415)	-	-	(436,364,081)
Structures and Improvements	(71,570,571)	(3,897,867)	-	-	(75,468,438)
Equipment	(28,051,724)	(3,015,220)	854,948	-	(30,211,996)
Total Accumulated Depreciation	(522,191,961)	(20,707,502)	854,948	-	(542,044,515)
Total Capital Assets, being Depreciated, Net	260,403,298	(16,091,190)	(110,451)	953,364	245,155,021
Governmental Activities Capital Assets, Net	<u>\$ 307,559,952</u>	<u>\$ (1,546,079)</u>	<u>\$ (110,451)</u>	<u>\$ -</u>	<u>\$ 305,903,422</u>
<b>Business-Type Activities</b>					
Capital Assets, not being Depreciated:					
Land	\$ 1,976,177	\$ -	\$ -	\$ -	\$ 1,976,177
Construction in Progress	10,167,570	557,263	-	(59,329)	10,665,504
Total Capital Assets, not being Depreciated	12,143,747	557,263	-	(59,329)	12,641,681
Capital Assets, being Depreciated:					
Infrastructure	-	-	-	28,855,346	28,855,346
Structures and Improvements	53,503,813	-	-	(28,796,017)	24,707,796
Equipment	336,918	-	-	-	336,918
Total Capital Assets, being Depreciated	53,840,731	-	-	59,329	53,900,060
Less accumulated depreciation for:					
Infrastructure	-	(1,070,843)	-	(15,056,124)	(16,126,967)
Structures and Improvements	(30,718,644)	(673,659)	-	15,056,124	(16,336,179)
Equipment	(282,873)	(10,477)	-	-	(293,350)
Total Accumulated Depreciation	(31,001,517)	(1,754,979)	-	-	(32,756,496)
Total Capital Assets, being Depreciated, Net	22,839,214	(1,754,979)	-	59,329	21,143,564
Business-Type Activities Capital Assets, Net	<u>\$ 34,982,961</u>	<u>\$ (1,197,716)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,785,245</u>

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**Depreciation**

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 2,500,799
Public Protection	1,644,304
Public Ways and Facilities	13,894,213
Health and Sanitation	236,429
Public Assistance	214,118
Education	295,883
Recreation and Culture	74,609
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on Their Usage of the Asset	1,847,147
Total Depreciation Expense - Governmental Functions	\$ 20,707,502

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

Aviation	\$ 1,754,979
----------	--------------

**NOTE 5 LEASE COMMITMENTS**

**Operating Leases**

The County is committed under various noncancellable operating leases, primarily for office buildings.

At June 30, 2021, the future minimum rental payments required under operating leases for buildings and equipment were as follows:

<u>Fiscal Year Ending June 30.</u>	<u>Amount</u>
2022	\$ 5,572,604
2023	5,723,440
2024	5,875,863
Total	\$ 17,171,907

Rent expenditures were \$5,425,956 for the year ended June 30, 2021.

**Capital Leases**

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

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

The following is a summary of equipment leased under the capital lease agreements by the County as of June 30, 2021.

	Stated Interest Rate	Present Value of Remaining Payments as of June 30, 2021
Road Equipment	1.81 - 2.91%	\$ 1,146,069
Total		\$ 1,146,069

The cost of equipment under capital leases is as follows:

Road Equipment	\$ 2,570,403
Less: Accumulated Depreciation	(1,350,290)
Total	\$ 1,220,113

As of June 30, 2021, future minimum lease payments under capital leases were as follows:

Year Ending June 30,	Amount
2022	\$ 502,425
2023	425,039
2024	212,886
2025	62,100
2026	10,226
Total Future Minimum Lease Payments	1,212,676
Less: Interest	(66,607)
Present Value of Minimum Lease Payments	\$ 1,146,069

**NOTE 6 LONG-TERM LIABILITIES**

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

	Balance June 30, 2020 as restated	Additions	Deletions	Balance June 30, 2021	Amounts Due Within One Year
<b>Governmental Activities</b>					
Direct Borrowings:					
Certificates of Participation	\$ 7,920,000	\$ -	\$ 7,920,000	\$ -	\$ -
Capital Lease Obligations	1,474,465	113,713	442,109	1,146,069	441,413
Compensated Absences	17,813,209	9,375,504	9,772,686	17,416,027	6,943,241
Liability for Unpaid Claims	1,698,323	430,726	25,589	2,103,460	2,103,460
Total Governmental Activities	\$ 28,905,997	\$ 9,919,943	\$ 18,160,384	\$ 20,665,556	\$ 9,488,114
Long-Term Liabilities					
<b>Business-Type Activities</b>					
Compensated Absences	\$ 110,928	\$ 104,805	\$ 53,872	\$ 161,861	\$ 55,033

The liability for unpaid claims is liquidated by the General Fund and the internal service funds. *Compensated absences* are generally liquidated by the General Fund and related special revenue funds.

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 7 NET POSITION/FUND BALANCES**

**Classification**

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

	General Fund	Headwaters Fund	Road Fund	Other Governmental Funds	Total
<b>Nonspendable:</b>					
Prepays and Inventory	\$ 534,487	\$ -	\$ 472	\$ 39,318	\$ 574,277
Total Nonspendable	534,487	-	472	39,318	574,277
<b>Restricted for:</b>					
General Government	585,487	-	-	-	585,487
Public Projection	33,184,361	-	-	3,071,983	36,256,344
Public Ways and Facilities	6,999,663	-	-	-	6,999,663
Health and Sanitation	15,699,687	-	-	-	15,699,687
Public Assistance	4,470,071	-	-	-	4,470,071
Education	541,446	-	-	1,645,166	2,186,612
Economic Development	19,958,485	18,043,903	-	-	38,002,388
Pensions (PARS)	6,971,935	-	-	-	6,971,935
Debt Service	-	-	-	1,623,895	1,623,895
Total Restrictions	88,411,135	18,043,903	-	6,341,044	112,796,082
<b>Assigned for:</b>					
General Reserve	4,668,128	-	-	-	4,668,128
General Government	20,056,009	-	-	-	20,056,009
	24,724,137	-	-	-	24,724,137
<b>Unassigned</b>					
	28,898,985	-	(12,613,788)	(6,823,585)	9,461,612
Total Fund Balance	<u>\$ 142,568,744</u>	<u>\$ 18,043,903</u>	<u>\$ (12,613,316)</u>	<u>\$ (443,223)</u>	<u>\$ 147,556,108</u>

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 8 PENSION PLANS**

**A. General Information about the Pension Plans**

**Plan Descriptions** – All qualified permanent and probationary employees are eligible to participate in the County’s separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by state statute and County’s resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2021 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date		
Benefit Formula	2.7% @ 55	2% @ 62
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 55	52 - 67
Monthly Benefits, as a % of Eligible Compensation	2.0% to 2.7%	1.0% to 2.5%
Required Employee Contribution Rates	7% - 8%	7% - 8%
Required Employer Contribution Rates	22.747%	22.747% - 24.487%
	Safety	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date		
Benefit Formula	3% @ 50	2.7% @ 57
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50	50 - 57
Monthly Benefits, as a % of Eligible Compensation	3.0%	2.0% to 2.7%
Required Employee Contribution Rates	9.00%	10.75%
Required Employer Contribution Rates	29.097%	29.097% - 33.181%



**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**Employees Covered** – At June 30, 2021, the following employees were covered by the benefit terms for each Plan:

	<u>Miscellaneous</u>	<u>Safety</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	2,154	360
Inactive Employees Entitled to but not yet Receiving Benefits	1,526	286
Active Employees	1,834	287
Total	<u>5,514</u>	<u>933</u>

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that 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 both 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.

**B. Net Pension Liability**

The County’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

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

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.625%	2.625%
Payroll Growth	2.875%	2.875%
Projected Salary Increase	3.3% - 14.2% (1)	3.3% - 14.2% (1)
Investment Rate of Return	7.25% (2)	7.25% (2)
Mortality	Derived using CalPERS’ Membership Data all Funds	
Postretirement Benefit	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies, 2.75%	

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

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

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2007. Further details of the Experience Study can found on the CalPERS website.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of GASB Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.15% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.15%. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of 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 as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

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

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10(a)</u>	<u>Real Return Years 11 + (b)</u>
Global Equity	50.0 %	4.80 %	5.98 %
Fixed Income	28.0	1.00	2.62
Inflation Assets	-	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Assets	13.0	3.75	4.93
Liquidity	1.0	-	(0.92)
Total	<u>100.0 %</u>		

(a) An expected inflation of 2.0% used for this period.

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

**C. Changes in the Net Pension Liability**

The changes in the Net Pension Liability for each Plan are as follows:

	<u>Miscellaneous Plan</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Balance at June 30, 2020	\$ 761,095,789	\$ 532,315,821	\$ 228,779,968
Changes in the Year:			
Service Cost	16,724,245	-	16,724,245
Interest on the Total Pension Liability	54,203,857	-	54,203,857
Benefit Payments, Including Refunds of Employee Contributions	(41,358,723)	(41,358,723)	-
Changes of Assumptions Differences Between Expected and Actual Experience	5,345,041	-	5,345,041
Plan to Plan Resource Movement	-	924	(924)
Contribution - Employer	-	25,044,531	(25,044,531)
Contribution - Employee	-	10,187,645	(10,187,645)
Net Investment Income	-	26,722,508	(26,722,508)
Administrative Expenses	-	(754,352)	754,352
Other Miscellaneous	-	-	-
Change of Allocation	3,972,317	2,778,257	1,194,060
Net Changes	<u>38,886,737</u>	<u>22,620,790</u>	<u>16,265,947</u>
Balance at June 30, 2021 <i>(Measurement Date June 30, 2020)</i>	<u>\$ 799,982,526</u>	<u>\$ 554,936,611</u>	<u>\$ 245,045,915</u>

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

	Safety Plan		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2020	\$ 231,646,706	\$ 163,896,871	\$ 67,749,835
Changes in the Year:			
Service Cost	5,087,733	-	5,087,733
Interest on the Total Pension Liability	16,412,358	-	16,412,358
Changes of Assumptions Differences Between Expected and Actual Experience	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	1,157,011	-	1,157,011
Plan to Plan Resource Movement	(11,608,200)	(11,608,200)	-
Contribution - Employer	-	(959)	959
Contribution - Employee	-	7,010,817	(7,010,817)
Net Investment Income	-	2,444,951	(2,444,951)
Administrative Expenses	-	8,137,337	(8,137,337)
Other Miscellaneous	-	(231,054)	231,054
Net Changes	<u>11,048,902</u>	<u>5,752,892</u>	<u>5,296,010</u>
Balance at June 30, 2021 <i>(Measurement Date June 30, 2020)</i>	<u>\$ 242,695,608</u>	<u>\$ 169,649,763</u>	<u>\$ 73,045,845</u>

**Sensitivity of the Net Pension Liability to Changes 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 point lower or 1-percentage point higher than the current rate:

	1% Decrease in Discount Rate 6.15%	Discount Rate 7.15%	1% Increase in Discount Rate 8.15%
Miscellaneous	\$ 343,918,521	\$ 245,045,915	\$ 162,604,099
Safety	106,808,100	73,045,845	45,454,266

**Pension Plan Fiduciary Net Position** – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

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

For the year ended June 30, 2021, the County recognized total pension expense of \$45,900,738, including \$33,860,295 and \$12,040,443 for its miscellaneous and safety plans, respectively. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 27,609,767	\$ -
Differences Between Actual and Expected Experience	6,798,934	-
Changes in Assumptions	-	447,834
Net Differences Between Projected and Actual Earnings on Plan Investments	<u>4,460,814</u>	<u>-</u>
Total	<u>\$ 38,869,515</u>	<u>\$ 447,834</u>

	<u>Safety Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 7,710,590	\$ -
Differences Between Actual and Expected Experience	2,228,068	-
Changes in Assumptions	-	151,605
Net Differences Between Projected and Actual Earnings on Plan Investments	<u>1,440,923</u>	<u>-</u>
Total	<u>\$ 11,379,581</u>	<u>\$ 151,605</u>

The County reported \$35,320,357 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Miscellaneous</u>	<u>Safety</u>
2022	\$ 1,651,254	\$ 601,393
2023	3,516,381	1,069,345
2024	3,396,067	1,150,044
2025	2,248,212	696,604
Thereafter	-	-

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**A. Plan Description**

The County of Humboldt Retiree Health Plan is a single-employer defined healthcare plan administered by the County. The County sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act (PEMHCA), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options. Participation in PEMHCA is financed in part by the County through a flexible benefits plan, with contributions made to the plan up to a dollar amount determined by collective bargaining, including \$105.00 per month that the County designates for PEMHCA. The \$105.00 per month was increased by law to \$108.00 for 2011, and will be indexed with medical inflation (CPI) for years 2011 and thereafter. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Postretirement Coverage

The County also offers PEMHCA to its retirees. The County makes the required statutory PEMHCA contribution as described above. Prior to 2011, the County made additional contributions to a small number of retirees with special agreements, which have now been settled. The County pays a 0.36%-of-premium administrative fee to PEMHCA for each retiree.

Healthcare Premiums

The following table shows January 1, 2015 monthly PERS Health (PEMHCA) premiums for retirees within the Other Northern California region:

	Blue Shield NV HMO	PERS Select PPO	PERS Choice PPO	PERS Care PPO	PORAC
<u>Basic Plan</u>					
Retiree	\$ 753.82	\$ 646.35	\$ 725.54	\$ 656.08	\$ 675.00
Retiree + 1	1,507.64	1,292.70	1,451.08	1,312.16	1,292.00
Family	1,959.93	1,680.51	1,886.40	1,705.81	1,642.00
<u>Medicare Supplement</u>					
Retiree	\$ 352.63	\$ 339.47	\$ 368.76	\$ 339.47	\$ 402.00
Retiree + 1	705.26	678.49	737.52	678.49	802.00
Family	1,057.89	1,018.41	1,106.28	1,018.41	1,281.00

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**B. Actuarial Assumptions**

The Net OPEB Liability was determined using an actuarial valuation as of June 30, 2020, using the following assumptions:

Actuarial Assumption	June 30, 2020 Measurement Date
Actuarial Valuation Date	June 30, 2020
Discount Rate	2.45% Unfunded, therefor the discount rate was set to the rate of tax-exempt, high quality 20-year municipal bonds, as the valuation date.
Inflation	0.75%
Mortality Rates:	Based on CalPERS tables.
Salary Increases	2.75%. Additional merit-based on CalPERS merit salary increase tables.
Healthcare Cost Trend Rates	6.50% Pre-Medicare, trending down to 3.94% over 55 years. 6.00% Medicare, trending down to 3.94% over 55 years

**C. Employees Covered by Benefit Terms**

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

Active Employees	2,095
Inactive Employees Currently Receiving Benefits	<u>636</u>
Total	<u><u>2,731</u></u>

**D. Changes in the Total OPEB Liability**

The table below shows the changes in the total OPEB liability as of June 30, 2021.

	<u>Increase (Decrease)</u> <u>Total OPEB</u> <u>Liability</u>
Balance at June 30, 2020 <i>(Valuation Date June 30, 2020)</i>	\$ 39,983,824
Changes Recognized for the Measurement Period:	
Service Cost	2,435,502
Interest	1,304,262
Benefit Payments	(875,740)
Change of Assumptions	3,914,440
Difference Between Expected and Actual Experience	(6,972)
Implicit Rate Subsidy Fulfilled	<u>(623,486)</u>
Net Changes	<u><u>6,148,006</u></u>
Balance at June 30, 2021 <i>(Measurement Date June 30, 2020)</i>	<u><u>\$ 46,131,830</u></u>

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**E. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2021, the County recognized OPEB expense of \$3,487,392. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in gain/loss, and actuarial assumptions or method. At June 30, 2021, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,604,180	\$ -
Change of assumptions	5,619,989	277,271
Differences between expected and actual experience	-	6,599,684
	<u>\$ 7,224,169</u>	<u>\$ 6,876,955</u>
Total	<u>\$ 7,224,169</u>	<u>\$ 6,876,955</u>

The \$1,604,180 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources or deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30	Deferred Outflows (Inflows) of Resources
2022	\$ (252,373)
2023	(252,373)
2024	(252,373)
2025	(252,373)
2026	(252,373)
Remaining	4,899

**F. 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 net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate.

	1% Decrease (1.45%)	Current Rate (2.45%)	1% Increase (3.45%)
Total OPEB Liability	\$ 52,961,117	\$ 46,131,830	\$ 40,547,646



**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**G. Sensitivity of the Net OPEB Liability to Changes in Healthcare Cost Trend Rate**

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

	Current Healthcare Cost		
	1% Decrease	Trend Rates	1% Increase
	5.50%	6.50%	7.50%
Total OPEB Liability	\$ 44,512,364	\$ 46,131,830	\$ 48,069,213

**NOTE 10 RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and health and welfare of employees. The County has established a self-insurance fund (an internal service fund) to account for and finance these possible risks of loss. Under this program, the Self-Insurance Fund provides the following coverage per occurrence:

Property	\$ 5,000
Liability	150,000
Auto Physical Damage	10,000
Dental	1,000
Unemployment	Various

The County purchases excess insurance through risk pools and commercial carriers for claims in excess of coverage provided by the fund and all other risks of loss. The County pays an annual basic premium for coverage and is assessed an annual risk premium based on an actuarial review that estimates each of the program's participant's ultimate liabilities. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the County participate in the program and make payments to the Self-Insurance Fund based on actuarial estimates of the amounts needed to pay prior- and current-year claims. Changes in the Fund's claims liability amounts for the past fiscal years were:

	2021			
	Balance at June 30, 2020	Current Year Claims and Changes in Estimates	Claims Payments	Balance at June 30, 2021
Liability and Auto	\$ 1,479,000	\$ 368,476	\$ 3,524	\$ 1,851,000
Dental	127,255	29,113	(29,113)	127,255
Unemployment	92,068	33,137	-	125,205
Total	<u>\$ 1,698,323</u>	<u>\$ 430,726</u>	<u>\$ (25,589)</u>	<u>\$ 2,103,460</u>

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

	2020			
	Balance at June 30, 2019	Current Year Claims and Changes in Estimates	Claims Payments	Balance at June 30, 2020
Liability and Auto	\$ 1,873,000	\$ 188,593	\$ (582,593)	\$ 1,479,000
Dental	127,255	1,020,342	(1,020,342)	127,255
Unemployment	87,332	93,149	(88,413)	92,068
Total	\$ 2,087,587	\$ 1,302,084	\$ (1,691,348)	\$ 1,698,323

The claims liability, including incurred but not reported claims, were based on actuarial reviews. Actuarial review of the liability program was performed by Bickmore Risk Services. Actuarial review of the unemployment program was performed by Bickmore Risk Services. An actuarial review of the dental program was last performed by Demsey, Filliger and Associates.

All claims are processed and administered by claims administrators as follows:

Property	Assigned by CSAC Excess Insurance Authority
Liability and Auto	County Risk Manager
Dental	Preferred Benefit Insurance Administration, Inc.
Unemployment	Tax Corporation

**NOTE 11 JOINT VENTURES**

The County participates in several joint ventures under joint powers agreement (JPAs). The relationship between the County and the JPAs is such that none of the JPAs is a component unit of the County for financial reporting purposes.

The County participated in the following JPAs at June 30, 2021:

- CSAC Excess Insurance Authority
- Humboldt Transit Authority
- North Coast Air Quality Management District
- Humboldt County Association of Government Trusts
- Redwood Cost Energy Authority
- Redwood Regional Economic Development Commission
- North Coast Emergency Medical Services
- Humboldt County Waste Management Authority

The CSAC Excess Insurance Authority is a joint powers authority organized in accordance with Article 1, Chapter 5, Division 7, Title I of the California Government Code. The purpose of the entity is to develop and fund programs of primary and excess insurance for workers' compensation, comprehensive liability, and other insurance coverages for member counties. The Authority is under the control and direction of a board of directors consisting of representatives of the 53 member counties.

Financial statements for the Authority are produced annually and may be obtained by writing to the CSAC Excess Insurance Authority, 3017 Gold Canal Drive, Suite 300, Rancho Cordova, California 95670.

**COUNTY OF HUMBOLDT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 12 COMMITMENTS AND CONTINGENCIES**

**A. Grants**

The County participates in a number of federal and state grant programs subject to financial and compliance audits by the grantors or their representatives. Audits of certain grant programs, including the year ended June 30, 2021, have not yet been conducted. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The County believes that such disallowances, if any, would not have a material effect on the combined financial statements.

**B. Legal Actions**

In the opinion of County Counsel, there are potential liabilities as of June 30, 2021 which could result in monetary rewards against the County if unfavorable decisions are rendered. The County does not make provisions for potential awards.

**C. Construction Commitments**

The County had entered into contracts for the construction of certain projects. At June 30, 2021, there were outstanding commitments of \$16,972,380 for road, bridge and building projects.

**NOTE 13 DEFICIT FUND BALANCE/NET POSITION**

The following funds had a fund balance or net position deficit as of the fiscal year end:

	<u>Accumulated Deficit</u>
Road	\$ 12,613,316
Northcoast Resource Partnership	511,428
Debt Service	6,310,457
ADA Compliance	347,066

The deficit fund balance in the Road Fund is primarily the result of several outstanding reimbursement claims to FEMA at June 30 for disaster-related expenditures incurred during the year. The deficit in the Northcoast Resources Partnership Fund will be financed through future revenues of the fund. The deficit in the Debt Service Fund will be financed through a legal agreement between itself and the General Fund, offering buildings owned by the Debt Service Fund as collateral.

**COUNTY OF HUMBOLDT  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2021**

**NOTE 14 CHANGE IN ACCOUNTING PRINCIPLE AND PRIOR PERIOD ADJUSTMENTS**

**GASB Statement No. 84**

During the fiscal year ended June 30, 2021, the County implemented GASB No. 84, *Fiduciary Activities*, to improve accounting and financial reporting for fiduciary activities by the state and local governments.

As of July 1, 2020, the County implemented this Statement increasing beginning net position in Governmental Activities by \$11,247,739, the Private Purpose Trust Fund by \$178,675, the Investment Trust Fund by \$15,484,519, and Custodial Funds by \$31,115,184.

**Compensated Absences Prior Period Adjustment**

The County was unable to produce an accurate report in the prior year detailing its liability for compensated absences. The County was able to produce this report for both the prior year and the current year during the fiscal year 2021 audit. There was a prior period adjustment to adjust the prior year compensated absence liability in the amount of \$2,663,279 in the Governmental Activities to reflect the correct prior year balance.

See below representation of changes due to the change in accounting principle and prior period adjustments:

	<b>Governmental Activities</b>
Net Position - Beginning of Year	\$ 140,286,722
Change in Accounting Principle (GASB 84)	11,247,739
Prior Period Adjustment for Compensated Absences	<u>(2,663,279)</u>
Net Position - Beginning of Year, as Restated	<u><u>\$ 148,871,182</u></u>
	<b>General Fund</b>
Fund Balance - Beginning of Year	\$ 100,426,056
Change in Accounting Principle (GASB 84)	11,247,739
Fund Balance - Beginning of Year, as Restated	<u><u>\$ 111,673,795</u></u>

THIS PAGE INTENTIONALLY LEFT BLANK

**REQUIRED SUPPLEMENTARY INFORMATION**

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**YEAR ENDED JUNE 30, 2021**

Last 10 Fiscal Years\*

	Safety Plans						
	June 30,						
	2020	2019	2018	2017	2016	2015	2014
<b>TOTAL PENSION LIABILITY</b>							
Service Cost	\$ 5,087,733	\$ 4,813,680	\$ 4,982,401	\$ 4,640,621	\$ 4,080,379	\$ 4,164,088	\$ 4,185,384
Interest on Total Pension Liability	16,412,358	15,656,673	14,860,932	14,038,633	13,624,602	13,034,283	12,485,789
Changes of Assumptions	-	-	(606,417)	12,184,884	-	(3,323,361)	-
Differences Between Expected and Actual Experience	1,157,011	1,594,555	2,510,714	(3,324,947)	(1,272,685)	(1,673,748)	-
Benefit payments, Including Refunds of Employee Contributions	(11,608,200)	(10,782,512)	(9,666,050)	(8,841,462)	(8,358,315)	(7,976,174)	(7,539,487)
<b>NET CHANGE IN TOTAL PENSION LIABILITY</b>	<b>11,048,902</b>	<b>11,282,396</b>	<b>12,081,580</b>	<b>18,697,729</b>	<b>8,073,981</b>	<b>4,225,088</b>	<b>9,131,686</b>
Total Pension Liability - Beginning	231,646,706	220,364,310	208,282,730	189,585,001	181,511,020	177,285,932	168,154,246
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 242,695,608</b>	<b>\$ 231,646,706</b>	<b>\$ 220,364,310</b>	<b>\$ 208,282,730</b>	<b>\$ 189,585,001</b>	<b>\$ 181,511,020</b>	<b>\$ 177,285,932</b>
<b>PLAN FIDUCIARY NET POSITION</b>							
Plan-to-Plan Resource Movement	\$ (959)	\$ (47,699)	\$ (362)	\$ 18,284	\$ (957)	\$ 63,796	\$ -
Contributions - Employer	7,010,817	6,102,650	5,565,876	5,249,061	4,757,426	4,429,607	4,123,350
Contributions - Employee	2,444,951	2,209,040	2,174,222	1,909,048	1,496,334	1,439,592	1,562,669
Net Investment Income	8,137,337	10,247,510	12,286,593	14,835,660	695,008	2,952,599	20,056,375
Benefit Payments, Including Refunds of Employee Contributions	(11,608,200)	(10,782,512)	(9,666,050)	(8,841,462)	(8,358,315)	(7,976,174)	(7,539,487)
Administrative Expense	(231,054)	(111,524)	(228,413)	(197,263)	(82,337)	(151,945)	-
Other Miscellaneous	-	362	(433,761)	-	-	-	-
<b>NET CHANGE IN PLAN FIDUCIARY NET POSITION</b>	<b>5,752,892</b>	<b>7,617,827</b>	<b>9,698,105</b>	<b>12,973,328</b>	<b>(1,492,841)</b>	<b>757,475</b>	<b>18,202,907</b>
Plan Fiduciary Net Position - Beginning	163,896,871	156,279,044	146,580,939	133,607,611	135,100,452	134,342,977	116,140,070
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 169,649,763</b>	<b>\$ 163,896,871</b>	<b>\$ 156,279,044</b>	<b>\$ 146,580,939</b>	<b>\$ 133,607,611</b>	<b>\$ 135,100,452</b>	<b>\$ 134,342,977</b>
<b>NET PENSION LIABILITY - ENDING</b>	<b>\$ 73,045,845</b>	<b>\$ 67,749,835</b>	<b>\$ 64,085,266</b>	<b>\$ 61,701,791</b>	<b>\$ 55,977,390</b>	<b>\$ 46,410,568</b>	<b>\$ 42,942,955</b>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.90%	70.75%	70.92%	70.38%	70.47%	74.43%	75.78%
Covered Payroll	\$ 18,048,008	\$ 16,702,569	\$ 17,149,943	\$ 15,975,698	\$ 15,694,368	\$ 15,854,736	\$ 15,327,146
Net Pension Liability as a Percentage of Covered Payroll	404.73%	405.63%	373.68%	386.22%	356.67%	292.72%	280.18%

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

*Change in Assumptions:*

The discount rate to measure the net pension liability was 7.65% as of June 30, 2014, 2015 and 2016, and was reduced to 7.15% as of June 30, 2017.

The inflation rate to measure the net pension liability was 2.75% as of June 30, 2014, 2015, 2016 and 2017 and was reduced to 2.50% as of June 30, 2018.

See accompanying Notes to Required Supplementary Information.



**COUNTY OF HUMBOLDT**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**YEAR ENDED JUNE 30, 2021**

Last 10 Fiscal Years\*

	Miscellaneous Plans						
	June 30,						
	2020	2019	2018	2017	2016	2015	2014
<b>TOTAL PENSION LIABILITY</b>							
Service Cost	\$ 16,724,245	\$ 15,913,192	\$ 15,973,515	\$ 14,807,223	\$ 13,541,216	\$ 14,413,398	\$ 14,832,034
Interest on Total Pension Liability	54,203,857	51,564,138	49,302,934	44,815,103	44,217,175	42,412,478	40,445,800
Changes of Assumptions	-	-	(4,905,718)	34,895,188	-	(9,694,226)	-
Differences Between Expected and Actual Experience	5,345,041	4,909,914	11,848,842	(6,283,979)	(5,632,041)	(2,886,636)	-
Benefit payments, Including Refunds of Employee Contributions	(41,358,723)	(39,203,377)	(36,338,982)	(32,334,940)	(30,746,413)	(28,451,183)	(26,255,798)
Change of Allocation	3,972,317	(759,824)	29,955,265	(6,679,562)	2,431,847	-	-
<b>NET CHANGE IN TOTAL PENSION LIABILITY</b>	<b>38,886,737</b>	<b>32,424,043</b>	<b>65,835,856</b>	<b>49,219,033</b>	<b>23,811,784</b>	<b>15,793,831</b>	<b>29,022,036</b>
Total Pension Liability - Beginning	761,095,789	728,671,746	662,835,890	613,616,857	589,805,073	574,011,242	544,989,205
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 799,982,526</b>	<b>\$ 761,095,789</b>	<b>\$ 728,671,746</b>	<b>\$ 662,835,890</b>	<b>\$ 613,616,857</b>	<b>\$ 589,805,073</b>	<b>\$ 574,011,241</b>
<b>PLAN FIDUCIARY NET POSITION</b>							
Contributions - Employer	\$ 25,044,531	\$ 21,899,254	\$ 20,258,811	\$ 17,968,022	\$ 17,903,857	\$ 17,054,037	\$ 17,041,711
Contributions - Employee	10,187,645	9,290,884	9,206,174	7,488,725	5,790,381	5,870,207	6,421,943
Net Investment Income	26,722,508	33,333,355	40,029,368	46,381,283	2,264,291	9,592,039	62,764,661
Benefit Payments, Including Refunds of Employee Contributions	(41,358,723)	(39,203,377)	(36,338,982)	(32,334,940)	(30,746,413)	(28,451,182)	(26,255,798)
Plan-to-Plan Resource Movement	924	45,696	(1,176)	(16,776)	888	12,495	-
Administrative Expense	(754,352)	(362,028)	(743,049)	(616,193)	(260,230)	(478,678)	-
Other Expense	-	1,175	(1,411,063)	-	-	-	-
Change of Allocation	2,778,257	(529,552)	20,617,871	(4,593,111)	1,753,319	-	-
<b>NET CHANGE IN PLAN FIDUCIARY NET POSITION</b>	<b>22,620,790</b>	<b>24,475,407</b>	<b>51,617,954</b>	<b>34,277,010</b>	<b>(3,293,907)</b>	<b>3,598,918</b>	<b>59,972,517</b>
Plan Fiduciary Net Position - Beginning	532,315,821	507,840,414	456,222,460	421,945,450	425,239,357	421,640,439	361,667,922
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 554,936,611</b>	<b>\$ 532,315,821</b>	<b>\$ 507,840,414</b>	<b>\$ 456,222,460</b>	<b>\$ 421,945,450</b>	<b>\$ 425,239,357</b>	<b>\$ 421,640,439</b>
<b>NET PENSION LIABILITY - ENDING</b>	<b>\$ 245,045,915</b>	<b>\$ 228,779,968</b>	<b>\$ 220,831,332</b>	<b>\$ 206,613,430</b>	<b>\$ 191,671,407</b>	<b>\$ 164,565,716</b>	<b>\$ 152,370,802</b>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.37%	69.94%	69.69%	68.83%	68.76%	72.10%	73.46%
Covered Payroll	\$ 99,182,279	\$ 92,488,019	\$ 90,543,756	\$ 85,210,721	\$ 83,148,866	\$ 86,528,224	\$ 83,737,864
Net Pension Liability as a Percentage of Covered Payroll	247.07%	247.36%	243.89%	242.47%	230.52%	190.19%	181.96%

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

*Change in Assumptions:*

The discount rate to measure the net pension liability was 7.65% as of June 30, 2014, 2015 and 2016, and was reduced to 7.15% as of June 30, 2017.

The inflation rate to measure the net pension liability was 2.75% as of June 30, 2014, 2015, 2016 and 2017 and was reduced to 2.50% as of June 30, 2018.

See accompanying Notes to Required Supplementary Information.

**COUNTY OF HUMBOLDT  
SCHEDULE OF PENSION PLAN CONTRIBUTIONS  
YEAR ENDED JUNE 30, 2021**

The table below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll as of June 30:

	Safety						
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially Determined Contribution	\$ 7,710,590	\$ 7,014,365	\$ 5,851,920	\$ 5,872,050	\$ 5,249,061	\$ 4,757,426	\$ 4,429,607
Contributions Related to the Actuarially Determined Contribution	<u>7,710,590</u>	<u>7,014,365</u>	<u>5,851,920</u>	<u>5,872,050</u>	<u>5,249,061</u>	<u>4,757,426</u>	<u>4,429,607</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 17,038,291	\$ 16,869,595	\$ 16,702,569	\$ 17,149,943	\$ 15,975,698	\$ 15,694,368	\$ 15,854,736
Contributions as a Percentage of Covered Payroll	45.25 %	41.58 %	35.04 %	34.24 %	32.86 %	30.31 %	27.94 %
	Miscellaneous						
	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially Determined Contribution	\$ 27,609,767	\$ 25,570,305	\$ 22,495,592	\$ 20,100,573	\$ 19,582,944	\$ 19,300,602	\$ 18,460,286
Contributions Related to the Actuarially Determined Contribution	<u>27,609,767</u>	<u>25,570,305</u>	<u>22,495,592</u>	<u>20,100,573</u>	<u>19,582,944</u>	<u>19,300,602</u>	<u>18,460,286</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 94,347,028	\$ 93,412,899	\$ 92,488,019	\$ 90,543,756	\$ 85,210,731	\$ 83,148,866	\$ 86,258,224
Contributions as a Percentage of Covered Payroll	29.26%	27.37%	24.32%	22.20%	22.98%	23.21%	21.40%

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

See accompanying Notes to Required Supplementary Information.

**COUNTY OF HUMBOLDT**  
**SCHEDULE OF CHANGES TO NET OPEB LIABILITY AND RELATED RATIOS**  
**YEAR ENDED JUNE 30, 2021**

Last 10 Fiscal Years*	<u>Reporting Year</u> <u>June 30, 2021</u>	<u>Reporting Year</u> <u>June 30, 2020</u>	<u>Reporting Year</u> <u>June 30, 2019</u>	<u>Reporting Year</u> <u>June 30, 2018</u>
<b>TOTAL OPEB LIABILITY</b>				
Service Cost	\$ 2,435,502	\$ 2,663,260	\$ 2,647,674	\$ 2,573,681
Interest on Total OPEB Liability	1,304,262	1,628,808	1,509,753	1,429,674
Difference Between Expected and Actual Experience	(6,972)	(8,445,721)	(37,773)	-
Change of Assumptions	3,914,440	2,752,055	(425,810)	-
Benefit Payments	(875,740)	(802,876)	(751,789)	(733,082)
Implicit Rate Subsidy Fulfilled	(623,486)	(1,089,129)	(1,057,288)	(1,021,534)
<b>NET CHANGE IN TOTAL OPEB LIABILITY</b>	<u>6,148,006</u>	<u>(3,293,603)</u>	<u>1,884,767</u>	<u>2,248,739</u>
Total OPEB Liability - Beginning	<u>39,983,824</u>	<u>43,277,427</u>	<u>41,392,660</u>	<u>39,143,921</u>
<b>TOTAL OPEB LIABILITY - ENDING</b>	<u><u>\$ 46,131,830</u></u>	<u><u>\$ 39,983,824</u></u>	<u><u>\$ 43,277,427</u></u>	<u><u>\$ 41,392,660</u></u>
Covered Employee Payroll	\$ 113,979,904	\$ 107,433,257	\$ 106,830,722	\$ 103,971,506
Net OPEB Liability as a Percentage of Covered Employee Payroll	40.47%	37.22%	40.51%	39.81%

\*Fiscal year 2018 was the first year of implementation. Additional years will be presented as they become available.

\*\*No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

*Change in Assumptions:*

The discount rate to measure the total OPEB liability was 3.5% as of June 30, 2018, 3.62% as of

See accompanying Notes to Required Supplementary Information.

**COUNTY OF HUMBOLDT**  
**BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 77,735,619	\$ 80,945,619	\$ 95,679,639	\$ 14,734,020
Licenses and Permits	4,449,847	4,414,847	4,231,353	(183,494)
Fines, Forfeits, and Penalties	2,213,734	2,213,734	3,299,425	1,085,691
Use of Money and Property	385,912	385,912	1,377,376	991,464
Aid from Other Governments	246,202,968	257,611,127	80,570,887	(177,040,240)
Charges for Services	38,958,307	39,027,360	42,559,794	3,532,434
Other Revenue	10,228,063	10,259,063	275,641	(9,983,422)
Total Revenues	<u>380,174,450</u>	<u>394,857,662</u>	<u>227,994,115</u>	<u>(166,863,547)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	54,972,028	59,382,518	41,031,841	18,350,677
Public Protection	87,972,424	88,395,264	67,213,972	21,181,292
Public Way and Facilities	2,357,000	2,357,000	2,313,651	43,349
Health and Sanitation	103,244,370	113,204,200	103,768,160	9,436,040
Public Assistance	128,045,794	127,980,794	101,412,845	26,567,949
Education	228,793	228,793	2,538,245	(2,309,452)
Recreation and Culture	7,769,160	7,769,160	6,131,625	1,637,535
Contingencies	1,417,577	2,517,577	-	2,517,577
Total Expenditures	<u>386,007,146</u>	<u>401,835,306</u>	<u>324,410,339</u>	<u>77,424,967</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(5,832,696)</u>	<u>(6,977,644)</u>	<u>(96,416,224)</u>	<u>(89,438,580)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	19,380,123	20,179,165	1,136,705	(19,042,460)
Transfers Out	(16,901,981)	(17,181,330)	(3,161,496)	14,019,834
Total Other Financing Sources (Uses)	<u>2,478,142</u>	<u>2,997,835</u>	<u>(2,024,791)</u>	<u>(5,022,626)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(3,354,554)</u>	<u>(3,979,809)</u>	<u>(98,441,015)</u>	<u>(94,461,206)</u>
Budgetary Fund Balances, Beginning of Year	<u>25,799,061</u>	<u>25,799,061</u>	<u>25,799,061</u>	<u>-</u>
<b>BUDGETARY FUND BALANCES - END OF YEAR</b>	<u>\$ 22,444,507</u>	<u>\$ 21,819,252</u>	<u>\$ (72,641,954)</u>	<u>\$ (94,461,206)</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF HUMBOLDT**  
**BUDGETARY COMPARISON SCHEDULE – BUDGETARY BASIS (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2021**

(1) Explanation of differences between statement of revenues, expenditures and changes in fund balance:

Sources/Inflows of Resources

Actual Amounts from the Budgetary Comparison Schedule	\$ 227,994,115
Receipts from Funds Reclassified from County Custodial Funds, Not Budgeted	<u>145,120,122</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 373,114,237</u>

Uses/Outflows of Resources

Actual Amounts from the Budgetary Comparison Schedule	\$ 324,410,339
Disbursements from Funds Reclassified from County Custodial Funds, Not Budgeted	<u>15,784,158</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 340,194,497</u>

*See accompanying Notes to Required Supplementary Information.*

**COUNTY OF HUMBOLDT  
BUDGETARY COMPARISON SCHEDULE  
ROAD FUND  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 3,310,110	\$ 3,310,110	\$ 3,861,682	\$ 551,572
Licenses and Permits	92,866	92,866	87,007	(5,859)
Use of Money and Property	-	-	(99,129)	(99,129)
Aid from Other Governments	27,761,429	27,761,429	18,549,881	(9,211,548)
Charges for Services	724,800	724,800	675,119	(49,681)
Other Revenue	8,430	8,430	11,041	2,611
Total Revenues	<u>31,897,635</u>	<u>31,897,635</u>	<u>23,085,601</u>	<u>(8,812,034)</u>
<b>EXPENDITURES</b>				
Current:				
Public Way and Facilities	31,495,516	31,495,516	29,166,504	2,329,012
Total Expenditures	<u>31,495,516</u>	<u>31,495,516</u>	<u>29,166,504</u>	<u>2,329,012</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>402,119</u>	<u>402,119</u>	<u>(6,080,903)</u>	<u>(6,483,022)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital Leases	-	-	113,713	113,713
Transfers In	15,983,225	15,983,225	226,683	(15,756,542)
Transfers Out	<u>(16,385,344)</u>	<u>(16,385,344)</u>	<u>(617)</u>	<u>16,384,727</u>
Total Other Financing Sources (Uses)	<u>(402,119)</u>	<u>(402,119)</u>	<u>339,779</u>	<u>741,898</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	(5,741,124)	(5,741,124)
Budgetary Fund Balances, Beginning of Year	<u>(6,872,192)</u>	<u>(6,872,192)</u>	<u>(6,872,192)</u>	<u>-</u>
<b>BUDGETARY FUND BALANCES - END OF YEAR</b>	<u>\$ (6,872,192)</u>	<u>\$ (6,872,192)</u>	<u>\$ (12,613,316)</u>	<u>\$ (5,741,124)</u>

See accompanying Notes to Required Supplementary Information.

**COUNTY OF HUMBOLDT  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2021**

**NOTE 1 BUDGETARY BASIS OF ACCOUNTING**

**General Budget Policies**

By state law, the County Board of Supervisors must approve a tentative budget no later than June 30 of each year, and adopt a final budget no later than August 30. A public hearing must be conducted to receive comments prior to adoption. However, due to the lateness of the adoption of the state budget, the County by resolution R03-058 has extended these periods to August 10 and October 2, respectively.

From the effective date of the budget, which is adopted and controlled at the departmental level, the amounts stated therein as proposed expenditures become appropriations to the various County departments. However, the legal level of control is the fund level. The Board of Supervisors may amend the budget by resolution during the fiscal year. Department heads may, upon approval of the Auditor-Controller, make transfers from one object or purpose to another within the same budget unit. All other budget amendments must be approved by the Board. It is this final revised budget that is presented in the basic financial statements. Appropriations lapse at year-end.

Budgets are adopted for the general fund and most special revenue funds. Accounting principles applied for purposes of developing data on a budgetary basis are materially the same as those used to present financial statements in conformity with accounting principles generally accepted in the United States of America. The General Fund, however, also includes several trust funds that act as clearing funds and have no budget. The actuals in the General Fund Budgetary Comparison Schedule will vary from the statements as a result. The differences are noted Budgetary Comparison Schedule – Budgetary Basis section. The County does not adopt a budget for the Headwaters Mitigation Fund.

Individual fund budgetary comparisons are not presented at the detail budget unit level due to their excessive length. A separate publication presenting this information is available.

THIS PAGE INTENTIONALLY LEFT BLANK



**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

THIS PAGE INTENTIONALLY LEFT BLANK

## **NONMAJOR GOVERNMENTAL FUNDS**

---

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Debt Service Funds are used to account for and report financial resources restricted, committed, or assigned to pay debt principal and interest.

---

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	Special Revenue			
	Family Support	Courthouse Construction	County Library	Fish and Game Propagation
<b>ASSETS</b>				
Cash and Investments	\$ 2,071,478	\$ 1,623,895	\$ 1,935,990	\$ 30,921
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Prepays	36,268	-	1,350	-
Total Assets	<u>\$ 2,107,746</u>	<u>\$ 1,623,895</u>	<u>\$ 1,937,340</u>	<u>\$ 30,921</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 33,309	\$ -	\$ 186,938	\$ 4,500
Salaries and Benefits Payable	138,386	-	103,886	-
Due to other Funds	-	-	-	-
Total Liabilities	<u>171,695</u>	<u>-</u>	<u>290,824</u>	<u>4,500</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	-	-	-	-
<b>FUND BALANCE</b>				
Nonspendable	36,268	-	1,350	-
Restricted	1,899,783	1,623,895	1,645,166	26,421
Unassigned	-	-	-	-
Total Fund Balances	<u>1,936,051</u>	<u>1,623,895</u>	<u>1,646,516</u>	<u>26,421</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,107,746</u>	<u>\$ 1,623,895</u>	<u>\$ 1,937,340</u>	<u>\$ 30,921</u>

**COUNTY OF HUMBOLDT  
COMBINING BALANCE SHEET (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	Special Revenue		Debt Service	
	Northcoast Resource Partnership	Special Districts Under County Board of Supervisors	Debt Service	Total
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ 1,147,115	\$ -	\$ 6,809,399
Receivables	340,209	-	-	340,209
Due from Other Funds	-	-	2,011,554	2,011,554
Prepays	1,700	-	-	39,318
<b>Total Assets</b>	<b><u>\$ 341,909</u></b>	<b><u>\$ 1,147,115</u></b>	<b><u>\$ 2,011,554</u></b>	<b><u>\$ 9,200,480</u></b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 432,258	\$ 1,336	\$ -	\$ 658,341
Salaries and Benefits Payable	20,629	-	-	262,901
Due to other Funds	362,302	-	8,322,011	8,684,313
<b>Total Liabilities</b>	<b><u>815,189</u></b>	<b><u>1,336</u></b>	<b><u>8,322,011</u></b>	<b><u>9,605,555</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	38,148	-	-	38,148
<b>FUND BALANCE</b>				
Nonspendable	1,700	-	-	39,318
Restricted	-	1,145,779	-	6,341,044
Unassigned	(513,128)	-	(6,310,457)	(6,823,585)
<b>Total Fund Balances</b>	<b><u>(511,428)</u></b>	<b><u>1,145,779</u></b>	<b><u>(6,310,457)</u></b>	<b><u>(443,223)</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 341,909</u></b>	<b><u>\$ 1,147,115</u></b>	<b><u>\$ 2,011,554</u></b>	<b><u>\$ 9,200,480</u></b>

**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021**

	Special Revenue			
	Family Support	Courthouse Construction	County Library	Fish and Game Propagation
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 3,197,482	\$ -
Licenses and Permits	-	-	54,265	-
Fines, Forfeitures, and Penalties	-	261,629	-	8,746
Use of Money and Property	26,610	17,854	17,790	313
Intergovernmental	4,005,800	-	203,892	-
Charges for Services	-	-	58,978	-
Miscellaneous	104,390	-	424,501	-
Total Revenues	<u>4,136,800</u>	<u>279,483</u>	<u>3,956,908</u>	<u>9,059</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Protection	4,094,255	-	-	9,052
Education	-	-	4,014,806	-
Debt Service:				
Principal	-	-	-	-
Interest and Other Charges	-	-	-	-
Total Expenditures	<u>4,094,255</u>	<u>-</u>	<u>4,014,806</u>	<u>9,052</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	42,545	279,483	(57,898)	7
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	341,797	-
Transfers Out	-	(75,133)	(53,287)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(75,133)</u>	<u>288,510</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	42,545	204,350	230,612	7
Fund Balances - Beginning of Year	<u>1,893,506</u>	<u>1,419,545</u>	<u>1,415,904</u>	<u>26,414</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,936,051</u>	<u>\$ 1,623,895</u>	<u>\$ 1,646,516</u>	<u>\$ 26,421</u>

**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2021**

	Special Revenue		Debt Service	
	Northcoast Resource Partnership	Special Districts Under County Board of Supervisors	Debt Service	Total
<b>REVENUES</b>				
Taxes	\$ -	\$ 413,724	\$ -	\$ 3,611,206
Licenses and Permits	-	-	-	54,265
Fines, Forfeitures, and Penalties	-	-	-	270,375
Use of Money and Property	(3,475)	10,656	(4,118)	65,630
Intergovernmental	6,369,346	47,351	-	10,626,389
Charges for Services	8,146	(829)	-	66,295
Miscellaneous	-	3,356	-	532,247
Total Revenues	<u>6,374,017</u>	<u>474,258</u>	<u>(4,118)</u>	<u>15,226,407</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	70,750	70,750
Public Protection	6,462,014	128,912	-	10,694,233
Education	-	-	-	4,014,806
Debt Service:				
Principal	-	63,242	7,920,000	7,983,242
Interest and Other Charges	-	4,711	87,973	92,684
Total Expenditures	<u>6,462,014</u>	<u>196,865</u>	<u>8,078,723</u>	<u>22,855,715</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(87,997)	277,393	(8,082,841)	(7,629,308)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	38,178	-	1,681,912	2,061,887
Transfers Out	-	(106,094)	-	(234,514)
Total Other Financing Sources (Uses)	<u>38,178</u>	<u>(106,094)</u>	<u>1,681,912</u>	<u>1,827,373</u>
<b>NET CHANGE IN FUND BALANCES</b>	(49,819)	171,299	(6,400,929)	(5,801,935)
Fund Balances - Beginning of Year	<u>(461,609)</u>	<u>974,480</u>	<u>90,472</u>	<u>5,358,712</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ (511,428)</u>	<u>\$ 1,145,779</u>	<u>\$ (6,310,457)</u>	<u>\$ (443,223)</u>



**INTERNAL SERVICE FUNDS**

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2021**

	<u>Heavy Equipment</u>	<u>Information Technology</u>	<u>Central Services</u>	<u>Communications</u>
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 2,174,976	\$ 859,160	\$ 57,699	\$ 1,956,353
Accounts Receivable	1,599	-	-	-
Prepaid Expenses	-	-	-	4,375
Total Current Assets	<u>2,176,575</u>	<u>859,160</u>	<u>57,699</u>	<u>1,960,728</u>
Noncurrent Assets:				
Capital Assets:				
Nondepreciable	-	33,585	-	4,352,732
Depreciable, Net of Depreciation	<u>4,674,412</u>	<u>174,814</u>	<u>-</u>	<u>252,241</u>
Total Noncurrent Assets	<u>4,674,412</u>	<u>208,399</u>	<u>-</u>	<u>4,604,973</u>
Total Assets	<u>6,850,987</u>	<u>1,067,559</u>	<u>57,699</u>	<u>6,565,701</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	435,823	387,602	5,104	97,488
Accrued Payroll and Benefits	44,460	98,071	15,980	4,702
Due To Other Funds	-	-	-	-
Advances From Other Funds	-	-	-	-
Capital Leases	318,630	-	-	-
Compensated Absences	17,338	57,630	6,403	928
Provision for Estimated Claims	-	-	-	-
Total Current Liabilities	<u>816,251</u>	<u>543,303</u>	<u>27,487</u>	<u>103,118</u>
Noncurrent Liabilities:				
Capital Leases	456,171	-	-	-
Compensated Absences	<u>33,656</u>	<u>111,871</u>	<u>12,429</u>	<u>1,802</u>
Total Noncurrent Liabilities	<u>489,827</u>	<u>111,871</u>	<u>12,429</u>	<u>1,802</u>
Total Liabilities	<u>1,306,078</u>	<u>655,174</u>	<u>39,916</u>	<u>104,920</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	3,899,611	208,399	-	4,604,973
Unrestricted	<u>1,645,298</u>	<u>203,986</u>	<u>17,783</u>	<u>1,855,808</u>
Total Net Position	<u>\$ 5,544,909</u>	<u>\$ 412,385</u>	<u>\$ 17,783</u>	<u>\$ 6,460,781</u>

**COUNTY OF HUMBOLDT**  
**COMBINING STATEMENT OF NET POSITION (CONTINUED)**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2021**

	Motor Pool	ADA Compliance	Insurance Funds	Total
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 2,766,240	\$ 1,781,335	\$ 9,644,805	\$ 19,240,568
Accounts Receivable	291	-	-	1,890
Prepaid Expenses	-	-	-	4,375
Total Current Assets	<u>2,766,531</u>	<u>1,781,335</u>	<u>9,644,805</u>	<u>19,246,833</u>
Noncurrent Assets:				
Capital Assets:				
Nondepreciable	-	-	-	4,386,317
Depreciable, Net of Depreciation	8,397,895	61,283	-	13,560,645
Total Noncurrent Assets	<u>8,397,895</u>	<u>61,283</u>	<u>-</u>	<u>17,946,962</u>
Total Assets	<u>11,164,426</u>	<u>1,842,618</u>	<u>9,644,805</u>	<u>37,193,795</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	237,648	144,050	693,650	2,001,365
Accrued Payroll and Benefits	27,210	21,045	37,432	248,900
Due To Other Funds	-	-	813,143	813,143
Advances From Other Funds	-	2,011,554	-	2,011,554
Capital Leases	-	-	-	318,630
Compensated Absences	13,531	4,432	91,266	191,528
Provision for Estimated Claims	-	-	2,103,460	2,103,460
Total Current Liabilities	<u>278,389</u>	<u>2,181,081</u>	<u>3,738,951</u>	<u>7,688,580</u>
Noncurrent Liabilities:				
Capital Leases	-	-	-	456,171
Compensated Absences	26,267	8,603	-	194,628
Total Noncurrent Liabilities	<u>26,267</u>	<u>8,603</u>	<u>-</u>	<u>650,799</u>
Total Liabilities	<u>304,656</u>	<u>2,189,684</u>	<u>3,738,951</u>	<u>8,339,379</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	8,397,895	61,283	-	17,172,161
Unrestricted	2,461,875	(408,349)	5,905,854	11,682,255
Total Net Position	<u>\$ 10,859,770</u>	<u>\$ (347,066)</u>	<u>\$ 5,905,854</u>	<u>\$ 28,854,416</u>

**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2021**

	Heavy Equipment	Information Technology	Central Services	Communications
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 3,041,559	\$ 5,193,464	\$ 344,748	\$ 316,600
Miscellaneous Revenues	262,189	-	27,718	37,742
Total Operating Revenues	<u>3,303,748</u>	<u>5,193,464</u>	<u>372,466</u>	<u>354,342</u>
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	888,088	2,165,070	327,041	82,858
Services and Supplies	1,648,125	2,583,842	65,362	85,867
Self-Insurance Claims	-	-	-	-
Depreciation	469,391	78,519	2,422	58,940
Total Operating Expenses	<u>3,005,604</u>	<u>4,827,431</u>	<u>394,825</u>	<u>227,665</u>
<b>NET OPERATING INCOME (LOSS)</b>	<u>298,144</u>	<u>366,033</u>	<u>(22,359)</u>	<u>126,677</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	32,774	(27,138)	(2,814)	(5,642)
Contributions of Capital Assets	-	(179,182)	-	-
Gain on Sale of Capital Assets	47,950	-	-	-
Total Nonoperating Revenues (Expenses)	<u>80,724</u>	<u>(206,320)</u>	<u>(2,814)</u>	<u>(5,642)</u>
Income (Loss) Before Transfers	378,868	159,713	(25,173)	121,035
Transfers In	-	-	-	192,218
Transfers Out	-	-	-	-
<b>CHANGE IN NET POSITION</b>	378,868	159,713	(25,173)	313,253
Net Position - Beginning of Year	<u>5,166,041</u>	<u>252,672</u>	<u>42,956</u>	<u>6,147,528</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 5,544,909</u>	<u>\$ 412,385</u>	<u>\$ 17,783</u>	<u>\$ 6,460,781</u>

**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION (CONTINUED)  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2021**

	Motor Pool	ADA Compliance	Insurance Funds	Total
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 1,933,376	\$ 2,334,567	\$ 31,643,925	\$ 44,808,239
Miscellaneous Revenues	20,027	59,059	335,363	742,098
Total Operating Revenues	<u>1,953,403</u>	<u>2,393,626</u>	<u>31,979,288</u>	<u>45,550,337</u>
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	509,110	352,750	2,612,478	6,937,395
Services and Supplies	1,868,943	246,910	29,865,875	36,364,924
Self-Insurance Claims	-	-	430,726	430,726
Depreciation	1,234,313	3,562	-	1,847,147
Total Operating Expenses	<u>3,612,366</u>	<u>603,222</u>	<u>32,909,079</u>	<u>45,580,192</u>
<b>NET OPERATING INCOME (LOSS)</b>	<u>(1,658,963)</u>	<u>1,790,404</u>	<u>(929,791)</u>	<u>(29,855)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	1,579,532	(9,792)	523	1,567,443
Contributions of Capital Assets	-	(2,224,194)	-	(2,403,376)
Gain on Sale of Capital Assets	108,550	-	-	156,500
Total Nonoperating Revenues (Expenses)	<u>1,688,082</u>	<u>(2,233,986)</u>	<u>523</u>	<u>(679,433)</u>
Income (Loss) Before Transfers	29,119	(443,582)	(929,268)	(709,288)
Transfers In	27,205	-	-	219,423
Transfers Out	-	(27,205)	(11,401)	(38,606)
<b>CHANGE IN NET POSITION</b>	56,324	(470,787)	(940,669)	(528,471)
Net Position - Beginning of Year	<u>10,803,446</u>	<u>123,721</u>	<u>6,846,523</u>	<u>29,382,887</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 10,859,770</u>	<u>\$ (347,066)</u>	<u>\$ 5,905,854</u>	<u>\$ 28,854,416</u>

**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2021**

	Heavy Equipment	Information Technology	Central Services	Communications
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Receipts from Interfund Services Provided	\$ 3,303,085	\$ 5,193,464	\$ 372,466	\$ 354,342
Cash Paid to Suppliers for Goods and Services	(1,293,487)	(2,379,324)	(61,260)	(24,987)
Cash Paid to Employees	(867,624)	(2,099,160)	(318,675)	(82,306)
Net Cash Provided (Used) by Operating Activities	<u>1,141,974</u>	<u>714,980</u>	<u>(7,469)</u>	<u>247,049</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers From Other Funds	-	-	-	192,218
Transfers To Other Funds	-	-	-	-
Advances From Other Funds	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>192,218</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from Sale of Capital Assets	47,950	-	-	-
Purchase of Capital Assets	(1,484,752)	(234,676)	-	(459,503)
Principal Paid on Capital Debt	(304,180)	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,740,982)</u>	<u>(234,676)</u>	<u>-</u>	<u>(459,503)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Received (Paid)	<u>32,774</u>	<u>(27,138)</u>	<u>(2,814)</u>	<u>(5,642)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(566,234)	453,166	(10,283)	(25,878)
Cash and Cash Equivalents - Beginning of Year	<u>2,741,210</u>	<u>405,994</u>	<u>67,982</u>	<u>1,982,231</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 2,174,976</u></u>	<u><u>\$ 859,160</u></u>	<u><u>\$ 57,699</u></u>	<u><u>\$ 1,956,353</u></u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>				
Transfer of Capital Assets to Governmental Activities	<u><u>\$ -</u></u>	<u><u>\$ (179,182)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2021**

	Motor Pool	ADA Compliance	Insurance Funds	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Receipts from Interfund Services Provided	\$ 1,954,650	\$ 2,393,626	\$ 31,979,476	\$ 45,551,109
Cash Paid to Suppliers for Goods and Services	(1,702,938)	(207,816)	(29,763,470)	(35,433,282)
Cash Paid to Employees	(520,642)	(467,892)	(2,568,639)	(6,924,938)
Net Cash Provided (Used) by Operating Activities	<u>(268,930)</u>	<u>1,717,918</u>	<u>(352,633)</u>	<u>3,192,889</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers From Other Funds	27,205	-	813,143	1,032,566
Transfers To Other Funds	-	(27,205)	(11,401)	(38,606)
Advances From Other Funds	-	2,011,554	-	2,011,554
Net Cash Provided (Used) by Noncapital Financing Activities	<u>27,205</u>	<u>1,984,349</u>	<u>801,742</u>	<u>3,005,514</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from Sale of Capital Assets	108,550	-	-	156,500
Purchase of Capital Assets	(2,036,297)	(2,283,863)	-	(6,499,091)
Principal Paid on Capital Debt	-	-	-	(304,180)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,927,747)</u>	<u>(2,283,863)</u>	<u>-</u>	<u>(6,646,771)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Received (Paid)	<u>1,579,532</u>	<u>(9,792)</u>	<u>523</u>	<u>1,567,443</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
	(589,940)	1,408,612	449,632	1,119,075
Cash and Cash Equivalents - Beginning of Year	<u>3,356,180</u>	<u>372,723</u>	<u>9,195,173</u>	<u>18,121,493</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 2,766,240</u></u>	<u><u>\$ 1,781,335</u></u>	<u><u>\$ 9,644,805</u></u>	<u><u>\$ 19,240,568</u></u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>				
Transfer of Capital Assets to Governmental Activities	<u>\$ -</u>	<u>\$ (2,224,194)</u>	<u>\$ -</u>	<u>\$ (2,403,376)</u>



**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Heavy Equipment</u>	<u>Information Technology</u>	<u>Central Services</u>	<u>Communications</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 298,144	\$ 366,033	\$ (22,359)	\$ 126,677
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	469,391	78,519	2,422	58,940
Changes in Assets and Liabilities:				
(Increase) Decrease in:				
Receivables	(663)	-	-	-
Prepaid Expenses	-	-	-	(208)
Increase (decrease) in:				
Payables	354,638	204,518	4,102	61,088
Accrued Salaries and Benefits	5,370	(2,998)	2,309	(122)
Compensated Absences	15,094	68,908	6,057	674
Claims Payable	-	-	-	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,141,974</u>	<u>\$ 714,980</u>	<u>\$ (7,469)</u>	<u>\$ 247,049</u>

**COUNTY OF HUMBOLDT  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Motor Pool</u>	<u>ADA Compliance</u>	<u>Insurance Funds</u>	<u>Total</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (1,658,963)	\$ 1,790,404	\$ (929,791)	\$ (29,855)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	1,234,313	3,562	-	1,847,147
Changes in Assets and Liabilities:				
(Increase) Decrease in:				
Receivables	1,247	-	188	772
Prepaid Expenses	-	-	61,873	61,665
Increase (decrease) in:				
Payables	166,005	39,094	66,121	895,566
Accrued Salaries and Benefits	(786)	(5,857)	7,349	5,265
Compensated Absences	(10,746)	(109,285)	36,490	7,192
Claims Payable	-	-	405,137	405,137
Net Cash Provided (Used) by Operating Activities	<u>\$ (268,930)</u>	<u>\$ 1,717,918</u>	<u>\$ (352,633)</u>	<u>\$ 3,192,889</u>

## **INSURANCE FUNDS**

THIS PAGE INTENTIONALLY LEFT BLANK

**COUNTY OF HUMBOLDT  
COMBINING SCHEDULE OF NET POSITION  
INSURANCE FUNDS  
JUNE 30, 2021**

	Dental	County Insurance	Workers' Compensation
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 1,475,697	\$ 131,337	\$ 1,371,267
Accounts Receivable	-	-	-
Prepaid Expenses	-	-	-
Total Assets	1,475,697	131,337	1,371,267
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	25,105	3,625	-
Accrued Payroll and Benefits	-	37,432	-
Due To Other Funds	-	-	-
Liability for Compensated Absences	-	91,266	-
Provision for Estimated Claims	127,255	-	-
Total Current Liabilities	152,360	132,323	-
Total Liabilities	152,360	132,323	-
<b>NET POSITION</b>			
Unrestricted	1,323,337	(986)	1,371,267
Total Net Position	\$ 1,323,337	\$ (986)	\$ 1,371,267

**COUNTY OF HUMBOLDT  
COMBINING SCHEDULE OF NET POSITION (CONTINUED)  
INSURANCE FUNDS  
JUNE 30, 2021**

	<u>Liability</u>	<u>Medical</u>	<u>Unemployment</u>
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ -	\$ 2,714,524	\$ 232,638
Accounts Receivable	-	-	-
Prepaid Expenses	-	-	-
	<hr/>	<hr/>	<hr/>
Total Assets	-	2,714,524	232,638
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	289,438	-	76,861
Accrued Payroll and Benefits	-	-	-
Due To Other Funds	813,143	-	-
Liability for Compensated Absences	-	-	-
Provision for Estimated Claims	1,851,000	-	125,205
Total Current Liabilities	<hr/>	<hr/>	<hr/>
	2,953,581	-	202,066
Total Liabilities	<hr/>	<hr/>	<hr/>
	2,953,581	-	202,066
<b>NET POSITION</b>			
Unrestricted	<hr/>	<hr/>	<hr/>
	(2,953,581)	2,714,524	30,572
Total Net Position	<hr/>	<hr/>	<hr/>
	\$ (2,953,581)	\$ 2,714,524	\$ 30,572

**COUNTY OF HUMBOLDT  
 COMBINING SCHEDULE OF NET POSITION (CONTINUED)  
 INSURANCE FUNDS  
 JUNE 30, 2021**

	Purchased Insurance Premium	Employee Benefits	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 3,489,159	\$ 230,183	\$ 9,644,805
Accounts Receivable	-	-	-
Prepaid Expenses	-	-	-
Total Assets	3,489,159	230,183	9,644,805
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	264,449	34,172	693,650
Accrued Payroll and Benefits	-	-	37,432
Due To Other Funds	-	-	813,143
Liability for Compensated Absences	-	-	91,266
Provision for Estimated Claims	-	-	2,103,460
Total Current Liabilities	264,449	34,172	3,738,951
Total Liabilities	264,449	34,172	3,738,951
<b>NET POSITION</b>			
Unrestricted	3,224,710	196,011	5,905,854
Total Net Position	\$ 3,224,710	\$ 196,011	\$ 5,905,854

**COUNTY OF HUMBOLDT  
COMBINING SCHEDULE OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
INSURANCE FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Dental</u>	<u>County Insurance</u>	<u>Workers' Compensation</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,653,223	\$ 828,612	\$ 4,996,657
Miscellaneous Revenues	-	-	2,160
Total Operating Revenues	<u>1,653,223</u>	<u>828,612</u>	<u>4,998,817</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	1,294,226	546,977	-
Services and Supplies	91,156	334,855	4,909,790
Self-Insurance Claims	29,113	-	-
Total Operating Expenses	<u>1,414,495</u>	<u>881,832</u>	<u>4,909,790</u>
<b>NET OPERATING INCOME (LOSS)</b>	238,728	(53,220)	89,027
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	14,884	(2,042)	(22,995)
Total Nonoperating Revenues (Expenses)	<u>14,884</u>	<u>(2,042)</u>	<u>(22,995)</u>
Income (Loss) Before Transfers	253,612	(55,262)	66,032
Transfers Out	<u>-</u>	<u>-</u>	<u>(11,401)</u>
<b>CHANGE IN NET POSITION</b>	253,612	(55,262)	54,631
Net Position - Beginning of Year	<u>1,069,725</u>	<u>54,276</u>	<u>1,316,636</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 1,323,337</u>	<u>\$ (986)</u>	<u>\$ 1,371,267</u>



**COUNTY OF HUMBOLDT  
 COMBINING SCHEDULE OF REVENUES, EXPENSES,  
 AND CHANGES IN NET POSITION (CONTINUED)  
 INSURANCE FUNDS  
 YEAR ENDED JUNE 30, 2021**

	<u>Liability</u>	<u>Medical</u>	<u>Unemployment</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,879,026	\$ 17,303,129	\$ 199,756
Miscellaneous Revenues	245,148	-	-
Total Operating Revenues	<u>2,124,174</u>	<u>17,303,129</u>	<u>199,756</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	-	-	384,400
Services and Supplies	6,210,523	16,923,748	41,128
Self-Insurance Claims	368,476	-	33,137
Total Operating Expenses	<u>6,578,999</u>	<u>16,923,748</u>	<u>458,665</u>
<b>NET OPERATING INCOME (LOSS)</b>	(4,454,825)	379,381	(258,909)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	(502)	-	7,356
Total Nonoperating Revenues (Expenses)	<u>(502)</u>	<u>-</u>	<u>7,356</u>
Income (Loss) Before Transfers	(4,455,327)	379,381	(251,553)
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	(4,455,327)	379,381	(251,553)
Net Position - Beginning of Year	<u>1,501,746</u>	<u>2,335,143</u>	<u>282,125</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ (2,953,581)</u>	<u>\$ 2,714,524</u>	<u>\$ 30,572</u>

**COUNTY OF HUMBOLDT  
COMBINING SCHEDULE OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION (CONTINUED)  
INSURANCE FUNDS  
YEAR ENDED JUNE 30, 2021**

	Purchased Insurance Premium	Insurance Benefits	Total
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 4,331,985	\$ 451,537	\$ 31,643,925
Miscellaneous Revenues	88,055	-	335,363
Total Operating Revenues	4,420,040	451,537	31,979,288
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	-	386,875	2,612,478
Services and Supplies	1,302,119	52,556	29,865,875
Self-Insurance Claims	-	-	430,726
Total Operating Expenses	1,302,119	439,431	32,909,079
<b>NET OPERATING INCOME (LOSS)</b>	3,117,921	12,106	(929,791)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	2,640	1,182	523
Total Nonoperating Revenues (Expenses)	2,640	1,182	523
Income (Loss) Before Transfers	3,120,561	13,288	(929,268)
Transfers Out	-	-	(11,401)
<b>CHANGE IN NET POSITION</b>	3,120,561	13,288	(940,669)
Net Position - Beginning of Year	104,149	182,723	6,846,523
<b>NET POSITION - END OF YEAR</b>	\$ 3,224,710	\$ 196,011	\$ 5,905,854

**COUNTY OF HUMBOLDT  
COMBINING SCHEDULE OF CASH FLOWS  
INSURANCE FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Dental</u>	<u>County Insurance</u>	<u>Workers' Compensation</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts from Interfund Services Provided	\$ 1,653,341	\$ 828,612	\$ 4,998,817
Cash Paid to Suppliers for Goods and Services	(101,702)	(526,852)	(4,909,790)
Cash Paid to Employees	<u>(1,294,226)</u>	<u>(503,138)</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>257,413</u>	<u>(201,378)</u>	<u>89,027</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers from other funds	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>(11,401)</u>
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>-</u>	<u>(11,401)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received (Paid)	<u>14,884</u>	<u>(2,042)</u>	<u>(22,995)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	272,297	(203,420)	54,631
Cash and Cash Equivalents - Beginning of Year	<u>1,203,400</u>	<u>334,757</u>	<u>1,316,636</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,475,697</u>	<u>\$ 131,337</u>	<u>\$ 1,371,267</u>

**COUNTY OF HUMBOLDT  
COMBINING SCHEDULE OF CASH FLOWS (CONTINUED)  
INSURANCE FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Liability</u>	<u>Medical</u>	<u>Unemployment</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts from Interfund Services Provided	\$ 2,124,174	\$ 17,303,129	\$ 199,756
Cash Paid to Suppliers for Goods and Services	(6,139,356)	(16,923,748)	35,733
Cash Paid to Employees	-	-	(384,400)
Net Cash Provided (Used) by Operating Activities	<u>(4,015,182)</u>	<u>379,381</u>	<u>(148,911)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers from other funds	813,143	-	-
Transfers to other funds	-	-	-
Net Cash Provided (Used) by Investing Activities	<u>813,143</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received (Paid)	<u>(502)</u>	<u>-</u>	<u>7,356</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(3,202,541)	379,381	(141,555)
Cash and Cash Equivalents - Beginning of Year	<u>3,202,541</u>	<u>2,335,143</u>	<u>374,193</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 2,714,524</u>	<u>\$ 232,638</u>

**COUNTY OF HUMBOLDT  
 COMBINING SCHEDULE OF CASH FLOWS (CONTINUED)  
 INSURANCE FUNDS  
 YEAR ENDED JUNE 30, 2021**

	Purchased Insurance Premium	Employee Benefits	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts from Interfund Services Provided	\$ 4,420,040	\$ 451,607	\$ 31,979,476
Cash Paid to Suppliers for Goods and Services	(1,179,371)	(18,384)	(29,763,470)
Cash Paid to Employees	-	(386,875)	(2,568,639)
Net Cash Provided (Used) by Operating Activities	3,240,669	46,348	(352,633)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers from other funds	-	-	813,143
Transfers to other funds	-	-	(11,401)
Net Cash Provided (Used) by Investing Activities	-	-	801,742
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received (Paid)	2,640	1,182	523
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	3,243,309	47,530	449,632
Cash and Cash Equivalents - Beginning of Year	245,850	182,653	9,195,173
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 3,489,159	\$ 230,183	\$ 9,644,805

**COUNTY OF HUMBOLDT  
 COMBINING SCHEDULE OF CASH FLOWS (CONTINUED)  
 INSURANCE FUNDS  
 YEAR ENDED JUNE 30, 2021**

	Dental	County Insurance	Workers' Compensation
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 238,728	\$ (53,220)	\$ 89,027
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	118	-	-
Prepaid Expenses	28,000	-	-
Increase (Decrease) in:			
Payables	(9,433)	(191,997)	-
Accrued Salaries and Benefits	-	7,349	-
Liability for Compensated Absences	-	36,490	-
Claims Payable	-	-	-
Net Cash Provided (Used) by Operating Activities	\$ 257,413	\$ (201,378)	\$ 89,027

**COUNTY OF HUMBOLDT  
COMBINING SCHEDULE OF CASH FLOWS (CONTINUED)  
INSURANCE FUNDS  
YEAR ENDED JUNE 30, 2021**

	<u>Liability</u>	<u>Medical</u>	<u>Unemployment</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS)  TO NET CASH PROVIDED (USED) BY  OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (4,454,825)	\$ 379,381	\$ (258,909)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	-	-	-
Prepaid Expenses	-	-	-
Increase (Decrease) in:			
Payables	67,643	-	76,861
Accrued Salaries and Benefits	-	-	-
Liability for Compensated Absences	-	-	-
Claims Payable	372,000	-	33,137
Net Cash Provided (Used) by Operating Activities	<u>\$ (4,015,182)</u>	<u>\$ 379,381</u>	<u>\$ (148,911)</u>

**COUNTY OF HUMBOLDT  
 COMBINING SCHEDULE OF CASH FLOWS (CONTINUED)  
 INSURANCE FUNDS  
 YEAR ENDED JUNE 30, 2021**

	Purchased Insurance Premium	Employee Benefits	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 3,117,921	\$ 12,106	\$ (929,791)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	-	70	188
Prepaid Expenses	33,873	-	61,873
Increase (Decrease) in:			
Payables	88,875	34,172	66,121
Accrued Salaries and Benefits	-	-	7,349
Liability for Compensated Absences	-	-	36,490
Claims Payable	-	-	405,137
Net Cash Provided (Used) by Operating Activities	\$ 3,240,669	\$ 46,348	\$ (352,633)





CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAGlobal.com/disclaimer](http://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.