

COUNTY OF SISKIYOU
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018



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INTRODUCTORY SECTION

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**COUNTY OF SISKIYOU
COUNTY OFFICIALS
YEAR ENDED JUNE 30, 2018**

ELECTED OFFICIALS

Supervisor, District 1	Brandon Criss
Supervisor, District 2	Ed Valenzuela
Supervisor, District 3	Michael Kobseff
Supervisor, District 4	Lisa Nixon
Supervisor, District 5	Ray Haupt
Assessor/Recorder	Mike Mallory
Auditor-Controller	Jennie Ebejer
County Clerk	Colleen Setzer
Coroner/Sheriff	Jon Lopey
District Attorney	J. Kirk Andrus
Treasurer-Tax Collector	Wayne Hammar

DEPARTMENT DIRECTORS/ADMINISTRATORS

Agricultural Commissioner	James E. Smith
Administrative Office/Grand Jury	Terry Barber
General Services	Scott Waite
Chief Probation Officer	Allison Giannini
Child Support Services	Gary Sams
Community Development/Environmental Health	Vacant
County Counsel	Edward J. Kiernan
County Librarian	Michael Perry
Farm Advisor	Rob Wilson
Health and Human Services Agency	Sarah Collard, Ph. D.
Museum Curator	Lisa Gioia
Fire Warden	Phillip Anzo
Public Defender	Lael Kayfetz
Public Works Director	Scott Waite
Veteran's Service Officer	Thomas Jackson

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Board of Supervisors and Grand Jury
County of Siskiyou
Yreka, 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 Siskiyou (County), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the STAGE fund, an enterprise fund of the County, which represents 32.93%, 2,788% and 45.53% , respectively, of the assets, net position and revenues of the business-type activities. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the STAGE fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2018, 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

As discussed in Note 1, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in 2018. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, County Pension Plan - Schedule of Changes in Net Pension Liability and Related Ratios, County Pension Plan - Schedule of Contributions, Notes to County Pension Plan, Schedule of Changes in Net OPEB Liability and Contributions, and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with 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.

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 nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements 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 nonmajor fund financial statements 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 March 28, 2019, 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
March 28, 2019

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**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

As management of the County of Siskiyou, we offer readers of the County of Siskiyou's financial statements this narrative overview and analysis of the financial activities of the County of Siskiyou for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the County's basic financial statements following this section.

Financial Highlights

- The liabilities and deferred inflows of resources of the County of Siskiyou exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$14,082,958 (net position). Of this amount \$82,002,856 is invested in capital assets net of related debt, \$24,136,319 is restricted for specific purposes and a negative \$120,222,133 (unrestricted net position) is available to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position decreased by \$33,387,516. This decrease is primarily attributable to an increase in accounts payable and long term liabilities and the GASB 68 and 75 which required the County to report our pension liability and OPEB as well as deferred outflows and deferred inflows of resources.
- As of the close of the current fiscal year, the County of Siskiyou's governmental funds reported combined ending fund balances of \$50,211,051 an increase of \$5,391,135 in comparison with the prior year. Approximately 60.2% of this total amount, \$31,482,526, is available for spending at the government's discretion (committed, assigned, and unassigned fund balance), which represents an 11.98% increase over last year.
- At the end of the current fiscal year, unassigned fund balance for the General fund was \$6,467,495 and non-spendable fund balance of \$12,949. The committed portion of fund balance is \$925,033, the restricted portion of fund balance is \$4,195,380, for a total general fund balance of \$11,600,857.
- The County of Siskiyou's total governmental activities debt decreased by \$909,150. Of that amount, the County recorded a decrease in the Behavioral Health estimated repayment liability of \$1,141,214. The County's governmental activities debt consists of revenue bonds for Carrick Water in CSA#5, pension obligation bonds used for the advance pay of employee pension obligations, loans from California Infrastructure Bank for construction of a 40 bed juvenile hall facility, capitalized leased equipment, and the liability for compensated absences. Compensated absences will vary from year to year based on employee use of vacation and comp time and total number of employees. Business-type debt consists of a California Infrastructure loan to finance landfill closures and transfer station construction as well as the closure/post closure debt, and the liability for compensated absences related to business-type activities. Business-type debt consists of a total decrease of \$1,320,049. The decrease in debt was primarily due an engineer's report being complete which reduced future liability for landfills.

**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County of Siskiyou's basic financial statements. The County of Siskiyou's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County of Siskiyou's finances, in a manner similar to a private-sector business.

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

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

Both of the government-wide financial statements distinguish functions of the County of Siskiyou that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County of Siskiyou include general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation and cultural services. The business-type activities of the County of Siskiyou include Sanitation, Siskiyou Transit and General Express, Aviation, and Septage Receiving Facility operations.

The government-wide financial statements include not only the County of Siskiyou itself (known as the primary government), but also legally separate component units that are blended into the reporting activities of the County. These component units are the Flood Control and Water Conversation District, Air Pollution Control District, Local Transportation Administration, Regional Transportation Planning, County Service Areas #3, #4, and #5, Lake Siskiyou Hydroelectric Project and Siskiyou Association of Governmental Entities. These component units are included in the County's financial reporting because of the significance of their financial or operational relationship and their mutual governing body.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County of Siskiyou, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County of Siskiyou can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the County's programs.

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

The County of Siskiyou maintains several individual governmental funds organized according to their type (special revenue, debt service and capital projects). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, Road, Human Services, and Behavioral Health Services. These funds are considered to be major funds. Data from the other governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County of Siskiyou adopts an annual appropriate budget for its General fund and special revenue funds. Budgetary comparison statements have been provided for the General fund and major special revenue funds to demonstrate compliance with this budget.

Proprietary Funds. The County of Siskiyou maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County of Siskiyou uses enterprise funds to account for STAGE (Siskiyou Transportation and General Express), Sanitation, Aviation, and Septage Receiving Facilities operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County of Siskiyou's various functions. The County of Siskiyou uses internal service funds to account for Fuel Services, Communications, Auto Services, and a variety of insurances, such as Risk Management-Liability, Risk Management-Unemployment, Risk Management- Worker's Compensation, Vision, and Dental. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Siskiyou Transportation and General & Express (STAGE), Sanitation, Aviation, and Septage Receiving Facilities operations fund that are considered major funds of the County of Siskiyou. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County of Siskiyou's own programs.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County of Siskiyou's progress in developing, executing and monitoring its budgeting processes.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

	Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets:						
Current and Other Assets	\$ 64,087,444	\$ 62,467,634	\$ 10,486,122	\$ 10,254,133	\$ 74,573,566	\$ 72,721,767
Capital Assets	77,251,296	80,310,245	6,485,540	6,645,074	83,736,836	86,955,319
Total Assets	<u>141,338,740</u>	<u>142,777,879</u>	<u>16,971,662</u>	<u>16,899,207</u>	<u>158,310,402</u>	<u>159,677,086</u>
Deferred Outflows of Resources						
	<u>18,088,703</u>	<u>17,171,648</u>	<u>497,168</u>	<u>509,916</u>	<u>18,585,871</u>	<u>17,681,564</u>
Liabilities:						
Current and Other Liabilities	5,298,797	8,880,702	247,884	258,344	5,546,681	9,139,046
Long-Term Liabilities	30,485,963	27,753,580	13,263,738	14,482,522	43,749,701	42,236,102
Net Pension Liability	84,756,646	75,543,622	2,492,226	2,225,011	87,248,872	77,768,633
Net OPEB Obligation	45,639,903	22,317,141	1,358,097	711,859	46,998,000	23,029,000
Total Liabilities	<u>166,181,309</u>	<u>134,495,045</u>	<u>17,361,945</u>	<u>17,677,736</u>	<u>183,543,254</u>	<u>152,172,781</u>
Deferred Inflows of Resources						
	<u>7,230,469</u>	<u>5,773,353</u>	<u>205,508</u>	<u>107,958</u>	<u>7,435,977</u>	<u>5,881,311</u>
Net Position:						
Net Investment in Capital	75,517,316	78,620,948	6,485,540	6,645,074	82,002,856	85,266,022
Restricted	24,090,563	23,118,850	45,756	-	24,136,319	23,118,850
Unrestricted	(113,592,214)	(82,058,669)	(6,629,919)	(7,021,645)	(120,222,133)	(89,080,314)
Total Net Position	<u>\$ (13,984,335)</u>	<u>\$ 19,681,129</u>	<u>\$ (98,623)</u>	<u>\$ (376,571)</u>	<u>\$ (14,082,958)</u>	<u>\$ 19,304,558</u>

**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County of Siskiyou, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$14,166,228 at the close of the most recent fiscal year, which resulted in a deficit overall net position.

By far the largest portion of the County of Siskiyou's governmental activities net position reflects its investment in capital assets (e.g. land, buildings, machinery, equipment and infrastructure) less any related debt used to acquire those assets that are still outstanding. Over all, net investment in capital assets, net of related debt decreased from \$85,266,022 at June 30, 2017, to \$82,002,856 at June 30, 2018. The County of Siskiyou uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the County of Siskiyou's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital asset cannot be used to liquidate those liabilities.

An additional portion of the County of Siskiyou's net position, \$24,136,319, represents resources that are subject to external restrictions on how they may be used. The remaining deficit is unrestricted net position (\$120,222,133), which is available to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County of Siskiyou is able to report positive balances in net position for the government as a whole, but not for the business-type activities, due to the number of loans outstanding and the closure/post closure liability in those funds.

**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charge for Services	\$ 10,538,173	\$ 10,100,074	\$ 2,468,660	\$ 2,491,647	\$ 13,006,833	\$ 12,591,721
Operating Grants and Contributions	62,000,093	56,475,998	1,830,955	2,742,225	63,831,048	59,218,223
Capital Grants and Contributions	-	35,500	-	-	-	35,500
General Revenues:						
Property Taxes	12,197,961	11,720,168	-	-	12,197,961	11,720,168
Sales and Use Taxes	5,984,491	5,957,501	-	-	5,984,491	5,957,501
Other Taxes	1,939,829	1,484,159	-	96,531	1,939,829	1,580,690
Interest and Investment Earnings	1,822,872	5,364,659	(37,148)	-	1,785,724	5,364,659
Miscellaneous	789,910	3,486,186	(10,032)	-	779,878	3,486,186
Total Revenues	<u>95,273,329</u>	<u>94,624,245</u>	<u>4,252,435</u>	<u>5,330,403</u>	<u>99,525,764</u>	<u>99,954,648</u>
Expenses:						
General Government	9,496,110	7,321,157	-	-	9,496,110	7,321,157
Public Protection	38,870,547	35,865,482	-	-	38,870,547	35,865,482
Public Ways and Facilities	13,886,285	14,006,236	-	-	13,886,285	14,006,236
Health and Welfare	20,026,054	15,848,874	-	-	20,026,054	15,848,874
Public Assistance	24,702,961	21,878,321	-	-	24,702,961	21,878,321
Education	880,022	783,162	-	-	880,022	783,162
Culture and Recreation	155,458	128,410	-	-	155,458	128,410
Interest on Long-Term Debt	933,381	963,194	-	-	933,381	963,194
STAGE	-	-	2,481,472	2,304,601	2,481,472	2,304,601
Sanitation	-	-	421,246	2,352,976	421,246	2,352,976
Aviation	-	-	359,319	369,984	359,319	369,984
Septage Receiving Facility	-	-	1,697	9,273	1,697	9,273
Total Expenses	<u>108,950,818</u>	<u>96,794,836</u>	<u>3,263,734</u>	<u>5,036,834</u>	<u>112,214,552</u>	<u>101,831,670</u>
Change in Net Position Before Transfers	(13,677,489)	(2,170,591)	988,701	293,569	(12,688,788)	(1,877,022)
Transfers	18,713	93	(18,713)	(93)	-	-
Change in Net Position	(13,658,776)	(2,170,498)	969,988	293,476	(12,688,788)	(1,877,022)
Net Position - Beginning of Year	19,681,129	21,851,627	(376,571)	(670,047)	19,304,558	21,181,580
Prior Period Adjustment	(20,006,688)	-	(692,040)	-	(20,698,728)	-
Net Position - End of Year	<u>\$ (13,984,335)</u>	<u>\$ 19,681,129</u>	<u>\$ (98,623)</u>	<u>\$ (376,571)</u>	<u>\$ (14,082,958)</u>	<u>\$ 19,304,558</u>

Governmental Activities. Governmental activities decreased the County's net position by \$13,658,776.

Business-Type Activities. Business-type activities increased the County's net position by \$969,988.

**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for budgeting purposes at the end of the fiscal year.

At June 30, 2018, the County's governmental funds reported combined ending fund balances of \$50,211,051 an increase of \$5,391,135 in comparison with the prior year.

No major governmental funds reflected deficit fund balances at year end.

The following non-major governmental funds reflected deficit fund balances at year-end:

- The Planning Projects fund had a deficit fund balance of \$11,408, which will need to be covered by the Planning-Indemnification Agreement Fund.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The enterprise funds have net position of (\$194,855). Of the enterprise funds, STAGE has shown a decrease of \$660,629 in net position and a \$2,242,106 operating loss. Nonoperating revenues of \$1,619,567 from a variety of sources help to cover this loss. The Aviation fund has reflected a \$257,542 operating loss and \$60,109 in nonoperating revenues.

Sanitation has reflected a change in net position of \$1,714,490 for the fiscal year. The final net position amount for the fund is (\$4,695,888). The closure of all landfills within the County has had a significant impact on this fund. This fund will be used to continue the closure/post closure liability costs, and to fund the closure process of the Yreka Landfill cells, and to create a transfer site. Additional funding will be needed to accomplish this goal. Once this site is officially closed, there will be another adjustment to reflect this change in use. The department continues to evaluate the operations for the means to recover from this deficit.

The net position of the internal services funds' increased from \$1,424,360 to \$1,514,775. Most of the increase is related to the following;

- The overall operating revenues exceeded the operating expenses.

The following proprietary funds reflected deficit net position at year-end:

- The Sanitation fund had a net position deficit of \$4,695,888, which is expected to be eliminated in future years through increased user charges and retirement of closure/post closure liability and related debt payoff.

**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

General Fund Budgetary Highlights

Differences between the recommended budget and the adopted budget can be briefly summarized as follows:

- \$1,370,850 in miscellaneous decreases in general governmental activities
- \$1,711,145 in increases allocated to public protection
- \$16,844 in increases allocated to public assistance
- \$75,238 in increases allocated to education

While these budgetary changes were the result of anticipating what changes would occur in state funding levels, the following reflects the actual amounts spent compared to adopted budget approval:

- \$1,654,181 under budget in miscellaneous general governmental activities
- \$2,724,907 under budget in public protection
- \$1,431 under budget in health and welfare
- \$16,885 under budget in public assistance
- \$121,181 under budget in education, and culture and recreation and public ways and facilities

The final revenues for the General fund were lower in total than final budget estimates by \$1,812,758.

Capital Asset and Debt Administration

Capital Assets. The County's investment in capital assets for these governmental and business-type activities as of June 30, 2018, amounts to \$83,749,798 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, bridges, and intangible assets. Currently, all land, buildings, and general equipment capital assets have been appropriately booked under GASB 34 requirements along with their accumulated depreciation.

Debt Administration. At the end of the current fiscal year, the County had total long-term obligations outstanding of \$43,749,699 of which \$1,913,338 is due within one year and \$41,836,331 is due in more than one year.

**COUNTY OF SISKIYOU
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
JUNE 30, 2018**

Economic Factors and Next Year's Budget

Siskiyou County experienced approximately a 3.65% growth in assessed value of property this year. However, the Assessor-Recorder recently reported that he is projecting an approximate increase in assessed value for this next year at 2.93%. California's growth has been uneven among regions; Siskiyou County is showing growth, but at a slower pace than other regions. The county continues to experience high pension contribution rates, CalPERS has changed their discount rate from 7.375% to 7.25% for the upcoming fiscal year and are projecting to move to 7.25% in the subsequent year. The County created a Section 115 Trust to begin funding the employer Pension Liability and Other Post Employment Benefit costs that are associated with labor. The California Department of Fish and Game once again paid a small portion of the payment in lieu of taxes that are owed to Siskiyou County. Heal Therapy has a debt obligation to the County of Siskiyou; the Board of Supervisors will take formal action regarding this debt.

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to Jennie Ebejer, Siskiyou County Auditor-Controller, 311 Fourth St, Rm 101, Yreka, CA 96097.

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BASIC FINANCIAL STATEMENTS

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**COUNTY OF SISKIYOU
STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2018**

	Governmental Activities	Primary Government		Totals
		Business-Type Activities		
ASSETS				
Cash and Investments	\$ 49,431,533	\$ 9,452,402	\$ 58,883,935	
Imprest cash	51,350	50	51,400	
Restricted Cash	402,007	561,290	963,297	
Cash with fiscal agents	2,607,375	45,756	2,653,131	
Receivables:				
Accounts	2,608,755	32,864	2,641,619	
Interest	213,224	42,646	255,870	
Taxes	214,272	12,039	226,311	
Intergovernmental	5,260,412	96,232	5,356,644	
Deposits	-	-	-	
Prepaid Expenses	15,170	-	15,170	
Inventory	957,541	99,327	1,056,868	
Internal Balances	(143,516)	143,516	-	
Loans Receivable	2,469,321	-	2,469,321	
Capital Assets:				
Nondepreciable	10,689,570	926,522	11,616,092	
Depreciable, Net	<u>66,561,726</u>	<u>5,559,018</u>	<u>72,120,744</u>	
Total Assets	141,338,740	16,971,662	158,310,402	
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows - OPEB	1,493,486	43,770	1,537,256	
Deferred Outflows - Pension	<u>16,595,217</u>	<u>453,398</u>	<u>17,048,615</u>	
Total Deferred Outflows of Resources	18,088,703	497,168	18,585,871	
LIABILITIES				
Accounts Payable	2,472,549	136,998	2,609,547	
Accrued Salaries and Benefits	2,037,325	59,600	2,096,925	
Accrued Interest Expense	87,645	17,446	105,091	
Deposits Payable	430,176	1,200	431,376	
Unearned Revenue	271,102	32,640	303,742	
Long-Term Liabilities:				
Due within One Year	1,810,663	102,675	1,913,338	
Due in More than One Year	28,675,300	1,192,549	29,867,849	
Closure Postclosure Costs	-	11,968,514	11,968,514	
Net Pension Liability	84,756,646	2,492,226	87,248,872	
Net OPEB Liability	<u>45,639,903</u>	<u>1,358,097</u>	<u>46,998,000</u>	
Total Liabilities	166,181,309	17,361,945	183,543,254	
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - OPEB	4,625,432	137,639	4,763,071	
Deferred Inflows - Pension	<u>2,605,037</u>	<u>67,869</u>	<u>2,672,906</u>	
Total Deferred Inflows of Resources	7,230,469	205,508	7,435,977	
NET POSITION				
Net Investment in Capital Assets	75,517,316	6,485,540	82,002,856	
Restricted for:				
General Government	3,451,391	45,756	3,497,147	
Public Protection	5,541,293	-	5,541,293	
Public Ways and Facilities	381,134	-	381,134	
Health and Welfare	11,107,849	-	11,107,849	
Public Assistance	3,596,017	-	3,596,017	
Education	12,879	-	12,879	
Capital Projects	-	-	-	
Unrestricted	<u>(113,592,214)</u>	<u>(6,629,919)</u>	<u>(120,222,133)</u>	
Total Net Position	\$ (13,984,335)	\$ (98,623)	\$ (14,082,958)	

See accompanying Notes to Financial Statements.

**COUNTY OF SISKIYOU
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

Functions/Programs	Direct Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 9,496,110	\$ 3,414,084	\$ 12,025,007	\$ -
Public Protection	38,870,547	4,606,066	8,676,439	-
Health and Welfare	20,026,054	2,220,501	14,625,583	-
Public Assistance	24,702,961	1,510	19,721,121	-
Education	880,022	95	42,887	-
Culture and Recreation	155,458	4,330	-	-
Public Ways and Facilities	13,886,285	291,587	6,909,056	-
Interest on Long-Term Debt	<u>933,381</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Activities	108,950,818	10,538,173	62,000,093	-
Business-Type Activities:				
STAGE	2,481,472	236,866	1,719,223	-
Sanitation	421,246	2,130,017	50,018	-
Aviation	359,319	101,777	61,714	-
Septage Receiving Facility	<u>1,697</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Business-Type Activities	<u>3,263,734</u>	<u>2,468,660</u>	<u>1,830,955</u>	<u>-</u>
Total County	<u>\$112,214,552</u>	<u>\$ 13,006,833</u>	<u>\$ 63,831,048</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property Taxes
Sales and Use Taxes
Transient Occupancy Taxes
Franchise Taxes
Transfer Taxes
Other Taxes

Unrestricted Interest and Investment Earnings

Tobacco Settlement

Miscellaneous

Sale of Capital Assets

Transfers

Total General Revenues

Change in Net Position

Net Position - Beginning of Year, Restated

Net Position - End of Year

See accompanying Notes to Financial Statements.

Net (Expense) Revenue and
Changes in Net Position

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ 5,942,981	\$ -	\$ 5,942,981
(25,588,042)	-	(25,588,042)
(3,179,970)	-	(3,179,970)
(4,980,330)	-	(4,980,330)
(837,040)	-	(837,040)
(151,128)	-	(151,128)
(6,685,642)	-	(6,685,642)
<u>(933,381)</u>	<u>-</u>	<u>(933,381)</u>
(36,412,552)	-	(36,412,552)
-	(525,383)	(525,383)
-	1,758,789	1,758,789
-	(195,828)	(195,828)
<u>-</u>	<u>(1,697)</u>	<u>(1,697)</u>
<u>-</u>	<u>1,035,881</u>	<u>1,035,881</u>
(36,412,552)	1,035,881	(35,376,671)
12,197,961	-	12,197,961
5,984,491	-	5,984,491
689,151	-	689,151
349,810	-	349,810
429,141	-	429,141
471,727	-	471,727
1,822,872	(37,148)	1,785,724
-	-	-
788,910	(10,032)	778,878
1,000	-	1,000
<u>18,713</u>	<u>(18,713)</u>	<u>-</u>
<u>22,753,776</u>	<u>(65,893)</u>	<u>22,687,883</u>
(13,658,776)	969,988	(12,688,788)
<u>(325,559)</u>	<u>(1,068,611)</u>	<u>(1,394,170)</u>
<u>\$ (13,984,335)</u>	<u>\$ (98,623)</u>	<u>\$ (14,082,958)</u>

**COUNTY OF SISKIYOU
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General	Road	Human Services
ASSETS			
Cash and Investments	\$ 9,815,443	\$ 3,865,310	\$ 5,392,505
Imprest cash	29,400	5,200	1,550
Restricted cash	402,007	-	-
Cash with fiscal agents	1,852,805	168,425	217,793
Receivables:			
Accounts	358,244	761	41,924
Interest	50,623	14,801	21,541
Taxes	212,029	-	-
Intergovernmental	1,279,835	244,000	1,072,063
Deposits	-	-	-
Due from Other Funds	202,552	151,791	84,301
Prepaid Costs	9,196	467	2,341
Loans Receivable	3,753	-	-
Inventories	-	833,641	-
	<u> -</u>	<u>833,641</u>	<u> -</u>
 Total Assets	 <u>\$ 14,215,887</u>	 <u>\$ 5,284,396</u>	 <u>\$ 6,834,018</u>
LIABILITIES			
Accounts Payable	623,984	495,731	96,689
Accrued Salaries and Benefits	976,881	245,890	323,393
Deposits Payable	430,176	-	-
Due to Other Funds	174,425	34,156	120,023
Unearned Revenues	650	-	270,452
Total Liabilities	<u>2,206,116</u>	<u>775,777</u>	<u>810,557</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	408,914	48,192	30,925
Deferred Housing Loan Payments	-	-	-
Deferred Business Loan Payments	-	-	-
Total Deferred Inflows of Resources	<u>408,914</u>	<u>48,192</u>	<u>30,925</u>
FUND BALANCES			
Nonspendable	12,949	834,108	2,341
Restricted	4,195,380	321,376	322,938
Committed	925,033	5,225	1,550
Assigned	-	3,299,718	5,665,707
Unassigned	6,467,495	-	-
Total Fund Balances	<u>11,600,857</u>	<u>4,460,427</u>	<u>5,992,536</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 14,215,887</u>	 <u>\$ 5,284,396</u>	 <u>\$ 6,834,018</u>

See accompanying Notes to Financial Statements.

Behavioral Health	HCD Block Grants	Other Governmental	Total
\$ 11,020,007	\$ 1,034,102	\$ 15,904,681	\$ 47,032,048
12,800	-	2,400	51,350
-	-	-	402,007
176,549	-	179,949	2,595,521
1,907,568	745	301,265	2,610,507
48,273	4,543	63,868	203,649
-	-	2,243	214,272
2,019,704	-	640,666	5,256,268
-	-	-	-
2,030,795	3,126	1,115,992	3,588,557
2,233	-	933	15,170
-	2,465,568	-	2,469,321
-	-	-	833,641
<u>\$ 17,217,929</u>	<u>\$ 3,508,084</u>	<u>\$ 18,211,997</u>	<u>\$ 65,272,311</u>
507,539	-	\$ 647,703	\$ 2,371,646
228,499	-	243,010	2,017,673
-	-	-	430,176
2,034,400	50,187	1,353,815	3,767,006
-	-	-	271,102
<u>2,770,438</u>	<u>50,187</u>	<u>2,244,528</u>	<u>8,857,603</u>
2,823,815	(1)	426,244	3,738,089
-	1,015,608	-	1,015,608
-	<u>1,449,960</u>	-	<u>1,449,960</u>
<u>2,823,815</u>	<u>2,465,567</u>	<u>426,244</u>	<u>6,203,657</u>
2,233	-	933	852,564
7,271,428	992,330	4,772,509	17,875,961
11,412	-	2,586,953	3,530,173
4,338,603	-	8,192,238	21,496,266
-	-	(11,408)	6,456,087
<u>11,623,676</u>	<u>992,330</u>	<u>15,541,225</u>	<u>50,211,051</u>
<u>\$ 17,217,929</u>	<u>\$ 3,508,084</u>	<u>\$ 18,211,997</u>	<u>\$ 65,272,311</u>

COUNTY OF SISKIYOU
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE
GOVERNMENT-WIDE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2018

Fund Balance - Total Governmental Funds \$ 50,211,051

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 balance sheets. 77,129,084

Other long term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenues in the governmental funds. 6,203,657

Deferred outflows of resources - pension 16,471,791
 Deferred outflows of resources - other postemployments benefits 1,482,070

Interest payable on long-term debt does not require the use of current financial resources and therefore is not accrued as a liability in the governmental fund balance sheets. (87,645)

Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Bonds Payable	(14,043,137)
Behavioral Health Repayment Liability	(11,778,397)
Loans Payable	(1,357,770)
Capital Leases	(211,410)
Compensated Absences	(3,033,097)
Net OPEB Obligation	(45,274,923)
Net Pension Liability	(84,039,262)

Deferred inflows of resources - pension	(2,582,679)
Deferred inflows of resources - OPEB	(4,588,443)

Internal service funds are used by management to charge the cost of certain activities, such as insurance and equipment maintenance and operations, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position. 1,514,775

Net Position of Governmental Activities \$ (13,984,335)

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COUNTY OF SISKIYOU
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	General	Road	Human Services
REVENUES			
Taxes	\$ 14,373,381	\$ 187,497	\$ 3,060,235
Licenses and Permits	737,128	-	-
Fines, Forfeitures, and Penalties	1,895,908	-	-
Use of Money and Property	(713)	(8,007)	(25,382)
Intergovernmental	16,089,681	6,853,066	19,861,913
Charges for Services	4,895,539	291,587	425
Other Revenues	<u>305,440</u>	<u>14,132</u>	<u>56,073</u>
Total Revenues	38,296,364	7,338,275	22,953,264
EXPENDITURES			
Current:			
General Government	7,897,426	-	-
Public Protection	25,944,902	-	-
Health and Welfare	31,169	-	-
Public Assistance	307,998	-	22,661,520
Education	809,452	-	-
Recreation and Culture	136,484	-	-
Public Ways and Facilities	-	9,359,353	-
Debt service:			
Principal	109,657	-	-
Interest and Other Charges	5,950	-	-
Capital Outlay	<u>238,729</u>	<u>1,047,848</u>	<u>111,314</u>
Total Expenditures	<u>35,481,767</u>	<u>10,407,201</u>	<u>22,772,834</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,814,597	(3,068,926)	180,430
OTHER FINANCING SOURCES (USES)			
Transfers In	17,784,842	46,909	344,896
Transfers Out	(16,776,650)	(157,184)	(636,242)
Sale of Capital Assets	40,012	175	-
Issued Debt	<u>216,479</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,264,683</u>	<u>(110,100)</u>	<u>(291,346)</u>
NET CHANGES IN FUND BALANCES	4,079,280	(3,179,026)	(110,916)
Fund Balances - Beginning of Year	5,210,966	7,651,061	6,103,452
Prior period adjustments	2,310,611		
Change in inventory on purchase method	<u>-</u>	<u>(11,608)</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 11,600,857</u>	<u>\$ 4,460,427</u>	<u>\$ 5,992,536</u>

Behavioral Health Services	HCD Block Grants	Other Governmental	Total
\$ 1,671,235	\$ -	\$ 516,469	\$ 19,808,817
-	-	447,071	1,184,199
4,499	-	85,443	1,985,850
(43,599)	(3,926)	1,821,321	1,739,694
10,942,162	-	10,475,856	64,222,678
61,846	-	2,344,633	7,594,030
<u>114,285</u>	<u>162,549</u>	<u>213,470</u>	<u>865,949</u>
12,750,428	158,623	15,904,263	97,401,217
-	-	7,963	7,905,389
-	-	7,012,130	32,957,032
10,672,324	-	6,062,450	16,765,943
-	136,329	-	23,105,847
-	-	940	810,392
-	-	-	136,484
-	-	117,717	9,477,070
200,000	-	513,131	822,788
-	-	927,789	933,739
<u>6,962</u>	<u>-</u>	<u>277,168</u>	<u>1,682,021</u>
<u>10,879,286</u>	<u>136,329</u>	<u>14,919,288</u>	<u>94,596,705</u>
1,871,142	22,294	984,975	2,804,512
2,636,107	154,564	5,032,701	26,000,019
(2,740,866)	(201,576)	(5,457,442)	(25,969,960)
-	-	895	41,082
-	-	-	216,479
<u>(104,759)</u>	<u>(47,012)</u>	<u>(423,846)</u>	<u>287,620</u>
1,766,383	(24,718)	561,129	3,092,132
9,857,293	1,017,048	14,980,096	44,819,916
-	-	-	2,310,611
-	-	-	(11,608)
<u>\$ 11,623,676</u>	<u>\$ 992,330</u>	<u>\$ 15,541,225</u>	<u>\$ 50,211,051</u>

COUNTY OF SISKIYOU
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2018

Net Change to Fund Balance - Total Governmental Funds \$ 3,092,132

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 and Infrastructure	\$ 2,076,454	
Capital asset adjustments	(196,801)	
Less: Current Year Depreciation	<u>(4,956,430)</u>	(3,076,777)

Unavailable revenues are reported as deferred inflows of resources in the governmental funds, but are recognized as revenues in the statement of activities. Amount represents the change from prior year. (2,104,897)

Long-term debt proceeds provide current 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 Retirements		820,129
Issuance of Debt		(216,479)
Long term loan repayments		(79,094)

Measurement focus adjustment for inventory (11,608)

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 Compensated Absences Payable	(158,931)	
Change in Net OPEB Obligation	(1,579,482)	
Change in Accrued Interest on Long-Term Debt	3,017	
Change in long-term payable	(1,341,214)	
Change in Net Pension Liability and Related Deferred Inflows and Outflows	<u>(9,095,987)</u>	(12,172,597)

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. 90,415

Change in Net Position of Governmental Activities \$ (13,658,776)

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**COUNTY OF SISKIYOU
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018**

	Business-Type Activities - Enterprise Funds		
	STAGE	Sanitation	Aviation
ASSETS			
Current Assets:			
Cash and Investments	\$ 1,102,102	\$ 7,997,960	\$ 109,401
Imprest cash	50	-	-
Receivables:			
Accounts Receivable	302	28,458	4,104
Interest	5,311	35,841	421
Intergovernmental	96,232	-	-
Taxes	-	12,039	-
Deposits	-	-	-
Due from Other Funds	23,186	218,729	-
Prepaid Costs	-	-	-
Inventory	<u>99,327</u>	<u>-</u>	<u>-</u>
Total Current Assets	1,326,510	8,293,027	113,926
Noncurrent Assets:			
Restricted cash	-	561,290	-
Cash with fiscal agents	34,450	11,306	-
Capital Assets:			
Nondepreciable	227,803	431,201	267,518
Depreciable, Net	<u>4,031,705</u>	<u>278,028</u>	<u>1,249,285</u>
Total Noncurrent Assets	<u>4,293,958</u>	<u>1,281,825</u>	<u>1,516,803</u>
 Total Assets	 5,620,468	 9,574,852	 1,630,729
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Adjustments	339,026	114,372	-
Deferrals Related to OPEB	<u>27,815</u>	<u>15,955</u>	<u>-</u>
Total Deferred Outflows of Resources	366,841	130,327	-

Septage Receiving Facility	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 242,939	\$ 9,452,402	2,399,485
-	50	-
-	-	-
-	32,864	(1,752)
1,073	42,646	9,575
-	96,232	4,144
-	12,039	-
-	-	-
-	241,915	94,321
-	-	-
-	99,327	123,900
<u>244,012</u>	<u>9,977,475</u>	<u>2,629,673</u>
-	561,290	-
-	45,756	11,854
-	926,522	14,050
<u>-</u>	<u>5,559,018</u>	<u>108,162</u>
<u>-</u>	<u>7,092,586</u>	<u>134,066</u>
244,012	17,070,061	2,763,739
-	453,398	123,426
<u>-</u>	<u>43,770</u>	<u>11,416</u>
-	497,168	134,842

**COUNTY OF SISKIYOU
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2018**

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>STAGE</u>	<u>Sanitation</u>	<u>Aviation</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 87,481	\$ 44,576	\$ 4,941
Accrued Salaries and Benefits	46,089	13,511	-
Interest Payable	-	17,446	-
Deposits Payable	-	-	1,200
Due to Other Funds	42,146	35,179	21,074
Unearned Revenue	32,640	-	-
Compensated Absences	25,813	8,356	-
Loans Payable	-	68,506	-
Estimated Claims Liability	-	-	-
Total Current Liabilities	<u>234,169</u>	<u>187,574</u>	<u>27,215</u>
Noncurrent Liabilities:			
Compensated Absences	34,888	15,182	-
Special Assessment Bonds	-	-	-
Loans and Capital Leases Payable	-	1,142,479	-
Closure Postclosure Costs	-	11,968,514	-
Net Pension Liability	1,824,002	668,224	-
Net OPEB Obligation	998,276	359,821	-
Total Noncurrent Liabilities	<u>2,857,166</u>	<u>14,154,220</u>	<u>-</u>
Total Liabilities	3,091,335	14,341,794	27,215
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Adjustments	45,063	22,806	-
Deferred OPEB Adjustments	101,172	36,467	-
Total Deferred Inflows of Resources	<u>146,235</u>	<u>59,273</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	4,259,508	709,229	1,516,803
Restricted	34,450	11,306	-
Unrestricted	(1,544,219)	(5,416,423)	86,711
Total Net Position	<u>\$ 2,749,739</u>	<u>\$ (4,695,888)</u>	<u>\$ 1,603,514</u>

See accompanying Notes to Financial Statements.

Septage Receiving Facility	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ -	\$ 136,998	\$ 100,903
-	59,600	19,652
-	17,446	-
-	1,200	-
-	98,399	59,388
-	32,640	-
-	34,169	11,242
-	68,506	-
-	-	40,605
-	448,958	231,790
-	50,070	10,305
-	-	-
-	1,142,479	-
-	11,968,514	-
-	2,492,226	717,384
-	1,358,097	364,980
-	17,011,386	1,092,669
-	17,460,344	1,324,459
-	67,869	22,358
-	137,639	36,989
-	205,508	59,347
-	6,485,540	122,212
-	45,756	21,854
244,012	(6,629,919)	1,370,709
\$ 244,012	\$ (98,623)	\$ 1,514,775

**COUNTY OF SISKIYOU
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018**

	Business-Type Activities - Enterprise Funds		
	STAGE	Sanitation	Aviation
OPERATING REVENUES			
Charges for Services	\$ 233,902	\$ 2,129,851	\$ 2,060
Rental Income	2,500	-	85,431
Fines and Forfeitures	2,285	-	-
Licenses and Permits	-	-	14,285
Other Revenues	679	166	1
Total Operating Revenues	239,366	2,130,017	101,777
OPERATING EXPENSES			
Salaries and Benefits	1,464,423	508,507	-
Services and Supplies	655,910	(158,825)	125,073
Depreciation	361,139	27,816	234,246
Total Operating Expenses	2,481,472	377,498	359,319
OPERATING INCOME (LOSS)	(2,242,106)	1,752,519	(257,542)
NONOPERATING REVENUES (EXPENSES)			
Interest Income	(3,424)	(33,728)	(1,605)
Intergovernmental Revenues	1,719,223	50,018	61,714
Interest Expense	-	(43,748)	-
Total Nonoperating Revenues (Expenses)	1,715,799	(27,458)	60,109
INCOME (LOSS) BEFORE TRANSFERS, AND SPECIAL ITEMS	(526,307)	1,725,061	(197,433)
Sale of Capital Assets	(10,032)	-	-
Transfers In	-	973	20,000
Transfers Out	(28,058)	(11,628)	-
CHANGE IN NET POSITION	(564,397)	1,714,406	(177,433)
Net Position - Beginning of Year, Restated	3,314,136	(6,410,294)	1,780,947
NET POSITION - END OF YEAR	\$ 2,749,739	\$ (4,695,888)	\$ 1,603,514

See accompanying Notes to Financial Statements.

Septage Receiving Facility	Total Enterprise Funds	Governmental Funds
		Internal Service Funds
\$ -	\$ 2,365,813	\$ 5,809,250
-	87,931	3,695
-	2,285	6
-	14,285	-
-	<u>846</u>	<u>479,433</u>
-	2,471,160	6,292,384
-	1,972,930	525,707
1,697	623,855	5,699,880
-	<u>623,201</u>	<u>21,979</u>
<u>1,697</u>	<u>3,219,986</u>	<u>6,247,566</u>
(1,697)	(748,826)	44,818
(891)	(39,648)	55,920
-	1,830,955	23
-	<u>(43,748)</u>	-
<u>(891)</u>	<u>1,747,559</u>	<u>55,943</u>
(2,588)	998,733	100,761
-	(10,032)	1,000
-	20,973	-
-	<u>(39,686)</u>	<u>(11,346)</u>
(2,588)	969,988	90,415
<u>246,600</u>	<u>(1,068,611)</u>	<u>1,424,360</u>
<u>\$ 244,012</u>	<u>\$ (98,623)</u>	<u>\$ 1,514,775</u>

**COUNTY OF SISKIYOU
STATEMENTS OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018**

	<u>Business-Type Activities Enterprise Funds</u>		
	<u>STAGE</u>	<u>Sanitation</u>	<u>Aviation</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 419,768	\$ 2,125,656	\$ 100,273
Receipts from Interfund Services	-	-	-
Payments to Suppliers	(693,087)	(1,084,579)	(120,909)
Payments to Employees	<u>(1,202,353)</u>	<u>(431,957)</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	(1,475,672)	609,120	(20,636)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Grants and Other Receipts	1,719,223	50,018	131,438
Transfers from (to) Other Funds	<u>5,507</u>	<u>(181,398)</u>	<u>(2,101)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	1,724,730	(131,380)	129,337
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Capital Assets	(347,138)	(43,988)	(6,176)
Proceeds from Sale of Capital Assets	-	-	-
Principal Paid on Capital Debt	-	(66,189)	-
Interest Paid on Capital Debt	<u>-</u>	<u>(44,701)</u>	<u>-</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	(347,138)	(154,878)	(6,176)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received (Paid)	<u>(4,073)</u>	<u>(43,443)</u>	<u>(2,026)</u>
Net Cash Provided (Used) by Investing Activities	<u>(4,073)</u>	<u>(43,443)</u>	<u>(2,026)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(102,153)	279,419	100,499
Cash and Cash Equivalents - Beginning of Year	<u>1,238,755</u>	<u>8,291,137</u>	<u>8,902</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,136,602</u>	<u>\$ 8,570,556</u>	<u>\$ 109,401</u>

See accompanying Notes to Financial Statements.

Septage Receiving Facility	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ -	\$ 2,645,697	\$ 6,321,790
-	-	-
(1,697)	(1,900,272)	(5,793,795)
<u>-</u>	<u>(1,634,310)</u>	<u>(435,771)</u>
(1,697)	(888,885)	92,224
-	1,900,679	22
<u>-</u>	<u>(177,992)</u>	<u>16,044</u>
-	1,722,687	16,066
-	(397,302)	(39,805)
-	-	1,000
-	(66,189)	-
<u>-</u>	<u>(44,701)</u>	<u>-</u>
-	(508,192)	(38,805)
<u>(1,145)</u>	<u>(50,687)</u>	<u>53,406</u>
<u>(1,145)</u>	<u>(50,687)</u>	<u>53,406</u>
(2,842)	274,923	122,891
<u>245,781</u>	<u>9,784,575</u>	<u>2,288,448</u>
<u>\$ 242,939</u>	<u>\$ 10,059,498</u>	<u>\$ 2,411,339</u>

**COUNTY OF SISKIYOU
STATEMENTS OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018**

	<u>Business-Type Activities Enterprise Funds</u>		
	<u>STAGE</u>	<u>Sanitation</u>	<u>Aviation</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (2,242,106)	\$ 1,752,519	\$ (257,542)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows Provided (Used) by Operating Activities:			
Depreciation	361,139	27,816	234,246
(Increase) Decrease in:			
Accounts Receivable	189,279	(4,361)	(1,504)
Prepaid Expense	-	-	-
Inventory	(36,038)	-	-
Deferred Outflows of Resources	18,108	(5,360)	-
Increase (Decrease) in:			
Accounts Payable	(1,139)	16,189	2,964
Salaries and Benefits Payable	31	1,144	-
Deposits from Others	-	-	1,200
Unearned Revenue	(8,877)	-	-
Deferred Inflows of Resources	70,584	26,966	-
Net Pension Liability	(288,123)	(136,702)	-
Compensated Absences Payable	3,129	2,605	-
Claims Liability	-	-	-
Closure and Postclosure Liability	-	(1,259,593)	-
Net OPEB Obligation	<u>458,341</u>	<u>187,897</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,475,672)</u>	<u>\$ 609,120</u>	<u>\$ (20,636)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Acquisition of Capital Assets in Accounts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

Septage Receiving Facility	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ (1,697)	\$ (748,826)	\$ 44,818
-	623,201	21,979
-	183,414	29,406
-	-	1,577
-	(36,038)	7,226
-	12,748	(1,179)
-	18,014	(112,781)
-	1,175	4,264
-	1,200	-
-	(8,877)	-
-	97,550	26,472
-	(424,825)	(128,991)
-	5,734	2,593
-	-	10,063
-	(1,259,593)	-
<u>-</u>	<u>646,238</u>	<u>186,777</u>
<u>\$ (1,697)</u>	<u>\$ (888,885)</u>	<u>\$ 92,224</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF SISKIYOU
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018**

	<u>Investment Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Cash and Investments	\$ 76,352,068	4,808,959
Restricted Cash and Investments	-	
Taxes Receivable	-	4,201,279
Due from Other Funds	-	<u>3,633,769</u>
 Total Assets	 <u>\$ 76,352,068</u>	 <u>\$ 12,644,007</u>
LIABILITIES		
Due to Other Funds	-	3,633,769
Agency Obligations	-	<u>9,010,238</u>
 Total Liabilities	 <u>-</u>	 <u>\$ 12,644,007</u>
NET POSITION		
Net Position Held in Trust for Investment Pool Participants	<u>\$ 76,352,068</u>	

**COUNTY OF SISKIYOU
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2018**

	Investment Trust Fund
ADDITIONS	
Contributions to Investment Pool	<u>\$ 114,430,432</u>
Total Additions	114,430,432
DEDUCTIONS	
Distributions from Investment Pool	<u>\$ 118,944,996</u>
Total Deductions	118,944,996
CHANGE IN NET POSITION	(4,514,564)
Net Position - Beginning of Year	<u>80,866,632</u>
NET POSITION - END OF YEAR	<u><u>\$ 76,352,068</u></u>

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The County operates under an Administrator-Board of Supervisors form of government and provides various services on a countywide basis including law and justice, education, detention, social services and health, fire protection, road construction, road maintenance, transportation, recreation and cultural facilities, elections and records, communications, planning, zoning, and tax collection.

Generally accepted accounting principles require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government.

Reporting for component units on the County's financial statements can be blended or discretely presented. Blended component units are, although legally separate entities, in substance part of the County's operations and, therefore, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, would be reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the Board of Supervisors. The financial statements of the individual component units may be obtained by writing to the County of Siskiyou, Auditor-Controller's Office, 311 4th Street, Room 101, Yreka, California, 96097.

Blended Component Units

Flood Control and Water Conservation District – The Flood Control and Water Conservation District was established to provide for flood control and water conservation in the County. The County is financially accountable for this entity. Financial accountability is primarily demonstrated by the Board of Supervisors acting as the Board of Directors, and its ability to impose its will. Therefore, the activities of the District are blended with the primary government as a special revenue fund.

Air Pollution Control District – The Air Pollution Control District was established to provide better air quality to residents. The County is financially responsible for this entity. Financial accountability is primarily demonstrated by the Board of Supervisors acting as the Board of Directors, and its ability to impose its will. Therefore, the activities of the District are blended with the primary government as a special revenue fund.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Blended Component Units (Continued)

Local Transportation Administration - The Local Transportation Administration was established to provide local transportation services to County residents. The County is financially accountable for this entity. Financial accountability is primarily demonstrated by the Board of Supervisors appointing the Administration's Board, and also occupying three positions, and its ability to impose its will. Therefore, the activities of the Administration are blended with the primary government as a special revenue fund.

Regional Transportation Planning - The Regional Transportation Planning was established to provide regional transportation planning to County residents. The County is financially accountable for this entity. Financial accountability is primarily demonstrated by the Board of Supervisors acting as the Board of Directors, and its ability to impose its will. Therefore, the activities of the entity are blended with the primary government as a special revenue fund.

County Service Areas #3, #4, and #5 – These County Service Areas were established to provide County services. The County is financially accountable for these entities. Financial accountability is primarily demonstrated by the Board of Supervisors acting as the Board of Directors, and its ability to impose its will. Therefore, the activities of the Districts are blended with the primary government as special revenue funds.

Lake Siskiyou Hydroelectric Project - The Lake Siskiyou Hydroelectric Project is a joint powers authority formed by the County of Siskiyou and the Siskiyou County Flood Control and Water Conservation District (discussed above), and was established to operate the Box Canyon Dam. The County is financially accountable for this entity. Financial accountability is primarily demonstrated by the Board of Supervisors acting as the Board of Directors, and its ability to impose its will. Therefore, the activities of the entity are blended with the primary government as a special revenue fund.

Siskiyou Association of Governmental Entities - Under State law, all counties and cities are required to be part of a Regional Planning Agency. The Siskiyou Association of Governmental Entities (SAGE) is an agency established by a Joint Powers Agreement (JPA) among City members and the County. The JPA was adopted June 22, 1972, to provide a permanent forum for discussion and study of regional problems of mutual interest to the cities within, and the County of Siskiyou, and for development of policy and action recommendations for each respective member entity. Siskiyou County and its nine cities are one Regional Planning Agency. The activities of the Association are blended with the primary government as a special revenue fund.

Discretely Presented Component Units

There are no component units of the County which meet the criteria for discrete presentation.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Joint Agencies

The County is a member of the California State Association of Counties Excess Insurance Authority (CSAC). CSAC is a joint powers authority organized for the purpose of developing and funding excess insurance programs for member counties. CSAC operates public entity risk pools for workers' compensation, comprehensive liability, property, and medical malpractice, and the pool purchases excess insurance and services for members. CSAC is under the control and direction of a 62 member board of directors consisting of representatives of each of the member counties and seven members elected by the public entity membership. Complete audited financial statements can be obtained from CSAC's office at 75 Iron Point Circle, Suite 200, Folsom, California 95630. The County is not financially accountable for this organization and therefore it is not a component unit under Statement Nos. 14, 39 and 61 of the Governmental Accounting Standards Board.

Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information on all of the nonfiduciary activities of the County and its blended component units. These statements include the financial activities of the overall government, except 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 are normally 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 presents a comparison between direct expenses and program revenues for each different identifiable activity of the County's business-type activities and each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include (1) charges paid by the recipients of goods and services offered by the program, (2) operating grants and contributions, and (3) capital grants and contributions. Taxes and other items not properly included among program revenues are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis is placed on major funds within the governmental and proprietary categories, each is displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

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 welfare, public assistance, education, and recreation services.
- The Road fund is a special revenue fund used to account for revenues and expenditures for streets and road maintenance and expansion.
- The Human Services fund is a special revenue fund used to account for revenues and expenditures for social welfare.
- The Behavioral Health Services fund is a special revenue fund used to account for revenues and expenditures for behavioral health programs.
- The HCD Block Grant Funds are special revenue funds used to account for revenue and expenditures related to community development grant activity.

The County reports the following major proprietary funds:

- The STAGE fund is an enterprise fund used to account for activity related to providing county residents with public transportation services.
- The Sanitation fund is an enterprise fund used to account for activity related to providing customers with sanitation facilities and services.
- The Aviation fund is an enterprise fund used to account for activity related to providing customers with aviation facilities and services.
- The Septage Receiving Facilities fund is an enterprise fund used to account for the fees and the cost of operation and maintenance of the septage receiving facilities, including cost of improvements and to meet State regulations regarding septage disposal facilities.

The County reports the following additional fund types:

- Internal Service funds account for the County's fuel services, communications, automotive services, information technology, and self-insurance programs which provide services to other departments on a cost reimbursement basis.
- The Investment Trust funds account for the assets of legally separate entities that deposit cash with the County Treasurer. The assets of these funds are held in trust for other agencies and are part of the County's external pool. Agencies with funds in the County's external pool include entities such as schools and community colleges, special districts governed by local boards, regional boards and authorities, and pass through funds for tax collections for cities.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

The County is obligated to disburse monies from the funds on demand.

Fund Financial Statements (Continued)

- The Agency funds account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the County, acting in the capacity of an agent for distribution to other governmental units or other organizations.

Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements, and donations. Under the 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 eligibility requirements have been satisfied.

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

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

Fiduciary funds include trust funds and agency funds. All trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are typically reported using the accrual basis of accounting to recognize all material receivables and payables.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Noncurrent Governmental Assets/Liabilities

Noncurrent governmental assets and liabilities, such as capital assets and long-term liabilities, are reported in the governmental activities column in the government-wide statement of net position.

Cash and Cash Equivalents

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

Investments

The County sponsors an investment pool that is managed by the County Treasurer. The County's pool activity is governed by California Government Code Sections 27000.1 and 53607 as well as the County's investment policy.

Investment transactions are recorded on the trade date. The fair value of investments is determined monthly. Investments in nonparticipating interest-earning investment contracts are reported at cost; short term investments are reported at amortized cost, investments in the Local Agency Investment Fund, an external pool, are reported at amortized cost which approximates fair value, and the fair value of all other investments are obtained by using quotations obtained from independent published sources or by the safekeeping institution. The fair value represents the amount the County could reasonably expect to receive for an investment in a current sale between a willing buyer and seller.

Participant's equity in the investment pool is determined by the dollar amount of participant deposits, adjusted for withdrawals and distributed investment income. Investment income is determined on an amortized cost basis. Interest payments, accrued interest, accreted discounts, amortized premiums, and realized capital gains and losses, net of administrative fees, are apportioned to pool participants every quarter. This method differs from the fair value method used to value investments in these financial statements as unrealized gains or losses are not apportioned to pool participants. During the fiscal year ended June 30, 2018, the County Treasurer has not entered into any legally binding guarantees to support the value of participant equity in the investment pool.

Income from pooled investments is allocated to the individual funds or external participants based on the fund or participant's average daily cash balance at quarter end in relation to the total pool investments. Interest income earned in agency funds where there are no interest earnings requirements are assigned to the General fund per County Policy. Income from nonpooled investments is recorded based on the specific investments held by the fund.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Receivables for governmental activities consist mainly of accounts, interest, taxes, and intergovernmental revenues. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

Receivables for business-type activities consist mainly of user fees, interest, and intergovernmental revenues. Management believes its receivables are fully collectible and, accordingly, no allowance for doubtful accounts is required.

Other Assets

Inventory

Inventories are stated at cost (first-in, first-out basis) for governmental and proprietary funds. Inventory recorded by governmental funds includes materials and supplies for roads. Governmental fund inventories are recorded as expenditures at the time the inventory is consumed. Inventory recorded by proprietary funds includes supplies for STAGE and the internal service funds. Proprietary fund inventories are recorded as expenses at the time the inventory is consumed.

Prepaid Items

Payments made for services that will benefit periods beyond June 30, 2018 are recorded as prepaid costs under both the accrual and modified accrual basis of accounting. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The County records both prepaid costs for expenditures/expenses paid for services that will benefit future periods and prepaid insurance for the net investment in a joint powers self-insurance agency.

Loans Receivable

A total of \$2,469,321 was recorded as loans receivable at June 30, 2018. These represent low interest notes and related accrued interest to finance multi-family and single family construction and rehabilitation projects, home buyer assistance for low income families, as well as business start-up costs. Loan terms are 15 to 55 years with interest rates at 0.00 to 5.00 percent. The primary source of funding for these loans comes from grants from the federal Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) programs. The CDBG and HOME grants contain monitoring requirements to ensure grant compliance. These requirements are reflected in the loan agreements. Due to the terms of the loans, offsetting deferred inflows of resources of \$2,465,568 have been established in the governmental funds balance sheet for the housing and business loan principal and interest payments.

Capital Assets

Capital assets, including public domain (infrastructure such as roads, bridges, sidewalks, sewer, and similar items) are defined by the County as assets with a cost of more than \$5,000 and an estimated useful life of more than three years. Capital assets are recorded at historical cost, or estimated historical cost if actual historical cost is unavailable. Contributed capital assets are recorded at their acquisition value at the date of donation.

**COUNTY OF SISKIYOU
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets used in operations are depreciated or amortized using the straight line method over the assets estimated useful life in the government-wide financial statements. The range of estimated useful lives by type of asset is as follows:

Equipment	3 to 20 years
Structures and Improvements	5 to 50 years
Infrastructure	20 to 75 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Property Tax

The state of California's (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1 percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100% of market value, as defined by Article XIII A, and may be adjusted by no more than 2% per fiscal year unless the property is sold or transferred. The State Legislature has determined the method of distribution of receipts from a 1% tax levy among the County, cities, school districts, and other districts.

The County of Siskiyou is responsible for assessing, collecting, and distributing property taxes in accordance with State law. Property taxes are levied on both secured (real property) and unsecured (personal property other than land and buildings) property. Supplemental property taxes are assessed upon transfer of ownership in property or completion of new construction.

The County levies, bills and collects taxes as follows:

	Secured	Unsecured
Valuation/Lien Dates	January 1	January 1
Due Dates	November 1 (1st Installment)	July 1
	February 1 (2nd Installment)	
Delinquent Dates	December 10 (1st Installment)	August 31
	April 10 (2nd Installment)	

The County of Siskiyou apportions secured property tax revenue in accordance with the alternate method of distribution, the "Teeter Plan," as prescribed by Section 4717 of the California Revenue and Taxation code. Under the Teeter Plan, penalties and interest collected on delinquent secured taxes are required to be held in trust in the Tax Loss Reserve Fund (TLRF). The primary purpose of TLRF is to cover losses that may occur as a result of special sales of tax-defaulted property.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Tax (Continued)

The County is legally required to maintain a minimum balance of 1% of the annual taxes levied on properties participating in the Teeter Plan. The balance in the TLRF was \$486,816 at June 30, 2018. The County's management believes that any ownership rights to the TLRF the County may have are effective only upon an Auditor-Controller approved transfer or to the extent of losses related to the sale of tax defaulted property. Amounts in the TLRF are considered to be held in a custodial capacity for the participants in the County's apportionment methodology and accounted for in an agency fund.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided or used, reimbursements or transfers.

Loans reported as receivables and payables 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) as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not in spendable form.

Services provided or used, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. These services provide information on the net cost of each government function and therefore, are not eliminated in the process of preparing the government-wide statement of activities.

Reimbursements occur when the funds responsible for particular expenditures or expenses repay the funds that initially paid for them. Such reimbursements are reflected as expenditures or expenses in the reimbursing fund and reductions to expenditures or expenses in the reimbursed fund.

All other interfund transactions are treated as transfers. Transfers between funds are netted as part of the reconciliation to the government-wide presentation.

Unearned Revenue

Under the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. When assets are recognized in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation leave, comp time and sick leave payout, where applicable. In the government-wide financial statements the accrued compensated absences is recorded as an expense and related liability, with the current portion estimated based on historical trends. In the governmental fund financial statements, the expenditures and liabilities related to those obligations are recognized only when they mature. In the proprietary funds the accrued compensated absences is recorded as an expense and related liability in the year earned. The County includes its share of social security and Medicare taxes payable on behalf of the employees in the accrual for compensated absences.

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) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category. This item relates to the outflows from changes in the net pension liability and is reportable on the statement of net position.

In addition to liabilities, the statement of financial 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 position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of items which qualify for reporting in this category. One item, unavailable revenue, is reported only on the governmental funds balance sheet. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item relates to inflows from changes in the net pension and OPEB liabilities and is reportable on the statement of net position.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Implementation of Governmental Accounting Standards Board Statements (GASB)

The following Governmental Accounting Standards Board (GASB) Statements have been implemented, if applicable, in the current financial statements.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement improves the usefulness of information about postemployment benefits other than pensions included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balance/Net Position

The following major enterprise fund had a deficit net position balance at June 30, 2018. This deficit is expected to be eliminated through future additional funding.

Sanitation	\$ 4,695,888
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The following nonmajor governmental funds had deficit fund balances at June 30, 2018. These deficits are expected to be eliminated through future reimbursements and through cost containment.

Planning Projects	\$ 11,408
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The following internal service funds had deficit net position balances at June 30, 2018. This deficit is expected to be eliminated through future additional funding.

Communications	\$ 273,263
Automotive Services	150,654

Rebatable Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax- exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. At June 30, 2018, the County does not expect to incur a liability.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3 CASH AND INVESTMENTS

The County Treasurer manages, in accordance with California Government Code Section 53600, funds deposited in the investment pool by the County, all County school districts, various districts, and some cities within the County. The County investment pool is not registered with the Securities and Exchange Commission as an investment company. California Government Code and the County's investment policy govern the investment pool activity. The objectives of the policy are in order of priority, safety, liquidity, yield, and public trust. The pool attempts to match maturities with planned outlays and maximize the return on investment over various market cycles. Yield is considered only after safety and credit quality have been met, consistent with limiting risk and prudent investment principles.

The Board of Supervisors monitor and review the management of public funds maintained in the investment pool in accordance with Article 6 Section 27131 of the California Government Code. The Board of Supervisors review and approve the investment policy annually. The County Treasurer prepares and submits a comprehensive investment report to the members of the Board of Supervisors and the investment pool participants every month. The report covers the type of investments in the pool, maturity dates, par value, actual cost, and fair value. All cash and investments are considered part of the investment pool.

The County sponsored investment pool includes both internal and external participants. The portion of the pool attributable to external pool participants, which are considered involuntary participants, are included in the primary government as an Investment Trust fund which does not have separate financial reports. The state of California statutes require certain special districts and other governmental entities to maintain their cash surplus with the County Treasurer. The investments of involuntary participants in the investment pool totaled \$80,177,160 at June 30, 2018.

Financial Statement Presentation

As of June 30, 2018, the County's cash and investments are reported in the financial statements as follows:

Primary Government	62,551,763
Investment Trust Fund	76,352,068
Agency Funds	<u>4,808,959</u>
Total Cash and Investments	<u><u>\$ 143,712,790</u></u>

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

As of June 30, 2018, the County's cash and investments consisted of the following

Cash:	
Cash on Hand	\$ 8,840
Imprest Cash	51,400
Deposits (Less Outstanding Checks)	(882,886)
Cash with Fiscal Agents	<u>3,055,138</u>
Total Cash	2,232,492
Investments:	
In Treasurer's Pool	<u>141,480,298</u>
Total Investments	<u>141,480,298</u>
Total Cash and Investments	<u>\$ 143,712,790</u>

Cash

At year end, the carrying amount of the County's cash deposits (including amounts in checking accounts and money market accounts) was \$(882,886) and the bank balance was \$4,437,581. The difference between the bank balance and the carrying amount represents outstanding warrants and deposits in transit. In addition, the County had cash on hand of \$8,840.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash (Continued)

Custodial Credit Risk For Deposits - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. The County's investment policy requires that deposits in banks must meet the requirements of the California Government Code. Under this code, deposits of more than \$250,000 must be collateralized at 105% to 150% of the value of the deposit to guarantee the safety of the public funds. The first \$250,000 of the County's deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits of more than the \$250,000 insured amount are collateralized.

Investments

Pursuant to Section 53646 of the Government Code, the County prepares an investment policy annually and presents it to the Board of Supervisors for review and approval. The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code and, in general, the investment policy is more restrictive than state law.

Under the provisions of the County's investment policy the County may invest or deposit in the following:

- Banker's Acceptances
- Commercial Paper
- Local Agency Investment Fund (LAIF)
- Medium Term Notes
- Asset Backed Securities
- Money Market Mutual Funds
- Negotiable Certificates of Deposit
- Repurchase Agreements/Reverse Repurchase Agreements
- Municipal Securities of Local and State Entities within the State of California
- United States Treasury Securities
- United States Government Agency (Direct/Indirect) Securities
- Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivision (a) to (o) inclusive
- United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Fair Value of Investments - The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1* - Quoted prices for identical investments in active markets;
- Level 2* - Observable inputs other than quoted market prices; and,
- Level 3* - Unobservable inputs.

The County's position in external investment pools is in itself regarded as a type of investment and looking through to the underlying investments of the pool is not appropriate. Therefore, the County's investment in external investment pools are not recognized in the three-tiered fair value hierarchy described above.

At June 30, 2018, the County had the following recurring fair value measurements.

	Total	Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Government Agencies	\$ 83,495,758	\$ 83,495,758	\$ -	\$ -
Corporate Notes	1,907,400	1,907,400	-	-
Certificates of Deposit	27,652,346	27,652,346	-	-
Total Investments Measured at Fair Value	113,055,504	\$ 113,055,504	\$ -	\$ -
Investments in External Investment Pool:				
California Asset Management Company (CAMP)	24,432,287			
Local Agency Investment Fund (LAIF)	3,992,507			
Total Investments	<u>\$ 141,480,298</u>			

Interest Rate Risk - Interest rate risk is the risk of loss due to the fair value of an investment falling due to interest rates rising. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. To limit the exposure to fair value losses from increases in interest rates, the County's investment policy limits investment maturities to a term appropriate to the need for funds so as to permit the County to meet all projected obligations. Any investments that mature more than five years from the date of purchase require prior approval of the Board of Supervisors.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

As of June 30, 2018, the County had the following investments, all of which had a maturity of five years or less:

	Interest Rates	Maturities		Fair Value	Weighted
		0-1 Years	1-5 Years		Average
					Maturity (Years)
Government Agencies	1.0 -3.2%	\$ 5,949,320	\$ 77,546,438	\$ 83,495,758	1.59
Corporate Notes	2.15%	-	1,907,400	1,907,400	0.05
Certificates of Deposit	1.1 - 3.25%	7,171,379	20,480,967	27,652,346	0.40
CAMP	Variable	24,432,287	-	24,432,287	-
LAIF	Variable	3,992,507	-	3,992,507	-
Total Investments		\$ 41,545,493	\$ 99,934,805	\$ 141,480,298	2.04

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investment policy sets specific parameters by the type of investment to be met at time of purchase. Presented below is the minimum rating required by (where applicable) the California Government Code or the County's investment policy, and the actual rating as of year-end for each investment type.

Investment Type	Minimum Legal Rating	Standard & Poor's Rating	Moody's Rating	Percent of Portfolio
Federal Farm Credit Bank	-	AA+	Aaa	8.29%
Federal Home Loan Bank	-	AA+	Aaa	13.08%
Federal National Mortgage Assoc	-	AA+	Aaa	13.48%
Federal Home Loan Mortgage Corp	-	AA+	Aaa	24.16%
Corporate Notes	A	AA+	-	1.35%
Certificates of Deposit	N/A	Unrated	Unrated	19.55%
CAMP	N/A	AAAm	Unrated	17.27%
LAIF	N/A	Unrated	Unrated	<u>2.82%</u>
Total				<u>100.00%</u>

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or collateral securities that are in the possession of an outside party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in safekeeping by a third party bank trust department.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. The County's investment policy contains limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) at June 30, 2018, that represent 5% or more of total County investments are as follows:

<u>Investment Type</u>	<u>Type</u>	<u>Amount</u>	<u>Percentage of</u> <u>Investments</u>
Federal Farm Credit Bank		\$ 11,733,840	8.29%
Federal Home Loan Bank		18,504,553	13.08%
Federal National Mortgage Association		19,069,155	13.48%
Federal Home Loan Mortgage Corp		34,188,210	24.16%

Investment in External Investment Pools

The County of Siskiyou maintains an investment in the state of California Local Agency Investment Fund (LAIF), managed by the State Treasurer. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. At June 30, 2018, the County's investment in LAIF valued at approximately amortized cost was \$3,992,507 and is the same as the value of the pool shares. There are no restrictions on withdrawal of funds. The total amount invested by all public agencies in LAIF on that day was \$88.8 billion. Of that amount, 97.33% is invested in nonderivative financial products and 2.67% in structured notes and asset-backed securities.

The County of Siskiyou also maintains an investment in the California Asset Management Program (CAMP), a California JPA established in 1989 by the treasurers and finance directors of several California agencies. CAMP was created to provide professional investment services to California public agencies at a reasonable cost. The County's investment with CAMP as of June 30, 2018, was \$24,432,287, which approximates fair value.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

County Investment Pool Condensed Financial Information

The following are condensed statements of net position and changes in net position for the Treasurer's pool at June 30, 2018:

	<u>Internal Participants</u>	<u>External Participants</u>	<u>Total Pool</u>
Statement of Net Position			
Cash on Hand	\$ 8,840	\$ -	\$ 8,840
Deposits, Less Outstanding Checks	(882,886)	-	(882,886)
Investments	<u>65,128,230</u>	<u>76,352,068</u>	<u>141,480,298</u>
Net Position - June 30, 2018	<u>\$ 64,254,184</u>	<u>\$ 76,352,068</u>	<u>\$ 140,606,252</u>
Statement of Changes in Net Position			
Net Position - July 1, 2017	\$ 62,087,521	\$ 84,120,733	\$ 146,208,254
Net Changes in Investments by Pool Participants	<u>2,166,663</u>	<u>(7,768,665)</u>	<u>(5,602,002)</u>
Net Position - June 30, 2018	<u>\$ 64,254,184</u>	<u>\$ 76,352,068</u>	<u>\$ 140,606,252</u>

Restricted Cash and Investments

The County reflects cash and investments held in safekeeping for planning, jail inmate deposits payable and monies set aside in an irrevocable trust to fund future pension costs, as restricted cash in the General fund and in other governmental funds.

The County also reports restricted cash and investments of \$561,290 held in the Sanitation fund to fund closure and post-closure costs of the Yreka landfill.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4 CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2018, was as follows:

	Balance July 1, 2017	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2018
Capital Assets, Not Being Depreciated:					
Land	\$ 5,976,269	\$ 32,951	\$ -	\$ -	\$ 6,009,220
Construction in Progress	1,024,133	1,214,432	-	(141,615)	2,096,950
Intangibles	2,490,202	8,148	-	85,050	2,583,400
Total Capital Assets, Not Being Depreciated	9,490,604	1,255,531	-	(56,565)	10,689,570
Capital Assets, Being Depreciated:					
Buildings and Improvements	31,321,135	131,190	(391,009)	-	31,061,316
Equipment	29,107,546	729,538	(1,020,957)	458,520	29,274,647
Infrastructure	182,262,575	-	-	-	182,262,575
Total Capital Assets, Being Depreciated	242,691,256	860,728	(1,411,966)	458,520	242,598,538
Less Accumulated Depreciation for:					
Buildings and Improvements	(12,123,931)	(557,406)	235,794	-	(12,445,543)
Equipment	(25,945,618)	(853,074)	972,174	(394,756)	(26,221,274)
Infrastructure	(133,802,066)	(3,567,929)	-	-	(137,369,995)
Total Accumulated Depreciation	(171,871,615)	(4,978,409)	1,207,968	(394,756)	(176,036,812)
Total Capital Assets, Being Depreciated, Net	70,819,641	(4,117,681)	(203,998)	63,764	66,561,726
Governmental Activities, Capital Assets, Net	\$ 80,310,245	\$ (2,862,150)	\$ (203,998)	\$ 7,199	\$ 77,251,296
Capital Assets, Not Being Depreciated:					
Land	\$ 703,769	\$ -	\$ -	\$ (31,717)	\$ 672,052
Construction in Progress	194,304	40,469	-	-	234,773
Intangibles	19,697	-	-	-	19,697
Total Capital Assets, Not Being Depreciated	917,770	40,469	-	(31,717)	926,522
Capital Assets, Being Depreciated:					
Buildings and Improvements	5,184,406	-	-	-	5,184,406
Equipment	4,216,518	437,078	-	(370,239)	4,283,357
Infrastructure	12,710,894	-	-	-	12,710,894
Total Capital Assets, Being Depreciated	22,111,818	437,078	-	(370,239)	22,178,657
Less Accumulated Depreciation for:					
Buildings and Improvements	(2,589,214)	(54,693)	-	-	(2,643,907)
Equipment	(2,545,761)	(340,926)	-	388,075	(2,498,612)
Infrastructure	(11,249,539)	(227,581)	-	-	(11,477,120)
Total Accumulated Depreciation	(16,384,514)	(623,200)	-	388,075	(16,619,639)
Total Capital Assets, Being Depreciated, Net	5,727,304	(186,122)	-	17,836	5,559,018
Business-Type Activities, Capital Assets, Net	\$ 6,645,074	\$ (145,653)	\$ -	\$ (13,881)	\$ 6,485,540

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 4 CAPITAL ASSETS (CONTINUED)

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 309,653
Public Protection	801,857
Health and Welfare	92,029
Public Assistance	52,170
Education	6,942
Public Ways and Facilities	<u>3,693,779</u>
Subtotal Governmental Funds	4,956,430
Capital Assets Held by the County's Internal Service Funds are Charged to the Various Functions Based on their Usage of the Assets	21,979
Total Depreciation Expense - Governmental Functions	<u>\$ 4,978,409</u>

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

STAGE	\$ 361,139
Sanitation	27,816
Aviation	<u>234,246</u>
Total Depreciation Expense - Business-Type Functions	<u>\$ 623,201</u>

Construction In Progress

Construction in progress for governmental activities relates primarily to work performed on various bridges and roads and vehicles that were obligated prior to June 30 but not received until after year end. Construction in progress for business-type activities relates primarily to work performed on transfer sites for waste collection.

Collections

Collections of art and historical treasures meet the definition of a capital asset and normally should be reported in the financial statements. However, the requirement for capitalization is waived for collections that meet certain criteria. The County has collections of historical treasures that are not capitalized as they meet all of the waiver requirements which are: (1) the collections are held solely for public exhibition, (2) the collections are protected, preserved and cared for, and (3) any items sold in the past two years has resulted in the proceeds being used for operating costs.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 5 INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following are due from and due to balances as of June 30, 2018:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	202,552	174,425
Road	151,791	34,156
Human Services	84,301	120,023
Behavioral Health Services	2,030,795	2,034,400
HCD Grant Fund	3,126	50,187
Nonmajor Governmental Funds	1,115,992	1,353,815
STAGE	23,186	42,146
Sanitation	218,729	35,179
Aviation	-	21,074
Internal Service Funds	94,321	59,388
Investment Trust Funds	-	-
Agency Funds	<u>3,633,769</u>	<u>3,633,769</u>
Total	<u>\$ 7,558,562</u>	<u>\$ 7,558,562</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service and re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2018:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 17,784,842	\$ 16,776,650
Road	46,909	157,184
Human Services	344,896	636,242
Behavioral Health Services	2,636,107	2,740,866
HCD Grant Fund	154,564	201,576
Nonmajor Governmental Funds	5,032,701	5,457,442
STAGE	-	28,058
Sanitation	973	11,628
Aviation	20,000	-
Internal Service Funds	-	11,346
Total	<u>\$ 26,020,992</u>	<u>\$ 26,020,992</u>

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6 UNEARNED REVENUE

At June 30, 2018, the components of unearned revenue were as follows:

	<u>Unearned</u>
General Fund:	
Recording Fees Paid in Advance	\$ 650
Human Services:	
Federal and State Advances Received	<u>270,452</u>
Total	<u><u>\$ 271,102</u></u>

NOTE 7 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2018:

Type of Indebtedness	Balance July 1, 2017	Additions/ Adjustments	Retirements/ Adjustments	Balance June 30, 2018	Amounts Due Within One Year
Governmental Activities					
Bonds	\$ 168,600	\$ -	\$ (3,800)	\$ 164,800	\$ 4,000
Pension Obligation Bonds	14,360,000	-	(450,000)	13,910,000	505,000
Less: Unamortized Bonds	<u>(33,330)</u>	-	1,667	<u>(31,663)</u>	-
Pension Obligation Bonds, Net	14,326,670	-	(448,333)	13,878,337	505,000
Loans	1,417,101	-	(59,331)	1,357,770	61,241
Behavioral Health Repayment Liability	10,637,183	1,060,583	80,631	11,778,397	-
Capital Leases	103,596	216,479	(108,665)	211,410	103,310
Estimated Claims Liability	30,542	141,796	(131,733)	40,605	40,605
Compensated Absences	<u>2,893,120</u>	<u>2,333,457</u>	<u>(2,171,934)</u>	<u>3,054,643</u>	<u>1,096,507</u>
Total Governmental Activities	<u>\$ 29,576,812</u>	<u>\$ 3,752,315</u>	<u>\$ (2,843,165)</u>	<u>\$ 30,485,962</u>	<u>\$ 1,810,663</u>
Business-Type Activities					
Loans	\$ 1,277,174	\$ -	\$ (66,190)	\$ 1,210,984	\$ 68,506
Closure/Postclosure	13,228,107	-	(1,259,593)	11,968,514	-
Compensated Absences	<u>78,505</u>	<u>68,426</u>	<u>(62,692)</u>	<u>84,239</u>	<u>34,169</u>
Total Business-Type Activities	<u>\$ 14,583,786</u>	<u>\$ 68,426</u>	<u>\$ (1,388,475)</u>	<u>\$ 13,263,737</u>	<u>\$ 102,675</u>

Internal Service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. The capital lease liability is liquidated by lease payments made by the departments leasing the equipment. Compensated absences for the governmental activities are generally liquidated by the fund where the accrued liability occurred. The closure/post-closure liability will be liquidated by the Sanitation fund.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding at June 30, 2018, are as follows:

Description of Payable	Amount
Governmental Activities	
Bonds:	
Carrick Water - CSA Revenue Bonds, payable in annual installments of \$2,184 to \$10,900, with an interest rate of 4.50% and maturity on September 2, 2042. Bond proceeds were used to finance construction of the water distribution system improvements.	\$ 164,800
Total Bonds	164,800
Pension Obligation Bonds:	
County of Siskiyou Taxable Pension Obligation Bonds Series 2007, dated September 7, 2007, issued in the amount of \$16,620,000, payable in annual installments of \$100,000 to \$1,115,000, with an interest rate of 6.1% and maturity on June 1, 2037. The bonds were used to advance pay miscellaneous and safety employee pension obligations	13,910,000
Total Pension Obligation Bonds	13,910,000
Loans:	
California Infrastructure and Economic Development Bank Loan, dated January 1, 2005, payable in annual installments of \$40,562 to \$101,687, with an interest rate of 3.22% and maturity on August 1, 2034. Loan proceeds were used to finance the construction of a 40-bed juvenile detention hall.	1,357,770
Total Loans	1,357,770
Total Governmental Activities	\$ 15,432,570
Business-Type Activities	
Loans:	
California Infrastructure and Economic Development Bank Loan, dated December 1, 2002, payable in annual installments of \$40,891 to \$107,141, with an interest rate of 3.50% and maturity on February 1, 2032. Loan proceeds were used to finance closure/postclosure costs.	\$ 1,210,984
Total Loans	1,210,984
Total Business-Type Activities	\$ 1,210,984

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Following is a schedule of debt payment requirements of governmental activities and business-type activities to maturity for long-term debt, excluding compensated absences that have indefinite maturities, capital leases which are reported in Note 8 and landfill post-closure costs which are reported in Note 9.

<u>Year Ending June 30,</u>	Bonds		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 4,000	\$ 7,326	\$ 11,326
2020	4,100	7,144	11,244
2021	4,300	6,955	11,255
2022	4,500	6,757	11,257
2023	4,700	6,550	11,250
2024-2028	27,000	29,291	56,291
2029-2033	33,500	22,511	56,011
2034-2038	41,900	14,051	55,951
2039-2042	40,800	3,776	44,576
Total	<u>\$ 164,800</u>	<u>\$ 104,361</u>	<u>\$ 269,161</u>

<u>Year Ending June 30,</u>	Pension Obligation Bonds		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 505,000	\$ 848,510	\$ 1,353,510
2020	565,000	817,705	1,382,705
2021	625,000	783,240	1,408,240
2022	695,000	745,115	1,440,115
2023	765,000	702,720	1,467,720
2024-2028	3,260,000	2,819,115	6,079,115
2029-2033	3,510,000	1,892,525	5,402,525
2033-2037	3,985,000	4,616,045	8,601,045
Total	<u>\$ 13,910,000</u>	<u>\$ 13,224,975</u>	<u>\$ 27,134,975</u>

<u>Year Ending June 30,</u>	Loans		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 61,241	\$ 42,734	\$ 103,975
2020	63,213	40,731	103,944
2021	65,249	38,662	103,911
2022	67,350	36,527	103,877
2023	69,518	34,324	103,842
2024-2028	382,647	136,001	518,648
2029-2033	448,350	69,239	517,589
2033-2035	200,202	6,498	206,700
Total	<u>\$ 1,357,770</u>	<u>\$ 404,716</u>	<u>\$ 1,762,486</u>

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

<u>Year Ending June 30,</u>	<u>Loans</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 68,506	\$ 42,385	\$ 110,891
2020	70,904	39,987	110,891
2021	73,386	37,505	110,891
2022	75,954	34,937	110,891
2023	78,613	32,278	110,891
2024-2028	436,312	118,144	554,456
2029-2032	<u>407,309</u>	<u>36,254</u>	<u>443,563</u>
Total	<u>\$ 1,210,984</u>	<u>\$ 341,490</u>	<u>\$ 1,552,474</u>

The Behavioral Health repayment liability is the estimated amount to be repaid to the State in connection with the State's audit of the County's behavioral health programs that operated between July 1, 2006 and June 30, 2010. The County negotiated a repayment plan with the state of \$200,000 per year until the balance is paid in full. The liability is expected to be liquidated by the Behavioral Health Services fund.

NOTE 8 LEASES

Operating Leases

The County leases an office building and equipment under non-cancellable operating leases. Total cost for these leases was \$879,242 for the year ended June 30, 2018. The future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Lease Obligations</u>
2019	\$ 608,008
2020	420,556
2021	<u>261,286</u>
Total requirements	1,289,850

Capital Leases

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

	<u>Stated Interest Rate</u>	<u>Present Value of Remaining Payments at June 30, 2018</u>
Governmental Activities	0.00%-5.220%	\$ 211,410
Total		<u>\$ 211,410</u>

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 8 LEASES (CONTINUED)

Capital Leases (Continued)

Equipment and related accumulated depreciation under capital lease are as follows:

	Governmental Activities
Equipment	\$ 432,492
Less: Accumulated Depreciation	(121,882)
Total	\$ 310,610

As of June 30, 2018, capital lease annual amortization is as follows:

<u>Year Ending June 30,</u>	Governmental Activities
2019	\$ 114,570
2020	58,302
2021	58,302
Total Requirements	231,174
Less: Amount Representing Interest	(19,764)
Present Value of Remaining Payments	\$ 211,410

NOTE 9 CLOSURE/POST-CLOSURE

The County is responsible for one active landfill site and twelve closed landfill sites. State and Federal laws and regulations require the County to place a final cover on its operating landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure costs as an expense in each year based on landfill capacity used as of each balance sheet date. The \$11,968,514 reported as closure/post-closure liability at June 30, 2018, represents 100% of the total closure/post-closure care liability estimate for all landfills reduced by amortization of the liabilities related to landfills that are in the post-closure phase. These amounts are based on what it would cost to perform all closure and post-closure care in 2018. Actual costs may be higher due to inflation, change in technology, or changes in regulations. None of the County's landfills are currently accepting new waste.

The County is required by State and Federal laws and regulations to provide financial assurance that appropriate resources will be available to finance closure and post-closure care costs in the future. At June 30, 2018, cash and investments of \$561,290 were held to fund closure and post-closure costs of the Yreka landfill and \$-0- was held to fund post-closure costs of the County's 12 closed landfills. The County has adopted a pledge of revenue to fund ten of the closed sites. Although the County is not legally required by State or Federal laws to provide funding for its two landfill sites closed prior to 1991, the County has accepted final responsibility for these sites.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 10 NET POSITION

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.

Unrestricted Net Position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Net Position Restricted by Enabling Legislation

The government-wide statement of net position reports \$24,136,356 of restricted net position, of which \$20,361,370 is restricted by enabling legislation.

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position are available, it is considered that restricted resources are used first, followed by the unrestricted resources.

NOTE 11 FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2018, fund balance for governmental funds is made up of the following:

Nonspendable Fund Balance - amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid amounts.

Restricted Fund Balance - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions may effectively be changed or lifted with the consent of resource providers.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 11 FUND BALANCES (CONTINUED)

Committed Fund Balance - amounts that can only be used for the specific purposes determined by formal action of the County's highest level of decision-making authority. The Board of Supervisors is the highest level of decision making authority for the County that can, by adoption of an ordinance commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned Fund Balance - amounts that are constrained by the County's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.

Unassigned Fund Balance - the residual classification for the County's General fund that includes all amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The fund balances for all major and nonmajor governmental funds as of June 30, 2018 were distributed as follows:

	General Fund	Road	Human Services	Behavioral Health Services	HCD Block Grants	Other Governmental Funds	Total
Nonspendable:							
Prepaid Costs	\$ 9,196	\$ 467	\$ 2,341	\$ 2,233	\$ -	\$ 933	\$ 15,170
Loans Receivable	3,753	-	-	-	-	-	3,753
Inventory	-	833,641	-	-	-	-	833,641
Subtotal	12,949	834,108	2,341	2,233	-	933	852,564
Restricted For:							
General Government	423,431	-	-	-	-	-	423,431
Pension	1,822,936	168,425	215,743	168,874	-	179,949	2,555,927
Public Safety Programs	1,949,013	-	-	-	-	555,478	2,504,491
Road Projects and Services	-	152,951	-	-	-	76,255	229,206
Library projects	-	-	-	-	-	12,879	12,879
Human Services	-	-	107,195	-	-	-	107,195
Behavioral Health Services	-	-	-	7,102,554	-	-	7,102,554
Geothermal	-	-	-	-	-	181,223	181,223
Airport Programs	-	-	-	-	-	3,667	3,667
Air Pollution Programs	-	-	-	-	-	758,801	758,801
Transportation	-	-	-	-	-	120,944	120,944
County Service Areas	-	-	-	-	-	362,817	362,817
Fire Programs	-	-	-	-	-	582,425	582,425
Flood Control	-	-	-	-	-	-	-
HUD Programs	-	-	-	-	992,330	-	992,330
Hydroelectric Project	-	-	-	-	-	1,926,948	1,926,948
Capital Projects	-	-	-	-	-	11,123	11,123
Subtotal	4,195,380	321,376	322,938	7,271,428	992,330	4,772,509	17,875,961

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 11 FUND BALANCES (CONTINUED)

	General Fund	Road	Human Services	Behavioral Health Services	HCD Block Grants	Other Governmental Funds	Total
Committed To:							
General Government	700,000	-	-	-	-	-	700,000
Public Safety Programs	225,033	-	-	-	-	84,150	309,183
Road Projects and Services	-	5,225	-	-	-	-	5,225
Welfare Services	-	-	1,550	-	-	-	1,550
Behavioral Health Services	-	-	-	11,412	-	-	11,412
Child Support Services	-	-	-	-	-	100	100
Health Services	-	-	-	-	-	2,652	2,652
Air Pollution Programs	-	-	-	-	-	50	50
Hydroelectric Project	-	-	-	-	-	2,500,000	2,500,000
Capital Projects	-	-	-	-	-	1	1
Subtotal	925,033	5,225	1,550	11,412	-	2,586,953	3,530,173
Assigned For:							
Public Safety Programs	-	-	-	-	-	877,340	877,340
Road Projects and Services	-	3,299,718	-	-	-	-	3,299,718
Welfare Services	-	-	5,665,707	-	-	-	5,665,707
Health Services	-	-	-	-	-	5,050,728	5,050,728
Behavioral Health Services	-	-	-	4,338,603	-	13,058	4,351,661
Child Support Programs	-	-	-	-	-	266,321	266,321
Fish and Game	-	-	-	-	-	29,859	29,859
Fire Programs	-	-	-	-	-	255,902	255,902
Flood Control	-	-	-	-	-	181,964	181,964
Air Pollution Programs	-	-	-	-	-	4,430	4,430
Debt Services	-	-	-	-	-	1,246,082	1,246,082
Capital Projects	-	-	-	-	-	266,554	266,554
Subtotal	-	3,299,718	5,665,707	4,338,603	-	8,192,238	21,496,266
Unassigned	6,467,495	-	-	-	-	(11,408)	6,456,087
Total Fund Balance	<u>\$ 11,600,857</u>	<u>\$ 4,460,427</u>	<u>\$ 5,992,536</u>	<u>\$ 11,623,676</u>	<u>\$ 992,330</u>	<u>\$ 15,541,225</u>	<u>\$ 50,211,051</u>

Fund Balance Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance), a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted fund balance are available, it is considered that restricted fund balance is depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 11 FUND BALANCES (CONTINUED)

Fund Balance Policy

The Board of Supervisors has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications, establishes prudent reserve requirements, and establishes a hierarchy of fund balance expenditures. The policy also provides for a measure of financial protection for the County against unforeseen circumstances and to comply with GASB 54. The minimum unrestricted fund balance may be recognized within the committed, assigned, or unassigned classifications.

NOTE 12 RESTATEMENT OF NET POSITION/FUND BALANCE

Adjustments resulting from errors or a change to comply with the provisions of new accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning net position of fund balances.

	Governmental Activities	Business-type Activities	General Fund	Internal Service Funds
Net position /fund balance at July 1, as previously reported	19,681,129	(376,571)	5,210,966	1,623,445
Adjustment to eliminate deferred inflows for long-term receivables and adjust equity	2,544,662	-	-	-
Adjustment to record revenue earned in prior year	2,310,611	-	2,310,611	-
Implementation of GASB 75 -Accounting and Reporting for Other Postemployment Benefits	(24,861,960)	(692,040)	-	(199,095)
Net position/fund balance at July 1, as restated	(325,558)	(1,068,611)	7,521,577	1,424,350
	STAGE Enterprise Fund	Sanitation Enterprise Fund		
Net position at July 1, as previously reported	3,806,144	(6,210,262)		
Implementation of GASB 75 -Accounting and Reporting for Other Postemployment Benefits	(492,008)	(200,032)		
Net position at July 1, as restated	3,314,136	(6,410,294)		

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 13 PENSION PLAN

General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees of Siskiyou County and Siskiyou Court, are eligible to participate in the County's Safety agent multiple-employer and Miscellaneous agent multiple-employer defined benefit pension plan, administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating member employers. Benefit provisions under the Plan are established by state statute and County resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Effective January 1, 2013, the County added retirement tiers for new employees as required under the Public Employee Pension Reform Act (PEPRA). New employees hired on or after January 1, 2013 will be subject to new, lower pension formulas, caps on pensionable income levels and new definitions of pensionable income. In addition, new employees will be required to contribute half of the total normal cost of the pension benefit unless impaired by an existing Memorandum of Understanding. The cumulative effect of these PEPRA changes will ultimately reduce the County's retirement costs.

Summary of Rate Tiers and Eligible Participants

Open for New Enrollment

Miscellaneous PEPRA	Miscellaneous members hired on or after January 1, 2013
Safety PEPRA	Safety employees hired on or after January 1, 2013

Closed to New Enrollment

Miscellaneous	Miscellaneous employees hired before January 1, 2013
Safety	Safety employees hired before January 1, 2013

General Information about the Pension Plan (Continued)

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 55 for Miscellaneous employees and 50 for Safety employees with statutorily reduced benefits. All members are eligible for non-duty 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 the plan are applied as specified by the Public Employees' Retirement Law.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 13 PENSION PLAN (CONTINUED)

Each Rate Tier's specific provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Benefit Formula	Retirement Age	Monthly Benefits as a Percent of Eligible Compensation
Miscellaneous	2.0% @ 55	55	2.000%
Miscellaneous PEPRA	2.0% @ 62	62	2.000%
Safety	3.0% @ 50	50	3.000%
Safety PEPRA	2.7% @ 57	57	2.700%

Employees Covered

At June 30, 2018, the following employees were covered by the benefit terms for the Miscellaneous and Safety Rate Tiers including independent entities (courts):

	<u>Miscellaneous</u>	<u>Safety</u>
Inactive Employees or Beneficiaries Currently Receiving		
Benefits	839	178
Inactive Employees Entitled to but not yet Receiving Benefits	464	58
Active Employees	530	111
Total	<u>1,833</u>	<u>347</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 all Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

General Information about the Pension Plan (Continued)

Contributions (Continued)

	Employer Contribution Rates	Employee Contribution Rates	Employer Paid Member Contribution Rates
Miscellaneous	8.722%	7.000%	3.500%
Miscellaneous PEPRA	8.722%	6.250%	0.000%
Safety	18.356%	9.000%	4.500%
Safety PEPRA	18.356%	10.750%	0.000%

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 13 PENSION PLAN (CONTINUED)

Net Pension Liability

The County's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2017, using an annual actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 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, 2016 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Salary Increase	Varies by entry-age and service
Mortality	Derived using CalPERS membership data for all funds
Post-Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period 1997 to 2011 including updates to salary increase, mortality, and retirement rates. Further details of the Experience Study can be found on the CalPERS website.

Change of Assumptions

In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect and adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.65% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the 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 7.65% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at the CalPERS website under the GASB 68 section.

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 13 PENSION PLAN (CONTINUED)

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.

The following table 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>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10 (a)</u>	<u>Real Return Years 11+ (b)</u>
Global Equity	47.0 %	4.90 %	5.38 %
Fixed Income	19.0	0.80	2.27
Inflation Assets	6.0	0.60	1.39
Private Equity	12.0	6.60	6.63
Real Estate	11.0	2.80	5.21
Infrastructure and Forestland	3.0	3.90	5.36
Liquidity	2.0	(0.40)	(0.90)

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 13 PENSION PLAN (CONTINUED)

Changes in the Net Pension Liability

As of June 30, 2018, the changes in the net pension liability of the agent multiple-employer defined benefit pension plan, is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
<u>Miscellaneous</u>			
Balance - June 30, 2016	\$ 198,752,234	\$ 141,756,305	\$ 56,995,929
Change in the Year:			
Service Cost	3,781,439	-	3,781,439
Interest on Total Pension Liability	16,219,652	-	16,219,652
Changes of assumptions	10,916,594		
Differences Between Expected and Actual Experience	(1,253,789)	-	(1,253,789)
Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	4,627,798	(4,627,798)
Contributions - Employee	-	1,622,586	(1,622,586)
Net Investment Income	-	16,880,006	(16,880,006)
Benefit Payments, Including Refunds of Employee Contributions	(12,071,186)	(12,071,186)	-
Administrative Expenses	-	(210,880)	210,880
Changes	<u>17,592,710</u>	<u>10,848,324</u>	<u>6,744,386</u>
Balance - June 30, 2017	<u>\$ 216,344,944</u>	<u>\$ 152,604,629</u>	<u>\$ 63,740,315</u>

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
<u>Safety</u>			
Balance - June 30, 2016	\$ 85,514,967	\$ 64,742,260	\$ 20,772,707
Change in the Year:			
Service Cost	1,768,511	-	1,768,511
Interest on Total Pension Liability	6,314,988	-	6,314,988
Changes in Assumptions	5,410,380		
Differences Between Expected and Actual Experience	(1,312,506)	-	(1,312,506)
Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	1,789,627	(1,789,627)
Contributions - Employee	-	673,620	(673,620)
Net Investment Income	-	7,077,864	(7,077,864)
Benefit Payments, Including Refunds of Employee Contributions	(4,351,161)	(4,351,161)	-
Administrative Expenses	-	(95,588)	95,588
Changes	<u>7,830,212</u>	<u>5,094,362</u>	<u>2,735,850</u>
Balance - June 30, 2017	<u>\$ 93,345,179</u>	<u>\$ 69,836,622</u>	<u>\$ 23,508,557</u>

COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 13 PENSION PLAN (CONTINUED)

Changes in the Net Pension Liability (Continued)

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

The following presents the net pension liability for the Plan as of the measurement date, calculated using the discount rate for the Plan, as well as what the County's proportionate share of the 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 6.15%	Discount Rate 7.15%	1% Increase 8.15%
Miscellaneous	\$ 89,482,185	\$ 63,740,315	\$ 42,151,214
Safety	36,668,565	23,508,557	12,767,226

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

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

For the year ended June 30, 2018, the County recognized pension expense of \$9,093,753. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 2,183,308	\$ -
Change in Assumptions	6,717,904	-
Differences Between Expected and Actual Experience	-	1,399,392
Net Difference Between Projected and Actual Earnings on Plan Investments	<u>2,017,042</u>	<u>-</u>
Total	<u>\$ 10,918,254</u>	<u>\$ 1,399,392</u>
Safety Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 1,160,930	\$ -
Change in Assumptions	3,819,092	247,649
Differences Between Expected and Actual Experience	143,058	1,025,865
Net Difference Between Projected and Actual Earnings on Plan Investments	<u>1,007,281</u>	<u>-</u>
Total	<u>\$ 6,130,361</u>	<u>\$ 1,273,514</u>

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 13 PENSION PLAN (CONTINUED)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

\$3,344,238 reported 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, 2019. 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>Misc.</u>	<u>Safety</u>
2019	\$ 2,951,734	\$ 930,315
2020	4,678,988	2,375,137
2021	872,390	899,510
2022	(1,167,558)	(509,045)
Thereafter	-	-
Total	<u>\$ 7,335,554</u>	<u>\$ 3,695,917</u>

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The County offers retiree health benefits through (CalPERS), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administrator (the Retiree Health Plan). An employee is eligible for lifetime medical benefits under the Plan, along with his/her spouse at the time of retirement, if he or she retires from the County under CalPERS.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms

Inactives currently receiving benefits	336
Inactives entitled to but not yet receiving benefits	329
Active employees	529
Total	<u><u>1,194</u></u>

**COUNTY OF SISKIYOU
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2018**

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (OPEB) -(CONTINUED)

Actuarial Assumptions

The Net OPEB Liability was determined using an actuarial valuation as of June 30, 2016, using the following actuarial assumptions:

Actuarial Valuation Date	June 30, 2016 (valuation report dated 2/3/18)
Contribution Policy	No pre-funding, pay-as-you-go
Actuarial Assumptions:	
Discount Rate	3.58% at June 30, 2017 Bond Buyer 20 Index
Inflation	2.85% at June 30, 2016 Bond Buyer 20 Index
Mortality, Retirement, Disability Termination	2.75% per annum
Mortality Improvement	CalPERS 1997-2011 Experience Study
Healthcare Participation for Future Retirees	Projected fully generational with Scale MP-2016
Salary Increases	Laborers: 50% PEMHCA: 65%
Medical Trend	; Merit - CalPERS 1997-2011 Experience Study
	Non-Medicare - 7.5% for 2019, decreasing to 4% for 2076 and later
	Medicare - 6.5% for 2019, decreasing to 4% for 2076 and later
Medical Plan at Retirement	Currently covered, current election
	Not currently covered: assumed to have Other Southern CA United Healthcare coverage
Spouse Coverage	Different for Laborers/PEMHCA
Medicate Eligibility Rate	All Miscellaneous, and Safety actives hired after 4/1/86: 100% : Safety actives hired after 4/1/86: 80%; Safety retirees age <65: 90%
ACA Excise Tax	Estimated by 3% load to cash liabilities

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (OPEB)- (CONTINUED)

Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position, and the net OPEB liability as of June 30, 2018

		Increase (Decrease) Total OPEB Liability
Balance at June 30, 2017 (Measurement Date June 30, 2016)	\$	50,043,000
Changes in the year:		
Service cost		2,716,000
Interest		1,482,000
Differences between actual and expected experience		-
Changes in assumptions		(5,783,000)
Changes in benefit terms		-
Benefit payments, including refunds*		(1,460,000)
Net changes		(3,045,000)
Balance at June 30, 2018 (Measurement Date June 30, 2017)	\$	46,998,000

* Includes \$2,987,000 in cash and \$1,139,000 in implied subsidy payments

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 2.58%	Current Discount Rate 3.58%	1% Increase 4.58%
Total OPEB Liability	\$ 55,188,000	\$ 46,998,000	\$ 40,503,000

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.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 39,522,000	\$ 46,998,000	\$ 56,608,000

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (OPEB)- (CONTINUED)

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

For the year ended June 30, 2018, the County recognized OPEB expense of \$3,178,071. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	4,763,000
Employer contributions made subsequent to the measurement date	1,537,256	-
Total	1,537,256	4,763,000

The employer contributions made subsequent to the measurement date will be amortized in the next year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2019	\$ (1,020,000)
2020	(1,020,000)
2021	(1,020,000)
2022	(1,020,000)
2023	(683,000)
Thereafter	-
	\$ (4,763,000)

**COUNTY OF SISKIYOU
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15 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 natural disasters. The County has Risk Management Funds (internal service funds) to account for and finance its risk management programs. The County is self-insured for unemployment and is covered by the California State Association of Counties (CSAC) Excess Insurance Authority for liability and workers' compensation. CSAC Excess Insurance Authority is a public entity risk pool currently operating as a common risk management and insurance program for Counties. Should actual loss among participants be greater than anticipated, the County will be assessed its pro rata share of the deficiency. Conversely, if the actual losses are less than anticipated, the County will be refunded its pro rata share of the excess. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The claims liability of the County is based on the requirements of Governmental Accounting Standards Board No. 10, which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Actual claims liability at June 30, 2018 was as follows:

Unemployment	\$ 40,605
Total	\$ 40,605

Changes in the County's estimated claims liability amount for the fiscal years 2015, 2016, and 2017 were as follows:

<u>Year Ended</u>	<u>Beginning of Year</u>	<u>Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year</u>
2016	\$ 28,205	\$ 160,982	\$ 140,706	\$ 48,481
2017	48,481	166,584	184,523	30,542
2018	30,542	161,625	151,562	40,605

Commitments and Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The County is involved in several lawsuits. Due to the nature of the cases, County Counsel believes that there are no unfavorable outcomes at this time. Therefore, no provision has been made in the financial statements for a loss contingency.

The County had the following encumbrances at June 30, 2018, General fund \$488,062, Road \$782,808, Human Services \$418,308, Behavioral Health Services \$658,444, Capital Projects \$39,053 and nonmajor governmental funds \$845,427.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

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**COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
COUNTY PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED JUNE 30, 2018**

Last 10 Fiscal Years*

	Miscellaneous Plans Reporting Fiscal Year (Measurement Date)			
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
	<i>June 30, 2017</i>	<i>June 30, 2016</i>	<i>June 30, 2015</i>	<i>June 30, 2014</i>
TOTAL PENSION LIABILITY				
Service Cost	\$ 4,080,402	\$ 3,814,642	\$ 3,921,365	\$ 4,032,057
Interest on Total Pension Liability	15,874,568	15,662,138	15,306,635	14,785,256
Changes of Assumptions	11,778,421	-	(3,373,129)	-
Difference Between Expected and Actual Experience	(1,352,721)	(2,612,807)	(1,400,398)	-
Benefit Payments, Including Refunds of Employee				
Contributions	(13,024,164)	(12,470,253)	(11,359,175)	(10,717,760)
Proportional Differences Between County and				
Court Shares	-	-	-	-
Net Change in Total Pension Liability	17,356,506	4,393,720	3,095,298	8,099,553
Total Pension Liability - Beginning	216,068,168	211,674,448	208,579,150	200,479,597
Total Pension Liability - Ending (a)	<u>\$ 233,424,674</u>	<u>\$ 216,068,168</u>	<u>\$ 211,674,448</u>	<u>\$ 208,579,150</u>
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 4,993,146	\$ 4,453,500	\$ 4,123,125	\$ 3,898,118
Contributions - Employee	1,750,684	1,797,938	1,712,785	1,760,122
Net Investment Income	17,053,525	922,883	3,603,472	24,399,010
Benefit Payments, Including Refunds of Employee				
Contributions	(13,024,164)	(12,470,253)	(11,359,175)	(10,717,760)
Plan to Plan Resource Movement		(1,562)		
Admin Expense	(227,528)	(97,208)	(180,686)	-
Proportional Differences Between County and				
Court Shares		-	-	-
Net Change in Fiduciary Net Position	10,545,663	(5,394,702)	(2,100,479)	19,339,490
Plan Fiduciary Net Position - Beginning	154,206,570	159,601,272	161,701,751	142,362,261
Plan Fiduciary Net Position - Ending (b)	<u>\$ 164,752,233</u>	<u>\$ 154,206,570</u>	<u>\$ 159,601,272</u>	<u>\$ 161,701,751</u>
Plan Net Pension Liability/(Asset)- Ending (a) - (b)	<u>\$ 68,672,441</u>	<u>\$ 61,861,598</u>	<u>\$ 52,073,176</u>	<u>\$ 46,877,399</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.58%	71.37%	75.40%	77.48%
Covered-Employee Payroll	\$ 26,012,216	\$ 25,527,947	\$ 25,688,599	\$ 25,341,316
Net Pension Liability as a Percentage of Covered-Employee Payroll	264.00%	242.33%	202.71%	184.98%

Note: The County of Siskiyou participates in an agent multiple-employer defined benefit pension plan as disclosed in Note 13 to the financial statements. However, the plan also includes the Siskiyou Courts which are considered to be external parties to the County. The County's portion of the net pension liability was \$63,740,315 or 92.82 percent of the total at June 30, 2018.

* Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

See accompanying Notes to County Pension Plan.

COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
COUNTY PENSION PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
YEAR ENDED JUNE 30, 2018

Last 10 Fiscal Years*

	Safety Plans			
	Reporting Fiscal Year			
	(Measurement Date)			
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
	<i>June 30, 2017</i>	<i>June 30, 2016</i>	<i>June 30, 2015</i>	<i>June 30, 2014</i>
TOTAL PENSION LIABILITY				
Service Cost	\$ 1,768,511	\$ 1,623,369	\$ 1,707,413	\$ 1,726,020
Interest on Total Pension Liability	6,314,988	6,162,216	5,858,239	5,617,226
Changes of Assumptions	5,410,380	-	(1,485,890)	-
Difference Between Expected and Actual Experience	(1,312,506)	321,880	(596,337)	-
Benefit Payments, Including Refunds of Employee				
Contributions	(4,351,161)	(4,021,585)	(3,722,316)	(3,417,214)
Proportional Differences Between County and Court Shares		-	-	-
Net Change in Total Pension Liability	7,830,212	4,085,880	1,761,109	3,926,032
Total Pension Liability - Beginning	85,514,967	81,429,087	79,667,978	75,741,946
Total Pension Liability - Ending (a)	<u>\$ 93,345,179</u>	<u>\$ 85,514,967</u>	<u>\$ 81,429,087</u>	<u>\$ 79,667,978</u>
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 1,789,627	\$ 1,583,594	\$ 1,474,826	\$ 1,417,277
Contributions - Employee	673,620	612,784	582,501	626,305
Net Investment Income	7,077,864	337,939	1,497,440	9,932,161
Benefit Payments, Including Refunds of Employee				
Contributions	(4,351,161)	(4,021,585)	(3,722,316)	(3,417,214)
Plan to Plan Resource Movement	-	1,562		
Admin Expense	(95,588)	(40,387)	(74,598)	-
Proportional Differences Between County and Court Shares		-	-	-
Net Change in Fiduciary Net Position	5,094,362	(1,526,093)	(242,147)	8,558,529
Plan Fiduciary Net Position - Beginning	64,742,260	66,268,353	66,510,500	57,951,971
Plan Fiduciary Net Position - Ending (b)	<u>\$ 69,836,622</u>	<u>\$ 64,742,260</u>	<u>\$ 66,268,353</u>	<u>\$ 66,510,500</u>
Plan Net Pension Liability/(Asset)- Ending (a) - (b)	<u>\$ 23,508,557</u>	<u>\$ 20,772,707</u>	<u>\$ 15,160,734</u>	<u>\$ 13,157,478</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.82%	75.71%	81.38%	83.48%
Covered Payroll	\$ 6,735,665	\$ 6,075,030	\$ 6,244,883	\$ 6,050,903
Net Pension Liability as a Percentage of Covered Payroll	349.02%	341.94%	242.77%	217.45%

* Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

See accompanying Notes to County Pension Plan.

**COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
COUNTY PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
YEAR ENDED JUNE 30, 2018**

Last 10 Fiscal Years*

	Miscellaneous Plan			
	Reporting Fiscal Year			
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially Determined Contribution	\$ 2,183,308	\$ 4,993,144	\$ 4,453,500	\$ 4,123,125
Contributions in Relation to the Actuarially Determined Contribution	(2,183,308)	(4,993,144)	(4,453,500)	(4,123,125)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 25,032,194	\$ 26,012,216	\$ 25,527,947	\$ 25,688,599
Contributions as a Percentage of Covered Payroll	8.72%	19.20%	17.45%	16.05%
	Safety Plan			
	Reporting Fiscal Year			
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially Determined Contribution	\$ 1,160,930	\$ 1,789,627	\$ 1,583,594	\$ 1,474,826
Contributions in Relation to the Actuarially Determined Contribution	(1,160,930)	(1,789,627)	(1,583,594)	(1,484,826)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 6,324,526	\$ 6,735,665	\$ 6,075,030	\$ 6,244,883
Contributions as a Percentage of Covered Payroll	18.36%	26.57%	26.07%	23.62%

* Fiscal year 2015 was the 1st year of implementation. Additional years will be presented as they become available.

**COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO COUNTY PENSION PLAN
JUNE 30, 2018**

NOTE 1 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Benefit Changes

The figures do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2016 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Change of Assumptions

There were no changes in assumptions.

NOTE 2 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Change of Assumptions

In 2016, there were not changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

NOTE 3 SCHEDULE OF CONTRIBUTIONS

Methods and assumptions used to determine the contribution rates were as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	For details, see June 30, 2016 Funding Valuation Report.
Asset Valuation Method	Actuarial value of assets. For details, see June 30, 2016 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expense; includes Inflation.
Retirement Age	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
COUNTY OPEB PLAN
SCHEDULE OF CHANGES IN OPEB LIABILITY
YEAR ENDED JUNE 30, 2018

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY

		2017-18 (MD June 30, 2017)
Total OPEB Liability		
Service cost	\$	2,716,000
Interest		1,482,000
Differences between actual and expected experience		-
Changes in assumptions		(5,783,000)
Changes in benefit terms		-
Benefit payments, including refunds		(1,460,000)
Net change in total OPEB liability		(3,045,000)
Total OPEB liability - beginning		50,043,000
Total OPEB liability - ending	\$	46,998,000

**COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
REVENUES				
Taxes	\$ 13,662,679	\$ 14,377,416	\$ 14,373,381	\$ (4,035)
Licenses and Permits	711,102	750,634	737,128	(13,506)
Fines, Forfeitures, and Penalties	1,084,544	1,904,497	1,895,908	(8,589)
Use of Money and Property	97,034	194,164	(713)	(194,877)
Intergovernmental	13,266,536	14,224,935	16,089,681	1,864,746
Charges for Services	3,052,261	5,081,822	4,895,539	(186,283)
Other Revenues	<u>1,878,274</u>	<u>3,575,654</u>	<u>305,440</u>	<u>(3,270,214)</u>
Total Revenues	33,752,430	40,109,122	38,296,364	(1,812,758)
EXPENDITURES				
Current:				
General Government	10,922,457	9,551,607	7,897,426	1,654,181
Public Protection	26,958,664	28,669,809	25,944,902	2,724,907
Health and Welfare	32,600	32,600	31,169	1,431
Public Assistance	308,039	324,883	307,998	16,885
Education	855,395	930,633	809,452	121,181
Culture and Recreation	150,675	149,254	136,484	12,770
Debt Service				
Principal	115,435	115,435	109,657	5,778
Interest and Other Charges	5,951	5,951	5,950	1
Capital Outlay	234,994	283,903	238,729	45,174
Appropriations for C	<u>438,961</u>	<u>258,486</u>	<u>-</u>	<u>258,486</u>
Total Expenditures	40,023,171	40,322,561	35,481,767	4,840,794
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(6,270,741)	(213,439)	2,814,597	3,028,036
OTHER FINANCING SOURCES (USES)				
Transfers In	12,735,254	13,637,418	17,784,842	4,147,424
Transfers Out	(12,919,712)	(13,917,972)	(16,776,650)	(2,858,678)
Sale of Capital Assets	-	-	40,012	40,012
Issued Debt	<u>-</u>	<u>-</u>	<u>216,479</u>	<u>216,479</u>
Total Other Financing Sources (Uses)	<u>(184,458)</u>	<u>(280,554)</u>	<u>1,264,683</u>	<u>1,545,237</u>
NET CHANGE IN FUND BALANCES	(6,455,199)	(493,993)	4,079,280	4,573,273
Fund Balances - Beginning of Year, Restated	<u>7,521,577</u>	<u>7,521,577</u>	<u>7,521,577</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,066,378</u>	<u>\$ 7,027,584</u>	<u>\$ 11,600,857</u>	<u>\$ 4,573,273</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
ROAD - MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 221,558	\$ 187,497	\$ 187,497	\$ -
Use of Money and Property	50,630	62,062	(8,007)	(70,069)
Intergovernmental	8,035,185	6,853,065	6,853,066	1
Charges for Services	320,600	295,188	291,587	(3,601)
Other Revenues	-	13,676	14,132	456
Total Revenues	<u>8,627,973</u>	<u>7,411,488</u>	<u>7,338,275</u>	<u>(73,213)</u>
EXPENDITURES				
Current:				
Public Way and Facilities	10,582,246	10,298,171	9,359,353	938,818
Capital Outlay	<u>2,029,888</u>	<u>1,781,767</u>	<u>1,047,848</u>	<u>733,919</u>
Total Expenditures	<u>12,612,134</u>	<u>12,079,938</u>	<u>10,407,201</u>	<u>1,672,737</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,984,161)	(4,668,450)	(3,068,926)	1,599,524
OTHER FINANCING SOURCES (USES)				
Transfers In	50,450	50,533	46,909	(3,624)
Transfers Out	2,165	3,565	(157,184)	(160,749)
Sale of Capital Assets	-	175	175	-
Total Other Financing Sources (Uses)	<u>52,615</u>	<u>54,273</u>	<u>(110,100)</u>	<u>(164,373)</u>
NET CHANGE IN FUND BALANCE	(3,931,546)	(4,614,177)	(3,179,026)	1,435,151
Fund Balances - Beginning of Year	7,651,061	7,651,061	7,651,061	-
Change in Inventory on Purchase Method	-	-	(11,608)	(11,608)
FUND BALANCES - END OF YEAR	<u>\$ 3,719,515</u>	<u>\$ 3,036,884</u>	<u>\$ 4,460,427</u>	<u>\$ 1,423,543</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
HUMAN SERVICES-MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$2,944,267	\$3,030,235	\$ 3,060,235	\$ 30,000
Fines, Forfeitures, and Penalties	50	50	-	(50)
Use of Money and Property	35,500	69,751	(25,382)	(95,133)
Charges for Services	36,000	56,437	425	(56,012)
Intergovernmental	21,759,294	19,868,890	19,861,913	(6,977)
Other Revenues	-	62	56,073	56,011
Total Revenues	<u>24,775,111</u>	<u>23,025,425</u>	<u>22,953,264</u>	<u>(72,161)</u>
EXPENDITURES				
Current:				
Public Assistance	24,394,650	23,721,694	22,661,520	1,060,174
Capital Outlay	<u>12,499</u>	<u>116,851</u>	<u>111,314</u>	<u>5,537</u>
Total Expenditures	<u>24,407,149</u>	<u>23,838,545</u>	<u>22,772,834</u>	<u>1,065,711</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	367,962	(813,120)	180,430	993,550
OTHER FINANCING SOURCES (USES)				
Transfers In	360,796	344,986	344,896	(90)
Transfers Out	<u>(516,817)</u>	<u>(437,163)</u>	<u>(636,242)</u>	<u>(199,079)</u>
Total Other Financing Sources (Uses)	<u>(156,021)</u>	<u>(92,177)</u>	<u>(291,346)</u>	<u>(199,169)</u>
NET CHANGE IN FUND BALANCE	211,941	(905,297)	(110,916)	794,381
Fund Balances - Beginning of Year	<u>6,103,452</u>	<u>6,103,452</u>	<u>6,103,452</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 6,315,393</u>	<u>\$ 5,198,155</u>	<u>\$ 5,992,536</u>	<u>\$ 794,381</u>

See accompanying Note to Budgetary Comparison Schedules.

COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
BEHAVIORAL HEALTH SERVICES - MAJOR SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,620,144	\$ 1,671,236	\$ 1,671,235	\$ (1)
Fines and Forfeitures	5,478	5,478	4,499	(979)
Use of Money and Property	105,494	151,853	(43,599)	(195,452)
Intergovernmental	8,857,277	10,942,164	10,942,162	(2)
Charges for Services	51,644	51,862	61,846	9,984
Other Revenues	<u>150,000</u>	<u>114,285</u>	<u>114,285</u>	<u>-</u>
Total Revenues	10,790,037	12,936,878	12,750,428	(186,450)
EXPENDITURES				
Current:				
Health and Welfare	12,198,112	12,519,004	10,672,324	1,846,680
Debt service:				
Principal	200,000	200,000	200,000	-
Capital Outlay	<u>66,577</u>	<u>10,510</u>	<u>6,962</u>	<u>3,548</u>
Total Expenditures	<u>12,464,689</u>	<u>12,729,514</u>	<u>10,879,286</u>	<u>1,850,228</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(1,674,652)	207,364	1,871,142	1,663,778
OTHER FINANCING SOURCES (USES)				
Transfers In	2,626,842	2,644,664	2,636,107	(8,557)
Transfers Out	(2,608,851)	(2,600,177)	(2,740,866)	(140,689)
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>17,991</u>	<u>44,487</u>	<u>(104,759)</u>	<u>(149,246)</u>
NET CHANGE IN FUND BALANCE				
	(1,656,661)	251,851	1,766,383	1,514,532
Fund Balances - Beginning of Year	<u>9,857,293</u>	<u>9,857,293</u>	<u>9,857,293</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 8,200,632</u>	<u>\$ 10,109,144</u>	<u>\$ 11,623,676</u>	<u>\$ 1,514,532</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
HOUSING AND COMMUNITY DEVELOPMENT BLOCK GRANT FUND - MAJOR SPECIAL
REVENUE FUND
YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of Money and Property	\$ 23,515	\$ 34,262	\$ (3,926)	\$ (38,188)
Other Revenues	<u>148,704</u>	<u>149,249</u>	<u>162,549</u>	<u>13,300</u>
Total Revenues	172,219	183,511	158,623	(24,888)
EXPENDITURES				
Current:				
Public Assistance	<u>137,514</u>	<u>137,514</u>	<u>136,329</u>	<u>1,185</u>
Total Expenditures	<u>137,514</u>	<u>137,514</u>	<u>136,329</u>	<u>1,185</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	34,705	45,997	22,294	(23,703)
OTHER FINANCING SOURCES (USES)				
Transfers In	157,827	168,757	154,564	(14,193)
Transfers Out	<u>(197,827)</u>	<u>(209,647)</u>	<u>(201,576)</u>	<u>8,071</u>
Total Other Financing Sources (Uses)	<u>(40,000)</u>	<u>(40,890)</u>	<u>(47,012)</u>	<u>(6,122)</u>
NET CHANGE IN FUND BALANCE	(5,295)	5,107	(24,718)	(29,825)
Fund Balances - Beginning of Year	<u>1,017,048</u>	<u>1,017,048</u>	<u>1,017,048</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,011,753</u>	<u>\$ 1,022,155</u>	<u>\$ 992,330</u>	<u>\$ (29,825)</u>

See accompanying Note to Budgetary Comparison Schedules.

**COUNTY OF SISKIYOU
REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO BUDGETARY COMPARISON SCHEDULES
YEAR ENDED JUNE 30, 2018**

NOTE 1 BUDGETARY BASIS OF ACCOUNTING

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County's General and Major Special Revenue funds. The amounts reported on the budgetary basis are generally on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

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

The following procedures are performed by the County in establishing the budgetary data reflected in the financial statements:

- 1) The County Administrative Officer and the Auditor-Controller submit to the Board of Supervisors a recommended budget for the fiscal year commencing the following July 1. The budget includes recommended expenditures and the means of financing them.
- 2) The Board of Supervisors reviews the recommended budget at regularly scheduled meetings, which are open to the public. The Board also conducts a public hearing on the recommended budget to obtain comments from interested persons.
- 3) Prior to October 2, the budget is adopted through the passage of a resolution.
- 4) From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein, as recommended expenditures become appropriations to the various County departments. The Board of Supervisors may amend the budget by motion during the fiscal year. The Auditor-Controller may authorize transfers from one object or purpose to another within the same department.

The County uses an encumbrance system as an extension of normal budgetary accounting for the General and other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year end are recorded as reservations of fund balance since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

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OTHER SUPPLEMENTARY INFORMATION

COMBINING NONMAJOR FUND STATEMENTS

**COUNTY OF SISKIYOU
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue Funds	Capital Project Funds	Debt Service Funds	Totals
ASSETS				
Cash and Investments	\$14,440,586	\$ 293,206	\$ 1,170,889	\$15,904,681
Imprest cash	2,400	-	-	2,400
Cash with fiscal agent	179,949	-	-	179,949
Receivables				
Accounts	221,176	10,677	69,412	301,265
Interest	56,495	1,592	5,781	63,868
Taxes	2,243	-	-	2,243
Intergovernmental	640,666	-	-	640,666
Due from Other Funds	1,115,992	-	-	1,115,992
Prepaid Costs	933	-	-	933
	<u>\$16,660,440</u>	<u>\$ 305,475</u>	<u>\$ 1,246,082</u>	<u>\$18,211,997</u>
LIABILITIES				
Accounts Payable	\$ 619,906	\$ 27,797	\$ -	\$ 647,703
Salaries and Benefits Payable	243,010	-	-	243,010
Due to Other Funds	<u>1,353,815</u>	<u>-</u>	<u>-</u>	<u>1,353,815</u>
Total Liabilities	2,216,731	27,797	-	2,244,528
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>426,244</u>	<u>-</u>	<u>-</u>	<u>426,244</u>
Total Deferrals	<u>426,244</u>	<u>-</u>	<u>-</u>	<u>426,244</u>
FUND BALANCES				
Nonspendable	933	-	-	933
Restricted	4,761,386	11,123	-	4,772,509
Committed	2,586,952	1	-	2,586,953
Assigned	6,679,602	266,554	1,246,082	8,192,238
Unassigned	<u>(11,408)</u>	<u>-</u>	<u>-</u>	<u>(11,408)</u>
Total Fund Balances	<u>14,017,465</u>	<u>277,678</u>	<u>1,246,082</u>	<u>15,541,225</u>
	<u>\$16,660,440</u>	<u>\$ 305,475</u>	<u>\$ 1,246,082</u>	<u>\$18,211,997</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$16,660,440</u>	<u>\$ 305,475</u>	<u>\$ 1,246,082</u>	<u>\$18,211,997</u>

COUNTY OF SISKIYOU
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Special Revenue Funds	Capital Project Funds	Debt Service Funds	Totals
REVENUES				
Taxes	\$ 516,469	\$ -	\$ -	\$ 516,469
Licenses and Permits	447,071	-	-	447,071
Intergovernmental	10,475,856	-	-	10,475,856
Fines, Forfeitures, and Penalties	74,277	11,166	-	85,443
Use of Money and Property	1,826,974	(433)	(5,220)	1,821,321
Charges for Services	2,344,633	-	-	2,344,633
Other Revenues	<u>116,921</u>	<u>-</u>	<u>96,549</u>	<u>213,470</u>
Total Revenues	15,802,201	10,733	91,329	15,904,263
EXPENDITURES				
Current:				
General Government	2,500	-	5,463	7,963
Public Protection	7,012,130	-	-	7,012,130
Health and Welfare	6,062,450	-	-	6,062,450
Public Assistance	-	-	-	-
Public Ways and Facilities	117,717	-	-	117,717
Education	940	-	-	940
Debt Service				
Principal	3,800	-	509,331	513,131
Interest	7,502	-	920,287	927,789
Capital Outlay	<u>136,181</u>	<u>140,987</u>	<u>-</u>	<u>277,168</u>
Total Expenditures	<u>13,343,220</u>	<u>140,987</u>	<u>1,435,081</u>	<u>14,919,288</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,458,981	(130,254)	(1,343,752)	984,975
OTHER FINANCING SOURCES (USES)				
Transfers In	3,030,300	98,204	1,904,197	5,032,701
Transfers Out	(5,333,183)	(124,259)	-	(5,457,442)
Sale of Capital Assets	<u>895</u>	<u>-</u>	<u>-</u>	<u>895</u>
Total Other Financing Sources (Uses)	<u>(2,301,988)</u>	<u>(26,055)</u>	<u>1,904,197</u>	<u>(423,846)</u>
NET CHANGE IN FUND BALANCE	156,993	(156,309)	560,445	561,129
Fund Balances - Beginning of Year	13,860,472	433,987	685,637	14,980,096
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 14,017,465</u>	<u>\$ 277,678</u>	<u>\$ 1,246,082</u>	<u>\$ 15,541,225</u>

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**COUNTY OF SISKIYOU
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Dept. of Child Support Services	Fish and Game	Geothermal	General County Fire	Planning Projects
ASSETS					
Cash and Investments	\$ 326,125	\$ 29,544	\$ 183,912	\$ 374,048	\$ 234
Imprest cash	100	-	-	-	-
Cash with fiscal agent	45,087	-	-	-	-
Receivables:					
Accounts	-	187	-	-	11,664
Interest	1,775	128	1,012	1,791	(8)
Taxes	-	-	-	73	-
Intergovernmental	-	-	-	19,683	-
Due from Other Funds	-	-	-	-	-
Prepaid Costs	72	-	-	207	-
	<u>373,159</u>	<u>29,859</u>	<u>184,924</u>	<u>395,802</u>	<u>11,890</u>
Total Assets	<u>\$ 373,159</u>	<u>\$ 29,859</u>	<u>\$ 184,924</u>	<u>\$ 395,802</u>	<u>\$ 11,890</u>
LIABILITIES					
Accounts Payable	\$ 3,404	\$ -	\$ -	\$ 60,636	\$ 11,634
Accrued Salaries and Benefits	56,840	-	-	-	-
Due to Other Funds	1,335	-	3,701	982	-
Total Liabilities	61,579	-	3,701	61,618	11,634
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	17,663	11,664
Total Deferred Inflows of Resources	-	-	-	17,663	11,664
FUND BALANCES					
Nonspendable	72	-	-	207	-
Restricted	45,087	-	181,223	252	-
Committed	100	-	-	60,160	-
Assigned	266,321	29,859	-	255,902	-
Unassigned	-	-	-	-	(11,408)
Total Fund Balances	<u>311,580</u>	<u>29,859</u>	<u>181,223</u>	<u>316,521</u>	<u>(11,408)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 373,159</u>	<u>\$ 29,859</u>	<u>\$ 184,924</u>	<u>\$ 395,802</u>	<u>\$ 11,890</u>

Inmate Health Program	Local Community Corrections	HR 2389 Title III	Used Oil Recycling Grant	Library Donations	District Attorney Forfeiture Funds	Domestic Violence
\$ 282,476	\$ -	\$ 254,133	\$ 76,816	\$ 12,819	\$ 239,113	\$ 4,824
-	-	-	-	-	-	-
5,785	37,764	-	-	-	-	-
82	-	-	-	-	-	332
1,241	-	31	357	60	1,031	17
-	-	-	-	-	-	-
-	54,795	-	-	-	-	-
57,170	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 346,754</u>	<u>\$ 92,559</u>	<u>\$ 254,164</u>	<u>\$ 77,173</u>	<u>\$ 12,879</u>	<u>\$ 240,144</u>	<u>\$ 5,173</u>
\$ 133,280	\$ 12,996	\$ -	\$ 918	\$ -	\$ -	\$ -
9,323	38,557	-	-	-	-	-
<u>117,127</u>	<u>2,954</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>158</u>
259,730	54,507	-	918	-	-	158
-	288	-	-	-	-	-
-	288	-	-	-	-	-
-	-	-	-	-	-	-
5,785	37,764	-	76,255	12,879	240,144	5,015
-	-	-	-	-	-	-
81,239	-	254,164	-	-	-	-
-	-	-	-	-	-	-
<u>87,024</u>	<u>37,764</u>	<u>254,164</u>	<u>76,255</u>	<u>12,879</u>	<u>240,144</u>	<u>5,015</u>
<u>\$ 346,754</u>	<u>\$ 92,559</u>	<u>\$ 254,164</u>	<u>\$ 77,173</u>	<u>\$ 12,879</u>	<u>\$ 240,144</u>	<u>\$ 5,173</u>

**COUNTY OF SISKIYOU
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	Environmental Health	Public Health	Community Corrections Performance	Animal Control Facility	Citizens Options for Public Safety Grant
ASSETS					
Cash and Investments	\$ 184,556	\$ 5,344,069	\$ 54,987	\$ 23,806	\$ 271,290
Imprest cash	-	2,250	-	-	-
Restricted Cash	25,044	53,086	3,310	-	-
Receivables:					
Accounts	5,094	96,088	-	80	-
Interest	910	20,175	416	104	-
Taxes	-	-	-	-	-
Intergovernmental	1,438	444,737	59,106	-	-
Due from Other Funds	522,625	526,977	-	-	-
Prepaid Costs	402	135	-	-	-
	<u>740,069</u>	<u>6,487,517</u>	<u>117,819</u>	<u>23,990</u>	<u>271,290</u>
Total Assets	<u>\$ 740,069</u>	<u>\$ 6,487,517</u>	<u>\$ 117,819</u>	<u>\$ 23,990</u>	<u>\$ 271,290</u>
LIABILITIES					
Accounts Payable	\$ 5,946	\$ 126,733	\$ 2,239	\$ -	\$ -
Accrued Salaries and Benefits	34,121	74,325	13,419	-	-
Due to Other Funds	<u>29,909</u>	<u>926,111</u>	<u>-</u>	<u>-</u>	<u>80,107</u>
Total Liabilities	69,976	1,127,169	15,658	-	80,107
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	1,438	334,986	-	-	-
Total Deferred Inflows of Resources	<u>1,438</u>	<u>334,986</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	402	135	-	-	-
Restricted	45,077	53,086	102,161	-	191,183
Committed	-	2,652	-	23,990	-
Assigned	623,176	4,969,489	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>668,655</u>	<u>5,025,362</u>	<u>102,161</u>	<u>23,990</u>	<u>191,183</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 740,069</u>	<u>\$ 6,487,517</u>	<u>\$ 117,819</u>	<u>\$ 23,990</u>	<u>\$ 271,290</u>

Airport Comprehensive Land Use Plan	Flood Control and Water Conservation District	Air Pollution and 2.5 Grant	Local Transportation Commission	Siskiyou Association of Governmental Entities	County Service Area #3	County Service Area #4
\$ 3,651	\$ 345,125	\$ 54,732	\$ 133,861	\$ 1,454	\$ 239,003	\$ 22,270
-	-	50	-	-	-	-
-	4,690	5,183	-	-	-	-
-	35,816	341	-	-	-	-
16	1,824	195	617	6	1,050	98
-	46	-	-	-	314	1
-	-	-	58,833	-	-	-
-	5,519	3,701	-	-	-	-
-	-	113	-	-	-	-
<u>\$ 3,667</u>	<u>\$ 393,020</u>	<u>\$ 64,315</u>	<u>\$ 193,311</u>	<u>\$ 1,460</u>	<u>\$ 240,367</u>	<u>\$ 22,369</u>
\$ -	\$ 47,391	\$ 4,784	\$ 6,949	\$ -	\$ 4,018	\$ -
-	8,572	7,268	-	-	-	-
-	<u>150,403</u>	<u>190</u>	<u>8,045</u>	-	-	-
-	206,366	12,242	14,994	-	4,018	-
-	-	-	58,833	-	-	-
-	-	-	<u>58,833</u>	-	-	-
-	-	113	-	-	-	-
3,667	4,690	47,480	119,484	1,460	236,349	22,369
-	-	50	-	-	-	-
-	181,964	4,430	-	-	-	-
-	-	-	-	-	-	-
<u>3,667</u>	<u>186,654</u>	<u>52,073</u>	<u>119,484</u>	<u>1,460</u>	<u>236,349</u>	<u>22,369</u>
<u>\$ 3,667</u>	<u>\$ 393,020</u>	<u>\$ 64,315</u>	<u>\$ 193,311</u>	<u>\$ 1,460</u>	<u>\$ 240,367</u>	<u>\$ 22,369</u>

**COUNTY OF SISKIYOU
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018**

	County Service Area #5	Hammond Ranch Fire Zone	McCloud Fire Zone	Mt. Shasta Vista Fire Zone	Plesant Valley Fire Zone
ASSETS					
Cash and Investments	\$ 103,961	\$ 223,676	\$ 173,301	\$ 101,229	\$ 98,534
Imprest cah	-	-	-	-	-
Restricted Cash	-	-	-	-	-
Receivables:					
Accounts	-	2,341	-	1,288	311
Interest	458	1,013	773	447	428
Taxes	(4)	300	308	495	710
Intergovernmental	702	-	1,372	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Costs	-	4	-	-	-
	<u>105,117</u>	<u>227,334</u>	<u>175,754</u>	<u>103,459</u>	<u>99,983</u>
Total Assets	<u>\$ 105,117</u>	<u>\$ 227,334</u>	<u>\$ 175,754</u>	<u>\$ 103,459</u>	<u>\$ 99,983</u>
LIABILITIES					
Accounts Payable	\$ 1,018	\$ 3,959	\$ 17,663	\$ 367	\$ 155
Accrued Salaries and Benefits	-	-	-	-	585
Due to Other Funds	-	-	-	-	-
Total Liabilities	<u>1,018</u>	<u>3,959</u>	<u>17,663</u>	<u>367</u>	<u>740</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	1,372	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>1,372</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	4	-	-	-
Restricted	104,099	223,371	156,719	103,092	99,243
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>104,099</u>	<u>223,375</u>	<u>156,719</u>	<u>103,092</u>	<u>99,243</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 105,117</u>	<u>\$ 227,334</u>	<u>\$ 175,754</u>	<u>\$ 103,459</u>	<u>\$ 99,983</u>

<u>Carl Moyer Air Pollution</u>	<u>Local Innovention Subaccount</u>	<u>Lake Siskiyou Hydroelectric Project</u>	<u>Totals</u>
\$ 873,557	\$ 13,003	\$ 4,390,477	\$ 14,440,586
-	-	-	2,400
-	-	-	179,949
-	-	67,552	221,176
2,947	55	17,528	56,495
-	-	-	2,243
-	-	-	640,666
-	-	-	1,115,992
-	-	-	933
<u>\$ 876,504</u>	<u>\$ 13,058</u>	<u>\$ 4,475,557</u>	<u>\$ 16,660,440</u>
\$ 160,000	\$ -	\$ 15,816	\$ 619,906
-	-	-	243,010
-	-	<u>32,793</u>	<u>1,353,815</u>
160,000	-	48,609	2,216,731
-	-	-	426,244
-	-	-	426,244
-	-	-	933
716,504	-	1,926,948	4,761,386
-	-	2,500,000	2,586,952
-	13,058	-	6,679,602
-	-	-	(11,408)
<u>716,504</u>	<u>13,058</u>	<u>4,426,948</u>	<u>14,017,465</u>
<u>\$ 876,504</u>	<u>\$ 13,058</u>	<u>\$ 4,475,557</u>	<u>\$ 16,660,440</u>

COUNTY OF SISKIYOU
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Dept. of Child Support Services	Fish and Game	Geothermal	General County Fire	Planning Projects
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 148,313	\$ -
Licenses and Permits	-	-	-	-	-
Fines, Forfeitures and Penalties	-	9,503	-	-	-
Use of Money and Property	439	(165)	308	132,246	(183)
Intergovernmental	1,917,704	-	5,603	10,769	278
Charges for Services	-	-	-	14,746	353,638
Other Revenues	-	-	-	1,498	-
Total Revenues	<u>1,918,143</u>	<u>9,338</u>	<u>5,911</u>	<u>307,572</u>	<u>353,733</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Protection	1,877,120	3,501	(743)	338,152	365,302
Health and Sanitation	-	-	-	-	-
Public Assistance	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-
Education	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-
Capital Outlay	-	-	-	39,613	-
Total Expenditures	<u>1,877,120</u>	<u>3,501</u>	<u>(743)</u>	<u>377,765</u>	<u>365,302</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	41,023	5,837	6,654	(70,193)	(11,569)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	(41,897)	-	(102,874)	(19,765)	-
Sale of Capital Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(41,897)</u>	<u>-</u>	<u>(102,874)</u>	<u>(19,765)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(874)	5,837	(96,220)	(89,958)	(11,569)
Fund Balances - Beginning of Year, Restated	312,454	24,022	277,443	406,479	161
FUND BALANCES - END OF YEAR	<u>\$ 311,580</u>	<u>\$ 29,859</u>	<u>\$ 181,223</u>	<u>\$ 316,521</u>	<u>\$ (11,408)</u>

Inmate Health Program	Local Community Corrections	HR 2389 Title III	Used Oil Recycling Grant	Library Donations	District Attorney Forfeiture Funds	Domestic Violence
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	51,940	8,869
(1,662)	(297)	(4,403)	(618)	(41)	(1,282)	60
-	1,568,921	258,637	110,000	-	-	-
2,054	-	-	-	-	-	5,290
<u>1,298</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>450</u>	<u>-</u>	<u>-</u>
1,690	1,568,624	254,234	109,382	409	50,658	14,219
-	-	-	-	-	-	-
-	1,363,949	-	-	-	2,000	13,626
614,568	-	-	45,512	-	-	-
-	-	-	-	-	-	-
-	-	-	-	940	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
614,568	1,363,949	-	45,512	940	2,000	13,626
(612,878)	204,675	254,234	63,870	(531)	48,658	593
622,435	30,000	-	-	-	-	-
(123,671)	(191,028)	(7,395)	(593)	-	-	(427)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>498,764</u>	<u>(161,028)</u>	<u>(7,395)</u>	<u>(593)</u>	<u>-</u>	<u>-</u>	<u>(427)</u>
(114,114)	43,647	246,839	63,277	(531)	48,658	166
201,138	(5,883)	7,325	12,978	13,410	191,486	4,849
<u>\$ 87,024</u>	<u>\$ 37,764</u>	<u>\$ 254,164</u>	<u>\$ 76,255</u>	<u>\$ 12,879</u>	<u>\$ 240,144</u>	<u>\$ 5,015</u>

COUNTY OF SISKIYOU
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	Environmental Health	Public Health	Community Corrections Performance	Animal Control Facility	Citizens Options for Public Safety Grant
REVENUES					
Taxes	\$ -	\$ 129,252	\$ -	\$ -	\$ -
Licenses and Permits	287,125	-	-	-	-
Fines, Forfeitures and Penalties	3,136	829	-	-	-
Use of Money and Property	(857)	(34,203)	1,034	(111)	(4,808)
Intergovernmental	144,824	3,724,267	236,425	-	1,568,437
Charges for Services	70,841	1,665,274	-	-	-
Other Revenues	<u>68,125</u>	<u>38,536</u>	<u>-</u>	<u>5,905</u>	<u>-</u>
Total Revenues	573,194	5,523,955	237,459	5,794	1,563,629
EXPENDITURES					
Current:					
General Government	-	-	-	2,434	-
Public Protection	-	-	356,457	-	1,354,748
Health and Sanitation	997,776	3,621,042	-	-	-
Public Assistance	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-
Education	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-
Capital Outlay	<u>26,762</u>	<u>5,421</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,024,538</u>	<u>3,626,463</u>	<u>356,457</u>	<u>2,434</u>	<u>1,354,748</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(451,344)	1,897,492	(118,998)	3,360	208,881
OTHER FINANCING SOURCES (USES)					
Transfers In	1,064,052	816,493	-	-	-
Transfers Out	(125,212)	(1,773,830)	(33,952)	-	(117,720)
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>938,840</u>	<u>(957,337)</u>	<u>(33,952)</u>	<u>-</u>	<u>(117,720)</u>
NET CHANGE IN FUND BALANCES	487,496	940,155	(152,950)	3,360	91,161
Fund Balances - Beginning of Year Restated	<u>181,159</u>	<u>4,085,207</u>	<u>255,111</u>	<u>20,630</u>	<u>100,022</u>
FUND BALANCES - END OF YEAR	<u>\$ 668,655</u>	<u>\$ 5,025,362</u>	<u>\$ 102,161</u>	<u>\$ 23,990</u>	<u>\$ 191,183</u>

Airport Comprehensive Land Use Plan	Flood Control and Water Conservation District	Air Pollution and 2.5 Grant	Local Transportation Commission	Siskiyou Association of Governmental Entities	County Service Area #3	County Service Area #4
\$ -	\$ 113,324	\$ -	\$ -	\$ -	\$ 123,900	\$ 1,680
-	112,443	47,503	-	-	-	-
-	-	-	-	-	-	-
(13)	83,802	(243)	(410)	(7)	(983)	(96)
-	1,442	82,447	147,069	-	1,982	190
-	39,783	1	-	-	31,994	-
-	<u>60</u>	<u>205</u>	<u>19</u>	<u>-</u>	<u>527</u>	<u>-</u>
(13)	350,854	129,913	146,678	(7)	157,420	1,774
-	-	-	-	-	-	66
-	792,990	-	-	(274)	-	-
-	-	268,750	-	-	110,712	-
-	-	-	-	-	-	-
-	-	-	117,717	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	<u>8,308</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,077</u>	<u>-</u>
-	<u>801,298</u>	<u>268,750</u>	<u>117,717</u>	<u>(274)</u>	<u>166,789</u>	<u>66</u>
(13)	(450,444)	(138,837)	28,961	267	(9,369)	1,708
-	402,500	94,820	-	-	-	-
-	(4,405)	(4,852)	-	-	-	-
-	<u>895</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	<u>398,990</u>	<u>89,968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(13)	(51,454)	(48,869)	28,961	267	(9,369)	1,708
3,680	238,108	100,942	90,523	1,193	245,718	20,661
<u>\$ 3,667</u>	<u>\$ 186,654</u>	<u>\$ 52,073</u>	<u>\$ 119,484</u>	<u>\$ 1,460</u>	<u>\$ 236,349</u>	<u>\$ 22,369</u>

COUNTY OF SISKIYOU
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2018

	County Service Area #5	Hammond Ranch Fire Zone	McCloud Fire Zone	Mt. Shasta Vista Fire Zone	Plesant Valley Fire Zone
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Fines, Forfeitures and Penalties	-	-	-	-	-
Use of Money and Property	(369)	(903)	(762)	(445)	1,288
Intergovernmental	-	19,749	-	1,094	5,492
Charges for Services	8,178	67,033	44,262	22,581	18,958
Other Revenues	<u>268</u>	<u>30</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	8,077	85,909	43,500	23,230	25,738
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Protection	-	72,364	32,975	11,054	10,180
Health and Sanitation	3,170	-	-	-	-
Public Assistance	-	-	-	-	-
Public Ways and Facilities	-	-	-	-	-
Education	-	-	-	-	-
Debt Service:					
Principal	3,800	-	-	-	-
Interest and Other Charges	7,502	-	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	14,472	72,364	32,975	11,054	10,180
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(6,395)	13,545	10,525	12,176	15,558
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Sale of Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(6,395)	13,545	10,525	12,176	15,558
Fund Balances - Beginning of Year Restated	<u>110,494</u>	<u>209,830</u>	<u>146,194</u>	<u>90,916</u>	<u>83,685</u>
FUND BALANCES - END OF YEAR	<u>\$ 104,099</u>	<u>\$ 223,375</u>	<u>\$ 156,719</u>	<u>\$ 103,092</u>	<u>\$ 99,243</u>

<u>Carl Moyer Air Pollution</u>	<u>Local Innovention Subaccount</u>	<u>Lake Siskiyou Hydroelectric Project</u>	<u>Totals</u>
\$ -	\$ -	\$ -	\$ 516,469
-	-	-	447,071
-	-	-	74,277
(8,000)	(130)	1,668,788	1,826,974
658,700	11,826	-	10,475,856
-	-	-	2,344,633
-	-	-	<u>116,921</u>
<u>650,700</u>	<u>11,696</u>	<u>1,668,788</u>	<u>15,802,201</u>
-	-	-	2,500
-	-	418,729	7,012,130
400,920	-	-	6,062,450
-	-	-	-
-	-	-	117,717
-	-	-	940
-	-	-	3,800
-	-	-	7,502
-	-	-	<u>136,181</u>
<u>400,920</u>	<u>-</u>	<u>418,729</u>	<u>13,343,220</u>
249,780	11,696	1,250,059	\$ 2,458,981
-	-	-	3,030,300
(21,946)	-	(2,763,616)	(5,333,183)
-	-	-	<u>895</u>
<u>(21,946)</u>	<u>-</u>	<u>(2,763,616)</u>	<u>(2,301,988)</u>
227,834	11,696	(1,513,557)	156,993
488,670	1,362	5,940,505	13,860,472
<u>\$ 716,504</u>	<u>\$ 13,058</u>	<u>\$ 4,426,948</u>	<u>\$ 14,017,465</u>

**COUNTY OF SISKIYOU
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2018**

	Accumulated Capital Outlay	Criminal Justice Construction	Courthouse Construction	Lake Siskiyou Trial Project	Totals
ASSETS					
Cash and Investments	\$ 264,785	\$ 14,209	\$ 11,003	\$ 3,209	\$ 293,206
Receivables					
Accounts	-	10,275	402	-	10,677
Interest	<u>1,197</u>	<u>336</u>	<u>45</u>	<u>14</u>	<u>1,592</u>
Total Assets	<u>\$ 265,982</u>	<u>\$ 24,820</u>	<u>\$ 11,450</u>	<u>\$ 3,223</u>	<u>\$ 305,475</u>
LIABILITIES					
Accounts Payable	\$ 27,143	\$ 327	\$ 327	\$ -	\$ 27,797
Due to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>27,143</u>	<u>327</u>	<u>327</u>	<u>-</u>	<u>27,797</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	-	11,123	-	11,123
Committed	1	-	-	-	1
Assigned	238,838	24,493	-	3,223	266,554
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>238,839</u>	<u>24,493</u>	<u>11,123</u>	<u>3,223</u>	<u>277,678</u>
Total Liabilities and Fund Balances	<u>\$ 265,982</u>	<u>\$ 24,820</u>	<u>\$ 11,450</u>	<u>\$ 3,223</u>	<u>\$ 305,475</u>

**COUNTY OF SISKIYOU
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2018**

	Accumulated Capital Outlay	Criminal Justice Construction	Courthouse Construction	Siskiyou Trial Project	Totals
REVENUES					
Fines and Forfeitures	\$ -	\$ 7,043	\$ 4,123	\$ -	\$ 11,166
Use of Money and Property	(203)	(150)	(67)	(13)	(433)
Charges for Services	-	-	-	-	-
Total Revenues	<u>(203)</u>	<u>6,893</u>	<u>4,056</u>	<u>(13)</u>	<u>10,733</u>
EXPENDITURES					
Current:					
Public Protection	-	-	-	-	-
Capital Outlay	<u>140,987</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,987</u>
Total Expenditures	<u>140,987</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,987</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(141,190)	6,893	4,056	(13)	(130,254)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	98,204	-	-	98,204
Transfers Out	<u>(16,000)</u>	<u>(108,259)</u>	<u>-</u>	<u>-</u>	<u>(124,259)</u>
Total Other Financing Sources (Uses)	<u>(16,000)</u>	<u>(10,055)</u>	<u>-</u>	<u>-</u>	<u>(26,055)</u>
NET CHANGE IN FUND BALANCES	(157,190)	(3,162)	4,056	(13)	(156,309)
Fund Balances - Beginning of Year	<u>396,029</u>	<u>27,655</u>	<u>7,067</u>	<u>3,236</u>	<u>433,987</u>
FUND BALANCES - END OF YEAR	<u>\$ 238,839</u>	<u>\$ 24,493</u>	<u>\$ 11,123</u>	<u>\$ 3,223</u>	<u>\$ 277,678</u>

**COUNTY OF SISKIYOU
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2018**

	<u>Juvenile Hall Ibank Debt Service</u>	<u>Pension Obligation Bonds 2007</u>	<u>Totals</u>
ASSETS			
Cash and Investments	\$ 106,705	\$ 1,064,184	\$ 1,170,889
Receivables:			
Accounts	-	69,412	69,412
Interest	<u>120</u>	<u>5,661</u>	<u>5,781</u>
Total Assets	<u>\$ 106,825</u>	<u>\$ 1,139,257</u>	<u>\$ 1,246,082</u>
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Due to Other Funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	-	-	-
FUND BALANCES			
Assigned	106,825	1,139,257	1,246,082
Total Fund Balances	<u>106,825</u>	<u>1,139,257</u>	<u>1,246,082</u>
Total Liabilities and Fund Balances	<u>\$ 106,825</u>	<u>\$ 1,139,257</u>	<u>\$ 1,246,082</u>

**COUNTY OF SISKIYOU
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NONMAJOR DEBT SERVICE FUNDS
 YEAR ENDED JUNE 30, 2018**

	Juvenile Hall Ibank Debt Service	Pension Obligation Bonds 2007	Totals
REVENUES			
Use of Money and Property	\$ (1,503)	\$ (3,717)	\$ (5,220)
Other Revenue	<u>-</u>	<u>96,549</u>	<u>96,549</u>
Total Revenues	(1,503)	92,832	91,329
EXPENDITURES			
Current:			
General Government	4,252	1,211	5,463
Debt Service:			
Principal	59,331	450,000	509,331
Interest and Other Charges	<u>44,675</u>	<u>875,612</u>	<u>920,287</u>
Total Expenditures	<u>108,258</u>	<u>1,326,823</u>	<u>1,435,081</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(109,761)	(1,233,991)	(1,343,752)
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>108,259</u>	<u>1,795,938</u>	<u>1,904,197</u>
Total Other Financing Sources (Uses)	<u>108,259</u>	<u>1,795,938</u>	<u>1,904,197</u>
NET CHANGE IN FUND BALANCES	(1,502)	561,947	560,445
Fund Balances - Beginning of Year	<u>108,327</u>	<u>577,310</u>	<u>685,637</u>
FUND BALANCES - END OF YEAR	<u>\$ 106,825</u>	<u>\$ 1,139,257</u>	<u>\$ 1,246,082</u>

**COUNTY OF SISKIYOU
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018**

	Fuel Services	Communi- cations	Automotive Services	Information Technology
ASSETS				
Current Assets:				
Cash and Investments	\$ 87,346	\$ 342,430	\$ 162,575	\$ 30,859
Receivables:				
Accounts Receivable	-	208	-	-
Interest	714	823	764	281
Intergovernmental	207	3,937	-	-
Deposits	-	-	-	-
Due from Other Funds	72,875	21,446	-	-
Prepaid Costs	-	-	-	-
Inventory	35,550	-	88,350	-
Total Current Assets	<u>196,692</u>	<u>368,844</u>	<u>251,689</u>	<u>31,140</u>
Noncurrent Assets:				
Restricted Cash and Investments	256	7,099	4,499	-
Capital Assets:				
Nondepreciable	-	1,055	-	12,995
Depreciable, Net	-	28,668	3,511	75,983
Total Noncurrent Assets	<u>256</u>	<u>36,822</u>	<u>8,010</u>	<u>88,978</u>
 Total Assets	 196,948	 405,666	 259,699	 120,118
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Adjustments	2,517	74,743	46,007	159
Deferred OPEB Adjustments	320	7,118	3,978	-
Total Deferred Inflows of Resources	<u>2,837</u>	<u>81,861</u>	<u>49,985</u>	<u>159</u>

Risk Management					
Liability	Unemployment	Workers' Compensation	Vision Insurance	Self Funded Dental Insurance	Totals
\$ 640,499	\$ 457,101	\$ 399,146	\$ 74,214	\$ 205,315	\$ 2,399,485
-	-	-	(749)	(1,211)	(1,752)
2,791	2,157	946	334	765	9,575
-	-	-	-	-	4,144
-	-	-	-	-	-
-	-	-	-	-	94,321
-	-	-	-	-	-
-	-	-	-	-	123,900
<u>643,290</u>	<u>459,258</u>	<u>400,092</u>	<u>73,799</u>	<u>204,869</u>	<u>2,629,673</u>
-	-	-	-	-	11,854
-	-	-	-	-	14,050
-	-	-	-	-	108,162
-	-	-	-	-	134,066
<u>643,290</u>	<u>459,258</u>	<u>400,092</u>	<u>73,799</u>	<u>204,869</u>	<u>2,763,739</u>
-	-	-	-	-	123,426
-	-	-	-	-	11,416
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,842</u>

COUNTY OF SISKIYOU
COMBINING STATEMENT OF NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
JUNE 30, 2018

	Fuel Services	Communi- cations	Automotive Services	Information Technology
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 198	\$ 5,555	\$ 2,952	\$ 14,645
Accrued Salaries and Benefits	249	12,342	7,061	-
Interest Payable	-	-	-	-
Deposits Payable	-	-	-	-
Due to Other Funds	6,785	9,502	42,836	229
Unearned Revenue	-	-	-	-
Compensated Absences	478	6,450	4,314	-
Loans Payable	-	-	-	-
Estimated Claims Liability	-	-	-	-
Total Current Liabilities	<u>7,710</u>	<u>33,849</u>	<u>57,163</u>	<u>14,874</u>
Noncurrent Liabilities:				
Compensated Absences	-	8,168	2,137	-
Special Assessment Bonds	-	-	-	-
Loans and Capital Leases Payable	-	-	-	-
Closure Postclosure Costs	-	-	-	-
Net Pension Liability	14,135	463,601	239,648	-
Net OPEB Obligation	6,699	217,619	140,662	-
Total Noncurrent Liabilities	<u>20,834</u>	<u>689,388</u>	<u>382,447</u>	<u>-</u>
Total Liabilities	28,544	723,237	439,610	14,874
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Adjustments	387	15,498	6,473	-
Deferred OPEB Adjustments	679	22,055	14,255	-
Total Deferred Inflows of Resources	<u>1,066</u>	<u>37,553</u>	<u>20,728</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	-	29,723	3,511	88,978
Restricted	256	7,099	4,499	-
Unrestricted	169,919	(310,085)	(158,664)	16,425
Total Net Position	<u>\$ 170,175</u>	<u>\$ (273,263)</u>	<u>\$ (150,654)</u>	<u>\$ 105,403</u>

Risk Management

Liability	Unemployment	Workers' Compensation	Vision Insurance	Self Funded Dental Insurance	Totals
\$ 19,317	\$ 29,967	\$ 571	\$ 4,481	\$ 23,217	\$ 100,903
-	-	-	-	-	19,652
-	-	-	-	-	-
-	-	-	-	-	-
18	-	18	-	-	59,388
-	-	-	-	-	-
-	-	-	-	-	11,242
-	-	-	-	-	-
-	40,605	-	-	-	40,605
<u>19,335</u>	<u>70,572</u>	<u>589</u>	<u>4,481</u>	<u>23,217</u>	<u>231,790</u>
-	-	-	-	-	10,305
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	717,384
-	-	-	-	-	364,980
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
19,335	70,572	589	4,481	23,217	1,324,459
-	-	-	-	-	22,358
-	-	-	-	-	36,989
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,347</u>
-	-	-	-	-	122,212
10,000	-	-	-	-	21,854
<u>613,955</u>	<u>388,686</u>	<u>399,503</u>	<u>69,318</u>	<u>181,652</u>	<u>1,370,709</u>
<u>\$ 623,955</u>	<u>\$ 388,686</u>	<u>\$ 399,503</u>	<u>\$ 69,318</u>	<u>\$ 181,652</u>	<u>\$ 1,514,775</u>

COUNTY OF SISKIYOU
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018

	Fuel Services	Communi- cations	Automotive Services	Information Technology
OPERATING REVENUES				
Charges for Services	\$ 617,690	\$ 469,286	\$ 554,527	\$ 882,065
Rental Income	-	3,605	90	-
Other Revenues	-	-	1,115	-
Total Operating Revenues	<u>617,690</u>	<u>472,891</u>	<u>555,732</u>	<u>882,065</u>
OPERATING EXPENSES				
Salaries and Benefits	9,884	311,442	204,381	-
Services and Supplies	584,350	100,286	357,019	830,197
Depreciation	-	3,450	1,003	17,526
Total Operating Expenses	<u>594,234</u>	<u>415,178</u>	<u>562,403</u>	<u>847,723</u>
OPERATING INCOME (LOSS)	23,456	57,713	(6,671)	34,342
NONOPERATING REVENUES (EXPENSES)				
Interest Income	442	(3,501)	(789)	106
Intergovernmental Revenues	-	23	-	-
Interest Expense	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>442</u>	<u>(3,478)</u>	<u>(789)</u>	<u>106</u>
INCOME (LOSS) BEFORE TRANSFERS, AND SPECIAL ITEMS	23,898	54,235	(7,460)	34,448
Transfers In	-	-	-	-
Transfers Out	(183)	(7,437)	(3,726)	-
Sale of Capital Assets	-	-	1,000	-
Total Other Financing Sources (Uses)	<u>(183)</u>	<u>(7,437)</u>	<u>(2,726)</u>	<u>-</u>
CHANGE IN NET POSITION	23,715	46,798	(10,186)	34,448
Net Position - Beginning of Year, Restated	<u>146,460</u>	<u>(320,061)</u>	<u>(140,468)</u>	<u>70,955</u>
NET POSITION - END OF YEAR	<u>\$ 170,175</u>	<u>\$ (273,263)</u>	<u>\$ (150,654)</u>	<u>\$ 105,403</u>

Risk Management

Liability	Unemployment	Workers' Compensation	Vision Insurance	Self Funded Dental Insurance	Totals
\$ 500,000	\$ -	\$ 2,050,000	\$ 38,495	\$ 697,187	\$ 5,809,250
-	-	-	-	-	3,695
274,109	-	106,311	2,662	95,242	479,439
<u>774,109</u>	<u>-</u>	<u>2,156,311</u>	<u>41,157</u>	<u>792,429</u>	<u>6,292,384</u>
-	-	-	-	-	525,707
884,530	176,997	2,148,013	69,274	549,214	5,699,880
-	-	-	-	-	21,979
<u>884,530</u>	<u>176,997</u>	<u>2,148,013</u>	<u>69,274</u>	<u>549,214</u>	<u>6,247,566</u>
(110,421)	(176,997)	8,298	(28,117)	243,215	44,818
20,155	(334)	42,147	(114)	(2,192)	55,920
-	-	-	-	-	23
-	-	-	-	-	-
<u>20,155</u>	<u>(334)</u>	<u>42,147</u>	<u>(114)</u>	<u>(2,192)</u>	<u>55,943</u>
(90,266)	(177,331)	50,445	(28,231)	241,023	100,761
-	-	-	-	-	-
-	-	-	-	-	(11,346)
-	-	-	-	-	1,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,346)</u>
(90,266)	(177,331)	50,445	(28,231)	241,023	90,415
714,221	566,017	349,058	97,549	(59,371)	1,424,360
<u>\$ 623,955</u>	<u>\$ 388,686</u>	<u>\$ 399,503</u>	<u>\$ 69,318</u>	<u>\$ 181,652</u>	<u>\$ 1,514,775</u>

**COUNTY OF SISKIYOU
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018**

	Fuel Services	Communi- cations	Automotive Services	Information Technology
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ -	\$ -	\$ -	\$ -
Receipts from Interfund Services	617,623	477,153	557,876	882,065
Payments to Suppliers	(597,055)	(129,681)	(348,990)	(818,790)
Payments to Employees	(7,946)	(260,272)	(167,394)	(159)
Net Cash Provided (Used) by Operating Activities	12,622	87,200	41,492	63,116
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Grants and Other Receipts	-	22	-	-
Transfers from (to) Other Funds	(12,849)	(2,088)	31,005	(54)
Receipts from Other Funds	-	-	-	-
Payments to Other Funds	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(12,849)	(2,066)	31,005	(54)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	-	-	-	(39,805)
Proceeds from Sale of Capital Assets	-	-	1,000	-
Capital Grants	-	-	-	-
Principal Paid on Capital Debt	-	-	-	-
Interest Paid on Capital Debt	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	1,000	(39,805)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received (Paid)	141	(3,506)	(1,112)	(61)
Net Cash Provided (Used) by Investing Activities	141	(3,506)	(1,112)	(61)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
	(86)	81,628	72,385	23,196
Cash and Cash Equivalents - Beginning of Year	87,688	267,901	94,689	7,663
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 87,602</u>	<u>\$ 349,529</u>	<u>\$ 167,074</u>	<u>\$ 30,859</u>

Risk Management

Liability	Unemployment	Workers' Compensation	Vision Insurance	Self Funded Dental Insurance	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
774,109	-	2,156,311	41,906	814,747	6,321,790
(886,316)	(180,932)	(2,147,442)	(70,740)	(613,849)	(5,793,795)
-	-	-	-	-	(435,771)
(112,207)	(180,932)	8,869	(28,834)	200,898	92,224
-	-	-	-	-	22
15	-	15	-	-	16,044
-	-	-	-	-	-
-	-	-	-	-	-
15	-	15	-	-	16,066
-	-	-	-	-	(39,805)
-	-	-	-	-	1,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(38,805)
19,698	(304)	41,552	(83)	(2,919)	53,406
19,698	(304)	41,552	(83)	(2,919)	53,406
(92,494)	(181,236)	50,436	(28,917)	197,979	122,891
732,993	638,337	348,710	103,131	7,336	2,288,448
<u>\$ 640,499</u>	<u>\$ 457,101</u>	<u>\$ 399,146</u>	<u>\$ 74,214</u>	<u>\$ 205,315</u>	<u>\$ 2,411,339</u>

**COUNTY OF SISKIYOU
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018**

	Fuel Services	Communi- cations	Automotive Services	Information Technology
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 23,456	\$ 57,713	\$ (6,671)	\$ 34,342
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows Provided (Used) by Operating Activities:				
Depreciation	-	3,450	1,003	17,526
(Increase) Decrease in:				
Accounts Receivable	(67)	4,262	2,144	-
Prepaid Expense	-	-	-	1,577
Inventory	(6,030)	-	13,256	-
Deferred Outflows of Resources	70	(2,930)	1,840	(159)
Increase (Decrease) in:				
Accounts Payable	(6,675)	(29,395)	(5,227)	9,830
Salaries and Benefits Payable	(89)	3,362	991	-
Unearned Revenue	-	-	-	-
Deferred Inflows of Resources	451	15,752	10,269	-
Net Pension Liability	(1,444)	(83,872)	(43,675)	-
Compensated Absences Payable	215	314	2,064	-
Claims Liability	-	-	-	-
Closure and Postclosure Liability	-	-	-	-
Net OPEB Obligation	2,735	118,544	65,498	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 12,622</u>	<u>\$ 87,200</u>	<u>\$ 41,492</u>	<u>\$ 63,116</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Acquisition of Capital Assets in Accounts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Risk Management

<u>Liability</u>	<u>Unemployment</u>	<u>Workers' Compensation</u>	<u>Vision Insurance</u>	<u>Self Funded Dental Insurance</u>	<u>Totals</u>
\$ (110,421)	\$ (176,997)	\$ 8,298	\$ (28,117)	\$ 243,215	\$ 44,818
-	-	-	-	-	21,979
-	-	-	749	22,318	29,406
-	-	-	-	-	1,577
-	-	-	-	-	7,226
-	-	-	-	-	(1,179)
(1,786)	(13,998)	571	(1,466)	(64,635)	(112,781)
-	-	-	-	-	4,264
-	-	-	-	-	-
-	-	-	-	-	26,472
-	-	-	-	-	(128,991)
-	-	-	-	-	2,593
-	10,063	-	-	-	10,063
-	-	-	-	-	-
-	-	-	-	-	186,777
<u>\$ (112,207)</u>	<u>\$ (180,932)</u>	<u>\$ 8,869</u>	<u>\$ (28,834)</u>	<u>\$ 200,898</u>	<u>\$ 92,224</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF SISKIYOU
 COMBINING STATEMENT OF NET POSITION
 INVESTMENT TRUST FUNDS
 JUNE 30, 2018**

	<u>Special Districts Governend by Local Boards</u>	<u>School Funds</u>	<u>Debt Service Funds</u>
ASSETS			
Cash and Investments	<u>\$ 5,328,492</u>	<u>\$ 55,904,041</u>	<u>\$ 7,146,050</u>
Total Assets	<u>5,328,492</u>	<u>55,904,041</u>	<u>7,146,050</u>
LIABILITIES			
Accounts Payable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Net Position Held in Trust for Investment Pool Participants	<u>\$ 5,328,492</u>	<u>\$ 55,904,041</u>	<u>\$ 7,146,050</u>

<u>College Funds</u>	<u>Trial Court and LAFCO</u>	<u>Totals</u>
<u>\$ 7,733,053</u>	<u>\$ 240,432</u>	<u>\$ 76,352,068</u>
<u>7,733,053</u>	<u>240,432</u>	<u>76,352,068</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 7,733,053</u>	<u>\$ 240,432</u>	<u>\$ 76,352,068</u>

**COUNTY OF SISKIYOU
 COMBINING STATEMENT OF CHANGES IN NET POSITION
 INVESTMENT TRUST FUNDS
 YEAR ENDED JUNE 30, 2018**

	Special Districts Governed by <u>Local Boards</u>	<u>School Funds</u>	<u>Debt Service Funds</u>
ADDITIONS			
Contributions:			
Contributions to Investment Pool	\$ 6,060,739	\$ 78,892,198	\$ 3,181,277
Total Additions	<u>6,060,739</u>	<u>78,892,198</u>	<u>3,181,277</u>
DEDUCTIONS			
Distributions from Investment Pool	<u>7,610,785</u>	<u>77,736,533</u>	<u>2,579,358</u>
Total Deductions	<u>7,610,785</u>	<u>77,736,533</u>	<u>2,579,358</u>
CHANGE IN NET POSITION	(1,550,046)	1,155,665	601,919
Net Position - Beginning of Year	<u>6,878,538</u>	<u>54,748,376</u>	<u>6,544,131</u>
NET POSITION - END OF YEAR	<u>\$ 5,328,492</u>	<u>\$ 55,904,041</u>	<u>\$ 7,146,050</u>

<u>College Funds</u>	<u>Trial Court and LAFCO</u>	<u>Total Investment Trust Funds</u>
\$ <u>26,273,104</u>	\$ <u>23,114</u>	\$ <u>114,430,432</u>
<u>26,273,104</u>	<u>23,114</u>	<u>114,430,432</u>
<u>31,016,162</u>	<u>2,158</u>	<u>118,944,996</u>
<u>31,016,162</u>	<u>2,158</u>	<u>118,944,996</u>
(4,743,058)	20,956	(4,514,564)
<u>12,476,111</u>	<u>219,476</u>	<u>80,866,632</u>
<u>\$ 7,733,053</u>	<u>\$ 240,432</u>	<u>\$ 76,352,068</u>

**COUNTY OF SISKIYOU
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2018**

	<u>Accrued Unapportioned Interest Trust Fund</u>	<u>Accrued Unapportioned Tax Trust Fund</u>	<u>County Departmental Agency Funds</u>	<u>Total</u>
ASSETS				
Cash and Investments	\$ 466,681	\$ 512,765	\$ 3,829,513	\$ 4,808,959
Taxes Receivable	-	4,201,279	-	4,201,279
Due from Other Funds	<u>-</u>	<u>-</u>	<u>3,633,769</u>	<u>3,633,769</u>
 Total Assets	 <u>\$ 466,681</u>	 <u>\$ 4,714,044</u>	 <u>\$ 7,463,282</u>	 <u>\$ 12,644,007</u>
LIABILITIES				
Due to Other Funds	\$ -	\$ 3,633,769	\$ -	\$ 3,633,769
Agency Obligations	<u>466,681</u>	<u>1,080,275</u>	<u>7,463,282</u>	<u>9,010,238</u>
 Total Liabilities	 <u>\$ 466,681</u>	 <u>\$ 4,714,044</u>	 <u>\$ 7,463,282</u>	 <u>\$ 12,644,007</u>

**COUNTY OF SISKIYOU
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2018**

	<u>Balance June 30, 2017</u>	<u>Additions & Adjustments</u>	<u>Deductions & Adjustments</u>	<u>Balance June 30, 2018</u>
Accrued Unapportioned Interest Trust Fund				
ASSETS				
Cash and Investments	\$ 490,745	\$ 466,897	\$ 490,961	\$ 466,681
Total Assets	<u>\$ 490,745</u>	<u>\$ 466,897</u>	<u>\$ 490,961</u>	<u>\$ 466,681</u>
LIABILITIES				
Agency Obligations	<u>\$ 490,745</u>	<u>\$ 466,897</u>	<u>\$ 490,961</u>	<u>\$ 466,681</u>
Total Liabilities	<u>\$ 490,745</u>	<u>\$ 466,897</u>	<u>\$ 490,961</u>	<u>\$ 466,681</u>
Accrued Unapportioned Tax Trust Fund				
ASSETS				
Cash and Investments	\$ 500,333	\$ 3,633,769	\$ 3,621,337	\$ 512,765
Taxes Receivable	<u>3,637,660</u>	<u>4,201,279</u>	<u>3,637,660</u>	<u>4,201,279</u>
Total Assets	<u>\$ 4,137,993</u>	<u>\$ 7,835,048</u>	<u>\$ 7,258,997</u>	<u>\$ 4,714,044</u>
LIABILITIES				
Due to other funds	\$ -	\$ 3,633,769	\$ -	\$ 3,633,769
Agency Obligations	<u>4,137,993</u>	<u>4,201,279</u>	<u>7,258,997</u>	<u>1,080,275</u>
Total Liabilities	<u>\$ 4,137,993</u>	<u>\$ 7,835,048</u>	<u>\$ 7,258,997</u>	<u>\$ 4,714,044</u>
County Departmental Agency Funds				
ASSETS				
Cash and Investments	\$ 3,305,521	\$ 4,097,911	\$ 3,573,919	\$ 3,829,513
Due from other funds	<u>61,397</u>	<u>3,633,769</u>	<u>61,397</u>	<u>3,633,769</u>
Total Assets	<u>\$ 3,366,918</u>	<u>\$ 7,731,680</u>	<u>\$ 3,635,316</u>	<u>\$ 7,463,282</u>
LIABILITIES				
Agency Obligations	<u>\$ 3,366,918</u>	<u>\$ 7,731,680</u>	<u>\$ 3,635,316</u>	<u>\$ 7,463,282</u>

Total Liabilities	COUNTY OF SISKIYOU			
	<u>\$ 3,366,918</u>	<u>\$ 7,731,680</u>	<u>\$ 3,635,316</u>	<u>\$ 7,463,282</u>