



Annual Financial Report
June 30, 2021

County of San Joaquin, California

Independent Auditor’s Report 1

Management’s Discussion and Analysis 4

Government Wide Financial Statements

 Statement of Net Position15

 Statement of Activities17

Government Fund Financial Statements

 Balance Sheet – Governmental Funds.....19

 Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide

 Statement of Net Position- Governmental Activities20

 Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....21

 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances

 of Governmental Funds to the Government-Wide Statement of Activities- Governmental Activities.....22

Proprietary Fund Financial Statements

 Statement of Fund Net Position – Proprietary Funds23

 Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds25

 Statement of Cash Flows – Proprietary Funds26

Fiduciary Fund Financial Statements

 Statement of Fiduciary Net Position – Fiduciary Funds.....28

 Statement of Changes in Fiduciary Net Position – Fiduciary Funds29

Notes to Financial Statements30

Required Supplementary Information

 Schedule of the County’s Proportionate Share of the Net Pension Liability –

 SJCERA Cost Sharing Plan Last 10 Years.....96

 Schedule of the County’s Contributions – SJCERA Cost Sharing Plan Last 10 Years96

 Schedule of the County’s Proportionate Share of the Net Pension Liability –

 CalPERS Cost Sharing Plan Last 10 Years.....97

 Schedule of the County’s Contributions – CalPERS Cost Sharing Plan Last 10 Years97

 Schedule of Changes in Total OPEB Liability and Related Ratios98

 Budgetary Comparison Schedule – Budgetary Basis General Fund99

 Budgetary Comparison Schedule – Budgetary Basis Mental Health and Substance Abuse Fund101

 Notes to Required Supplementary Information103

Supplementary Information

 Combining Balance Sheet – All General Funds106

 Combining Statement of Revenues, Expenditures, and Changes in the Fund Balance –

 All General Funds107

 Combining Balance Sheet – All General Fund Special Accounts108

 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –

 All General Fund Special Accounts112

 Combining Balance Sheet – Nonmajor Governmental Funds.....116

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	117
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	119
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	127
Combining Balance Sheet – Nonmajor Special Districts Governed by the Board of Supervisors – Special Revenue Funds	135
Combining Statement of Revenues, Expenditures, and Changes in the Fund Balance – Nonmajor Special Districts Governed by the Board of Supervisors – Special Revenue Funds	137
Combining Balance Sheet – Nonmajor Debt Service Funds.....	140
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Debt Service Funds.....	141
Combining Balance Sheet – Nonmajor Capital Projects Funds	143
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Capital Projects Funds	145
Combining Statement of Net Position – Internal Service Funds	148
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds	150
Combining Statement of Cash Flows – Internal Service Funds	153
 Statistical Section	
Changes in Net Position Last Ten Fiscal Years.....	156
Fund Balances – Governmental Funds	158
Changes in Fund Balances – Governmental Funds.....	160
Net Position by Component.....	162
Leal Debt Margin Information.....	164
Ratios of Outstanding Debt by Type.....	166
Pledged-Revenue Coverage	169



Independent Auditor’s Report

To the Honorable Board of Supervisors
 County of San Joaquin, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor’s Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Health Plan of San Joaquin (a discretely presented component unit), and the San Joaquin County Employees’ Retirement Association (Pension Trust Fund), which represent the following percentages of assets, net position/fund balances and revenues for the opinion units listed below as of and for the fiscal year ended June 30, 2021:

Opinion Units	Assets	Net Position/ Fund Balances	Revenues
Aggregate Remaining Fund Information	57.7%	58.5%	8.2%
Discretely Presented Component Unit	99.1%	99.5%	99.0%

Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for those entities, is based solely on the reports 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 auditor's 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Standard

As discussed in Note 1 and Note 20 to the financial statements, the County has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, which has resulted in restatements of the net position and fund balance as of July 1, 2020. Our opinions are not modified with respect to this matter.

Prior Period Adjustment

As discussed in Note 20 to the financial statements, a prior period adjustment was recorded to the General Hospital Enterprise Fund and Business – Type Activities to correct the overstatement of patient credit balances. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the County's proportionate share of the net pension liabilities, the schedules of County's pension contributions, the schedule of changes in total OPEB liability and related ratios, and the budgetary comparison information for the General Fund and the major special revenue funds 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 combining and individual nonmajor fund financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual 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 and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The statistical 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 them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 11, 2022, 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.

Eide Bailly LLP

Sacramento, California
August 11, 2022

Management's Discussion and Analysis

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

This section of the County of San Joaquin's (County) annual financial report represents a discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the 2020-21 fiscal year by \$731.6 million, which is referred to as net position. Of this amount, \$752.2 million was invested in capital assets, \$660.1 million was restricted and limited to specific purposes, with the remaining amount unrestricted as a deficit in the amount of \$680.7 million.
- The County's total net position increased by \$255.6 million during the year. Governmental activities increased the County's net position by \$239.1 million, while business-type activities increased the County's net position by \$16.7 million. In the current year, the County implemented Governmental Accounting Board Standard No. 84, *Fiduciary Activities*. This change in accounting standards resulted in the restatement of beginning net position of governmental activities in the amount of \$25.9 million. A prior period adjustment was recorded for the business-type activities in the amount of \$9.5 million related to the General Hospital.
- As of June 30, 2021, the County governmental funds reported combined fund balances of \$1,220.4 million, which is an increase of \$246.6 million from the prior year's fund balance. Of the combined fund balances, \$685.4 million is nonspendable or restricted funds, while \$535.1 million is unrestricted funds that may be used to meet the County's current and future needs (*committed, assigned, and unassigned fund balances*).
- As of June 30, 2021, the unrestricted fund balance for the General Fund was \$418.0 million, or approximately 73.7% of the total General Fund operating expenditures.
- The County's total long-term liabilities that are due beyond one year at June 30, 2021, were \$1,874.1 million, which is a decrease of \$44.5 million from the prior year. The decrease is primarily due to a decrease of \$11.4 million in net pension liability, and a decrease of \$26.4 million in the County's Other Post-Employment Benefits (OPEB) liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) **Government-wide** financial statements; 2) **Fund** financial statements; and 3) **Notes** to the basic financial statements. Required Supplementary Information is included in addition to the basic financial statements.

Government-Wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business. Therefore, the statements are reported using the accrual basis of accounting. Please refer to Note 1, section (C) for further information on the accrual basis of accounting.

The *statement of net position* presents information on all County 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 is improving or deteriorating.

The *statement of activities* presents information showing how 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 may result in cash flows in future fiscal periods.

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Both of these government-wide financial statements distinguish functions of the County that are principally supported by intergovernmental revenues and property and sales taxes (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government; public protection; public ways and facilities; health and sanitation; public assistance; education; and recreation and culture. The business-type activities of the County are the San Joaquin County General Hospital (Hospital), the San Joaquin County Airport (Airport), CSA 31 Sewer Enterprise Fund, and the San Joaquin County Solid Waste Enterprise (Solid Waste).

Component units that are discretely presented in the County's basic financial statements consist of legally separate entities for which the County is financially accountable or whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The discretely presented component units include the Health Plan of San Joaquin and First 5 San Joaquin. Separate financial statements of these component units are available at the County Auditor-Controller's Office.

The government-wide financial statements can be found on pages 15-18 of this report.

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

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

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

The County reports four major individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. Data from the nonmajor governmental funds, including the debt service funds, are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopted an annual appropriated budget for all of its major governmental funds except for the Coronavirus Relief Fund. Budgetary comparison schedules have been provided for the General Fund and the major special revenue funds to demonstrate compliance with this budget and are included in the required supplementary section of this report.

The governmental funds financial statements can be found on pages 19-22 of this report.

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Proprietary funds are reported in two ways: enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the Hospital, the Airport, CSA 31 Sewer and Solid Waste whose revenues are primarily from external user fees. *Internal service funds* are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its insurance programs, fleet maintenance, telephone and radio communication programs, office automation equipment replacement program, and general office supply and services programs. Because these services predominately benefit governmental rather than business-type functions, they have been included within 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 with the inclusion of cash flow statements. The County considers all of its enterprise funds as major funds to the County. The internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary funds financial statements can be found on pages 23-27 of this report.

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 statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary funds financial statements can be found on pages 28-29 of this report.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 31-95 of this report.

Required Supplementary Information provides the comparison of the budgetary information with the actual budget results for the General Fund and the Mental Health and Substance Abuse Fund. The Board of Supervisors revises the budget throughout the year as it attempts to deal with unexpected changes in revenues and expenditures. The final amendment to the budget was actually adopted at year-end, which is not prohibited by State law.

Supplementary Information provides the combining and individual fund statements and schedules referred to earlier for nonmajor governmental funds, internal service funds, and fiduciary funds immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$740.6 million at the close of fiscal year 2020-21.

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Condensed Statement of Net Position (in 000's)

A significant portion of the County's net position in the amount of \$752.2 million, approximately 102% of the total, represents its investment in capital assets (e.g., land, land improvements, buildings, equipment, infrastructure, and construction in progress), less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens and to internal County departments. Consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The second largest portion of the County's net position, in the amount of \$660.1 million, approximately 91% of the total, represents resources that are subject to external restrictions on how they may be used.

The remaining balance of the County's net position is unrestricted in the amount of -\$684.0 million, approximately -92% of the total, which may be used to meet the County's ongoing obligations to citizens and creditors.

As shown on the next page, the County's total net position increased by \$264.9 million compared to FY2019-20. Included in that increase is a combination of a \$249.5 million increase in revenues, and a \$68.8 million increase in expenses from the prior year. Also included is a \$35.4 million prior period adjustment resulting from the implementation of a new accounting standard and other adjustments (see footnote 19).

	Governmental Activities		Business-Type Activities		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Assets:						
Current and other assets	\$ 1,574,361	\$ 1,328,792	\$ 416,661	\$ 354,572	\$ 1,991,022	\$ 1,683,364
Capital assets	653,633	646,203	194,766	198,180	848,399	844,383
Total assets	2,227,994	1,974,995	611,427	552,752	2,839,421	2,527,747
Deferred outflows of resources:						
Deferred gain on refunding	156	170	152	191	308	361
Deferred OPEB	15,960	15,427	3,958	4,897	19,918	20,324
Deferred pensions	228,140	182,562	84,321	75,846	312,461	258,408
Total deferred outflows	244,256	198,159	88,431	80,934	332,687	279,093
Liabilities:						
Current and other liabilities	168,486	200,210	132,738	108,667	301,224	308,877
Long-term liabilities	1,489,746	1,486,308	425,043	432,262	1,914,789	1,918,570
Total liabilities	1,658,232	1,686,518	557,781	540,929	2,216,013	2,227,447
Deferred inflows of resources:						
Deferred SCA	1,104	1,220	-	-	1,104	1,220
Deferred OPEB	47,087	26,837	15,833	8,518	62,920	35,355
Deferred pensions	132,047	89,764	28,450	12,650	160,497	102,414
Total deferred inflows	180,238	117,821	44,283	21,168	224,521	138,989
Net Position:						
Net investment in capital assets	568,626	554,670	183,554	184,677	752,180	739,347
Restricted	648,080	938,622	11,997	11,821	660,077	950,443
Unrestricted	(582,927)	(1,124,477)	(97,757)	(124,909)	(680,684)	(1,249,386)
Total net position	\$ 633,779	\$ 368,815	\$ 97,794	\$ 71,589	\$ 731,573	\$ 440,404

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

The following table indicates the changes in net position for governmental and business-type activities.

Changes in Net Position (in \$000's)

	Governmental Activities		Business-Type Activities		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Revenues:						
Program Revenues:						
Charges for services	\$ 236,978	\$ 176,492	\$ 338,381	\$ 405,206	\$ 575,359	\$ 581,698
Operating grants and contributions	866,919	731,574	150,505	38,827	1,017,424	770,401
Capital grants and contributions	7,325	24,239	6,281	3,369	13,606	27,608
General Revenues:						
Property taxes	307,980	284,058	-	-	307,980	284,058
Property transfer taxes	6,618	4,550	-	-	6,618	4,550
Sales taxes	59,331	43,358	-	-	59,331	43,358
Motor vehicle and other in lieu taxes	5,624	5,153	-	-	5,624	5,153
Transient occupancy tax	1,043	700	-	-	1,043	700
Franchise and others	3,096	3,058	-	-	3,096	3,058
Tobacco settlement proceeds	8,125	6,740	-	-	8,125	6,740
Investment earnings	5,722	26,334	718	2,697	6,440	29,031
Miscellaneous	2,766	2,872	1,333	-	4,099	2,872
Total Revenues	1,511,527	1,309,128	497,218	450,099	2,008,745	1,759,227
Expenses:						
General government	107,870	90,545	-	-	107,870	90,545
Public protection	315,278	392,284	-	-	315,278	392,284
Public ways and facilities	58,429	54,519	-	-	58,429	54,519
Community Infrastructure Program	1,029	789	-	-	1,029	789
Health and sanitation	364,269	233,907	-	-	364,269	233,907
Public assistance	406,228	424,634	-	-	406,228	424,634
Education	7,461	7,814	-	-	7,461	7,814
Culture and recreation	6,434	5,879	-	-	6,434	5,879
Interest on long-term debt	2,685	3,071	-	-	2,685	3,071
Solid waste	-	-	29,273	31,516	29,273	31,516
Hospital	-	-	447,046	430,577	447,046	430,577
Airport	-	-	5,902	7,697	5,902	7,697
CSA 31 - Flag City	-	-	1,089	975	1,089	975
Total Expenses	1,269,683	1,213,442	483,310	470,765	1,752,993	1,684,207
Excess (deficiency) before transfers	241,844	95,686	13,908	(20,666)	255,752	75,020
Transfers	(2,778)	(2,778)	2,778	2,778	-	-
Change in net position	239,066	92,908	16,686	(17,888)	255,752	75,020
Net position, beginning of year	368,815	251,330	71,589	89,477	440,404	340,807
Prior period adjustment	25,898	24,577	9,521	-	35,419	24,577
Net position, end of the year	\$ 633,779	\$ 368,815	\$ 97,796	\$ 71,589	\$ 731,575	\$ 440,404

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Governmental activities. Governmental activities increased the County's net position by \$239.1 million.

Revenues

Total revenues for the County's governmental activities increased by \$202.4 million, or 15.5%, over the previous year. Of the total increase, \$60.5 million comes from charges for services, \$135.3 million from operating grants and contributions, \$42 million from property and sales taxes and \$1.4 million from tobacco settlement revenues, offset by decreases of \$16.9 million in capital grants and contributions, and \$20.6 in investment earnings.

Expenses

Total expenses for the County's governmental activities increased by \$56.2 million, or 4.6%, over the previous year. Of the total increase, \$17.3 million is for general government, \$3.9 million for public ways and facilities and \$130.4 million for health and sanitation, offset by decreases of \$77 million for public protection and \$18 million for public assistance.

Business-type activities. Business-type activities increased the County's net position by \$26.2 million. The increase consisted of revenues in excess of expenses of \$1.8 million for the General Hospital Enterprise Fund (Hospital), \$7.8 million for the Solid Waste Enterprise Fund (Solid Waste), \$4.1 million for the Airport Enterprise Fund (Airport), and \$0.2 million for the CSA 31 Flag City Sewer Enterprise Fund (Flag City).

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental funds. The general government functions are contained in the General, Special Revenue, Debt Service, and Capital Projects Funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financial requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2021, the County's governmental funds reported total fund balances of \$1,220.4 million, an increase of \$246.5 million, or 25.3%, in comparison with the prior year. Approximately \$535.1 million, or 43.8%, of the total fund balance constitutes unrestricted fund balance (committed, assigned, and unassigned) which is available to meet the County's current and future needs. The remainder of the fund balance, \$685.4 million or 56.2%, is restricted or nonspendable to indicate that it is not available for new spending because it: 1) reflects inventories, interfund advances, and loans receivable that are long-term in nature and thus do not represent available spendable resources, (\$5.4 million) and 2) reflects constraints placed on the use of resources by external creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation, (\$680 million).

The General Fund is the main operational fund of the County. At June 30, 2021, it had an unrestricted fund balance of \$418.0 million, while its total fund balance was \$566.9 million, an increase of \$193.0 million from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures less transfers. Unrestricted fund balance represents 52.1% of total fund expenditures, while total fund balance represents 70.7% of the same amount.

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

The Mental Health and Substance Abuse Fund, a major fund, was established to account for the mental health and substance abuse prevention and treatment services' activities. Therefore, the fund balance is restricted for these designated services. At June 30, 2021, of its \$160.7 million fund balance, \$0.3 million is nonspendable and the remaining balance of \$160.4 million is available for the next fiscal year's appropriation.

The Coronavirus Relief Fund, a major fund, was established to account for Federal and State funding received in advance to cover expenditures incurred in response to the COVID-19 pandemic. Funds received in advance and not obligated are presented as unearned revenue.

The County Capital Outlay Fund was created to account for the expenditures related to the new acquisition, construction, major maintenance, and/or additions and renovations of the County's facilities. Completion time for a capital project is often longer than a single fiscal year, depending on complexity and magnitude. Funds for projects still in progress at the end of a fiscal year are encumbered and carried forward in order to complete the work. At June 30, 2021, it had a fund balance of \$114.5 million.

Revenues for governmental funds totaled \$1,491.1 million in fiscal year 2020-21, which represents an increase of \$200.6 million, or 15.5%, from fiscal year 2019-20. The largest increase in revenues was in aid from other governments (\$136.5 million), primarily due to increases in Federal Social Services assistance, State Realignment allocations and Coronavirus Relief funds, along with an increase in sales and property tax revenue (\$52.9 million) resulting from increased consumer spending and property values and an increase in charges for services and other revenues (\$15.7 million) resulting from an increase in chargeable services provided. These increases were offset by a decrease in revenue from use of money and property (\$19.6 million), which is attributable to a decrease in the Treasury pool earnings rate and market value at year-end.

Expenditures for governmental funds totaled \$1,266.9 million in fiscal year 2020-21, which represents an increase of \$88.5 million, or 7.5%, from the prior year. The largest increase was in health and sanitation (\$54.1 million), primarily due to an increase in mental health services provided (\$10.9 million), and an increase in Coronavirus Relief funds expended (\$38.2 million). Other increases were in general government (\$20.9 million), due to increases in professional and special services (\$15.2 million) and Coronavirus Relief funds expended (\$5.6 million), public protection (\$11.9 million), and due to increased Coronavirus Relief funds expended.

Proprietary funds. The County's proprietary funds provide similar information found in the business-type activities financial statements, but in more detail.

The General Hospital Enterprise Fund had \$54.5 million in net position at June 30, 2021, of which -\$68.8 million was unrestricted. The net position increased by \$3.9 million during the year, primarily due to a \$26.6 million increase in operating revenues compared to the prior year, and the recognition of \$8.5 million in Provider Relief Funds.

The Stockton Metropolitan Airport Enterprise Fund had \$33.4 million in net position at June 30, 2021, of which -\$2.3 million was unrestricted. The net position increased by \$4.7 million during the year, up from a prior year increase of \$0.6 million, primarily due to an increase of \$2.7 million in aid received from other governmental agencies for capital improvement projects and a decrease of \$1.7 million in other nonoperating expenses compared to the prior year.

The Solid Waste Enterprise Fund had \$11.8 million in net position at June 30, 2021, of which -\$27.5 million was unrestricted. The net position increased by \$7.8 million during the year, up from a prior year increase of \$4.4 million, primarily due to a \$4 million increase in operating income compared to the prior year.

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

The CSA 31 Flag City Sewer Enterprise Fund had -\$1.8 million in net position at June 30, 2021, of which \$0.8 million was unrestricted. The net position increased by \$0.2 million during the year, down from a prior year \$0.5 million increase, primarily due to a decrease in charges for services of \$0.1 million compared to the prior year.

The internal service funds had \$8 million in net position at June 30, 2021, with -\$9 million as unrestricted. Of the unrestricted net position, -\$13.1 million is designated for future claims under the County's self-insurance programs.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the 2020-2021 fiscal year's original budget and the final amended budget for the general fund resulted in a \$96.6 million net increase to appropriations. The major increases in the final amended budget for the general fund can be briefly summarized as follows:

- The general government budget increased by \$28.8 million due to an increase in contingency provision and services and supplies expense during the current year.
- The public assistance budget increased by \$24.5 million due to an increase in services and supplies expense and other charges during the current year.
- The transfers-out budget increased by \$32.5 million as a result of mid-year budget adjustments for prior year fund balances and to provide an increased subsidy to governmental departments.

During the year, actual revenues were less than budgetary estimates by \$131.8 million. The net under-budget revenues reflect the combination of over-budget and under-budget of various revenue sources. The major under-budget revenue was \$93.6 million in transfers-in and \$86.7 million in Aid from Other Governmental Agencies; while the major over-budget revenue was \$43.8 million in sales and property taxes.

Actual expenditures were less than final amended budgetary estimates by \$276.7 million. A majority of the difference is attributable to below budget expenditures in public protection (\$96.4 million), public assistance (\$99.1 million), and transfers out (\$62.8 million). The net effect of under-realization of revenues and under-utilization of appropriations resulted in a favorable variance of \$144.8 million, thus eliminating the need to draw upon existing fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The County's net investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities as of June 30, 2021, amounted to \$848.4 million. This investment in capital assets includes land, buildings and improvements, equipment, and construction in progress. The total increase in the County's investment in capital assets for the current period was 0.5%.

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

- Investments in infrastructure of \$21.5 million for the completion of various bridge and road projects.
- Structure and improvements additions of \$18.5 million which represented additions or improvements to various County buildings.
- All depreciable assets, except infrastructure, are depreciated from the mid-month of the acquisition month to the end of the current fiscal year. Infrastructure acquired since June 30, 1980 is depreciated, using the composite method, over the life of 25 years.

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Capital assets, net of accumulated depreciation, for the governmental and business-type activities are presented on the next page to illustrate changes from the prior year (in \$000's):

	Governmental Activities		Business-Type Activities		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Infrastructure	\$ 325,165	\$ 322,581	\$ 3,787	\$ 4,099	\$ 328,952	\$ 326,680
Land and easements	14,261	14,261	4,663	4,663	18,924	18,924
Structure and improvements	252,177	250,938	116,720	117,399	368,897	368,337
Equipment	42,442	38,590	50,950	52,251	93,392	90,841
Construction in progress	6,555	6,410	15,026	15,504	21,581	21,914
Capital Leases	13,033	13,423	3,620	4,264	16,653	17,687
Total	\$ 653,633	\$ 646,203	\$ 194,766	\$ 198,180	\$ 848,399	\$ 844,383

For additional information related to capital assets, see Note 6 on pages 58-59.

Long-term debt

At June 30, 2021, the County had total long-term liabilities of \$1,874.1 million, excluding amounts due within one year of \$54.4 million. This total was comprised of \$78.8 million of certificates of participation, revenue bonds of \$7.7 million, \$33.6 million in landfill closure/postclosure, \$13.5 million in capital lease obligations, \$1.2 million in notes payable, \$46.5 million in earned compensated absences, \$70.9 million for estimated self-insurance claims liability, \$103.6 million for the County's total OPEB liability, and \$1,573.3 million for the County's net pension liability.

For additional information related to long-term debt, see Notes 7, and 8 on pages 67-73.

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- Property and sales taxes are the two major local discretionary revenues for the County. Combined, they represent approximately 91.6% of the County's ongoing discretionary revenues. The local economy continues to improve although it is anticipated the community will start to experience slower growth. The 2022 net property tax roll increased 6.73% from the prior year. This followed an increase in 2021 of 7.39%. The Assessor's property tax assessment roll establishes the property tax base for all local government agencies in the County, including cities, special districts, and school districts. Currently, the County collects over \$851 million for these agencies. The total tax roll for 2022 is \$90.7 billion.
- Under Proposition 8, passed in 1978, property values are temporarily reduced when their market value falls below their Proposition 13 Factored Base Year Value (FBYV) – the original market value at time of purchase plus up to a 2% annual increase based on an inflation factor published by the State Board of Equalization. These properties are reviewed annually to determine market value until the market value is equal to or greater than the FBYV.
- The overall 2021-2022 County budget increased by \$158.4 million, or 8.0%, from the 2020-2021 adjusted budget. The increase is primarily attributable to: 1) negotiated salary and benefits adjustments; 2) services and supplies; 3) increasing contributions to the Reserve for Contingencies to meet the Board's strategic priority of 5% of appropriations in a Reserve for Contingency; 4) increased contributions towards the County's unfunded retirement liability; and 5) increases in operating transfers including \$60.0 million to the Capital Outlay Fund, \$50.6 million to San Joaquin County Employees' Retirement Association towards the unfunded pension liability, and \$17.4 million to the Unfunded Pension Liability Reserve.
- The Unfunded Pension Liability Reserve has been in place for seven years to address the County's unfunded retirement contribution liabilities. The most recent audited financial statements identified an Unfunded Actuarial Liability totaling \$1.7 billion, with San Joaquin County's share of this at approximately \$1.6 billion. The balance of the Unfunded Pension Liability Reserve as of June 30, 2021 is \$40.7 million and the 2021-2022 budget adds an additional \$17.4 million for a total of \$58.1 million in the reserve. Additionally, the 2021-2022 budget includes funding for the full 5% contribution toward the unfunded retirement liability and includes an additional one-time \$50.6 million contribution.
- Approximately 42.7% of the County's budget is funded by State and Federal resources. As such, the State's economic condition and financial situation have a significant impact on the County's budget and programs. The constitutional amendment (Proposition 1A) approved by California voters in November 2004 protects, to some extent, local government revenues from reductions by the State. However, State funding for programs and services administered by the County on behalf of the State continues to be at risk. Programs that are most susceptible to State budget reductions include public safety grants, and health and human services programs. Lack of a Federal budget will also negatively impact Federal grants for technology, health, and transportation projects. Outstanding State SB90 claims at June 30, 2021 were approximately \$5.3 million.
- San Joaquin General Hospital's financial performance remains a concern. The Hospital has ended the last three fiscal years with an operating deficit. Although the County provides an annual Maintenance of Effort amount of \$2.1 million to the Hospital, their ability to continue to fund net losses with available cash is diminishing, and is one of the County's largest risks of maintaining a structurally balanced budget.

**COUNTY OF SAN JOAQUIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

- In early March 2020, the Governor proclaimed a State of Emergency in California due to the threat of COVID-19. The County Public Health Officer subsequently declared a local health emergency and in response to the rapid spread of COVID-19, the Governor issued a Statewide stay-at-home order to slow the spread of COVID-19. In an effort to assist the local economy, the President signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and appropriated \$150.0 billion to the Fund. San Joaquin County's portion was nearly \$133.0 million as a prime recipient and received \$17.8 million from State CARES Act funds as a sub-recipient. Based upon actual expenditures and projections through December 30, 2021, the County is on track to utilize the entire \$150.8 million in total Federal and State CARES Act funds.

In May 2021, the County received half (\$74,019,157) of its American Rescue Plan Act (ARPA) allocation. The remainder of funds are expected in May 2022. Through October 31, 2021, the Board of Supervisors has approved the allocation of \$66.0 million to various projects. The Board's top priorities for directing ARPA funding has been implementing programs to combat the pandemic, aid in local economic recovery, funding to expand transitional housing for the homeless and match funding for a project Homekey application that would create additional permanent housing for the homeless. In addition, the Board has approved the use of ARPA funding for improvements and investments to existing water and sewer infrastructure, cybersecurity needs, and for technology infrastructure modernization.

- The closure of the State Department of Juvenile Justice (DJJ) and youth prisons shifted the responsibility of all justice-involved youth to counties. County Probation departments will need to expand placement and treatment options at the local and regional levels for this higher-needs population. Counties will receive The State approved a three-year funding plan to provide county-based custody, care, and supervision of youth who are realigned from DJJ. San Joaquin County will receive \$1.2 million in 2021-2022, \$3.5 million in 2022-2023, and \$5.8 million in 2023-2024. The transfer process began on July 1, 2021, and will be fully implemented by June 30, 2023.

REQUEST FOR INFORMATION

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 this report or to request additional financial information should be addressed to the Auditor-Controller's Office, 44 N. San Joaquin Street, Suite 550, Stockton, California 95202.

Basic Financial Statements
Government-Wide Financial Statements

County of San Joaquin
Statement of Net Position
June 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Health Plan of San Joaquin	First Five Commission of San Joaquin County
Assets					
Cash and investments:					
Pooled	\$ 1,394,496,596	\$ 183,722,926	\$ 1,578,219,522	\$ 541,692,679	\$ 7,249,112
Other banks	6,800,093	1,626,433	8,426,526	1,549,816	-
Imprest cash	321,750	12,680	334,430	-	-
Accounts receivable, net	15,132,568	67,602,669	82,735,237	-	-
Taxes receivable	45,821,552	-	45,821,552	-	-
Interest receivable	1,324,946	187,496	1,512,442	457,396	4,333
Internal balances	814,185	(814,185)	-	-	-
Due from other agencies	66,974,503	146,194,045	213,168,548	389,486,582	1,026,931
Loans receivable	39,419,202	-	39,419,202	-	-
Prepaid expenses	250,000	2,174,550	2,424,550	-	-
Inventory	1,874,524	2,704,513	4,579,037	-	-
Other assets	26,540	1,252,874	1,279,414	18,979,005	-
SCA lease receivable	1,103,696	-	1,103,696	-	-
Restricted assets:					
Cash and investments	23	11,997,432	11,997,455	-	-
Capital assets:					
Non-depreciable	20,816,179	19,688,864	40,505,043	-	-
Depreciable	1,263,492,629	387,333,675	1,650,826,304	39,609,030	-
Accumulated depreciation	(630,675,429)	(212,256,901)	(842,932,330)	(26,929,445)	-
Total assets	2,227,993,557	611,427,071	2,839,420,628	964,845,063	8,280,376
Deferred Outflows of Resources					
Deferred amounts on refunding	155,838	151,832	307,670	-	-
Deferred outflows related to other post-employment benefits	15,960,019	3,958,607	19,918,626	-	97,905
Deferred outflows related to pensions	228,140,169	84,321,021	312,461,190	4,409,098	619,426
Total deferred outflows of resources	244,256,026	88,431,460	332,687,486	4,409,098	717,331

County of San Joaquin
Statement of Net Position (Continued)
June 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Health Plan of San Joaquin	First Five Commission of San Joaquin County
Liabilities					
Accounts payable	\$ 40,652,122	\$ 24,840,192	\$ 65,492,314	\$ 7,874,366	\$ 1,670,262
Accrued expenses	17,479,760	8,062,921	25,542,681	-	44,380
Unearned revenue	109,276,756	4,375,926	113,652,682	-	2,368,480
Other liabilities	592,078	20,456,201	21,048,279	334,049,702	-
Due to other agencies	-	-	-	64,693,771	-
Accrued interest	485,009	141,796	626,805	-	-
Settlements with third parties	-	61,132,812	61,132,812	-	-
Long-term liabilities:					
Due within one year	40,700,976	13,727,994	54,428,970	-	90,435
Due beyond one year	82,722,983	43,632,452	126,355,435	187,876,792	22,052
Claims liability, due beyond one year	70,907,360	-	70,907,360	-	-
Other post-employment benefits	80,405,485	23,164,763	103,570,248	-	191,752
Net pension liability	1,215,009,596	358,246,031	1,573,255,627	8,120,232	2,591,709
Total liabilities	1,658,232,125	557,781,088	2,216,013,213	602,614,863	6,979,070
Deferred Inflows of Resources					
Service concession arrangement	1,103,696	-	1,103,696	-	-
Deferred inflows related to other post-employment benefits	47,087,610	15,832,832	62,920,442	-	112,089
Deferred inflows related to pensions	132,046,742	28,450,341	160,497,083	299,808	508,771
Total deferred inflows of resources	180,238,048	44,283,173	224,521,221	299,808	620,860
Net Position					
Net investment in capital assets	568,626,414	183,554,159	752,180,573	12,679,585	-
Restricted for:					
Capital projects	272,523,834	-	272,523,834	-	-
Debt service	23	1,558,098	1,558,121	-	-
Landfill closure / post-closure	-	5,152,154	5,152,154	-	-
Public assistance programs	8,316,399	-	8,316,399	-	-
Public works and community infrastructure	126,349,452	-	126,349,452	-	-
Local law enforcement programs	34,038,816	-	34,038,816	-	-
Health and substance abuse programs	157,464,781	-	157,464,781	-	-
Community development loans	49,386,272	-	49,386,272	-	-
Project costs & Medical education funds	-	5,287,180	5,287,180	-	-
Unrestricted	(582,926,581)	(97,757,321)	(680,683,902)	353,659,905	1,397,777
Total net position	\$ 633,779,410	\$ 97,794,270	\$ 731,573,680	\$ 366,339,490	\$ 1,397,777

County of San Joaquin
Statement of Activities
Year Ended June 30, 2021

Functions/Programs	Operating Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:					
Governmental activities:					
General government	\$ 107,869,517	\$ (17,345,793)	\$ 67,075,865	\$ 2,258,332	\$ -
Public protection	315,278,367	10,954,103	53,417,833	177,249,212	-
Public ways and facilities	58,429,069	255,056	15,087,228	29,805,330	7,325,193
Community infrastructure program	1,029,127	10,921	5,003,507	-	-
Health and sanitation	364,268,828	2,058,960	91,645,761	280,943,755	-
Public assistance	406,227,931	2,498,777	2,195,882	376,661,920	-
Education	7,461,216	189,802	64,943	-	-
Recreation and culture	6,433,772	1,378,174	2,486,555	-	-
Interest on long-term debt	2,684,792	-	-	-	-
Total governmental activities	1,269,682,619	-	236,977,574	866,918,549	7,325,193
Business-type activities:					
Hospital	447,046,358	-	296,321,247	150,504,607	-
Airport	5,902,017	-	3,889,045	-	6,080,028
Solid waste	29,272,747	-	36,842,015	-	201,437
CSA 31 - Flag City Sewer	1,089,225	-	1,328,841	-	-
Total business-type activities	483,310,347	-	338,381,148	150,504,607	6,281,465
Total primary government	\$ 1,752,992,966	\$ -	\$ 575,358,722	\$ 1,017,423,156	\$ 13,606,658
Component units:					
Health Plan of San Joaquin	\$ 1,174,951,273	\$ -	\$ 1,629,229	\$ 1,196,595,546	\$ -
First 5 Commission	11,317,417	-	-	11,715,575	-
Total component units	\$ 1,186,268,690	\$ -	\$ 1,629,229	\$ 1,208,311,121	\$ -
General revenues:					
Taxes:					
Property taxes					
Property transfer tax					
Sales and use tax					
Transient occupancy tax					
Franchise and other					
Other in-lieu taxes					
Unrestricted interest and investment earnings					
Tobacco settlement revenues					
Miscellaneous					
Transfers					
Total general revenues and transfers					
Change in net position					
Net position, beginning of year					
Prior period adjustments					
Net position, beginning of year, as restated					
Net position, end of year					

County of San Joaquin
Statement of Activities (Continued)
Year Ended June 30, 2021

Net (Expense) Revenue and Changes in Net Position				
Primary			Component Units	
Governmental Activities	Business-type Activities	Total	Health Plan of San Joaquin	First Five Commission of San Joaquin County
\$ (21,189,527)	\$ -	\$ (21,189,527)	\$ -	\$ -
(95,565,425)	-	(95,565,425)	-	-
(6,466,374)	-	(6,466,374)	-	-
3,963,459	-	3,963,459	-	-
6,261,728	-	6,261,728	-	-
(29,868,906)	-	(29,868,906)	-	-
(7,586,075)	-	(7,586,075)	-	-
(5,325,391)	-	(5,325,391)	-	-
(2,684,792)	-	(2,684,792)	-	-
<u>(158,461,303)</u>	<u>-</u>	<u>(158,461,303)</u>	<u>-</u>	<u>-</u>
-	(220,504)	(220,504)	-	-
-	4,067,056	4,067,056	-	-
-	7,770,705	7,770,705	-	-
-	239,616	239,616	-	-
<u>-</u>	<u>11,856,873</u>	<u>11,856,873</u>	<u>-</u>	<u>-</u>
<u>(158,461,303)</u>	<u>11,856,873</u>	<u>(146,604,430)</u>	<u>-</u>	<u>-</u>
-	-	-	23,273,502	-
-	-	-	-	398,158
<u>-</u>	<u>-</u>	<u>-</u>	<u>23,273,502</u>	<u>398,158</u>
307,980,243	-	307,980,243	-	-
6,617,542	-	6,617,542	-	-
59,331,021	-	59,331,021	-	-
1,042,973	-	1,042,973	-	-
3,096,490	-	3,096,490	-	-
5,623,723	-	5,623,723	-	-
5,721,990	717,603	6,439,593	964,687	3,488
8,125,070	-	8,125,070	-	-
2,765,747	1,332,655	4,098,402	-	28,492
(2,777,879)	2,777,879	-	-	-
<u>397,526,920</u>	<u>4,828,137</u>	<u>402,355,057</u>	<u>964,687</u>	<u>31,980</u>
239,065,617	16,685,010	255,750,627	24,238,189	430,138
368,815,576	71,588,505	440,404,081	342,101,301	366,885
25,898,217	9,520,755	35,418,972	-	600,754
<u>394,713,793</u>	<u>81,109,260</u>	<u>475,823,053</u>	<u>342,101,301</u>	<u>967,639</u>
<u>\$ 633,779,410</u>	<u>\$ 97,794,270</u>	<u>\$ 731,573,680</u>	<u>\$ 366,339,490</u>	<u>\$ 1,397,777</u>

Basic Financial Statements
Fund Financial Statements

County of San Joaquin
Balance Sheet – Governmental Funds
June 30, 2021

	General Fund	Mental Health and Substance Abuse Fund	Coronavirus Relief Fund	County Capital Outlay Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments:						
Pooled and other	\$ 613,632,156	\$ 162,044,997	\$ 82,249,426	\$ 115,399,151	\$ 339,743,356	\$ 1,313,069,086
Imprest cash	248,650	39,450	-	-	33,650	321,750
Accounts receivable	8,020,555	1,240,121	-	-	4,453,000	13,713,676
Taxes receivable	41,406,415	-	-	-	4,415,137	45,821,552
Interest receivable	653,818	143,003	38,136	117,722	288,025	1,240,704
Due from other agencies	45,225,845	11,545,398	-	-	10,203,260	66,974,503
Due from other funds	3,573,762	171,802	-	-	26,468	3,772,032
Advances to other funds	4,066,968	-	-	217,109	-	4,284,077
Loans receivable	85,000	-	-	-	39,334,202	39,419,202
Inventory	-	265,781	-	-	807,838	1,073,619
Other assets	25,500	-	-	-	1,040	26,540
Restricted assets:						
Restricted cash and investments	-	-	-	-	23	23
Total assets	<u>\$ 716,938,669</u>	<u>\$ 175,450,552</u>	<u>\$ 82,287,562</u>	<u>\$ 115,733,982</u>	<u>\$ 399,305,999</u>	<u>\$ 1,489,716,764</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 14,077,607	\$ 11,761,170	\$ -	\$ 1,245,782	\$ 8,195,655	\$ 35,280,214
Accrued salaries	13,260,465	2,093,561	-	-	1,571,041	16,925,067
Due to other funds	2,884,324	216,102	1,282,914	-	2,769,622	7,152,962
Advances from other funds	217,109	-	-	-	3,686,968	3,904,077
Unearned revenues	28,272,108	-	81,004,648	-	-	109,276,756
Other liabilities	592,078	-	-	-	-	592,078
Total liabilities	<u>59,303,691</u>	<u>14,070,833</u>	<u>82,287,562</u>	<u>1,245,782</u>	<u>16,223,286</u>	<u>173,131,154</u>
Deferred inflows of resources:						
Unavailable revenue	90,729,520	635,000	-	-	4,794,911	96,159,431
Total deferred inflows of resources	<u>90,729,520</u>	<u>635,000</u>	<u>-</u>	<u>-</u>	<u>4,794,911</u>	<u>96,159,431</u>
Fund balances:						
Nonspendable	4,151,968	265,781	-	217,109	807,838	5,442,696
Restricted	144,799,390	160,478,938	-	-	374,654,559	679,932,887
Committed	69,416,965	-	-	-	-	69,416,965
Assigned	65,454,502	-	-	114,271,091	8,483,820	188,209,413
Unassigned	283,082,633	-	-	-	(5,658,415)	277,424,218
Total fund balances	<u>566,905,458</u>	<u>160,744,719</u>	<u>-</u>	<u>114,488,200</u>	<u>378,287,802</u>	<u>1,220,426,179</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 716,938,669</u>	<u>\$ 175,450,552</u>	<u>\$ 82,287,562</u>	<u>\$ 115,733,982</u>	<u>\$ 399,305,999</u>	<u>\$ 1,489,716,764</u>

County of San Joaquin

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

Fund balances - total governmental funds		\$ 1,220,426,179
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.		626,194,856
Internal service funds are used by management to charge the costs to individual funds. These assets and liabilities of the internal services funds are included in governmental activities in the statement of net position.		7,952,439
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.		96,159,431
Net deferred outflows of resources related to pensions		208,223,180
Net deferred outflows of resources related to other post employee benefits		15,516,792
Deferred amounts on refunding		155,838
Net deferred inflows of resources related to pensions		(128,186,039)
Net deferred inflows of resources related to other post employee benefits		(45,767,627)
Lease receivable - service concession arrangement		1,103,696
Deferred inflows related to service concession arrangement		(1,103,696)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Certificates of participation	\$ (65,595,000)	
Issuance premium	(11,403,585)	
Notes payable	(213,000)	
Other post-employment benefits liability	(78,261,554)	
Compensated absences	(33,362,141)	
Net pension liability	(1,177,660,927)	
Accrued interest payable	(399,432)	
		<u>(1,366,895,639)</u>
Net position of governmental activities		<u>\$ 633,779,410</u>

County of San Joaquin

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended June 30, 2021

	General Fund	Mental Health and Substance Abuse Fund	Coronavirus Relief Fund	County Capital Outlay Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 336,096,251	\$ -	\$ -	\$ -	\$ 34,473,075	\$ 370,569,326
Licenses, permits, and franchises	10,755,165	-	-	-	163,057	10,918,222
Fines, forfeitures, and penalties	10,489,331	231,308	-	-	894,920	11,615,559
Revenue from use of money and property	1,765,774	166,659	(244,111)	469,935	588,925	2,747,182
Aid from other governmental agencies	545,418,861	100,124,516	130,074,855	-	131,055,606	906,673,838
Charges for services	50,118,285	76,141,378	-	-	38,239,815	164,499,478
Other revenues	21,729,282	151,129	-	936,789	1,220,831	24,038,031
Total revenues	976,372,949	176,814,990	129,830,744	1,406,724	206,636,229	1,491,061,636
Expenditures:						
Current:						
General government	65,471,408	-	20,441,366	1,350,093	2,866,342	90,129,209
Public protection	267,798,840	-	64,735,410	(3,719)	56,894,376	389,424,907
Public ways and facilities	4,420	-	137,668	-	38,522,099	39,693,314
Community Infrastructure	-	-	-	-	1,029,127	1,029,127
Health and sanitation	56,791,664	159,770,675	41,559,615	18,116	4,342,123	262,482,193
Public assistance	396,776,415	-	2,911,400	-	17,556,025	417,243,840
Education	380,824	-	-	-	7,069,914	7,450,738
Parks and recreation	5,428,830	-	45,285	150,161	205,485	5,829,761
Capital outlay	9,008,305	212,429	-	12,819,066	23,275,827	45,315,627
Debt service:						
Principal	-	-	-	-	4,957,000	4,957,000
Interest and fiscal charges	3,563	-	-	-	3,349,986	3,353,549
Total expenditures	801,664,269	159,983,104	129,830,744	14,333,717	160,068,304	1,266,909,265
Excess (deficiency) of revenues over (under) expenditures	174,708,680	16,831,886	-	(12,926,993)	46,567,925	225,181,498
Other financing sources (uses):						
Transfers in	14,508,407	3,806,189	-	5,568,829	12,016,481	35,899,906
Transfers out	(22,201,289)	(2,427,053)	-	(47,456)	(15,791,987)	(40,467,785)
Total other financing sources (uses)	(7,692,882)	1,379,136	-	5,521,373	(3,775,506)	(4,567,879)
Net change in fund balances	167,015,798	18,211,022	-	(7,405,620)	42,792,419	220,613,619
Fund balances, beginning of year, as restated	399,889,660	142,533,697	-	121,893,820	335,495,383	999,812,560
Fund balances, end of year	\$ 566,905,458	\$ 160,744,719	\$ -	\$ 114,488,200	\$ 378,287,802	\$ 1,220,426,179

County of San Joaquin

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

Net change in fund balances - total governmental funds		\$ 220,613,619
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for general capital assets, infrastructure, and other related capital assets adjustments	\$ 45,315,627	
Depreciation expense	<u>(35,628,107)</u>	9,687,520
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Unavailable revenues:		2,196,003
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the statement of net position		
Principal repayment:		
Certificates of participation	4,951,000	
Notes payable	6,000	
Less amortization of premium on certificates of participation	<u>1,053,460</u>	6,010,460
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 the governmental funds.		
Change in accrued interest payable	30	
Change in compensated absences	(2,608,753)	
Change in other post-employment benefits liability	(1,433,101)	
Change in pension liability	<u>22,706,167</u>	18,664,343
Capital assets transferred (to) external funds are recorded as reduction of net position, but they do not provide any reduction to current financial resources, and therefore, are not reported as expenditures in governmental funds		(528,231)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities.		<u>(17,578,097)</u>
Change in net position of governmental activities		<u>\$ 239,065,617</u>

County of San Joaquin
Statement of Fund Net Position – Proprietary Funds
June 30, 2021

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	General Hospital	Stockton Metropolitan Airport	Solid Waste	CSA 31 Flag City Sewer		
Assets						
Current assets:						
Cash and investments:						
Pooled and other banks	\$ 158,738,336	\$ 708,648	\$ 24,169,256	\$ 1,733,119	\$ 185,349,359	\$ 88,227,563
Imprest	4,730	250	7,700	-	12,680	40
Prepaid expenses	2,174,550	-	-	-	2,174,550	250,000
Accounts receivable, net	64,132,535	327,825	3,142,309	-	67,602,669	1,418,892
Interest receivable	159,950	416	25,552	1,578	187,496	84,242
Due from other funds	15,264	-	-	-	15,264	3,905,331
Due from other agencies	145,763,737	430,308	-	-	146,194,045	-
Inventories	2,693,570	-	10,943	-	2,704,513	800,905
Other current assets	1,252,874	-	-	-	1,252,874	-
Total current assets	<u>374,935,546</u>	<u>1,467,447</u>	<u>27,355,760</u>	<u>1,734,697</u>	<u>405,493,450</u>	<u>94,686,973</u>
Noncurrent assets:						
Restricted cash and investments	5,287,180	-	6,133,225	577,027	11,997,432	-
Capital assets:						
Non-depreciable	2,126,026	1,352,204	16,210,634	-	19,688,864	17,481
Depreciable	225,582,662	81,380,902	72,539,256	7,830,855	387,333,675	87,295,895
Accumulated depreciation	<u>(109,736,719)</u>	<u>(46,722,711)</u>	<u>(51,753,059)</u>	<u>(4,044,412)</u>	<u>(212,256,901)</u>	<u>(59,874,855)</u>
Total noncurrent assets	<u>123,259,149</u>	<u>36,010,395</u>	<u>43,130,056</u>	<u>4,363,470</u>	<u>206,763,070</u>	<u>27,438,521</u>
Total assets	<u>498,194,695</u>	<u>37,477,842</u>	<u>70,485,816</u>	<u>6,098,167</u>	<u>612,256,520</u>	<u>122,125,494</u>
Deferred Outflows of Resources						
Deferred amounts on refunding	-	-	34,159	117,673	151,832	-
Deferred amounts related to OPEB	3,662,324	41,484	254,799	-	3,958,607	443,227
Deferred outflows related to pensions	<u>80,283,148</u>	<u>524,890</u>	<u>3,512,983</u>	<u>-</u>	<u>84,321,021</u>	<u>19,916,989</u>
Total deferred outflows of resources	<u>83,945,472</u>	<u>566,374</u>	<u>3,801,941</u>	<u>117,673</u>	<u>88,431,460</u>	<u>20,360,216</u>

County of San Joaquin
Statement of Fund Net Position – Proprietary Funds (Continued)
June 30, 2021

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	General Hospital	Stockton Metropolitan Airport	Solid Waste	CSA 31 Flag City Sewer		
Liabilities						
Current liabilities:						
Accounts payable	\$ 21,701,500	\$ 236,350	\$ 2,683,168	\$ 219,174	\$ 24,840,192	\$ 5,371,908
Accrued payroll	7,749,111	44,383	269,427	-	8,062,921	554,693
Unearned revenue	3,766,963	-	-	-	3,766,963	-
Due to other funds	393,646	33,157	22,646	-	449,449	88,968
Other current liabilities	19,499,438	3,062	953,701	-	20,456,201	-
Interest payable	-	-	25,346	116,450	141,796	86,773
Due to third parties for settlements	61,132,812	-	-	-	61,132,812	-
Current portion:						
Certificates of participation	-	-	1,705,000	-	1,705,000	-
Revenue bonds	-	-	-	190,000	190,000	-
Notes payable	-	-	-	-	-	90,447
Capital leases	-	-	746,687	-	746,687	3,619,530
Compensated absences	10,533,406	60,017	492,884	-	11,086,307	1,295,484
Claims liability	-	-	-	-	-	18,263,360
Total current liabilities	124,776,876	376,969	6,898,859	525,624	132,578,328	29,371,163
Noncurrent liabilities:						
Unearned revenue	-	608,963	-	-	608,963	-
Advances from other funds	-	380,000	-	-	380,000	-
Certificates of participation, net	-	-	124,954	-	124,954	-
Revenue bonds, net	-	-	-	7,504,527	7,504,527	-
Notes payable	-	-	-	-	-	878,583
Capital leases	-	-	2,298,090	-	2,298,090	6,863,815
Compensated absences	-	-	85,596	-	85,596	102,377
Claims liability	-	-	-	-	-	52,644,000
Liability for closure/post closure costs	-	-	33,619,285	-	33,619,285	-
Net pension liability	340,114,996	2,644,792	15,486,243	-	358,246,031	37,348,716
Other post employment benefits liability	21,421,769	244,048	1,498,946	-	23,164,763	2,143,931
Total noncurrent liabilities	361,536,765	3,877,803	53,113,114	7,504,527	426,032,209	99,981,422
Total liabilities	486,313,641	4,254,772	60,011,973	8,030,151	558,610,537	129,352,585
Deferred Inflows of Resources						
Deferred inflows related to OPEB	14,762,791	142,658	927,383	-	15,832,832	1,319,983
Deferred inflows related to pensions	26,588,617	276,666	1,585,058	-	28,450,341	3,860,703
Total deferred inflows of resources	41,351,408	419,324	2,512,441	-	44,283,173	5,180,686
Net Position						
Net investment in capital assets	117,971,969	35,630,395	33,165,179	(3,213,384)	183,554,159	16,955,176
Restricted for:						
Debt service	-	-	981,071	577,027	1,558,098	-
Landfill site closure and post closure Project costs & Medical education funds	5,256,131	-	-	-	5,256,131	-
Patients Gift Fund	31,049	-	-	-	31,049	-
Unrestricted	(68,784,031)	(2,260,275)	(27,535,061)	822,046	(97,757,321)	(9,002,737)
Total net position (deficit)	\$ 54,475,118	\$ 33,370,120	\$ 11,763,343	\$ (1,814,311)	\$ 97,794,270	\$ 7,952,439

County of San Joaquin
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds
Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	General Hospital	Stockton Metropolitan Airport	Solid Waste	CSA 31 Flag City Sewer	Total	
Operating revenues:						
Charges for services	\$ 272,846,423	\$ 2,145,581	\$ 17,414,933	\$ 1,328,841	\$ 293,735,778	\$ 106,874,422
Concessions and rentals	-	1,662,297	17,415,133	-	19,077,430	9,804,951
Miscellaneous	23,474,824	81,167	2,011,949	-	25,567,940	2,336,953
Aid from other agencies	99,370,207	-	-	-	99,370,207	-
Total operating revenues	395,691,454	3,889,045	36,842,015	1,328,841	437,751,355	119,016,326
Operating expenses:						
Salaries and benefits	266,744,158	1,556,479	9,889,315	-	278,189,952	25,809,044
Services and supplies	157,431,466	2,111,348	16,569,544	439,471	176,551,829	34,842,642
Liability claims and loss adjustment:	-	-	-	-	-	58,545,049
Insurance	3,737,379	163,695	228,939	-	4,130,013	12,501,129
Landfill closure and post closure expense	-	-	420,806	-	420,806	-
Depreciation and amortization	11,925,414	2,070,329	1,992,940	312,864	16,301,547	6,466,418
Miscellaneous	7,207,941	-	-	-	7,207,941	-
Total operating expenses	447,046,358	5,901,851	29,101,544	752,335	482,802,088	138,164,282
Operating income (loss)	(51,354,904)	(2,012,806)	7,740,471	576,506	(45,050,733)	(19,147,956)
Nonoperating revenues (expenses):						
Gain (loss) on sale of asset	-	27,065	-	-	27,065	(33,876)
Interest income	685,824	3,620	27,788	371	717,603	30,665
Aid from other governmental agencies	51,134,400	6,080,028	201,437	-	57,415,865	-
Interest expense	-	(166)	(171,203)	(336,890)	(508,259)	(394,793)
Insurance recovery	-	-	-	-	-	30,837
Other nonoperating income (expense)	1,305,590	-	-	-	1,305,590	-
Total nonoperating revenues (expenses)	53,125,814	6,110,547	58,022	(336,519)	58,957,864	(367,167)
Income (loss) before capital contributions and transfers	1,770,910	4,097,741	7,798,493	239,987	13,907,131	(19,515,123)
Capital contributions	-	-	-	-	-	120,648
Transfers in	2,138,053	639,826	-	-	2,777,879	1,816,378
Change in net position	3,908,963	4,737,567	7,798,493	239,987	16,685,010	(17,578,097)
Net position, beginning of year	41,070,407	28,607,546	3,964,850	(2,054,298)	71,588,505	25,530,536
Prior period adjustments	9,495,748	25,007	-	-	9,520,755	-
Total net position (deficit), beginning of year, as restated	50,566,155	28,632,553	3,964,850	(2,054,298)	81,109,260	25,530,536
Total net position (deficit), end of year	\$ 54,475,118	\$ 33,370,120	\$ 11,763,343	\$ (1,814,311)	\$ 97,794,270	\$ 7,952,439

County of San Joaquin
Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds				Total	Governmental
	General Hospital	Stockton Metropolitan Airport	Solid Waste	CSA 31 Flag City Sewer		Internal Service Funds
Cash flows from operating activities:						
Cash received from customers	\$ 401,834,679	\$ 3,784,020	\$ 37,282,131	\$ 1,328,841	\$ 444,229,671	\$ 115,142,521
Cash payments to suppliers for goods and services	(253,840,143)	(2,006,305)	(19,382,160)	(321,856)	(275,550,464)	(96,675,671)
Cash received from (paid to) other departments for goods and services	-	(1,167,180)	2,282,866	(143,568)	972,118	(9,769,609)
Cash payments to employees for services	(150,628,034)	(1,555,896)	(9,833,131)	-	(162,017,061)	(20,722,473)
Other operating revenues	-	-	-	-	-	4,756,840
Net cash provided by (used for) operating activities	<u>(2,633,498)</u>	<u>(945,361)</u>	<u>10,349,706</u>	<u>863,417</u>	<u>7,634,264</u>	<u>(7,268,392)</u>
Cash flows from noncapital financing activities:						
Transfers in	2,138,053	639,826	-	-	2,777,879	1,790,000
Aid from other governments	42,649,193	-	201,437	-	42,850,630	120,648
Other non-operating receipts (payments)	1,305,590	-	-	-	1,305,590	-
Net cash provided by noncapital financing activities	<u>46,092,836</u>	<u>639,826</u>	<u>201,437</u>	<u>-</u>	<u>46,934,099</u>	<u>1,910,648</u>
Cash flows from capital and related financing activities:						
Capital contribution grants	-	7,041,512	-	-	7,041,512	-
Acquisition and construction of capital assets	(4,915,276)	(6,037,080)	(2,466,624)	-	(13,418,980)	(1,811,218)
Insurance recovery	-	-	-	-	-	23,227
Proceeds from sale of property and equipment	-	-	-	-	-	119,504
Principal payment on debts	-	(15,911)	(2,342,242)	(180,000)	(2,538,153)	(3,831,281)
Interest payments on debts	-	(199)	(281,699)	(356,750)	(638,648)	(386,980)
Net cash provided by (used for) capital and related financing activities	<u>(4,915,276)</u>	<u>988,322</u>	<u>(5,090,565)</u>	<u>(536,750)</u>	<u>(9,554,269)</u>	<u>(5,886,748)</u>
Cash flows from investing activities:						
Interest on investments and note receivable	916,851	853	72,392	3,160	993,256	273,527
Net cash provided by investing activities	<u>916,851</u>	<u>853</u>	<u>72,392</u>	<u>3,160</u>	<u>993,256</u>	<u>273,527</u>
Net increase (decrease) in cash and cash equivalents	39,460,913	683,640	5,532,970	329,827	46,007,350	(10,970,965)
Cash and cash equivalents, beginning of year	124,569,333	25,258	24,777,211	1,980,319	151,352,121	99,198,568
Cash and cash equivalents, end of year	<u>\$ 164,030,246</u>	<u>\$ 708,898</u>	<u>\$ 30,310,181</u>	<u>\$ 2,310,146</u>	<u>\$ 197,359,471</u>	<u>\$ 88,227,603</u>

County of San Joaquin
Statement of Cash Flows – Proprietary Funds (Continued)
Year Ended June 30, 2021

	Business-type Activities - Enterprise Funds				Total	Governmental Activities -
	General Hospital	Stockton Metropolitan Airport	Solid Waste	CSA 31 Flag City Sewer		Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Operating income (loss)	\$ (51,354,904)	\$ (2,012,806)	\$ 7,740,471	\$ 576,506	\$ (45,050,733)	\$ (19,147,956)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation/amortization expense	11,925,414	2,070,329	1,992,940	312,864	16,301,547	6,466,418
Other post employment benefits	60,622	26,952	17,256	-	104,830	-
Pension expense	10,484,259	(46,319)	58,648	-	10,496,588	-
Provision for bad debts	43,509,852	-	-	-	43,509,852	-
(Increase) / decrease in receivables	(58,732,339)	73,793	(198,464)	-	(58,857,010)	(325,171)
(Increase) / decrease in prepaid expenses	(442,290)	-	-	-	(442,290)	-
(Increase) / decrease in inventories	(26,736)	-	15,967	-	(10,769)	(44,977)
Increase / (decrease) in payables	21,518,430	(1,057,310)	302,082	(25,953)	20,737,249	4,290,981
Increase / (decrease) in closure/ post closure liability	-	-	420,806	-	420,806	-
Increase / (decrease) in claims liabilities	20,424,194	-	-	-	20,424,194	1,429,542
Net cash provided by (used for) operating activities	<u>\$ (2,633,498)</u>	<u>\$ (945,361)</u>	<u>\$ 10,349,706</u>	<u>\$ 863,417</u>	<u>\$ 7,634,264</u>	<u>\$ (7,331,163)</u>
Noncash investing, capital and financing activities:						
Lease agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,162,222

County of San Joaquin
Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2021

	Pension Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
Assets				
Cash and equivalents:				
Pooled	\$ 967,009	\$ 2,084,187,011	\$ 8,387,815	\$ 31,191,951
Cash held by others	229,078,340	-	4,634,912	-
Imprest	25	-	-	-
Investments at fair value				
Stable fixed income	322,514,912	-	-	-
Credit	479,100,892	-	-	-
Global public equity	1,258,623,730	-	-	-
Private appreciation	456,340,240	-	-	-
Risk parity	409,233,403	-	-	-
Crisis risk offset	463,660,827	-	-	-
Receivables:				
Accounts	-	-	-	2,376,390
Contributions	11,180,242	-	-	-
Investment interest	3,400,405	1,817,703	7,577	2,213,692
Property taxes	-	-	-	6,797,686
Other receivables	-	-	-	894,580
Other assets	276,901	-	-	-
Total assets	3,634,376,926	2,086,004,714	13,030,304	43,474,299
Liabilities				
Accounts payable and other liabilities				
Accounts payable and other liabilities	1,112,617	-	13,812	-
Due to other governments	-	-	-	12,080,247
Obligations under security lending	83,589,197	-	-	-
Securities purchased but not paid	2,986,539	-	-	-
Total liabilities	87,688,353	-	13,812	12,080,247
Net Position				
Restricted for:				
Pensions	3,546,688,573	-	-	-
Pool participants	-	2,086,004,714	-	-
Individuals, organizations and other governments	-	-	13,016,492	31,394,052
Total net position	\$3,546,688,573	\$ 2,086,004,714	\$ 13,016,492	\$ 31,394,052

County of San Joaquin
Statement of Changes in Fiduciary Net Position – Fiduciary Funds
June 30, 2021

	Pension Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Custodial Funds
Additions:				
Employer contributions	\$ 244,564,805	\$ -	\$ -	\$ -
Employee contributions	40,568,995	-	-	-
Contributions to pooled investments	-	5,237,729,672	-	-
Property tax collections for local governments	-	-	-	713,604,566
Contributions from others	-	-	18,385,557	-
Interest and investment income	276,853,178	1,918,872	8,481	2,792,776
Miscellaneous income	143,352	-	3,325	-
Total additions	562,130,330	5,239,648,544	18,397,363	716,397,342
Deductions:				
Benefits paid to participants or beneficiaries	251,854,762	-	16,232,848	-
Contributions refunded	3,488,542	-	-	-
Administrative expenses	4,536,455	-	148,228	-
Withdrawals from pooled investments	-	5,056,946,200	-	-
Payments of property taxes to other governments	-	-	-	718,025,742
Total deductions	259,879,759	5,056,946,200	16,381,076	718,025,742
Change in net position	302,250,571	182,702,344	2,016,287	(1,628,400)
Net position, beginning of year, as restated	3,244,438,002	1,903,302,370	11,000,205	33,022,452
Net position, end of year	\$3,546,688,573	\$2,086,004,714	\$ 13,016,492	\$ 31,394,052

Notes to the Basic Financial Statements

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The County of San Joaquin (County) is a political subdivision created by the State of California and, as such, can exercise the powers specified by the Constitution and laws of the State of California. The County operates under the general laws of the State and is governed by an elected five-member Board of Supervisors (Board).

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as either (A) the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County; or (B) an organization is fiscally dependent on the County and there is a potential for the organization to provide specific financial benefits to or impose financial burdens on the County, regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from County 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 County's Board. The financial statements of the individual component units are available through the County Auditor-Controller's Office, 44 N. San Joaquin Street, Suite 550, Stockton, California 95202.

Blended Components

Special Districts Governed by the Board of Supervisors. The special service districts governed by the Board are established for the purposes of providing special services to various County areas. However, the outstanding special assessment debts and the debt service of these special districts governed by the Board are excluded from these financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 6, described below. The special districts do not issue separate financial statements.

The special service districts governed by the Board include a flood control agency, three water and power authorities, a waterworks district, thirty lighting districts, twenty-eight maintenance districts, forty county service areas, and 5 improvement districts as follows:

San Joaquin County Flood Control Agency. The Agency was formed by the County and the County of Stockton in 1995 to study, plan for, develop, finance, acquire, construct, maintain, repair, manage, operate, and control water control works and facilities for the protection of the public.

Mokelumne River Water and Power Authority. The Authority was formed by the County and San Joaquin County Flood Control and Water Conservation District in 1990 to finance the acquisition and construction of a dam, reservoir, generating facilities, and conveyance facilities in order to benefit the County and the San Joaquin County Flood Control and Water Conservation District.

Eastern San Joaquin County Groundwater Authority. The Authority was formed by the County and local groundwater sustainability agencies in February 2017, to develop a groundwater sustainability plan for the sustainable management of groundwater for the portion of the groundwater basin underlying the members of the authority.

Northeastern San Joaquin County Groundwater Banking Authority. The Authority (previously, East San Joaquin Parties Water Authority) was formed by the County, the San Joaquin County Flood Control and Water Conservation District, cities, and other water conservation and irrigation districts in 1996. This JPA was formed to plan, along with other public entities, projects to meet the water deficiencies of Eastern San Joaquin County.

The San Joaquin Area Flood Control Agency, Mokelumne River Water and Power Authority, Northeastern San Joaquin County Groundwater Banking Authority and Eastern San Joaquin County Groundwater Authority, are either controlled by the Board or fully funded by a County controlled district and therefore blended with the County's financial statements.

Lighting Districts

Ash Street
Boggs Tract
Burkett Gardens
Burkett Gardens Acres
Eastview
Elkhorn
Farmington
Linden
Lockeford
Mariposa Heights
Mission Village
Morada Estates
Morada Manor
North Oaks
North Wilson Way
Northeast Stockton
Oro Street
Plymouth Village
Rancho Village
Shasta Avenue
Shippee – French Camp Homesite
Silva Gardens
South French Camp
Southwest Stockton
Stockton No. 5
Tuxedo – Country Club
Victor
West Lane
West Stockton
Woodbridge

Maintenance Districts

Acampo
Almond Park
Ashley Drainage
Bear Creek Terrace
Bowling Green Estates
Colonial Heights
Corral Hollow
Country Club Vista
Elkhorn Golf Course Estates
Gala Manor
Lambert Village
Lincoln Village
Lockeford
Maurland Manor
Mokelumne Acres
Morada Acres
Morada Estates
Morada Manor
Pacific Gardens
Rancho San Joaquin
Raymus Village
Riviera Cliffs
Shaded Terrace
Spring Creek Estates
Summer Home Estates
Sunnyside Estates
Walnut Acres
Wilkinson Manor

County Service Areas

Number 1	Number 45
Number 2	Number 46
Number 3	Number 47
Number 3A	Number 48
Number 4	Number 49
Number 5	Number 50
Number 8	Number 51
Number 11	Number 52
Number 12	Number 53
Number 14	Number 54
Number 15	Number 55
Number 16	Number 56
Number 17	
Number 18	
Number 21	
Number 23	
Number 24	
Number 25	
Number 29	
Number 30	
Number 31	
Number 35	
Number 36	
Number 37	
Number 41	
Number 42	
Number 43	
Number 44	

Improvement Districts

San Joaquin Improvement #47
San Joaquin Improvement #51
San Joaquin Improvement #52
San Joaquin Improvement #54
Industrial Way and Beckman Road

Each district was created to provide services to the residents of certain areas or to undertake a capital improvement project, including the providing or arranging of financing and collecting the assessments to pay any debt incurred to finance the project.

The accounting principles established for reporting transactions of special districts are as follows:

(1) **GASB Statement No. 6** Accounting and Financial Reporting for Special Assessments requires transactions of service-type special districts and of the construction phase related to capital improvements financed by special assessment to be reported within the general, special revenue, or capital projects funds, as appropriate. Revenues and expenditures are recognized on the same basis of accounting as described in Note 1-C. Any capital assets constructed or acquired, other than infrastructure, are reported in the government-wide financial statements on the same accounting principles as described in Note 1-H.

The In-Home Supportive Services (IHSS) Public Authority maintains a registry and referral system to assist consumers in finding qualified IHSS personnel as well as training of, and support for, providers and recipients of IHSS. The IHSS Public Authority is solely funded by Federal and State grants passed through the County's Human Services Agency. The County's Board is the governing body for the IHSS Public Authority. Therefore, this entity has been blended with the primary government. The entity's net activities are reported in the IHSS Public Authority fund as presented in the statements of nonmajor special districts governed by the Board of Supervisors.

The San Joaquin County Public Facilities Financing Corporation (Corporation) is included as part of the primary government. The sole purpose of the Corporation is to finance, for the benefit of the County, the acquisition and construction of the County's major capital projects. The debts associated with the Corporation are as described in Note 7 – B. The Corporation has assigned and transferred, without recourse, to the US Bank Trust Corporation for the benefit of the owners of the certificates each and all of its rights under the Site Lease and the Project Lease. With the exception of bonds issued for the Solid Waste System Project and the San Joaquin General Hospital Expansion Project, debt service, outstanding debts and the related capital projects are reported in the government-wide financial statements. The bonds issued for the Solid Waste System Project and the San Joaquin General Hospital Expansion Project and the related construction are reported in the Solid Waste Enterprise Fund and General Hospital Enterprise Fund, as applicable. The Corporation's financial statements are available through the County Administrator's Office.

San Joaquin County Economic Development Association (Association), a nonprofit corporation, promotes, publicizes, encourages, and coordinates economic development of the County. The Association is governed by a five-member board appointed by the County Board of Supervisors and is operationally funded solely by the County.

Fiduciary Component Unit

The San Joaquin County Employees' Retirement Association (SJCERA) is governed by the Board of Retirement. The Board of Retirement consists of nine regular members and one alternate. Four are elected by participating members, four are appointed by the Board of Supervisors, and one is the County Treasurer. Although it is legally separated from the County, SJCERA is reported as a pension trust fund because The County appoints a majority of the SJCERA Retirement Board and is considered to have a financial burden as it is legally obligated to make contributions to the plan. SJCERA uses the calendar year as its fiscal year; therefore, the financial information related to the pension trust fund represents the year ended December 31. The financial statements of the pension trust fund are available through SJCERA.

Discretely Presented Component Units

The component units column in the basic financial statements includes the financial data of the County's other component units. They are reported in a separate column to emphasize that they are legally separate from the County. The County has chosen to report all of the discretely presented component units as major component units.

The First 5 San Joaquin (previously, the Children and Families Commission) was established under the authority of the California Children and Families First Act of 1998 and Sections 130100, et seq. of the Health and Safety Code. The County Board appoints all members of the agency. The Board can remove appointed members at will.

Health Plan of San Joaquin, created by the County Board in 1995, provides medical care and health services to Medi-Cal recipients and other groups of persons pursuant to various statutes specified in the Welfare and Institutions Code. The Board of Supervisors appoints all of the members of the Board of Directors for the Health Plan. The Board can remove appointed members at will.

Separate financial statements of these individual component units have been issued and are available from their respective administration office or the County Auditor-Controller's office.

Related Organizations

The County's Board is also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments; therefore, these organizations are not included in these financial statements. These organizations are Tracy Public Cemetery District, Escalon Cemetery District, San Joaquin Regional Transit District, New Mariposa Drainage District, San Joaquin County Housing Authority, and Colleeville Fire District.

Joint Powers Agreements

The County participates in three Joint Powers Agreements (JPA).

- (1) San Joaquin Valleywide Air Pollution Study Agency was formed by the County and other counties in 1990 for the purpose of designing, planning, programming, and implementing an ozone and air pollution study in the geographical territory encompassed by the member counties.
- (2) San Joaquin Regional Rail Commission was formed by the County, certain incorporated cities within the County, and the San Joaquin Council of Governments in 1995 to resolve issues relating to the rail passenger services and facilities for the purpose of transporting passengers within and outside their respective boundaries.
- (3) San Joaquin Council of Governments was formed by the County and incorporated cities within the County in 1983 to manage the area-wide issues requiring multi-jurisdictional cooperation.

With the exception of the responsibilities borne by the participating parties during the JPA start-up period, the County does not retain any ongoing financial interest or responsibility in these JPAs.

C. Basis of Financial Presentation

During the fiscal year ending June 30, 2021, the County implemented the following standards:

GASB Statement No. 84 – As of July 1, 2020, the County adopted GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities. Greater consistency and comparability enhance the value provided by the information reported in financial statements for assessing government accountability and stewardship. The impact to the County resulted in the reclassification of agency funds into the general fund, road fund, pension trust fund, private-purpose trust fund and custodial funds. The effect of the implementation of this standard on beginning net position and fund balance is disclosed in Note 20.

GASB Statement No. 90 – In June 2018, GASB issued Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The objective of these Statements is to improve the consistency and comparability of a reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement is effective for reporting periods beginning after December 15, 2019. The County has determined that this Statement does not have a material impact on the financial statements.

GASB Statement No. 98 – In October 2021, the GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. The statement establishes the term annual comprehensive financial report and its acronym ACFR. The new term and acronym replaces instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The County has determined that this Statement does not have a material impact on the financial statements.

Recently released standards by GASB affecting future fiscal years are as follows:

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after June 15, 2021. The County has not determined the effect on the financial statements.

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement is effective for reporting periods beginning after December 15, 2020. The County has not determined the effect of this Statement.

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of this Statements is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement is effective for reporting periods beginning after December 15, 2021. The County has not determined the effect of this Statement.

GASB Statement No. 92 – In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practices issues that have been identified during implementation and application of certain GASB Statements. The Statement is effective for reporting periods beginning after June 15, 2021. The County has not determined the effect on the financial statements.

GASB Statement No. 93 – In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The Statement is effective for reporting periods beginning after June 15, 2021. The County has not determined the effect on the financial statements.

GASB Statement No. 94 – In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The Statement is effective for reporting periods beginning after June 15, 2022. The County has not determined the effect on the financial statements.

GASB Statement No. 96 – In May 2020, the GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The Statement is effective for reporting periods beginning after June 15, 2022. The County has not determined the effect on the financial statements.

GASB Statement No. 97 – In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statement No.14 and No.84 and A Supersession of GASB Statement No.32*. The objective of this Statement is (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The Statement is effective for reporting periods beginning after June 15, 2021. The County has not determined the effect on the financial statements.

GASB Statement No. 99 – In May 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. This Statement is effective for reporting periods beginning after June 15, 2022. The County has not determined the effect on the financial statements.

GASB Statement No. 100 – In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections—An Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The County has not determined the effect on the financial statements.

GASB Statement No. 101 – In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The County has not determined the effect on the financial statements.

Government-Wide Financial Statements

Information relating to the primary government (County) and its components is displayed in the statement of net position and statement of activities. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County and between the County and its discretely presented component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are primarily supported by fees charged to external parties.

The statement of activities presents a comparison between direct and indirect expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or a function and, therefore, are clearly identifiable to a particular function. Indirect expenses are those that are allocated to a program or a function from the County's centralized general service function based on the cost allocation principles established by 2 CFR 200 (Uniform Guidance). Program revenues include 1) charges paid by the recipients of goods or services offered by the programs, 2) fines and penalties ordered by the courts, 3) licenses and permits charged by the programs, and 4) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net position is available, it is County policy to use restricted net position first, and then use the unrestricted resources as needed.

Fund Financial Statements

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

The County reports the following major governmental funds:

- General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources and transactions except those required to be accounted for in another fund. It includes certain special accounts that are under the control of various General Fund departments and those that are used to accumulate resources for designated purposes.
- Mental Health and Substance Abuse Fund – The Mental Health and Substance Abuse Fund is used to account for the proceeds of specific sources with its expenditures legally restricted for mental health and substance abuse services.
- Coronavirus Relief Fund – The Coronavirus Relief Fund is used to account for Federal and State funding received to reimburse for expenditures related specifically to the COVID-19 pandemic.
- County Capital Outlay Fund – The County Capital Outlay Fund is used to account for financial resources to be used for the major maintenance, acquisition, and/or construction of major capital facilities, other than those financed by business-type funds.

The County reports all of its enterprise funds as major funds:

- The San Joaquin County General Hospital Enterprise Fund (the Hospital) accounts for hospital operations involved in providing health services to County residents. Revenues are primarily fees for patient services and payments from Federal and State programs such as Medicare, Medi-Cal, realignment revenues, and subsidies from the General Fund.
- The Stockton Metropolitan Airport Enterprise Fund (the Airport) accounts for commercial, corporate business, and general aviation activities of the County. Revenues are primarily landing fees, rental fees, and concessionary fees generated from the Airport owned facilities, capital grants from the Federal Aviation Administration, and unsecured property taxes within the Airport's boundaries.
- The San Joaquin County Solid Waste Enterprise Fund accounts for the County's solid waste transfer and disposal activities, acquisition, design, development, and closure and post-closure maintenance of landfill sites, refuse collection franchise management, and other recycling programs. Revenues are primarily the gate and franchise fees.
- The CSA 31 Flag County Sewer Enterprise Fund is a dependent special district of the County and provides wastewater services for the 81 developable acres within its boundaries. Revenues are primarily charges for sewer services.

The County reports the following additional fund types:

- Internal Service Funds – Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or agencies of the County on a cost recovery basis. These services include the County’s fleet maintenance, telephone and radio communications, office automation, information systems, County owned water system, purchasing, and centrally managed insurance programs – workers compensation; employee medical, dental, and unemployment benefits; and casualty and medical malpractice liabilities.
- Pension Trust Fund – This is used to account for the SJCERA’s retirement system assets and changes in net position. The retirement system is a separate entity, and its financial operations are controlled by the Board of Retirement. The financial statements of the retirement system are included as a fiduciary fund. The post-retirement health benefit plan is also included in the Pension Trust Fund, as it is managed by SJCERA.
- Investment Trust Fund – This is used to account for the external portion of pooled investments of numerous self-governed school and special districts for which cash and investments are held by the County Treasurer.
- Private Purpose Trust Funds – These funds are used to account for the assets held for the public guardian and a minor pursuant to a liability claim settlement.
- Custodial Funds – These funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

D. Basis of Accounting

The government-wide, proprietary, private purpose, and investment trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donations. On the accrual basis of accounting, property tax revenues are recognized in the fiscal year for which the taxes are levied. Sales taxes 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.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Proprietary fund operating expenses, such as salaries and benefits or services and supplies, result from providing services and producing and delivering goods related to the proprietary fund’s primary operations.

Expenses that are not directly related to the proprietary fund's primary operations are reported as non-operating expenses.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, expenditures are recorded when the related liability is incurred except that the unmatured interest on long-term debt and expenses related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources. Revenues are recorded when they are both measurable and available to finance expenditures during the fiscal period. Property and sales taxes, interest, State and Federal grants, and charges for services are accrued when their receipt occurs within sixty (60) days after the end of the accounting period so as to be both measurable and available. Revenues earned but not received within 60 days after the end of the accounting period, on the other hand, are recorded as receivables and deferred inflows of resources – unavailable revenues.

E. Interfund Transactions

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

- Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation and are referred to as either "due to/due from other funds" (the short-term interfund loans) or "advance to/from other funds" (the long-term interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds are reported in the fund financial statements, and are classified as nonspendable component of fund balance as they are not available financial resources.
- Services provided, deemed to be at market or near market rate and are the core business of the function, are treated as revenues or expenditures/expenses in the funds involved. The related accounts payable and accounts receivable are eliminated upon consolidation and are referred to as "due to/due from other funds" on the fund statements.
- Reimbursement transactions are treated as reductions of expenditures/expenses in one fund and corresponding increases in the other fund.
- Operating/Capital transfers are reported as "transfers in" or "transfers out" under other financing sources and netted as part of the reconciliation to the government-wide presentation.

F. Cash and Investments

Cash and investments consist of cash held in the bank or on hand and debt and equity securities. All investment securities, such as certificates of deposit, bankers' acceptances, commercial paper, repurchase agreements, and U.S. Treasury notes, stocks, bonds, etc., are stated at fair value in accordance with generally accepted accounting principles. The funds are valued based on the fair value of the trust's underlying assets. Interest earnings on the County Treasurer's investment pool are distributed to all participating funds based on their average daily cash balance within the pool.

G. Fair Value Measurement

The County categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

H. Inventory and Prepaid Items

Inventory of materials and supplies in the enterprise funds, internal service funds, Mental Health and Substance Abuse Fund (a major governmental fund), and nonmajor governmental fund are stated at cost as determined by the first-in, first-out method. Materials and supplies purchased by other funds are for current consumption and are recorded as expenditures when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

I. Capital Assets

Capital assets (including infrastructure) are recorded at historical costs or at estimated historical cost if actual historical cost is not available. Infrastructure acquired prior to June 30, 1980, is not recorded. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 for equipment/furniture and structures and improvements, and an estimated useful life in excess of two years.

Capital assets acquired by the governmental funds are accounted for as expenditures of those funds and capitalized and recorded as assets in the government-wide financial statements. Assets constructed through the issuance of Certificates of Participation are capitalized. Material interest and incidental expenses, net of interest revenue earned on proceeds of Certificates of Participation during the construction period, have been capitalized. Major equipment acquired through long-term lease purchase arrangements is capitalized and reported as assets in the government-wide statement of net position.

Contributed capital assets are valued at acquisition value on the date contributed. Contributed capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including pavements in progress, bridges, and right of way.

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements that 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.

Depreciable capital assets of the enterprise funds and internal service funds are depreciated using the straight-line method over estimated useful lives of 10 to 50 years for structures and improvements and 2 to 20 years for equipment, furniture, and fixtures.

Capital assets used in operations of the governmental funds are depreciated on the government-wide financial statements only, using the straight-line method over estimated lives of 10 to 50 years for structure and improvements and 2 to 10 years for equipment, furniture, and fixtures. Infrastructure (i.e., roads, bridges, water/sewer, drainage system, flood control, etc.) is depreciated using a composite method to depreciate the infrastructure acquired after June 30, 1980, over an estimated weighted average life of 25 years.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an expense/expenditure until then. The County currently reports three (3) separate elements of deferred outflows of resources: deferred amounts on refunding, deferred outflows related to pensions, and deferred outflows related to OPEB.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. A deferred inflow of resources is an acquisition of net position that applies to a future reporting period and will not be recognized as revenue until then. The County currently reports three (3) separate elements of deferred inflows of resources: service concession arrangement, deferred inflows related to pensions, and deferred inflows related to OPEB.

In addition to liabilities, the balance sheet of the government funds reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as revenue until that time in the governmental funds. Unavailable revenue reported consists primarily of revenue that will be received outside of the County's 60-day availability policy.

K. Capital Lease Obligations

Capital leases consist of lease-purchase obligations stated at the present value of future minimum lease payments.

L. Property Taxes

The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including the schools and special districts within the County. The Board of Supervisors levies property taxes as of July 1 on property values assessed on January 1. Secured property tax payments are due in two equal installments. The first is generally due November 1 and is delinquent with penalties after December 10, and the second is generally due on February 1 and is delinquent with penalties after April 10. Secured property taxes become a lien on the property on January 1.

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the Government Code and Revenue and Taxation Code. The County is responsible for the assessment, collection, and apportionment of property taxes for all jurisdictions including schools and special districts within the County.

Property is assessed at 100 percent of full cash or market value (with some exceptions) pursuant to Article XIII of the California State Constitution and statutory provisions. The total 2020-21 net assessed valuation of the County real property was \$86.5 billion.

The property tax levy to support general operations of the various jurisdictions is limited to 1 percent of full cash value and is distributed in accordance with statutory formulas. Amounts needed to finance the annual requirements of voter-approved debt are excluded from this limitation and are separately calculated and levied each fiscal year. The rates are formally adopted by the Board after approval of County councils or the governing boards of special districts where applicable. Property taxes are levied on both real and personal property.

Secured property tax payments are levied in two equal installments: the first is generally due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Property taxes on the unsecured roll are levied on the January 1 lien date and become delinquent if unpaid after August 31.

The County's property taxes due to outside agencies are accounted for in the property tax collection custodial funds until apportionments are made, and funds are disbursed to taxing jurisdictions. The funds carried a net cash balance of approximately \$83 million as of June 30, 2021.

The County apportions property tax according to the Teeter Plan which is an alternate property tax distribution procedure authorized by the California Legislature in 1949. Under this method, the County, along with all other taxing agencies, has been paid 100 percent of the current secured taxes levied for each year. The fund balance (deficit) of the tax resource fund is consolidated with the General Fund at year-end.

The County maintains a balance of 2.5 percent (the legally required minimum balance is 1.0 percent) of the annual taxes levied on properties participating in the Teeter Plan in a Tax Loss Reserve Fund. The balance was approximately \$29.4 million at June 30, 2021. Penalties and interest collected on delinquent secured taxes are kept in the Tax Resource Fund.

M. Compensated Absences

Unused vacation leave may be accumulated up to a specified maximum and is paid at the time of termination from County employment. In accordance with the Memorandum of Understanding (MOU) between the County and the employees' unions, the County is only obligated to pay for unused sick leave up to a certain percentage at the time of eligible employees' retirement. Upon retirement, the County converts the non-cash payout portion to a sick-leave bank to provide the post-retirement medical, dental, or vision premium coverage for eligible employees.

The County accrues as current liabilities the compensated vacation and other leave benefits that are attributable to employees' services already rendered but not yet paid. A portion of the cash payout of the unused sick leave upon retirement, based on the past three years' experience, is also accrued as current liabilities.

N. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

- Nonspendable fund balance – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- 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.
- Committed fund balance – amounts that can only be used for specific purposes determined by formal action of the County’s highest level of decision-making authority (the Board of Supervisors) and that remain binding unless removed in the same manner. The underlying action 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 authority, or by a body or an official designated for that purpose. This is also the classification for residual funds in the County’s special revenue funds.
- Unassigned fund balance – the residual classification for the County’s General Fund that includes 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 Board establishes, modifies, or rescinds fund balance commitments and assignments by passage of an ordinance or resolution.

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

O. Net Position

The government-wide and business-type activities 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 – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

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

P. Long-term Liabilities

In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statements of net position. Bond discounts and premiums are amortized over the life of the bonds in the same manner as interest expense. Issuance costs are expensed in the period incurred. Bonds payable are reported net of the applicable bond discount or premium.

In the fund financial statements, governmental bond discounts and premiums, as well as bond issuance costs, are recognized in the period issued. The face amount of the debt issued, and any related premiums are reported as other financing sources, while discounts on debt issuances are reported on other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Q. Cash and Cash Equivalents

For purposes of the statements of cash flows of the proprietary funds, cash and cash equivalents are defined as cash pools managed by the County Treasurer and any other short-term, highly liquid investments that are both a) readily convertible to known amounts of cash and b) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Changes in fair value of investments are reported as cash flow from investing activities as they meet the definition of cash equivalents.

R. Use of Estimates

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

S. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the County's pension plans with San Joaquin County Employee Retirement Association (SJCERA) and the California Public Employees' Retirement System (CalPERS), including additions to/deductions from the pension plans' respective fiduciary net positions have been determined on the same basis as they are reported by SJCERA and CalPERS, respectively. 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.

Note 2 - Cash and Investments

The investment pool includes cash and investments of the County and both voluntary and involuntary participation from external entities. Interest earned on investments is credited to individual funds based on their average daily cash balances and current year secured tax charges and direct assessments where applicable. The Revolving Loan Fund Trusts, and restricted Certificates of Participation proceeds are invested and managed separately from the pooled cash and investments.

As of June 30, 2021, the County's cash, deposits and investments were as follows (in \$000's):

	Investment Pool	Special Funds & Investments	Fiscal Agents	Totals
Cash on hand	\$ 104	\$ -	\$ -	\$ 104
Deposits with financial institutions	9,098	4,487	245,428	259,013
Outstanding warrants	(84,182)	-	-	(84,182)
Investments	4,332,031	951	-	4,332,982
Total	\$ 4,257,051	\$ 5,438	\$ 245,428	\$ 4,507,917

Total cash and investments were presented on the County's financial statements as follows (in \$000's):

	Unrestricted	Restricted	Total
Primary government	\$ 1,586,980	\$ 11,998	\$ 1,598,978
Pension trust funds	230,045	-	230,045
Investment trust funds	2,084,187	-	2,084,187
Private purpose trust funds	13,023	-	13,023
Custodial funds	31,192	-	31,192
Discretely presented component units	550,492	-	550,492
Total	\$ 4,495,919	\$ 11,998	\$ 4,507,917

The restricted cash and investments of the primary government include \$5,287 for General Hospital, \$6,133 for Solid Waste, and \$577 for CSA 31 Flag City Sewer funds.

Investment Pool

The County Treasurer's Pool is not SEC-registered but is invested in accordance with California State Government Code and the County Treasurer's Investment Policy. The California statutes and the County's investment policy authorize the County to invest in obligations of the U.S. Treasury, certain Federal agencies, bankers' acceptances, "prime" commercial paper, certificates of deposit, swaps and trades, State Treasurer's Local Agency Investment Fund, and repurchase agreements. All of the County Treasurer's investments are of a mid-term and short-term nature. California State Government Code provides for the formation of an Investment Oversight Committee, which is charged with overseeing activity in the pool for compliance to policy and code requirements. To this end, the Oversight Committee annually reviews the County's investment policy and causes an audit of investments to occur.

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

Investment Types Authorized by State Law	Maximum Percentage of Portfolio	Maximum Maturity	Maximum Investment in One Issuer
United States (US) Treasury Obligations	None	5 years	None
U.S. Government Sponsored Enterprise Securities	None	5 years	None
California Asset Management Program	10%	N/A	None
Medium Term Notes	30%	3 years	None
Time Deposits	30%	1 year	None
Commercial Paper	30%	90 days	10%
Banker's Acceptances	40%	180 days	30%
Repurchase Agreements	None	1 year	None
Mutual Funds	20%	N/A	None
California State Warrants and Bonds	None	N/A	None
Negotiable Certificates of Deposit	30%	5 years	10%
Bank Deposits	None	N/A	\$100,000,000
Local Agency Investment Fund (LAIF)	None	N/A	\$75,000,000 / account

Investments Authorized by Debt Agreement

Cash and investments held by fiscal agents are restricted as to their use. It includes funds for the construction/acquisition of plant and equipment and funds designated by debt agreements as reserve funds and for servicing debt during the construction/acquisition of plant and equipment. At June 30, 2021, all cash and investments held by fiscal agents were covered by federal depository insurance or by Securities Investor Protection Corporation insurance, or by collateral held by the County's financial institutions in the County's name.

Deposits

At year-end, the carrying amount of the County's cash on hand and authorized deposits at various financial institutions was \$250.6 million. Of the total deposits, the first \$250,000 is insured by the Federal Depository Insurance Corporation. \$249 million was uninsured but secured by the pledging banks and, therefore, was exposed to custodial credit risk. The custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it.

Statutes and County investment policy allow the pool deposits to be covered by Federal depository insurance or by a multiple financial institution collateral pool, which is maintained at a minimum of 110 percent of the uninsured deposits with the pledging institution's agent in the institution's name. The County has made no exceptions to this requirement during the current year.

Fiscal Agents

Per the County’s Investment Policy, agencies not required to deposit funds with the County may place funds in the Investment Pool with the approval of the Treasurer. All agencies must comply with this Investment Policy. It is anticipated that most funds will be withdrawn from the Investment Pool by a warrant. Wire transfers must be arranged with the Treasurer-Tax Collector’s Office.

Investments

As of June 30, 2021, the County had the following pool investments (in \$000’s):

	Fair Value	Weighted Average Maturities (in days)	Fair Value as % of the Pool Investments	Credit Rating S&P/MIS
Commercial paper	\$ 349,698	138	8.1%	A1+ / P1
Money market account - Bank of the West	420,000	-	9.7%	NR / NR
Sweep account - Bank of the West	30,768	-	0.7%	NR / NR
Federal Farm Credit Bank	1,043,451	673	24.1%	AA+ / Aaa
Federal Home Loan Bank	671,007	898	15.5%	AA+ / Aaa
Federal Home Loan Mortgage Corporation	494,075	742	11.4%	AA+ / Aaa
Federal National Mortgage Association	94,572	964	2.2%	AA+ / Aaa
California Asset Management Program	550,000	-	12.7%	AAAm / N/R
Medium Term Note - Apple	20,350	438	0.5%	AA+ / Aa1
Medium Term Note - Chevron	5,008	438	0.1%	AA+ / Aa2
US T-Bills	556,997	482	12.9%	AA+ / AAA
CA GO Bonds	21,105	489	0.5%	AA+ / Aa2.
State Local Agency Investment Fund (LAIF)	75,000	-	1.7%	NR / NR
Total	<u>\$ 4,332,031</u>	<u>485</u>	<u>100.0%</u>	

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the County investment policy, the County Treasurer manages the exposure to declines in fair values by limiting the weighted average maturity of the investment portfolio to three years or less. As of June 30, 2021, the weighted average maturity of the pool investments was 485 days.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. California statutes and the County’s Investment Policy limit the County investments to obligations of the U.S. Treasury, certain Federal agencies, bankers’ acceptances, “prime” commercial paper, certificates of deposit, swaps and trades, State Treasurer’s Local Agency Investment Fund (LAIF), and repurchase agreements. Credit ratings as of June 30, 2021, of the pool investments are presented above.

Concentration of Credit Risk – Concentration of credit risk is the loss risk attributed to the magnitude of a government’s investment in a single issuer. The County’s investment policy places certain maximum percentage limitations of investments by investment type and the Treasurer has adhered to this policy with no exception. As of June 30, 2021, the County’s investments by investment type as the percentage of the pool investments are shown above.

Investments in the securities of any individual issuer, other than U.S. Treasury securities, mutual funds, and external investment funds that represent 5 percent or more of pooled investments are as follows at June 30, 2021 (in \$000's):

Issuer	Amount	Percent of Investments
Federal Farm Credit Bank	\$ 1,043,451	24.1%
Federal Home Loan Bank	671,007	15.5%
Federal Home Loan Mortgage Corporation	494,075	11.4%
Commercial Paper	349,698	8.1%

The County is a participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. Each entity may invest up to \$75,000,000 per account without limitation in special bond proceeds amounts. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. The County's investments with LAIF at June 30, 2021 included a portion of the pool funds invested in structured notes and asset-back securities. As of June 30, 2021, the County had \$75.0 million invested in LAIF, which had invested 2.31 percent of the pool investment funds in structured notes and asset-back securities. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The LAIF financial statements are available at the State Treasurer's Office website at www.treasurer.ca.gov.

The County Treasurer 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. It was created to provide professional investment services to California public agencies at a reasonable cost. The investment is maintained in the "Cash Reserve Portfolio" which is a short-term money market portfolio, which seeks to preserve principal, provide daily liquidity and earn a high level of income, consistent with its objectives of preserving principal. The County's Investment Pool's with CAMP as of June 30, 2021 was \$550,000,000 which approximates fair value.

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

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

Level 2 — Inputs to the valuation methodology include:

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

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the County's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the County's own data.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the County's management. County management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to County management's perceived risk of that investment.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The County's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals in governmental investment pools, such as LAIF and CAMP are made on the basis of \$1 and not fair value. Accordingly, the County's proportionate share in these types of investments is an unclassified input not defined as a Level 1, Level 2, or Level 3 input.

The following is a description of the valuation methods and assumptions used by the County to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2020. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. County management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The County's treasury pools asset market prices are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy.

For investments classified within Level 2 of the fair value hierarchy, the County's custodians generally use a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads and benchmark securities, among others. The County does not have any investments that are measured using Level 3 inputs.

The valuation of Money Market Mutual funds held by the pool is at one-dollar net asset value (NAV) per share. The total fair value of these at June 30, 2021 was \$420,000,000. The redemption frequency is daily and redemption notice period of intra-daily. This type of investment primarily invests in short term U.S Treasury and government securities (including repurchase agreements collateralized by U.S. Treasury and government agency securities).

The County has the following recurring fair value measurements as of June 30, 2021 (in 000's):

	Fair Value at June 30, 2021	Fair value measurements using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Commercial paper	\$ 349,698	\$ -	\$ 349,698	\$ -
Federal Farm Credit Bank	1,043,451	-	1,043,451	-
Federal Home Loan Banks	671,007	-	671,007	-
Federal Home Loan Mortgage Corporation	494,075	-	494,075	-
Federal National Mortgage Association	94,572	-	94,572	-
Medium Term Note - Apple	20,350	-	20,350	-
Medium Term Note - Chevron	5,008	-	5,008	-
US T-Bills	556,997	-	556,997	-
General Obligation Bonds - CA	21,105	-	21,105	-
Total Investments by fair value level	3,256,263	\$ -	\$ 3,256,263	\$ -
Investments not required to be leveled according to the hierarchy				
Money market account - Bank of the West	420,000			
Sweep account - Bank of the West	30,768			
California Asset Management Program (CAMP)	550,000			
State Local Agency Investment Fund (LAIF)	75,000			
Total Investments	\$ 4,332,031			

In lieu of separately issued financial statements for the entire pool and the external portion of the pool, condensed financial statements for the pool are presented below as of and for the year ended June 30, 2021:

Statement of net position:	
Cash and Investments at fair value	\$ 4,257,051
Interest Receivables	<u>4,038</u>
Net position	<u>\$ 4,261,089</u>
Equity of internal pool participants	\$ 2,173,495
Equity of external pool participants	<u>2,086,005</u>
Net position	<u>\$ 4,259,500</u>
Statement of changes in net position:	
Net position at July 1, 2020	\$ 3,687,449
Net change in investments by pool participants	<u>572,051</u>
Net position at June 30, 2021	<u>\$ 4,259,500</u>

Special Funds and Investments

In addition to the County Treasurer’s investment pool, certain specific funds and investments are managed by contracted financial institutions (fiscal agents) and include the Industrial Revolving Loan Fund and the restricted Certificates of Participation (COPs). The investments of COPs and revenue bonds are reported as restricted cash and investments on the financial statements of the County debt service funds and the Solid Waste Enterprise Fund. The purpose of the restricted cash is to fund future long-term debt payments (\$1.6 million) and capital projects (\$3.9 million). Presented below are those deposits and investments managed by the trustee banks at June 30, 2021 (in \$000’s):

	Fair Value			Weighted Average Maturities (yrs)	Credit Rating S&P/MIS
	Revolving Loan Fund	Certificates of Participation	Total		
Money market fund	\$ 3,880	\$ 1,558	\$ 5,438	Not applicable	Not applicable
	<u>\$ 3,880</u>	<u>\$ 1,558</u>	<u>\$ 5,438</u>		

The County has the following recurring fair value measurements with their Special Funds and Investments as of June 30, 2021 (in 000's):

	Fair Value at June 30, 2021	Fair value measurements using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Money market funds	\$ 5,438	\$ -	\$ 5,438	\$ -
 Total Investments Measured at Fair Value Level	<u>\$ 5,438</u>	<u>\$ -</u>	<u>\$ 5,438</u>	<u>\$ -</u>

Note 3 - SJCERA Cash and Investments

A. Investment in Securities Lending Program

SJCERA participates in the Northern Trust Company (NT)'s pooled securities lending program. Under the agreement, NT is authorized to lend the SJCERA securities that it holds to certain SJCERA-approved borrowers. NT does not have the ability to pledge or sell collateral securities unless a borrower default occurs.

All loans are fully collateralized with either cash, securities issued or fully guaranteed by the U.S. government, or irrevocable bank letters of credit. All collateral is held or invested by NT. The term or maturity of the securities loaned is generally matched with the term or maturity of the investment of the cash collateral. U.S. securities are loaned with collateral valued at 102 percent of the fair value of the securities plus any accrued interest. Non-U.S. securities are loaned with collateral valued at 105 percent of the fair value of the securities plus any accrued interest.

As of December 31, 2020, SJCERA had the following securities out on loan.

	Fair Value of Securities Lent	Cash Collateral Value	Non Cash Collateral Value
U.S. Equities	\$ 6,480,436	\$ 4,445,007	\$ 2,234,099
U.S. Debt Securities	119,614,338	78,905,842	43,461,396
 Total U.S. Securities	<u>\$ 126,094,774</u>	<u>\$ 83,350,849</u>	<u>\$ 45,695,495</u>
 Non-U.S. Equities	\$ 5,314,459	\$ -	\$ 5,659,714
Non-U.S. Debt Securities	54,601,088	238,348	57,961,882
 Total non-U.S. Securities	<u>59,915,547</u>	<u>238,348</u>	<u>63,621,596</u>
 Total	<u>\$ 186,010,321</u>	<u>\$ 83,589,197</u>	<u>\$ 109,317,091</u>

The cash collateral is reported on the financial statements as an asset and as a liability of SJCERA. Securities lending transactions collateralized by letters of credit or by securities that SJCERA does not have the ability to pledge or sell unless the borrower defaults are not be reported as assets and liabilities in accordance with GASB Statement No. 28. The potential risks involved in the securities lending program include borrower bankruptcy, collateral deficiencies, settlement problems, corporate actions, dividends, and interest. SJCERA’s pro-rata share of net income derived from NT’s pooled securities lending transactions in 2020 was \$581,476. As of December 31, 2020, there was no credit risk exposure to borrowers because the collateral exceeded the amount borrowed. The securities on loan at year-end were \$186 million and the collateral received for those securities on loan was \$193 million.

B. Cash and Short-Term Investments

The carrying value of cash and short-term investments at December 31, 2020, consists of the following.

	Amount
Cash and Cash Equivalents – Custodian	\$ 146,198,749
Cash and Cash Equivalents – County Treasury	233,752
Total cash and cash equivalents	\$ 146,432,501
Cash Collateral – Securities Lending – Custodian	\$ 83,589,197
Total cash and short-term investments	\$ 230,021,698

C. Long-Term Investments

SJCERA owned the following long-term investments at December 31, 2020.

	Fair Value
Investments - Categorized	
Stabel fixed income	\$ 322,514,912
Credit	479,100,892
Global public equities	1,258,623,730
Private appreciation	456,340,240
Risk parity	409,233,403
Crisis Risk Offset (CRO)	463,660,827
Total investments - categorized	\$ 3,389,474,004
Investments - Not Categorized	
Investments Held by Broker-Dealers Under Securities Loans	
U.S. Equities	\$ 4,445,007
U.S. Debt securities	78,905,842
Non-U.S. debt securities	238,348
Total investments held by broker-dealers under securities loan	\$ 83,589,197
Total investments	\$ 3,473,063,201

GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, establishes and modified disclosure requirements related to the following:

- Credit risk
- Custodial credit risk
- Concentration of credit risk
- Interest rate risk
- Foreign currency risk

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. SJCERA’s investment policy seeks to maintain a diversified portfolio of fixed income instruments in order to obtain the highest total return for the fund at an acceptable level of risk within the asset class. To control such risk, credit quality guidelines have been established for the separately managed accounts. The following table depicts the value of the investments exposed to those risks and the corresponding credit ratings from Standard & Poor’s (S&P) as of December 31, 2020.

Quality Ratings	Fair Value
AAA	\$ 173,054,029
AA	7,679,276
A	21,351,376
BAA	69,232,970
BA	25,377,862
B	12,456,190
CAA	7,687,211
CA	11,467,722
C	92,250
Not Rated	309,467,902
Subtotal	637,866,788
U.S. Government Agencies - Implied AAA (FNMA, FHLB, FHLMC, SLMA, Other)	163,749,016
Total investments in fixed income securities	\$ 801,615,804

Custodial Credit Risk

The custodial credit risk represents the risk that, in the event of the failure of the counterparty of a transaction, SJCERA will not be able to recover the value of deposits and investments or collateral securities that are in the possession of an outside party.

Deposits

The deposits with the County Treasurer are uninsured but secured by public funds of the pledging banks. The pool’s investments, all held in the County’s name, are short-term and include U.S. Treasury Bills, certain Federal agencies’ instruments, bankers’ acceptances, “prime” commercial paper, certificates of deposit, repurchase agreements, and the State Treasurer’s Local Agency Investment Fund.

The cash deposits with NT are uninsured and uncollateralized. All underlying investments in the commingled STIF account are not registered in SJCERA's name.

Investments

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in SJCERA's name, and held by the counterparty. SJCERA's investment securities are not exposed to custodial credit risk because all securities are held by SJCERA's custodial bank in SJCERA's name, or by other qualified third-party administrator trust accounts.

Concentration of Credit Risk

This risk represents the potential loss attributable to the magnitude of SJCERA's investments in a single issuer. As of December 31, 2020, for separately managed investment accounts, SJCERA did not hold any investments within any one issuer that would represent five percent or more of plan fiduciary net position.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of the price sensitivity of a fixed income portfolio to changes in interest rates. It is calculated as the weighted average time to receive a bond's coupon and principal payments. The longer the duration of a portfolio, the greater its price sensitivity to changes in interest rates.

As of December 31, 2020, SJCERA had the following interest rate sensitive investments.

Investment Type	Fair Value	Weighted Average Maturity Years
U.S. Government And Agency Instruments		
U.S. government mortgages	\$ 71,614,289	23.85
U.S. government bonds	199,354,457	18.48
Government-issued commercial mortgage-backed	1,518,236	14.58
Municipal / revenue bonds	2,013,772	15.46
Agency	4,080,392	15.56
Short-term bills and notes	63,497,621	0.09
Total U.S. government and agency instruments	<u>\$ 342,078,767</u>	
Corporate Securities		
Asset backed securities	\$ 30,903,544	16.78
Collateralized bonds	2,000	25.53
Commercial mortgage-backed	17,608,470	16.03
Corporate bonds	126,072,158	14.35
Corporate convertible bonds	1,324,196	29.02
Non-government backed collateralized mortgage obligations (CMOS)	41,422,387	19.81
Total corporate securities	<u>\$ 217,332,755</u>	
Real Estate Financing	<u>\$ 242,204,282</u>	
Total fixed income securities	<u>\$ 801,615,804</u>	

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates may adversely affect the fair value of an investment. SJCERA’s external non-U.S. equity and fixed income investment managers may invest in international securities in accordance with their investment guidelines pertaining to these types of investments.

Currency hedging on an unleveraged basis is permitted by non-U.S. equity managers as a strategy to protect against losses due to currency translations (defensive hedging). However, it is expected that the primary sources of added value for non-U.S. equity investment managers will be stock and country selection, with currency management focused on limiting losses due to fluctuations in currency values. Managers may purchase or sell currency on a spot basis to accommodate securities settlements.

Managers may invest in developed market currencies and emerging market currencies in accordance with their investment guidelines. Permitted derivative instruments are currency spots, currency forward contracts (deliverable or non-deliverable), currency futures, options on currency forwards or futures, and currency swaps. Other investments, contracts, or positions that, in the managers’ judgment, are of similar purpose and character and equal credit quality and marketability to any of the investments above, are also permissible.

SJCERA’s exposure to foreign currency risk in U.S. dollars as of December 31, 2020 is as follows.

Currency	Fair Value
British pound sterling	\$ 4
Canadian dollar	659,190
Euro currency	104,840
Total	\$ 764,034

D. Fair Value Measurement

In accordance with GASB Statement No. 72, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The statement establishes a fair value hierarchy based on three types of input to develop the fair value measurements for investments. The level is determined based on the lowest level of input significant to the measurement in its entirety. Assets and liabilities measured at fair value are classified into one of the following categories:

Fair Value Hierarchy

Level 1 – reflects unadjusted quoted prices in active markets for identical assets or liabilities accessible on the measurement date. Observable markets include exchange markets, dealer markets, and brokered markets.

Level 2 – reflects similar observable inputs other than quoted market prices. It includes quoted prices for similar assets in active markets or quoted prices for identical or similar assets in inactive markets.

Level 3 – reflects prices based on unobservable sources. They should be used only when relevant Level 1 and Level 2 inputs are unavailable.

The following table presents fair value measurements as of December 31, 2020.

Investment by Fair Value Level	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities				
Common Stocks	\$ 38,322,657	\$ 38,316,813	\$ 5,844	\$ -
Preferred Stocks	1,063,050	1,063,050	-	-
Total equities	<u>\$ 39,385,707</u>	<u>\$ 39,379,863</u>	<u>\$ 5,844</u>	<u>\$ -</u>
Fixed Income				
Asset Backed Securities	\$ 30,903,544	\$ -	\$ 30,903,544	\$ -
Collateralized Bonds	2,000	-	2,000	-
Commercial Mortgage-Backed	17,608,470	-	17,608,470	-
Corporate Bonds	126,072,158	-	126,072,158	-
Corporate Convertible Bonds	1,324,196	-	1,324,196	-
Funds – Corporate Bonds	55,681,347	-	55,681,347	-
Funds – Government Bonds	16,240,336	-	16,240,336	-
Funds – Fixed Income ETF	4,257,534	4,257,534	-	-
Government Issued Commercial Mortgage-Backed	1,518,236	-	1,518,236	-
Government Agencies	4,080,392	-	4,080,392	-
Government Bonds	199,354,457	-	199,354,457	-
Government Mortgage-Backed Securities	71,614,289	-	71,614,289	-
Municipal/Provincial Bonds	2,013,772	-	2,013,772	-
Non-Government Backed CMOs	41,422,387	-	41,422,387	-
Other Fixed Income	103,307,517	-	-	103,307,517
Total fixed income	<u>\$ 675,400,635</u>	<u>\$ 4,257,534</u>	<u>\$ 567,835,584</u>	<u>\$ 103,307,517</u>
Other Assets				
Short-Term Bills and Notes	\$ 63,964,064	\$ 466,443	\$ 63,497,621	\$ -
Futures Contracts	4,333,069	-	4,333,069	-
Option Contracts	5,413,749	-	5,413,749	-
Swaps	357,450	-	357,450	-
Total other assets	<u>\$ 74,068,332</u>	<u>\$ 466,443</u>	<u>\$ 73,601,889</u>	<u>\$ -</u>
Collateral from Securities Lending	<u>\$ 83,589,197</u>	<u>\$ -</u>	<u>\$ 83,589,197</u>	<u>\$ -</u>
Total investments by fair value level	<u>\$ 872,443,871</u>	<u>\$ 44,103,840</u>	<u>\$ 725,032,514</u>	<u>\$ 103,307,517</u>
Investments Measured At The Net Asset Value (NAV)				
Global Equities Funds	\$ 1,154,322,184			
Emerging Markets Global Equity	66,032,133			
Fixed Income Funds	184,220,344			
Private Credit	45,534,919			
Risk Parity Funds	409,233,402			
Multi-Strategy Funds	220,141,833			
Hedge Funds – Fixed Income	19,764,224			
Private Equity Funds	227,255,138			
Private Real Estate Funds	274,115,153			
Total investments measured at NAV	<u>\$ 2,600,619,330</u>			
Total investments	<u>\$ 3,473,063,201</u>			

Investments Measured At Net Asset Value (NAV)

SJCERA measures certain investments that do not have a readily determinable fair value, such as hedge funds, commingled funds, and private equity funds, using NAV as a practical expedient. The SJCERA investments valued at NAV are the majority holdings for SJCERA portfolio. The following table presents the unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for SJCERA investments measured at NAV.

The following table presents the investments measured at NAV as December 31, 2020.

Investments Measured At Nav	Fair Value	Unfunded Commitment	Redemption Frequency if Currently Eligible	Redemption Notice Period
			Daily, Weekly, Semi-Monthly, Monthly	1-30 Days
Global Equity Funds	\$ 1,154,322,184	\$ -		
Emerging Markets Global Equity	66,032,133	-	Weekly	1-4 Days
Fixed Income Funds	184,220,344	7,025,971	Daily, Not Eligible	1 Day
Private Credit	45,534,919	195,124,301	Not Applicable	Not Applicable
Risk Parity Funds	409,233,402	-	Monthly	5-15 Days
			Daily, Weekly, Semi-Monthly, Monthly	0-15 Days
Multi-Strategy Hedge Funds	220,141,833	-		
Hedge Funds	19,764,224	12,717,985	Daily, Quarterly, Not Eligible	0-60 Days
Private Equity Funds	227,255,138	115,082,095	Not Eligible	Not Applicable
				5-90 Days, Not Applicable
Private Real Estate Funds	274,115,153	84,715,326	Quarterly, Not Eligible	Applicable
Total investments measured at NAV	<u>\$ 2,600,619,330</u>	<u>\$ 414,665,678</u>		

Global Equity Funds – Assets within these funds represent shares of ownership in U.S. and international corporations, including publicly traded common stocks, American and Global Depository Receipts, as well as Real Estate Investment Trusts (REITS).

Emerging Markets Global Equity – Assets within this segment represent a diversified portfolio seeking to identify growing countries and the companies that complement our core Equity holdings.

Fixed Income Funds – Funds within this segment represent debt instruments of corporations, government or agencies characterized by a fixed or variable interest rate and stated maturity date, including marketable bonds.

Private Credit – Assets within this segment are defined by non-bank lending where the debt is not issued or traded on the public markets.

Risk Parity Funds – Funds within this segment represent portfolios that seek to balance the risk characteristics of assets across multiple segments. These portfolios generally invest in equities, bonds and commodities among other assets.

Multi-Strategy Hedge Funds – Funds within this segment can involve holding both long and short positions in securities instead of traditional long-only investments in publicly traded investments. Portfolios also may utilize derivatives or hedging strategies as well. Multi-Strategy managers utilized various investment segments to invest, including but not limited to, equities, bonds, currency, and commodities.

Fixed Income Hedge Funds – Funds within this segment can involve holding both long and short positions in securities instead of traditional long-only investments in publicly traded investments. Portfolios also may utilize derivatives or hedging strategies as well. These investment funds generally focus on opportunities within fixed income markets.

Private Equity Funds – These funds are illiquid allocations that invest primarily in buyout funds, venture capital, and debt/special situations. These funds are not eligible for redemption and investment periods are generally between five and 15 years.

Private Real Estate Funds – These funds are defined as those investments that are unleveraged or leveraged positions in real property. The portfolio may pursue direct privately held partnership interests, fund-of-funds interests, and direct holdings for its real estate allocation.

E. Summary of Investment Policy

The CERL vests the SJCERA Board with exclusive control over SJCERA's investment portfolio. The SJCERA Board established investment policies in accordance with applicable local, State, and Federal laws. The Board members exercise authority and control over the management of SJCERA's assets by setting policy, which the staff executes either internally or through the use of external prudent experts. The Board provides oversight and guidance subject to the following basic fiduciary responsibilities:

- Solely in the interest of, and for the exclusive purpose of, providing economic benefits to participants and their beneficiaries.
- With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character with like objectives.
- Diversify the investments of the plans so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances, it is clearly prudent not to do so. Diversification is applicable to the deployment of the assets as a whole.

Note 4 - Receivables

Taxes and accounts receivable balances of the County’s major individual funds, nonmajor and internal service funds in the aggregate, and discretely presented component units, including the applicable allowance for uncollectible accounts are as follows at June 30, 2021 (in \$000’s):

Receivables - Governmental Activities	General Fund	Mental Health Substance Abuse Fund	Coronavirus Relief Fund	Capital Outlay Fund	Other Governmental Funds	Internal Service Funds	Allowance for Uncollectible	Total Governmental Activities
Taxes - gross	\$ 42,252	\$ -	\$ -	\$ -	\$ 4,505	\$ -	\$ (935)	\$ 45,822
Accounts	8,021	1,240	-	-	4,453	1,419	-	15,133
Interest	654	143	38	118	288	84	-	1,325
Loan receivable	85	-	-	-	39,334	-	-	39,419
Due from other agencies	45,226	11,545	-	-	10,203	-	-	66,974
Total Receivables	\$ 96,238	\$ 12,928	\$ 38	\$ 118	\$ 58,783	\$ 1,503	\$ (935)	\$ 168,673

Receivables - Business-type Activities	Hospital	Airport	Solid Waste	CSA 31 Flag City Sewer	Allowance for Uncollectible	Total Business-type Activities
Accounts	\$ 555,852	\$ 339	\$ 3,142	\$ -	\$ (491,730)	\$ 67,603
Interest	160	-	26	2	-	188
Due from other agencies	145,764	430	-	-	-	146,194
Total receivables	\$ 701,776	\$ 769	\$ 3,168	\$ 2	\$ (491,730)	\$ 213,985

Note 5 - Revenue Recognition

The governmental funds report a deferred inflow of resources as unavailable revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period. Governmental and enterprise funds also report an unearned revenue to defer revenue recognition in connection with resources that have been received, but not yet earned.

At June 30, 2021, the various components of deferred inflows of resources – unavailable revenues and unearned revenue reported were as follows (in \$000's):

Governmental Activities:	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
General Fund:			
Property taxes receivable – secured	\$ 65,337	\$ -	\$ 65,337
Property taxes receivable – unsecured	4,698	-	4,698
Due from other governmental agencies	17,976	-	17,976
Grants received prior to meeting all eligible requirements	-	28,272	28,272
Others	2,718	-	2,718
Mental Health and Substance Abuse Fund:			
Due from other governmental agencies	635	-	635
Coronavirus Relief Fund:			
Grants received prior to meeting all eligible requirements	-	81,005	81,005
Other Gov. funds and Internal Service funds:			
Due from other governmental agencies	3,735	-	3,735
Others	500	-	500
Property taxes receivable-unsecured	560	-	560
	<u>\$ 96,159</u>	<u>\$ 109,277</u>	<u>\$ 205,436</u>
 Business-Type Activities:		<u>Unearned</u>	<u>Total</u>
General Hospital Enterprise Fund		\$ 3,767	\$ 3,767
Airport Enterprise Fund		609	609
		<u>\$ 4,376</u>	<u>\$ 4,376</u>

Note 6 - Interfund Transactions and Balances

Due to and Due from Other Funds

Due to and due from other funds represents short-term borrowing between funds and regular services and supplies provided but not settled at year-end. The composition of interfund balances as of June 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	General Fund	\$ 24,134
	Mental Health and Substance Abuse Fund	58,445
	Coronavirus Relief Fund	1,282,914
	Other Governmental Funds	2,170,160
	Stockton Metropolitan Airport Fund	25,253
	General Hospital Fund	12,856
		<u>3,573,762</u>
Mental Health and Substance Abuse Fund	General Fund	171,802
		<u>171,802</u>
Other Governmental Funds	General Fund	11,513
	Other Governmental Funds	14,955
		<u>26,468</u>
	Total Govt funds	<u>\$ 3,772,032</u>
Internal Service Funds	General Fund	\$ 2,661,613
	Mental Health and Substance Abuse Fund	157,657
	Other Governmental Funds	584,507
	Internal Service Enterprise Funds	88,967
	Stockton Metropolitan Airport Fund	7,904
	General Hospital Enterprise Fund	380,790
	Solid Waste Enterprise Fund	22,646
	Total Internal Service Funds	<u>\$ 3,904,084</u>
General Hospital Enterprise Fund	General Fund	\$ 15,264
		<u>15,264</u>
	Total Enterprise Funds	<u>\$ 15,264</u>
	Total	<u>\$ 7,691,380</u>

Advances to/from Other Funds

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Funds Stockton Metropolitan Airport Enterprise Fund	\$ 3,686,968 380,000
		4,066,968
County Capital Outlay Fund	General Fund	217,109
		\$ 4,284,077

The Advance from the General Fund to the Stockton Metropolitan Airport Enterprise Fund in the amount of \$380,000 was to provide initial funding for expenses related to a federal grant application related to the construction of an area of an adjacent commercial business property that will be developed for aviation and aviation supported activities. Construction on the property began in November 2021, with full build-out anticipated by 2026. The advance will be repaid upon award of the Federal grant. No interest is being accrued.

The Advances from the General Fund to the Other Governmental Funds in the amount of \$3,686,888 are to fund capital asset improvements and other long-term projects. Payments on the advances are made from receipts of charges for services. There is no set payment schedule, and the General Fund is expected to be repaid by future revenues of the Other Governmental Funds when funds are available. No interest is being accrued.

Interfund Transfers

During the course of normal operations, the County has numerous transactions between funds as a result of labor negotiations, new funding resources, new projects, debt service payments, etc. Those transfer transactions are summarized below (in \$000's):

Transfer from	Transfer to	Amount
General Fund	General Hospital Enterprise Fund	\$ 2,138
	Stockton Metropolitan Airport Fund	640
	Mental Health and Substance Abuse Fund	3,806
	Internal Service Funds	1,790
	County Capital Outlay Fund	4,690
	Other Governmental Funds	9,137
		22,201
Mental Health and Substance Abuse Fund	General Fund	1,548
	County Capital Outlay Fund	879
		2,427
County Capital Outlay Fund	General Fund	47
Other Governmental Funds	General Fund	12,913
	Other Governmental Funds	2,879
		15,792
		\$ 40,467

Note 7 - Capital assets

Capital asset activity for the year ended June 30, 2021, was as follows (in \$000's):

	Balance July 1, 2020	Additions	Retirement	Transfers & Adjustments	Balance June 30, 2021
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 14,261	\$ -	\$ -	\$ -	\$ 14,261
Construction in progress	6,410	145	-	-	6,555
Total capital assets, not being depreciated	<u>20,671</u>	<u>145</u>	<u>-</u>	<u>-</u>	<u>20,816</u>
Capital assets, being depreciated					
Structure and improvements	465,669	13,064	-	(1,604)	477,129
Furniture and equipment	124,960	11,892	(7,600)	(7)	129,245
Capitalized leases	27,745	3,465	(1,122)	-	30,088
Other capitalized assets	8,742	-	-	-	8,742
Infrastructure	595,226	21,451	-	1,611	618,288
Total capital assets, being depreciated	<u>1,222,342</u>	<u>49,872</u>	<u>(8,722)</u>	<u>-</u>	<u>1,263,492</u>
Less accumulated depreciation for:					
Structure and improvements	214,731	10,221	-	-	224,952
Furniture and equipment	86,370	7,880	(7,447)	-	86,803
Capitalized leases	14,322	3,516	(783)	-	17,055
Other capitalized assets	8,742	-	-	-	8,742
Infrastructure	272,645	20,478	-	-	293,123
Total depreciation	<u>596,810</u>	<u>42,095</u>	<u>(8,230)</u>	<u>-</u>	<u>630,675</u>
Total capital assets, being depreciated, net	<u>625,532</u>	<u>7,777</u>	<u>(492)</u>	<u>-</u>	<u>632,817</u>
Governmental activities capital assets, net	<u>\$ 646,203</u>	<u>\$ 7,922</u>	<u>\$ (492)</u>	<u>\$ -</u>	<u>\$ 653,633</u>
Business-type Activities					
Capital assets, not being depreciated					
Land	\$ 4,663	\$ -	\$ -	\$ -	\$ 4,663
Construction in progress	15,504	2,263	-	(2,741)	15,026
Total capital assets, not being depreciated	<u>20,167</u>	<u>2,263</u>	<u>-</u>	<u>(2,741)</u>	<u>19,689</u>
Capital assets, being depreciated					
Structure and improvements	249,147	5,425	-	-	254,572
Furniture and equipment	110,278	6,610	(280)	1,334	117,942
Capital leases	6,989	-	-	-	6,989
Infrastructure	7,831	-	-	-	7,831
Total capital assets, being depreciated	<u>374,245</u>	<u>12,035</u>	<u>(280)</u>	<u>1,334</u>	<u>387,334</u>
Less accumulated depreciation for:					
Structure and improvements	131,748	6,943	-	(839)	137,852
Furniture and equipment	58,027	9,245	(280)	-	66,992
Capital leases	2,725	644	-	-	3,369
Infrastructure	3,732	312	-	-	4,044
Total depreciation	<u>196,232</u>	<u>17,144</u>	<u>(280)</u>	<u>(839)</u>	<u>212,257</u>
Total capital assets, being depreciated, net	<u>178,013</u>	<u>(5,109)</u>	<u>-</u>	<u>2,173</u>	<u>175,077</u>
Business-type activities capital assets, net	<u>\$ 198,180</u>	<u>\$ (2,846)</u>	<u>\$ -</u>	<u>\$ (568)</u>	<u>\$ 194,766</u>

Depreciation expense was charged to governmental functions as follows (in \$000's):

	Amount
General government	\$ 4,016
Public protection	6,371
Public ways and facilities	20,817
Health and sanitation	1,652
Public assistance	2,199
Education	20
Recreation and culture	554
Depreciation on capital assets held by the County internal service funds is charged to the various functions based on their usage of the assets	6,466
Total depreciation expense - governmental activities	\$ 42,095

Depreciation expense was charged to business-type functions as follows (in \$000's):

	Amount
General Hospital enterprise	\$ 12,768
Airport enterprise	2,070
Solid Waste enterprise	1,993
CSA 31 Flag City Sewer enterprise	313
Total depreciation expense – business-type functions	\$ 17,144

Note 8 - Long-Term Liabilities

The following is a schedule of long-term debt as of June 30, 2021 (in \$000's):

Governmental Activities:

	Amount				
	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Amounts Due Within One Year
Certificates of participation	\$ 70,545	\$ -	\$ 4,950	\$ 65,595	\$ 5,195
Issuance premium	12,438	-	1,035	11,403	-
Notes payable - direct borrowing	1,276	-	94	1,182	97
Capital leases - direct borrowing	11,041	3,187	3,745	10,483	3,620
	\$ 95,300	\$ 3,187	\$ 9,824	\$ 88,663	\$ 8,912

Business-Type Activities:

	Amount				
	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Amounts Due Within One Year
Certificates of participation	\$ 3,325	\$ -	\$ 1,620	\$ 1,705	\$ 1,705
Issuance premium on COPs	250	-	125	125	-
Revenue refunding bonds	7,380	-	180	7,200	190
Issuance premium on revenue bonds	517	-	23	494	-
Capital leases - direct borrowing	3,783	-	738	3,045	747
	<u>\$ 15,255</u>	<u>\$ -</u>	<u>\$ 2,686</u>	<u>\$ 12,569</u>	<u>\$ 2,642</u>

A. Capital Leases

The County has entered into long-term capital leases agreements under which the related equipment will become the property of the County when all terms of the lease agreements are met. Equipment under capital leases includes the following:

	Governmental Activities	Business-Type Activities
Equipment	\$ 30,087,989	\$ 6,988,763
Less: accumulated depreciation	<u>17,054,231</u>	<u>3,368,903</u>
Net Value	<u>\$ 13,033,758</u>	<u>\$ 3,619,860</u>

B. Certificates of Participation, Revenue Bonds, and Notes Payable

Certificates of Participation

The County had the following Certificates of Participation (COPs) issues outstanding at June 30, 2021:

Project Name	Issuance Date	Face Value of the C.O.P.	Year-End Balance
Governmental Activities:			
2017 County Administration Building Refunding	August 22, 2017	\$ 79,865,000	\$ 65,595,000
Total Governmental Activities		<u>\$ 79,865,000</u>	<u>\$ 65,595,000</u>
Business-Type Activities:			
Solid Waste System Facilities Project (including refunding)	July 23, 2014	\$ 12,655,000	\$ 1,705,000
Total Business-Type Activities		<u>\$ 12,655,000</u>	<u>\$ 1,705,000</u>

All Certificates of Participation were issued by the San Joaquin County Public Facilities Financing Corporation. According to the official statements of the COPs, all proceeds from the issuance are held and maintained by a Trustee Bank (Trustee) for the County Treasury. The Trustee invests the proceeds in demand or time deposits of any bank authorized to accept deposits of public funds, and/or in permitted investments as authorized by the County. Interest or profits on such investments received by the Trustee are, prior to the completion of the acquisition, construction, and installation of the project, deposited in the Project Fund and thereafter are deposited in the Interest Fund. Costs of the acquisition and construction of the project are paid by the Trustee from the Project Fund, upon the County's authorization. Once the project is completed, the remaining funds in the Acquisition and Construction Fund, if any, are transferred to the County's proper funds or to the debt service funds.

The 2017 County Administration Building Project Refunding COPs are recorded as the liabilities of the Governmental Activities on the statement of net position. The debt service transactions and the fund balance of the reserve are recorded in the County Debt Service Fund. The portion of the proceeds that are used for the construction of the County administration building is recorded in the County Capital Outlay Fund. All activities are also included in the Governmental Activities on the statement of net position.

The 2017 Refunding COPs were issued on August 22, 2017, with an average interest rate of 5 percent, to prepay and defease all of the outstanding principal amount of the 2007 County Administration Building Project COPs, issued on May 23, 2007, with an average interest rate from 4.75 percent to 5.0 percent, and pay the costs of financing, including the premium for the Policy and Reserve Policy. The certificates mature in 2031 with principal payments ranging from \$165,000 to \$8,045,000.

The 2003 Solid Waste System Facilities Projects COPs are recorded in the Solid Waste enterprise fund. These Refunding Revenue COPs (\$8,855,000 Tax-Exempt and \$3,800,000 Taxable) were issued on August 6, 2014, with an average interest rate of 5.0 percent to prepay all of the outstanding COPs that were issued on May 8, 2003, with an average interest rate of 6.5 percent to advance refund the outstanding COPs issued in 1994, current refund the outstanding COPs issued in 1991, and provide approximately \$17 million to fund various Solid Waste System Facilities projects. These Refunding Revenue COPs are repaid from the net revenues of the County's solid waste system operations in accordance with the COP agreements. The improvement of real property is recognized in the Solid Waste Enterprise Fund. The certificates mature in 2022 with a final principal payment of \$1,705,000.

Repayments made by the County to the Trustee are held in trust by the Trustee Bank in the Interest Fund or the Base Rental Fund for the benefit of the County, but are irrevocably pledged to the Trustee for the benefit of the owners of the COP. The funds are used for the payment of interest and principal evidenced by the COPs.

Revenue Bonds

The County had the following Revenue Bonds issues outstanding at June 30, 2021:

<u>Project Name</u>	<u>Issuance Date</u>	<u>Face Value of Revenue Bonds</u>	<u>Year-End Balance</u>
2018 County Service Area No. 31 Revenue Refunding	February 27, 2018	\$ 7,750,000	\$ 7,200,000
		<u>\$ 7,750,000</u>	<u>\$ 7,200,000</u>

The 2018 County of San Joaquin Revenue Refunding Bonds (CSA No. 31) are recorded as the liabilities of the CSA 31 Flag County enterprise funds on the proprietary funds statement of net position.

The County has pledged future wastewater service revenues, net of specified operating expenses, to repay \$7.75 million in revenue bonds refunded in February 2018. The bonds are payable solely from wastewater customer net revenues and are payable through 2043. These 2018 Revenue Refunding Bonds (\$6,515,000 Tax-Exempt and \$1,235,000 Taxable) were issued on February 27, 2018, with an average interest rate of 5 percent, to prepay the outstanding 2007 County Service Area No. 31 Project COPs, with an average interest rate from 4.10 percent to 5.8 percent, refinance a loan made by the County to County Service Area No. 31, fund a debt service Bond Reserve Fund, and pay costs of issuance incurred in connection with the issuance, sale and delivery of the 2018 Bonds. These Refunding Revenue Bonds are repaid by revenues received by the County from its ownership and operation of the CSA No. 31 sanitary sewer system in accordance with the Bond agreements. The Refunding Bonds mature in 2043 with principal payments ranging from \$125,000 to \$525,000. The total principal and interest remaining to be paid on the bonds is \$7,200,000. Principal and interest paid for the current year and total customer net revenues were \$536,750 and \$889,370, respectively.

Notes Payable

The County Maintenance District of Shaded Terrace (Special Revenue Fund) entered into agreement with the United States Department of Agriculture (USDA) for a loan of \$300,000 in 2000-01. The loan, along with the grants received from the USDA, were used to finance certain capital improvements to the water systems of the District. As of June 30, 2021, the outstanding principal balance on the Shaded Terrace loan totaled \$213,000.

In fiscal year 2004-05, the County settled a lawsuit that was filed by H.D. Arnaiz, LTD, a California limited partnership (HDAL). This lawsuit involved the HDAL's rights to lease certain real property around the Airport area. The settlement requires the County to make an annual payment of \$132,115 between August 2005 and August 2029 (Promissory Note). In addition, the County is to make an annual property tax-based payment between September 2005 and September 2029 (Tax-based agreement). The tax-based payment is to be calculated each year and to be paid only if a certain threshold is met. The sum total of the payments under the promissory note payment and the tax-based agreement, in the aggregate is not to exceed \$4.0 million prior to 2029. The County reports the note liability (\$2.0 million total) in the Casualty Insurance Fund, an internal service fund. As of June 30, 2021, the outstanding principal balance was \$969,030.

The Arnaiz note payable is a direct borrowing and it contains a subjective acceleration clause that allows the debt to become immediately due and payable in full if the County should default on the note.

Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2021, are as follows (in \$000):

Governmental Activities:

Year Ended June 30	Certificates of Participation		Notes Payable	
	Principal	Interest	Principal	Interest
2022	\$ 5,195	\$ 3,066	\$ 98	\$ 53
2023	5,460	2,800	101	48
2024	5,730	2,520	106	44
2025	6,020	2,226	111	39
2026	6,320	1,918	115	34
2027-2031	36,705	4,429	525	92
2032-2036	165	-	63	26
2037-2040	-	-	63	8
	65,595	16,959	1,182	344
Add premium	11,403	-	-	-
Total Debt	<u>\$ 76,998</u>	<u>\$ 16,959</u>	<u>\$ 1,182</u>	<u>\$ 344</u>

Business-Type Activities:

Year Ended June 30	Certificates of Participation		Revenue Refunding Bonds	
	Principal	Interest	Principal	Interest
2022	\$ 1,705	\$ 85	\$ 190	\$ 349
2023	-	-	200	342
2024	-	-	205	333
2025	-	-	215	324
2026	-	-	225	314
2027-2031	-	-	1,310	1,384
2032-2036	-	-	1,675	1,013
2037-2041	-	-	2,155	536
2042-2043	-	-	1,025	52
	1,705	85	7,200	4,647
Add premium	125	-	494	-
Total Debt	<u>\$ 1,830</u>	<u>\$ 85</u>	<u>\$ 7,694</u>	<u>\$ 4,647</u>

C. Other long-term liabilities

The following is a schedule of other long-term liabilities as of June 30, 2021 (in 000's):

Governmental Activities:

	Amount				Amounts Due Within One Year
	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	
Compensated absences	\$ 31,992	\$ 34,760	\$ 31,992	\$ 34,760	\$ 31,789
Estimated claims	69,478	1,429	-	70,907	-
	<u>\$ 101,470</u>	<u>\$ 36,189</u>	<u>\$ 31,992</u>	<u>\$ 105,667</u>	<u>\$ 31,789</u>

Business-Type Activities:

	Amount				Amounts Due Within One Year
	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	
Landfill closure and postclosure	\$ 33,198	\$ 421	\$ -	\$ 33,619	\$ -
Compensated absences	10,282	11,731	10,282	11,731	10,927
	<u>\$ 43,480</u>	<u>\$ 12,152</u>	<u>\$ 10,282</u>	<u>\$ 45,350</u>	<u>\$ 10,927</u>

Estimated claims are liquidated by the internal service funds. Compensated absences are generally liquidated by the General Fund and related Special Revenue Funds. Capital Leases are liquidated by the General Fund, Special Revenue Funds and Internal Service Funds.

Note 9 - Legal Debt Margin

California Government Code Section 29909, together with Revenue and Taxation Code Section 135, limits the County's ability to raise resources through the issuance of debt to finance acquisitions or construction of County facilities. The computation of the debt limitation and legal debt margin is presented below:

Net assessed value fiscal year 2020-21	<u>\$ 86,507,829,254</u>
Legal Debt Limit – 1 1/4% of total assessed value	
Amount of debt applicable to debt limit:	<u>\$ 1,081,347,866</u>

Arbitrage

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

Note 10 - Landfill Closure and Postclosure Liability

State and Federal laws and regulations require the County to place a final cover on its landfills when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs, requires a portion of these closure and postclosure care costs to be recognized as an operating expense in each period of operation, based on landfill capacity used. The County is also required by State and Federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care.

The County uses the Solid Waste Closure Fund, reported within the Solid Waste Enterprise Fund, to account for the contributions, as well as the landfill closure and postclosure costs.

At June 30, 2021, the landfill closure and postclosure care liability (\$33.6 million) represents the cumulative amount reported to date based on the cumulative usage of the landfills' capacity, minus the cash payments made. The remaining estimated cost of closure and postclosure care of \$154.3 million will be recognized as the remaining estimated capacities are filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2021. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

Prior year deposits and interest earned exceed the minimum closure fund balance required by the State, therefore, no transfers into the closure fund were made in fiscal year 2020-21. The funds available for landfill closure and postclosure remained at \$5.1 million, which leaves approximately \$28.5 million to be funded in future years. An additional \$160,000 was deposited to the closure fund in September 2021. Two of the County's four landfills have been closed. The remaining two landfills are Foothill and North County. Foothill will be operative until 2090 and is at 8 percent capacity. North County will be operative until 2070 and is at 18 percent capacity.

The County is required by State and Federal laws and regulations to make annual contributions and/or provide an alternative funding mechanism to finance closure and postclosure costs. The County funds closure and postclosure costs with a combination of pledge of revenue agreements and restricted cash.

Note 11 - 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; natural disasters; and employees' health. To effectively manage those risks and control costs, the County established self-insurance programs for casualty, workers compensation, unemployment compensation, medical insurance, and dental insurance (June 1982). Under these programs, the County provides coverage for up to a \$1,000,000 for each general liability and malpractice claim, \$25,000 for each property damage claim, \$25,000 for each public official performance claim, \$400,000 for health insurance coverage, and \$3,000 for dental insurance coverage per covered life per year. The County also joins together with other public agencies in the State through Public Risk Innovation, Solutions, and Management (PRISM) to obtain general liability and malpractice insurance coverage for claims in excess of the coverage provided by the County up to \$25 million and \$21.5 million, respectively. PRIMA was formerly known as California State Association of Counties (CSAC) – Excess Insurance Authority (EIA), and the only difference is an organizational name change.

The County also purchases commercial stop loss insurance for the health insurance coverage in excess of the County covered portion. Settled claims have not exceeded the EIA coverage or the commercial insurance coverage in any of the past three fiscal years.

All funds of the County participate in the programs and make payments to the insurance funds based on the actuarial estimates of the amounts needed to pay prior- and current-year claims and to establish a reserve for catastrophic losses.

Based on the most recent actuarial studies (December of 2020), the full value of the County's unpaid casualty (general liability and malpractice liability) liabilities and the workers compensation program liabilities at June 30, 2021, were estimated at a discounted value of \$27.4 million and \$39.8 million, respectively, using the discount rate of 2.0 percent. These actuarially determined liabilities include the unpaid loss adjustment expenses.

In the opinion of management, the total assets in the insurance funds were sufficient to cover the actuarially determined claim liabilities, premium, and administration cost as of June 30, 2021.

The insurance funds had the following net position at June 30, 2021 (in \$000's):

	Net Position
Casualty Insurance	\$ (18,035)
Workers' Compensation Insurance	(10,854)
Health Insurance	11,259
Medical Malpractice Insurance	(3,075)
Dental Insurance	4,886
Unemployment Insurance	2,747
Total	\$ (13,072)

Changes in the insurance funds' claim liabilities for fiscal years 2019-20 and 2020-21 were (in \$000's):

	Casualty Insurance	Workers' Compensation Insurance	Health Insurance	Medical Malpractice Insurance	Dental Insurance	Unemployment Insurance	Total
Balance at June 30, 2019	\$ 18,262	\$ 36,832	\$ 6,412	\$ 4,839	\$ 288	\$ 180	\$ 66,813
Claims and changes in estimates for FY 2019-20	13,441	14,553	31,537	39	4,616	1,097	65,283
Less: claim payments	<u>(12,584)</u>	<u>(10,401)</u>	<u>(33,891)</u>	<u>(411)</u>	<u>(4,575)</u>	<u>(756)</u>	<u>(62,618)</u>
Balance at June 30, 2020	19,119	40,984	4,058	4,467	329	521	69,478
Claims and changes in estimates for FY 2020-21	7,677	8,495	30,067	5,580	5,304	1,422	58,545
Less: claim payments	<u>(5,833)</u>	<u>(9,671)</u>	<u>(30,884)</u>	<u>(3,624)</u>	<u>(5,264)</u>	<u>(1,840)</u>	<u>(57,116)</u>
Balance at June 30, 2021	<u>\$ 20,963</u>	<u>\$ 39,808</u>	<u>\$ 3,241</u>	<u>\$ 6,423</u>	<u>\$ 369</u>	<u>\$ 103</u>	<u>\$ 70,907</u>

Note 12 - Operating Leases

The County has several operating lease agreements, with original terms ranging from one to 15 years, for leased office space and equipment for County departments. There are no material restrictions imposed by these agreements. The minimum rental payments required under the operating lease commitments at June 30, 2021, are (in \$000's):

<u>Year Ended June 30,</u>	<u>Primary Government</u>
2022	\$ 3,902
2023	3,290
2024	3,213
2025	3,125
2026	2,956
Thereafter	<u>23,407</u>
	<u>\$ 39,893</u>

Total rent expense under operating lease agreements during the year ended June 30, 2021, was approximately \$5.1 million.

Note 13 - Rental Income Under Operating Leases

The following is a schedule by years of minimum future rental income on noncancelable operating leases as of June 30, 2021 (in \$000's). These operating leases, for various real property, contain no material restrictions. All are to be paid to the Stockton Metropolitan Airport Enterprise Fund.

Year Ended June 30,	Amount
2022	\$ 1,004
2023	798
2024	764
2025	722
2026	621
Thereafter	10,198
	\$ 14,107

Total rental income under operating lease agreements during the year ended June 30, 2021, was \$1.4 million.

Note 14 - Fund Balances

	General Fund	Mental Health Substance Abuse Fund	Coronavirus Relief Fund	County Capital Outlay Fund	Other Governmental Funds	Total
Fund balances:						
Nonspendable:						
Inventory	\$ -	\$ 265,781	\$ -	\$ -	\$ 807,838	\$ 1,073,619
Advances	4,066,968	-	-	217,109	-	4,284,077
Loans receivable	85,000	-	-	-	-	85,000
Total Nonspendable	4,151,968	265,781	-	217,109	807,838	5,442,696
Restricted for:						
General government services	10,582,973	-	-	-	12,418	10,595,391
Public protection services	47,226,815	-	-	-	64,034,672	111,261,487
Emergency medical services	8,606,259	-	-	-	-	8,606,259
Agricultural services	3,500,174	-	-	-	-	3,500,174
Community services	45,152,323	-	-	-	1,601,191	46,753,514
Health and sanitation services	27,368,601	160,478,938	-	-	726,307	188,573,846
Parks and recreation services	2,362,245	-	-	-	-	2,362,245
Road projects and maintenance	-	-	-	-	94,084,021	94,084,021
Fish and game programs	-	-	-	-	169,610	169,610
County facilities	-	-	-	-	57,393,081	57,393,081
Rabies treatment	-	-	-	-	258,863	258,863
County headstart	-	-	-	-	45,462	45,462
Library programs	-	-	-	-	10,542,605	10,542,605
Narcotics enforcement	-	-	-	-	374,896	374,896
Recorder's Equipment Automation	-	-	-	-	7,556,375	7,556,375
Local Innovation	-	-	-	-	797,125	797,125
Whole Person Care program	-	-	-	-	1,999,737	1,999,737
Community Development Loan programs	-	-	-	-	49,386,273	49,386,273
Community Infrastructure	-	-	-	-	34,215,290	34,215,290
Lighting district maintenance	-	-	-	-	1,782,296	1,782,296
Service areas maintenance	-	-	-	-	7,940,860	7,940,860
Maintenance district services	-	-	-	-	17,267,837	17,267,837
Flood control districts	-	-	-	-	7,866,739	7,866,739
Water district services	-	-	-	-	1,133,700	1,133,700
Improvement district services	-	-	-	-	674,620	674,620
Courthouse construction	-	-	-	-	7,958,249	7,958,249
Criminal justice construction	-	-	-	-	6,832,332	6,832,332
Total Restricted	144,799,390	160,478,938	-	-	374,654,559	679,932,887
Committed to:						
Economic development reserve	2,353,408	-	-	-	-	2,353,408
Unfunded pension liability reserve	40,711,359	-	-	-	-	40,711,359
Approved labor agreements reserve	16,343,001	-	-	-	-	16,343,001
General reserve - emergencies	10,009,197	-	-	-	-	10,009,197
Total Committed	69,416,965	-	-	-	-	69,416,965
Assigned to:						
Budgetary deficit - subsequent year	65,454,502	-	-	-	-	65,454,502
Capital projects	-	-	-	114,271,091	129,801	114,400,892
Airport projects	-	-	-	-	6,317,260	6,317,260
Health and sanitation projects	-	-	-	-	2,036,759	2,036,759
Total Assigned	65,454,502	-	-	114,271,091	8,483,820	188,209,413
Unassigned:	283,082,633	-	-	-	(5,658,415)	277,424,218
Total Fund Balances	\$ 566,905,458	\$ 160,744,719	\$ -	\$ 114,488,200	\$ 378,287,802	\$ 1,220,426,179

Note 15 - Deficit Fund Balance/Net Position

The following funds had deficit fund balances at June 30, 2021:

Workforce Incentive Act (Nonmajor Special Revenue Fund)	\$ (724,825)
The deficit resulted from an excess in operating expenditures over revenues	
Justice Assistance Grant (Nonmajor Special Revenue Fund)	(54,910)
The deficit resulted from an excess in operating expenditures over revenues	
Child Support (Nonmajor Special Revenue Fund)	(1,892,302)
The deficit resulted from an excess in operating expenditures over revenues	
North Eastern San Joaquin Ground Water Banking Authority (Nonmajor Special Revenue Fund)	(344,643)
The deficit resulted from an excess in operating expenditures over revenues	
Mokelumne River Water and Power Authority (Nonmajor Special Revenue Fund)	(2,641,735)
The deficit resulted from an excess in operating expenditures over revenues	
Information Systems ISF (Internal Service Fund)	(4,938,710)
The deficit resulted from an excess in operating expenditures over revenues	
Central Telephone ISF (Internal Service Fund)	(1,060,833)
The deficit resulted from prior year's excess expenditures over revenues	
Medical Malpractice Insurance ISF (Internal Service Fund)	(3,074,830)
The deficit resulted from an excess in operating expenditures over revenues	
Casualty Insurance ISF (Internal Service Fund)	(18,035,033)
The deficit resulted from an excess in operating expenditures over revenues	
Worker's Comp Insurance ISF (Internal Service Fund)	<u>(10,854,013)</u>
The deficit resulted from an excess in operating expenditures over revenues	
	<u><u>\$ (43,621,834)</u></u>

Deficits in these funds are expected to be eliminated in future years through future revenues and/or transfers from other funds under the Board's discretion.

Note 16 - Defined Benefit Pensions

As of June 30, 2021, the County reported total net pension liability, deferred outflows of resources and deferred inflows of resources for both the SJCERA and CalPERS Miscellaneous Plans as follows:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
SJCERA	\$ 1,561,270,562	\$ 310,338,103	\$ 160,350,972
CalPERS	14,576,774	2,742,513	654,882
Total	\$ 1,575,847,336	\$ 313,080,616	\$ 161,005,854
	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities	\$ 1,215,009,596	\$ 228,140,169	\$ 132,046,742
Business-type activities	358,246,031	84,321,021	28,450,341
First 5	2,591,709	619,426	508,771
Total	\$ 1,575,847,336	\$ 313,080,616	\$ 161,005,854

A. San Joaquin County Employees' Retirement Association

General Information about the Pension Plan

Plan Description – All full-time and part-time County employees participate in the San Joaquin County Employees' Retirement Association (SJCERA) (the Plan), a cost-sharing defined benefits retirement plan. SJCERA is administered by the Board of Retirement of the San Joaquin County Employees' Retirement Association (SJCERA) and is governed by the County Employee's Retirement Law (CERL) of 1937 (California Government Code Section 31450 et. Seq.), and the California Public Employees' Pension Reform Act of 2013 (PEPRA). The Plan's authority to establish and amend the benefit terms are set by the CERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the County of San Joaquin Board of Supervisors and/or the SJCERA Board. SJCERA is a tax-qualified plan under Section 401(a) of the Internal Revenue Code.

SJCERA publishes its own annual comprehensive financial report that includes its financial statements and required supplementary information which can be obtained by writing to SJCERA at 6 South El Dorado Street, Suite 400, Stockton, California 95202, or by calling (209) 468-2163.

Benefits Provided – SJCERA provides service retirement, disability, death and survivor benefits to eligible employees. All permanent full-time or part-time employees of the County of San Joaquin or contracting district become members of SJCERA upon employment. There are separate retirement plans for Safety and Miscellaneous member employees. Safety membership is extended to those involved in active law enforcement, fire suppression, and certain other classifications. There are two tiers applicable to Safety and Miscellaneous members separately. Those hired prior to January 1, 2013, are included in Tier 1 and those hired after that date are included in Tier 2.

The CERL and PEPRA establish benefit terms. Retirement benefits are calculated on the basis of age, average final compensation and service credit as follows:

Safety Members

Safety members hired prior to January 1, 2013 (Tier 1), are eligible to retire once they attain the age of 50 and have acquired 5 or more years of retirement service credit and have passed the tenth anniversary of their membership in SJCERA. A member with 20 years of service is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013 (Tier 2), are eligible to retire once they have attained the age of 50, and have acquired five years of retirement service credit or after attaining age 70, regardless of service.

Safety member benefits for Tier I are calculated pursuant to the provisions of California Government Code Section 31664.1. The service retirement benefit payable is equal to the final compensation multiplied by the percentage from Section 31664.1. The percentage of final compensation may not exceed 100 percent. Safety member benefits for those who are first hired on or after January 1, 2013, are calculated pursuant to the provision of California Government Code Section 7522.25(d). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.25(d).

Miscellaneous Members

Miscellaneous members hired prior to January 1, 2013 (Tier 1), are eligible to retire once they attain the age of 50 and have acquired 5 or more years of retirement service credit and have passed the tenth anniversary of their membership in SJCERA. A member with 30 years of service or upon reaching age 70 with no service requirement is eligible to retire regardless of age. Miscellaneous members who are first hired on or after January 1, 2013 (Tier 2), are eligible to retire once they have attained the age of 52 and have acquired five years of retirement service credit or after attaining age 70, regardless of service.

Miscellaneous member benefits for Tier I are calculated pursuant to the provisions of California Government Code Section 31676.14. The service retirement benefit payable is equal to the final compensation multiplied by the percentage from Section 31676.14. Miscellaneous member benefits for those who are first hired on or after January 1, 2013, are calculated pursuant to the provision of California Government Code Section 7522.25(d). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section 7522.25(d).

Maximum monthly retirement allowance is 100 percent of final average compensation for all tiers.

For Tier I members, final average compensation consists of the highest average compensation earned during any 12 consecutive months of the Member's employment. For Tier 2 members, highest average compensation will be based on the highest 36 consecutive months rather than 12 months.

The service retirement benefit will be paid monthly beginning at retirement and for the life of the member. If the member selects the unmodified benefit form, in the event of the member's death, 60 percent of the benefit will continue for the life of the member's spouse, or to the age of majority of dependent minor children if there is no spouse. In the event there is no surviving spouse or minor children, any unpaid remainder of the member's accumulated contributions will be paid to the member's designated beneficiary.

Contributions – The County of San Joaquin, contracting districts, and active members are required by statute to contribute to the retirement plan based upon actuarially determined contribution rates (percentage of covered salary) adopted by the Board of Retirement. This requirement is pursuant to Government Code sections 31453.5 and 31454, for participating employers and Government Code sections 31621.6, 31639.25, and 7522.30 for active members. The contribution requirements are established and may be amended by the SJCERA Board pursuant to Article 1 of the CERL, which is consistent with the Plan’s actuarial funding policy. The contribution rates are adopted annually based upon recommendations received from SJCERAs’ independent actuary after the completion of the annual actuarial valuation. The combined active member and employer contribution rates are expected to finance any unfunded accrued liability. Participating employers may pay a portion of the active members’ contributions through negotiations and bargaining agreements.

The composite total employer contribution rate for General and safety members combined for the measurement date ended December 31, 2020 ranged from 38.6 percent to 51.81 percent of covered payroll. For the year ended June 30, 2021, the County was required to contribute \$203,472,074 to the Plan.

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

At June 30, 2021, the County reported a liability of \$1,561,270,562 for its proportionate share of the net pension liability (including the First 5 San Joaquin discretely presented component unit). The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020 using standard update procedures. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2020, the County’s proportion was 93.11 percent, which was a decrease of 0.04 percent from its proportion measured as of December 31, 2019.

For the year ended June 30, 2021, the County recognized pension expense of \$225,360,204.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 120,362,238	\$ -
Changes in proportion	38,298,056	38,298,056
Change of assumptions	139,996,000	-
Differences between expected and actual experience	9,696,133	62,019,337
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	1,985,676	4,880,571
Net differences between projected and actual earnings on plan investments	-	55,153,008
Total	\$ 310,338,103	\$ 160,350,972

\$120,362,238 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Amount
2022	\$ 7,285,792
2023	6,634,667
2024	7,553,097
2025	8,151,337
Total	\$ 29,624,893

Actuarial Assumptions – The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions:

	<u>General Members</u>
Valuation Date	January 1, 2020
Measurement Date	December 31, 2020
Actuarial Assumptions:	
Amortization growth rate	3.00%
Inflation	2.75%
Projected salary increase	3.00%
Investment rate of return	7.00%
Mortality	Gender distinct tables from the Society of Actuaries' Pub-2010 Public Retirement Plans Mortality Tables, with generational mortality improvements projected from 2010 using Projection Scale MP-2018

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and projected arithmetic real rates of return for each major asset class used in the derivation of the long-term expected investment rate of return assumption as of December 31, 2020, are summarized in the table below:

Asset Class	Target Allocation
Aggressive Growth	10.00%
Traditional Growth	32.00%
Stabilized Growth	33.00%
Principal Protection	10.00%
Crisis Risk Offset (CRO)	15.00%
Total	100.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent as of December 31, 2020. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made based on the current contribution rate and that employer contributions will be made at the end of each pay period based on the actuarially determined contribution rates. For this purpose, only the employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service cost for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included.

Based on those assumptions, SJCERA’s fiduciary net position was projected to be available to make all the projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Change of Assumptions: Discount rate was reduced from 7.25% in FY 2020 to 7.00% in FY 2021.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the County’s proportionate share of the net pension liability, calculated using the discount rate, 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 6.00%	Discount Rate 7.00%	1% Increase 8.00%
County's proportionate share of the net pension liability	\$ 2,221,005,860	\$ 1,561,270,562	\$ 1,020,046,737

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued SJCERA financial reports available by writing to San Joaquin County Employees’ Retirement Association, 6 South El Dorado Street, Suite 400, Stockton, California 95202 or by calling (209) 468-2163.

General Information about the Pension Plan

The County has a closed plan to new entrants with the California Public Employees’ Retirement System (CalPERS). Certain employees of the Health Care Services Department (Public Health) were members of CalPERS. This plan was closed effective June 28, 1993 and those employees became eligible to participate in SJCERA through reciprocity.

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees’ Retirement System (CalPERS) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are no separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The County sponsors one rate plan (one miscellaneous).

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.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for 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. Benefit provisions and all other requirements are established State statute. Since participation in the CalPERS Cost-Sharing Plan is closed for County employees, the benefit provisions cannot be amended.

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

Formula	2.0% @ 55
Benefit vesting schedule	5 years of service
Benefit payments	monthly for life
Retirement age	50-55
Monthly benefits, as a % of annual salary	2.0% - 2.7%
Required employee contribution rates	8.00%
Required employer contribution rates	23.08%

B. California Public Employees’ Retirement System (CalPERS)

Contributions – Section 20814 of the California Public Employees’ Retirement Law (PERL) 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. The total plan contributions are determined through the CalPERS’ annual actuarial valuations process. For public agency cost-sharing plans covered by the miscellaneous risk pools, the Plan’s actuarially determined rate is based on the estimated amount necessary to pay the Plan’s allocated share of the risk pool’s cost of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2021, the active employee contribution rate is 8.00 percent of annual pay. The County’s contribution to the Plan for the year ended June 30, 2020 was \$1,470,092.

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

As of June 30, 2021, the County reported a liability of \$14,576,774 for its proportionate share of the net pension liability.

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined as of June 30, 2020, the County's proportion was .2258 percent, which was a decrease of .0114 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2021, the County recognized pension expense of \$1,372,558. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to the Measurement Date	\$ 1,470,092	\$ -
Change of Assumptions	-	103,967
Differences between Expected and Actual Experience	751,184	-
Differences between Projected and Actual Investment Earnings	433,026	-
Differences between Employer's Contributions and Proportionate Share of Contributions	88,211	87,607
Changes in Employer's Proportion	-	463,308
	<u> </u>	<u> </u>
Total	<u>\$ 2,742,513</u>	<u>\$ 654,882</u>

\$1,470,092 reported as deferred outflows of resources will be recognized as a reduction of net pension liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2022	\$ (127,799)
2023	301,409
2024	236,238
2025	207,691
	<u> </u>
Total	<u>\$ 617,539</u>

Actuarial Assumptions – The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost
Actuarial Assumptions:	
Discount rate	7.15%
Inflation	2.75%
Projected salary increase	3.30% - 14.2% (1)
Mortality	Based on CalPERS Experience Study

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

The mortality table used was developed based on CalPERS’ specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

All other actuarial assumptions used in the June 30, 2019 valuation were based on the results of actuarial experience study for the period 1998 – 2012, including updates to salary increases, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at www.calpers.ca.gov under Forms and Publications.

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, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) 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 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.

Asset Class	Assumed Asset Allocation	Real Rate of Return Years 1-10 [1]	Real Rate of Return Years 11+ [1]
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

[1] Adjusted for inflation

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent for the plan. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan’s plan net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, 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 one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 6.15%	Discount Rate 7.15%	1% Increase 8.15%
County's proportionate share of the net pension liability	\$ 20,261,573	\$ 14,576,774	\$ 9,879,604

Pension Plan Fiduciary Net Position

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

C. Defined Contribution Pension Plan for the County Full-Time Physicians in Health Care Services

The County has an agreement with Mass Mutual (formerly Hartford) to administer a qualified retirement plan, 401(a), for the County’s full-time physicians. Under this plan, the County contributes \$8,000 annually per qualified physician to the plan. The physicians are also required to contribute a mandatory, tax-deferred match at a rate of 6.0 percent of their compensation. The investments in the plan are self-directed by the employer. In fiscal year 2020-21, the County contributed \$275,520 to the plan.

Note 17 - Other Post-Employment Benefits Other Than Pensions

Plan Description

The County administers a Single Employer Defined Benefit Healthcare Plan. The plan is administered by the County and governed by the Board of Supervisors. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The County has not executed a formal plan document that provides for these benefits and the plan does not have a name.

Benefits Provided

Any member receiving a retirement or survivor benefit from SJCERA is eligible to purchase post-retirement health coverage through the plans offered by the County. A member may elect to enroll in a County retiree health plan at the time of retirement, later elect to defer coverage and, if the retiree can show evidence of continuous coverage in an employer-provided group health insurance program, can within 30 days of terminating other group coverage re-enroll in a County retiree health plan. Retirees who leave the County health plans and enroll in individual coverage may not re-enroll in a County plan at a later date.

The retired members will generally pay the full amount of the specified premium for any County retiree health plan. Members hired before August 27, 2001 may use the value of accumulated sick leave bank to pay for premiums in retirement, subject to a minimum threshold of \$4,424.80 at retirement. However, if a member selects one of the medical plans with a premium determined based on a blending of active and retiree populations (currently, the Kaiser non-Medicare coverage and the self-funded plans), an implicit subsidy must be recognized. The total OPEB benefits provided was \$3,859,000 for the year ended June 30, 2021.

Employees covered by benefit terms

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

Inactive Employees or beneficiaries currently receiving benefit	1,078
Active Employees	5,933
	7,011
Total	7,011

Total OPEB Liability

At June 30, 2021, the County, including the San Joaquin County First 5 Commission, reported a total OPEB liability of \$103,762,000. The total OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of December 31, 2020.

Actuarial Assumptions – The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method Actuarial Assumptions:	Entry-Age Normal Cost Method
Valuation Date	December 31, 2020
Discount Rate	2.12%
Wage Inflation	3.15%
Medical Trend	Pre-Med - 8.0% for 2021, decreasing to 4.29% in 2040
Mortality Improvement	Post-Med - 0.0% for 2021, increasing to 4.29% in 2040 Morality projected fully
Salary Increase	3.00%

Discount Rate – The discount rate used to measure the total OPEB liability was 2.12 percent for the plan. The discount rate was based on the Bond Buyer 20-Bond Municipal Bond Index.

Mortality rates were based on the sex distinct CALPERS Mortality Table, with generational mortality improvements projected from 2009 using Projection Scale MP-2018, published by the Society of Actuaries.

Change of Assumptions – For the December 31, 2020 measurement period, the discount rate was reduced from 2.74 percent to 2.12 percent.

The changes in the total OPEB liability measured as of December 31, 2020 are as follows:

	<u>Total OPEB Liability</u>
Balances at June 30, 2020	\$ 130,145,000
Changes for the year:	
Service cost	8,024,000
Interest	3,730,000
Differences between expected and actual experience	(7,746,000)
Changes of assumptions	(26,298,000)
Benefit payments	(4,093,000)
	<u>(26,383,000)</u>
Net changes	(26,383,000)
Balances at June 30, 2021	<u>\$ 103,762,000</u>

Sensitivity of the County's Total OPEB Liability to Changes in the Discount Rate – The following presents the County's total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12 percent) or 1-percentage-point higher (3.12 percent) than the current discount rate.

	1% Decrease (1.12%)	Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB Liability	\$ 118,127,000	\$ 103,762,000	\$ 91,979,000

Sensitivity of the County's Total OPEB liability to Changes in the Healthcare Cost Trend Rates – The following presents the County's total OPEB liability, as well as what the County's proportionate share of the total 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 Trend Rate [1]	1% Increase
Total OPEB Liability	\$ 90,596,000	\$ 103,762,000	\$ 128,170,000

[1] The Pre-Med trend rate of 8.0 percent, decreasing to 4.29 percent in 2040. Post-Med trend rate 0.0 percent, increasing to 4.29 percent in 2040.

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

For the year ended June 30, 2021, the County recognized OPEB expense of \$5,422,781. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,813,000	\$ -
Changes in assumptions	15,825,000	39,338,000
Differences between actual and expected experience	-	21,316,000
Changes in proportions	2,378,531	2,378,531
Total	\$ 20,016,531	\$ 63,032,531

\$1,813,000 reported as deferred outflows of resources related to OPEB resulting from the County’s benefits provided subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. 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,	Amortization
2022	\$ (6,313,000)
2023	(6,313,000)
2024	(6,313,000)
2025	(6,313,000)
2026	(6,309,000)
Thereafter	(13,268,000)
Total	\$ (44,829,000)

Note 18 - Commitments and Contingencies

Pending Litigations

The County is a defendant in various casualty and workers compensation lawsuits. Claims against the County are recorded in the internal service funds (See Note 10).

Grants

The County recognizes as revenue, grant monies received and available within 60 days as reimbursement for costs incurred in certain Federal and State programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. 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 County expects such amounts, if any, to be immaterial.

Medicare and Medi-Cal Programs

The San Joaquin General Hospital provides services to eligible patients under Medi-Cal and Medicare programs. For the fiscal year ended June 30, 2021, the Medi-Cal program represented approximately 33 percent, and the Medicare program represented approximately 28 percent, of the Hospital’s net patient service revenue. Medi-Cal inpatient services are reimbursed at contractually agreed-upon per diem rates and outpatient services are reimbursed under a schedule of maximum allowances. Medicare inpatient services are reimbursed based upon pre-established rates for Medicare Severity-Diagnostic Related Group (MS-DRG). Outpatient services are reimbursed based on prospectively determined payments per procedure under a system called Ambulatory Payment Classifications. Certain defined capital and medical education costs related to Medicare beneficiaries continue to be paid based on a cost-reimbursement methodology. The Hospital is reimbursed for cost-reimbursable items at a tentative rate, with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the fiscal intermediary.

The Hospital's classification of patients under these programs and the appropriateness of their admissions are subject to an independent review by a peer review organization under contract with the Hospital. Reports on the results of such audits have been received through June 30, 2017 for Medicare and June 30, 2019, for Medi-Cal. Adjustments as a result of such audits are recorded in the year the amounts can be determined.

Coronavirus Relief Funds (CRF)

In FY 2020, the County received \$132,988,949 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Funds (CRF) administered by the U.S. Department of Treasury. The County received the funds directly from the U.S. Treasury. The funds are subject to terms and conditions imposed by the U.S. Treasury. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for expenses. As of June 30, 2021, the County has spent \$110,727,704, with \$0 remaining as of June 30, 2021.

During FY 2021, the County received and expended \$17,803,165 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Funds (CRF) passed-through from the State of California. The funds are subject to terms and conditions imposed by the U.S. Treasury. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for expenses.

Hospital Provider Relief Funds (PRF)

During the year ended June 30, 2020, the Hospital received \$8,485,207 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Funds (CRF) administered by the Department of Health and Human Services (HHS). The funds are subject to terms and conditions imposed by HHS. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for healthcare-related expenses or lost revenues that are attributable to coronavirus. Recipients may not use the payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. HHS currently has a deadline to incur eligible expenses and lost revenues, varying based on the date the Hospital received the funds.

As of June 30, 2021, the Hospital has recorded revenue of \$8,485,207 included as aid from other governments in the General Hospital Enterprise Fund

American Rescue Plan Act

The County was awarded \$148,038,314 as part of the American Rescue Plan Act (ARPA) and received the first installment of \$74,019,157 in June 2021 which was reported as unearned revenue at June 30, 2021. The second installment of \$74,019,157 is expected to be received in FY 2022.

Note 19 - Service Concession Arrangements (SCA)

Micke Grove Golf Course

GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements (SCA)*, defines an SCA as a type of public-private or public-public partnership. As used in GASB Statement No. 60, an SCA is an arrangement between a government (the transferor) and an operator in which all of the following criteria are met:

- a. The transferor conveys to the operator the right and related obligation to provide public services through the use and operation of a capital asset (referred to in the statement as a “facility”) in exchange for significant consideration, such as an up-front payment, installment payments, a new facility, or improvements to an existing facility.
- b. The operator collects and is compensated by fees from third parties.
- c. The transferor determines or has the ability to modify or approve what services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services.

The County has determined that the following arrangement meets the criteria set forth above (where the County is the transferor) and therefore included this SCA in the County’s financial statements.

On July 18, 1989, the County entered into an SCA with American Golf Corporation to construct and operate a golf course at Micke Grove Park in Lodi, California. A 40-year lease agreement between the County and American Golf Corporation began January 1, 1991, upon completion of the construction of the golf course and required facilities. In December 2007, the County agreed to allow American Golf Corporation to sublease to CNL Income EAGL Leasehold Golf, LLC, and also allowed a sub-sublease to Evergreen Alliance Golf Limited, L.P.

A summary of the important details for this SCA over the term of its agreement are as follows:

	Date SCA Entered Into	Term of SCA	Expiration of SCA	Minimum Installment Payment (per month)	Revenue Sharing
Micke Grove Golf Course	1/1/1991	40 years	12/31/2030	\$ 12,500	Greater of minimum rent versus various percentages of gross sales

The deferred inflows of resources activity for this SCA for the year ended June 30, 2021, was as follows (\$000's):

	Balance June 30, 2020	Additions/ Restatements	Deletions/ Amortization ¹	Balance June 30, 2021
Present Value of Installment Payments ² :				
SCA - Micke Grove Golf Course	\$ 1,220	\$ -	\$ (116)	\$ 1,104
Total deferred Inflows of Resources	<u>\$ 1,220</u>	<u>\$ -</u>	<u>\$ (116)</u>	<u>\$ 1,104</u>

- 1 Amortization calculated using straight-line method for the term of agreement for this SCA.
- 2 Installment payments present value calculated using a discount rate of .24 percent for the term of the agreement for this SCA.

Note 20 - Adoption of New Standard/Correction of Error

As of July 1, 2020, the County adopted GASB Statement No. 84, *Fiduciary Activities*. In addition, a prior period adjustment was recorded to the General Hospital Enterprise Fund and business-type activities to correct the overstatement of patient credit balances.

The following tables describe the effects of the implementation of GASB 84 and correction of error on beginning fund balance / net position.

GOVERNMENTAL ACTIVITIES	Governmental Activities	General Fund	Other Governmental Funds	Pension Trust Funds	Private- Purpose Trust Funds	Custodial Funds
Fund balance/Net Position at July 1, 2020, as previously reported	\$ 368,815,576	\$ 373,931,886	\$ 335,494,350	\$ -	\$ 686,386	\$ -
Reclassification from an agency fund to General Fund:						
Sheriff's Special Accounts	982,373	982,373	-	-	-	-
Emergency Medical Services	1,596,079	1,596,079	-	-	-	-
Agriculture Special Accounts	42,291	42,291	-	-	-	-
Public Health Special Accounts	6,504,764	6,504,764	-	-	-	-
Community Service Special Accounts	831,411	831,411	-	-	-	-
Parks' Special Accounts	28,751	28,751	-	-	-	-
Assessor Special Accounts	97	97	-	-	-	-
Probation Juvenile Welfare	850,642	850,642	-	-	-	-
Community Development Accounts	(210,756)	(210,756)	-	-	-	-
District Attorney Accounts	867,784	867,784	-	-	-	-
Payroll and Benefits Accounts	8,426,394	8,426,394	-	-	-	-
Other Accounts	5,977,354	6,037,944	-	-	-	-
Reclassification from an agency fund to other Governmental Fund:						
Road Fund	1,033	-	1,033	-	-	-
Reclassification from an agency fund to fiduciary fund:						
Pension Trust Funds	-	-	-	3,244,438,002	-	-
Private-Purpose Trust Funds	-	-	-	-	10,313,819	-
Custodial Funds	-	-	-	-	-	33,022,452
Fund balance/Net Position at July 1, 2020, as restated	<u>\$ 394,713,793</u>	<u>\$ 399,889,660</u>	<u>\$ 335,495,383</u>	<u>\$3,244,438,002</u>	<u>\$ 11,000,205</u>	<u>\$ 33,022,452</u>
BUSINESS-TYPE ACTIVITIES	Business-Type Activities	Stockton Metropolitan Airport	General Hospital			
Fund balance/Net Position at July 1, 2020, as previously reported	\$ 71,588,505	\$ 28,607,546	\$ 41,070,407			
Correction of error - patient credit balances General Hospital	9,495,748	-	9,495,748			
Reclassification from an agency fund to Enterprise Fund:						
Stockton Metropolitan Airport	25,007	25,007	-			
Fund balance/Net Position at July 1, 2020, as restated	<u>\$ 81,109,260</u>	<u>\$ 28,632,553</u>	<u>\$ 50,566,155</u>			

Note 21 - Subsequent Events

On January 26, 2022 the General Hospital received \$8,313,552 of Coronavirus Aid, Relief, and Economic Security (CARES) Act Provider Relief Funds (PRF) administered by the Department of Health and Human Services (HHS). The funds are subject to terms and conditions imposed by HHS. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for healthcare-related expenses or lost revenues that are attributable to coronavirus. Recipients may not use the payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse.

On May 3, 2022 the San Joaquin County Board of Supervisors approved a Management Service Agreement (MSA) with Dignity Health to provide advice and assistance in overseeing the management of the day-to-day administration of San Joaquin General Hospital (SJGH). The MSA is recommended to be effective July 1, 2022, for the eighteen months through December 31, 2023. There is also an option in the MSA for the initial period to extend ten years through June 30, 2032, if both parties agree to the extended term. There is no change, reduction, or elimination of clinical services offered at any of the SJGH inpatient, Emergency Department and outpatient clinics as a result of the MSA. The estimated cost of the MSA for the eighteen-month period July 1, 2022 through December 31, 2023 is \$4.5 million. The benefit of the MSA is anticipated to be several multiples of that amount, primarily as a result of improved Revenue Cycle operations and reduced supply cost through joining the Dignity Group Purchasing Organization.



Required Supplementary Information
June 30, 2021

County of San Joaquin

County of San Joaquin

Schedule of the County's Proportionate Share of the Net Pension Liability – SJCERA Cost Sharing Plan

Last 10 Years

Schedule of the County's Contributions – SJCERA Cost Sharing Plan

Last 10 Years

Year Ended June 30, 2021

Schedule of the County's Proportionate
Share of the Net Pension Liability – SJCERA Cost Sharing Plan
Last 10 Years*

	2021	2020	2019	2018	2017	2016	2015
Proportion of the Net Pension Liability	93.11%	93.15%	93.37%	93.74%	93.58%	94.91%	93.58%
Proportionate Share of the Net Position Liability	\$ 1,561,270,562	\$ 1,573,354,707	\$ 1,736,293,615	\$ 1,482,917,010	\$ 1,560,541,947	\$ 1,444,707,254	\$ 1,560,541,948
Covered-Employee Payroll	428,716,253	422,434,952	406,656,032	396,529,286	392,644,200	384,649,723	366,782,873
Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	364.17%	372.45%	426.97%	373.97%	397.44%	375.59%	425.47%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.90%	65.80%	60.50%	64.54%	60.51%	61.07%	65.18%
Measurement Date:	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014

Schedule of the County's Contributions – SJCERA Cost Sharing Plan
Last 10 Years*

	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution (Actuarially Determined)	\$ 203,472,074	\$ 189,484,329	\$ 175,527,087	\$ 168,256,835	\$ 173,001,083	\$ 140,929,496	\$ 128,428,697
Contributions in Relation to the Actuarially Determined Contributions	224,976,325	210,509,511	195,882,006	188,483,694	173,001,083	140,929,496	128,428,697
Contribution Deficiency (Excess)	\$ (21,504,251)	\$ (21,025,182)	\$ (20,354,919)	\$ (20,226,859)	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 429,994,746	\$ 423,208,842	\$ 408,148,297	\$ 399,071,708	\$ 404,423,526	\$ 392,644,200	\$ 384,649,723
Contributions as a Percentage of Covered-Employee Payroll	52.32%	49.74%	47.99%	47.23%	42.78%	35.89%	33.39%

County of San Joaquin

Schedule of the County's Proportionate Share of the Net Pension Liability – CalPERS Cost Sharing Plan

Last 10 Years

Schedule of the County's Contributions – CalPERS Cost Sharing Plan

Last 10 Years

Year Ended June 30, 2021

Schedule of the County's Proportionate Share of the Net Pension Liability – CalPERS Cost Sharing Plan
Last 10 Years*

	2021	2020	2019	2018	2017	2016	2015
Proportion of the Net Pension Liability	0.2258%	0.2372%	0.1403%	0.1378%	0.1395%	0.3150%	0.1725%
Proportionate Share of the Net Position Liability	\$ 14,576,774	\$ 14,330,056	\$ 13,515,115	\$ 13,660,929	\$ 12,069,598	\$ 9,778,155	\$ 7,340,721
Covered Payroll**	-	-	-	-	-	-	-
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.71%	77.73%	77.69%	75.39%	74.06%	78.40%	79.84%
Measurement Date:	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

*Fiscal year 2015 was the first year of implementation , therefore only seven years are shown.

**This Plan is closed to new entrants and the County does not have any active employees included in the Plan.

Schedule of the County's Contributions – CalPERS Cost Sharing Plan
Last 10 Years*

	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution (Actuarially Determined)	\$ 1,470,092	\$ 1,339,187	\$ 1,232,762	\$ 717,072	\$ 585,888	\$ 492,867	\$ 387,807
Contributions in Relation to the Actuarially Determined Contributions	1,470,092	1,339,187	1,232,762	717,072	585,888	492,867	387,807
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*Fiscal year 2015 was the first year of implementation , therefore only seven years are shown.

**This Plan is closed to new entrants and the County does not have any active employees included in the Plan.

County of San Joaquin
Schedule of Changes in Total OPEB Liability and Related Ratios
Year Ended June 30, 2021

	2021	2020	2019	2018
Service cost	\$ 8,024,000	\$ 6,020,000	\$ 7,194,000	\$ 6,485,000
Interest (includes interest on service cost)	3,730,000	4,974,000	5,004,000	5,179,000
Differences between expected and actual experience	(7,746,000)	(8,988,000)	(6,239,000)	(5,909,000)
Changes of assumptions	(26,298,000)	15,449,000	(23,942,000)	6,858,000
Benefit payments	(4,093,000)	(5,162,000)	(4,859,000)	(4,870,000)
Net change in total OPEB liability	(26,383,000)	12,293,000	(22,842,000)	7,743,000
Total OPEB Liability - beginning	130,145,000	117,852,000	140,694,000	132,951,000
Total OPEB Liability - ending	<u>\$ 103,762,000</u>	<u>\$ 130,145,000</u>	<u>\$ 117,852,000</u>	<u>\$ 140,694,000</u>
Covered-employee payroll	\$ 465,531,000	\$ 452,125,000	\$ 450,892,000	\$ 430,661,000
Measurement Date	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Total OPEB liability as a percentage of covered-employee payroll	22.29%	28.79%	26.14%	32.67%

* Fiscal year 2018 was the first year of implementation of GASB 75, therefore, only four years are shown.

County of San Joaquin
 Budgetary Comparison Schedule – Budgetary Basis
 General Fund
 Year Ended June 30, 2021

	Budgeted amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary fund balance, July 1	\$ 278,709,457	\$ 278,709,457	\$ 278,709,457	\$ -
Resources (inflows):				
Taxes	292,328,217	292,328,217	336,096,251	43,768,034
Licenses, permits, and franchises	8,598,700	8,598,700	9,936,767	1,338,067
Fines, forfeitures, and penalties	5,344,414	5,344,414	8,434,714	3,090,300
Revenue from use of money and property	6,471,039	6,471,039	(1,188,350)	(7,659,389)
Aid from other governmental agencies	562,967,586	589,279,693	490,113,865	(99,165,828)
Charges for services	45,801,292	48,021,171	44,274,621	(3,746,550)
Other revenues	2,319,268	2,904,216	14,610,188	11,705,972
Transfers in	80,790,984	111,918,609	18,327,510	(93,591,099)
Total resources	1,004,621,500	1,064,866,059	920,605,566	(144,260,493)
Charges to appropriations (outflows):				
Current:				
General government	50,850,403	79,647,914	87,382,790	(7,734,876)
Public protection	348,790,677	351,381,562	255,010,602	96,370,960
Public ways and facilities	44,543	44,543	10,859	33,684
Health and sanitation	75,346,606	83,493,220	60,356,235	23,136,985
Public assistance	448,744,379	473,272,282	372,868,860	100,403,422
Education	846,913	846,913	380,824	466,089
Parks and recreation	7,981,390	7,981,390	5,599,328	2,382,062
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	61,082	81,756	3,563	78,193
Transfers out	52,762,349	85,274,496	22,466,309	62,808,187
Total charges to appropriations	985,428,342	1,082,024,076	804,079,370	277,944,706
Fund balance, end of year	\$ 297,902,615	\$ 261,551,440	\$ 395,235,653	\$ 133,684,213

County of San Joaquin
 Budgetary Comparison Schedule – Budgetary Basis
 General Fund (Continued)
 Year Ended June 30, 2021

Explanation of differences between budgetary inflows and outflows and accounting principles generally accepted in the United States of America (GAAP) revenues and expenditures:

Sources/inflows of resources:

Actual amounts (budgetary basis) "available for appropriations from the budgetary comparison schedule, not including fund balance" \$ 804,079,370

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes. (18,327,510)

Receipts from General Fund special accounts were budgeted only if they were expected to be used by the General Fund account, but were reported as revenues of the General Fund for financial reporting purposes. 74,094,893

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds \$ 859,846,753

Uses / outflows of resources:

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule \$ 804,079,370

Differences - budget to GAAP:

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes. (22,466,309)

Disbursements from the General Fund special accounts were not budgeted but were reported as expenditures for financial reporting purposes. 46,921,623

Encumbrances for equipment and supplies ordered but not received are reported in the year the orders are placed for budgetary purpose, but are reported in the year the equipment and supplies are received for GAAP purposes. (26,870,415)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds \$ 801,664,269

County of San Joaquin
 Budgetary Comparison Schedule – Budgetary Basis
 Mental Health and Substance Abuse Fund
 Year Ended June 30, 2021

	Budgeted amounts		Actual Amounts Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary fund balance, July 1	\$ 142,533,697	\$ 142,533,697	\$ 142,533,697	\$ -
Resources (inflows):				
Fines, forfeitures, and penalties	122,000	122,000	231,308	109,308
Revenue from use of money and property	540,000	540,000	166,659	(373,341)
Aid from other governmental agencies	156,015,938	156,015,938	100,124,516	(55,891,422)
Charges for services	86,094,319	86,174,319	76,141,378	(10,032,941)
Other revenues	26,674	26,674	151,129	124,455
Transfers in	5,655,873	5,655,873	3,806,189	(1,849,684)
Total resources	248,454,804	248,534,804	180,621,179	(67,913,625)
Charges to appropriations (outflows):				
Current:				
Health and sanitation	251,145,798	251,425,798	160,895,123	90,530,675
Capital outlay	11,883,023	11,883,023	212,429	11,670,594
Transfers out	-	-	2,427,053	(2,427,053)
Total charges to appropriations	263,028,821	263,308,821	163,534,605	99,774,216
Fund balances, end of year	\$ 127,959,680	\$ 127,759,680	\$ 159,620,271	\$ 31,860,591

County of San Joaquin
 Budgetary Comparison Schedule – Budgetary Basis
 Mental Health and Substance Abuse Fund (Continued)
 Year Ended June 30, 2021

Explanation of differences between budgetary inflows and outflows and accounting principles generally accepted in the United States of America (GAAP) revenues and expenditures:

Sources/inflows of resources:

Actual amounts (budgetary basis) "available for appropriations from the budgetary comparison schedule, not including fund balance" \$ 180,621,179

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes. (3,806,189)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds \$ 176,814,990

Uses / outflows of resources:

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule \$ 163,534,605

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources but are not expenditures for financial reporting purposes. (2,427,053)

Encumbrances for equipment and supplies ordered but not received are reported in the year the orders are placed for budgetary purpose, but are reported in the year the equipment and supplies are received for GAAP purposes. (1,124,448)

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds \$ 159,983,104

Budgetary Basis of Accounting

In accordance with provisions of Sections 29000 through 29144 of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County of San Joaquin (County) prepares and legally adopts an operating balanced final budget on or before June 30 of each year. Public hearings are conducted to review all proposed appropriations and the sources of financing before the adoption.

Since the final budget must be balanced, any shortfall in revenue and other financing sources requires an equal reduction in appropriations. This operating balanced budget is adopted each fiscal year for the general, special revenue, and special district service funds. It is prepared on a modified cash basis of accounting except that encumbrances are treated as budgeted expenditures in the year the purchase commitment is made. The encumbered appropriations do not lapse at year-end. Accordingly, encumbrances outstanding at year-end are reported as assignments of fund balances for subsequent year expenditures and become authorized encumbrance appropriations carried over. Throughout the fiscal year, supplemental appropriations may be made by the Board of Supervisors when revenues are received from unanticipated sources, or from anticipated sources in excess of estimates thereof or from contingency sources.

The legal level for budgetary control (the level at which expenditures may not exceed budgeted appropriations) is at the index and object level. An "index" for legal appropriation purposes may be (1) a single department (General Fund), (2) a division of a large department having multiple divisions, or (3) an entire fund. Object levels of expenditures for legal appropriation purposes are:

1. Salaries and benefits
2. Services and supplies
3. Other charges
4. Capital outlay
5. Other financing uses
6. Interfund transfers
7. Appropriation for contingencies
8. Contracts
9. Unclassified

All amendments or transfers of line-item appropriations between objects within the same index require County Administrator approval. Amendments and transfers of appropriations between indexes or that involve the addition or deletion of a project or piece of equipment must be approved by the Board of Supervisors. The Board of Supervisors has authorized the Auditor-Controller of the County to make year-end budget adjustments and appropriation transfers within the respective County budgets and funds to provide for expenditures in excess of budgeted amounts.

The budget approved by the Board of Supervisors for the General Fund includes budgeted expenditures and reimbursements for amounts disbursed on behalf of other governmental funds. Actual reimbursements for these items have been eliminated in the accompanying budgetary financial schedules. Accordingly, the related budgets for these items have also been eliminated in order to provide a meaningful comparison of actual and budgeted results of operations. A legally adopted budget was not prepared for the CRF Special Revenue Fund.

The budgets for the governmental funds may include an object level known as “intrafund transfers” in the charges for appropriations. This object level is an accounting mechanism used by the County to show reimbursements between operations within the same fund (an example would be the General Fund).

The following functions had excess expenditures over appropriations:

General Fund – General Government	\$7,734,876
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Supplementary Information
June 30, 2021

County of San Joaquin

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GENERAL FUND ACCOUNTS

General Fund Accounts, representing the general operating fund of the County, include General Account (General Fund) and certain special accounts that are under the control of various General Fund departments. They are used to account for all financial resources not accounted for in another fund.

County of San Joaquin
Combining Balance Sheet –
All General Funds
June 30, 2021

	General Accounts	Contingency	General Reserve	Unfunded Pension Liability Reserve	Economic Development Reserve	Approved Labor Agreements Reserve	Total
Assets							
Cash and investments:							
Pooled and other	\$ 478,799,802	\$ 65,454,502	\$ 10,009,197	\$ 40,680,111	\$ 2,351,993	\$ 16,336,551	\$ 613,632,156
Imprest cash	248,650	-	-	-	-	-	248,650
Accounts receivable	8,020,555	-	-	-	-	-	8,020,555
Taxes receivable	41,406,415	-	-	-	-	-	41,406,415
Interest receivable	614,705	-	-	31,248	1,415	6,450	653,818
Due from other agencies	45,225,845	-	-	-	-	-	45,225,845
Due from other funds	3,573,762	-	-	-	-	-	3,573,762
Advances to other funds	3,686,968	380,000	-	-	-	-	4,066,968
Loans receivable	-	85,000	-	-	-	-	85,000
Other assets	25,500	-	-	-	-	-	25,500
Total assets	\$ 581,602,202	\$ 65,919,502	\$ 10,009,197	\$ 40,711,359	\$ 2,353,408	\$ 16,343,001	\$ 716,938,669
Liabilities, Deferred Inflows of Resources And Fund Balances							
Liabilities:							
Accounts payable	\$ 14,077,607	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,077,607
Accrued payroll	13,260,465	-	-	-	-	-	13,260,465
Due to other funds	2,884,324	-	-	-	-	-	2,884,324
Advances from other funds	217,109	-	-	-	-	-	217,109
Unearned revenues	28,272,108	-	-	-	-	-	28,272,108
Other liabilities	592,078	-	-	-	-	-	592,078
Total liabilities	59,303,691	-	-	-	-	-	59,303,691
Deferred Inflows of resources:							
Unavailable revenue	90,729,520	-	-	-	-	-	90,729,520
Total deferred inflows of resources	90,729,520	-	-	-	-	-	90,729,520
Fund balances:							
Nonspendable	3,686,968	465,000	-	-	-	-	4,151,968
Restricted	144,799,390	-	-	-	-	-	144,799,390
Committed	-	-	10,009,197	40,711,359	2,353,408	16,343,001	69,416,965
Assigned	-	65,454,502	-	-	-	-	65,454,502
Unassigned	283,082,633	-	-	-	-	-	283,082,633
Total fund balances	431,568,991	65,919,502	10,009,197	40,711,359	2,353,408	16,343,001	566,905,458
Total liabilities, deferred inflows of resources and fund balances	\$ 581,602,202	\$ 65,919,502	\$ 10,009,197	\$ 40,711,359	\$ 2,353,408	\$ 16,343,001	\$ 716,938,669

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in the Fund Balance –
All General Funds
Year Ended June 30, 2021

	General Accounts	Contingency	General Reserve	Unfunded Pension Liability Reserve	Economic Development Reserve	Approved Labor Agreements Reserve	Interfund Elimination	Total
Revenues:								
Taxes	\$ 336,096,251	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 336,096,251
Licenses, permits, and franchises	10,755,165	-	-	-	-	-	-	10,755,165
Fines, forfeitures, and penalties	10,489,331	-	-	-	-	-	-	10,489,331
Revenue from use of money and property	2,193,084	(424,156)	(45,084)	28,066	1,675	12,189	-	1,765,774
Aid from other governmental agencies	545,418,861	-	-	-	-	-	-	545,418,861
Charges for services	50,118,285	-	-	-	-	-	-	50,118,285
Other revenues	21,729,282	-	-	-	-	-	-	21,729,282
Total revenues	976,800,259	(424,156)	(45,084)	28,066	1,675	12,189	-	976,372,949
Expenditures:								
Current:								
General government	65,471,408	-	-	-	-	-	-	65,471,408
Public protection	267,798,840	-	-	-	-	-	-	267,798,840
Public ways and facilities	4,420	-	-	-	-	-	-	4,420
Health and sanitation	56,791,664	-	-	-	-	-	-	56,791,664
Public assistance	396,776,415	-	-	-	-	-	-	396,776,415
Education	380,824	-	-	-	-	-	-	380,824
Parks and recreation	5,428,830	-	-	-	-	-	-	5,428,830
Capital outlay	9,008,305	-	-	-	-	-	-	9,008,305
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	3,563	-	-	-	-	-	-	3,563
Total expenditures	801,664,269	-	-	-	-	-	-	801,664,269
Excess (deficiency) of revenues over (under) expenditures	175,135,990	(424,156)	(45,084)	28,066	1,675	12,189	-	174,708,680
Other financing sources (uses):								
Transfers in	28,976,566	-	-	7,285,557	955,234	11,261,512	(33,970,462)	14,508,407
Transfers out	(30,901,597)	(25,270,154)	-	-	-	-	33,970,462	(22,201,289)
Total other financing sources (uses)	(1,925,031)	(25,270,154)	-	7,285,557	955,234	11,261,512	-	(7,692,882)
Net change in fund balances	173,210,959	(25,694,310)	(45,084)	7,313,623	956,909	11,273,701	-	167,015,798
Fund balances, beginning of year, as restated	258,358,032	91,613,812	10,054,281	33,397,736	1,396,499	5,069,300	-	399,889,660
Fund balances, end of year	\$ 431,568,991	\$ 65,919,502	\$ 10,009,197	\$ 40,711,359	\$ 2,353,408	\$ 16,343,001	\$ -	\$ 566,905,458

County of San Joaquin
Combining Balance Sheet –
All General Fund Special Accounts
June 30, 2021

	General Accounts	Sheriff's Special Accounts	Prisoner Welfare Accounts	Court Fees and Assessments
Assets				
Cash and investments:				
Pooled and other	\$ 322,963,044	\$ 4,858,379	\$ 6,927,388	\$ 2,928,879
Imprest cash	96,150	-	-	-
Accounts receivable	6,229,770	44,668	638,558	7,108
Taxes receivable	41,406,415	-	-	-
Interest receivable	529,770	3,656	5,990	2,711
Due from other agencies	41,673,749	52,744	-	186,331
Due from other funds	3,239,365	-	13,580	-
Advances to other funds	3,686,968	-	-	-
Other assets	25,500	-	-	-
	<u>419,850,731</u>	<u>4,959,447</u>	<u>7,585,516</u>	<u>3,125,029</u>
Total assets	\$ 419,850,731	\$ 4,959,447	\$ 7,585,516	\$ 3,125,029
Liabilities, Deferred Inflows of Resources And Fund Balances				
Liabilities:				
Accounts payable	\$ 13,066,011	\$ 51,486	\$ 6,420	\$ -
Accrued payroll	13,260,465	-	-	-
Due to other funds	2,852,493	1,002	5,641	-
Advances from other funds	217,109	-	-	-
Unearned revenues	12,418,094	69,326	-	-
Other liabilities	592,078	-	-	-
	<u>42,406,250</u>	<u>121,814</u>	<u>12,061</u>	<u>-</u>
Total liabilities	42,406,250	121,814	12,061	-
Deferred Inflows of resources:				
Unavailable revenue	90,674,880	-	52,255	-
	<u>90,674,880</u>	<u>-</u>	<u>52,255</u>	<u>-</u>
Total deferred inflows of resources	90,674,880	-	52,255	-
Fund balances:				
Nonspendable	3,686,968	-	-	-
Restricted	-	4,837,633	7,521,200	3,125,029
Unassigned	283,082,633	-	-	-
	<u>286,769,601</u>	<u>4,837,633</u>	<u>7,521,200</u>	<u>3,125,029</u>
Total fund balances	286,769,601	4,837,633	7,521,200	3,125,029
	<u>\$ 419,850,731</u>	<u>\$ 4,959,447</u>	<u>\$ 7,585,516</u>	<u>\$ 3,125,029</u>
Total liabilities, deferred inflows of resources and fund balances	\$ 419,850,731	\$ 4,959,447	\$ 7,585,516	\$ 3,125,029

County of San Joaquin
Combining Balance Sheet –
All General Fund Special Accounts (Continued)
June 30, 2021

Emergency Medical Services	Agriculture Special Accounts	Public Health Special Accounts	Community Service Special Accounts	Parks' Special Accounts	Recorder's Accounts
\$ 8,606,544	\$ 3,499,616	\$ 13,465,246	\$ 34,835,353	\$ 2,330,068	\$ 355,458
-	-	-	2,500	-	-
24,988	2,385	250,160	3,565	31,456	1,140
-	-	-	-	-	-
6,667	558	10,847	364	2,156	-
-	-	-	2,534,384	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,638,199</u>	<u>\$ 3,502,559</u>	<u>\$ 13,726,253</u>	<u>\$ 37,376,166</u>	<u>\$ 2,363,680</u>	<u>\$ 356,598</u>
\$ 31,940	\$ -	\$ 169,762	\$ 63,793	\$ 1,435	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>31,940</u>	<u>-</u>	<u>169,762</u>	<u>63,793</u>	<u>1,435</u>	<u>-</u>
-	2,385	-	-	-	-
-	2,385	-	-	-	-
-	-	-	-	-	-
8,606,259	3,500,174	13,556,491	37,312,373	2,362,245	356,598
-	-	-	-	-	-
<u>8,606,259</u>	<u>3,500,174</u>	<u>13,556,491</u>	<u>37,312,373</u>	<u>2,362,245</u>	<u>356,598</u>
<u>\$ 8,638,199</u>	<u>\$ 3,502,559</u>	<u>\$ 13,726,253</u>	<u>\$ 37,376,166</u>	<u>\$ 2,363,680</u>	<u>\$ 356,598</u>

County of San Joaquin
Combining Balance Sheet –
All General Fund Special Accounts (Continued)
June 30, 2021

	Assessor Special Accounts	Probation Juvenile Welfare	Community Development Accounts	District Attorney Accounts
Assets				
Cash and investments:				
Pooled and other	\$ 1,068,698	\$ 16,589,415	\$ 7,877,040	\$ 13,524,094
Imprest cash	-	-	-	-
Accounts receivable	1,993	496,526	43,137	91,350
Taxes receivable	-	-	-	-
Interest receivable	743	14,851	6,791	19,334
Due from other agencies	-	-	-	778,637
Due from other funds	-	320,817	-	-
Advances to other funds	-	-	-	-
Other assets	-	-	-	-
	<u>1,071,434</u>	<u>17,421,609</u>	<u>7,926,968</u>	<u>14,413,415</u>
Total assets	\$ 1,071,434	\$ 17,421,609	\$ 7,926,968	\$ 14,413,415
Liabilities, Deferred Inflows of Resources And Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 88,441	\$ 87,018	\$ 3,630
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Unearned revenues	-	-	-	-
Other liabilities	-	-	-	-
	<u>-</u>	<u>88,441</u>	<u>87,018</u>	<u>3,630</u>
Total liabilities	-	88,441	87,018	3,630
Deferred Inflows of resources:				
Unavailable revenue	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Nonspendable	-	-	-	-
Restricted	1,071,434	17,333,168	7,839,950	14,409,785
Unassigned	-	-	-	-
	<u>1,071,434</u>	<u>17,333,168</u>	<u>7,839,950</u>	<u>14,409,785</u>
Total fund balances	1,071,434	17,333,168	7,839,950	14,409,785
Total liabilities, deferred inflows of resources and fund balances	\$ 1,071,434	\$ 17,421,609	\$ 7,926,968	\$ 14,413,415

County of San Joaquin
Combining Balance Sheet –
All General Fund Special Accounts (Continued)
June 30, 2021

HSA Grant Accounts	Payroll and Benefits Accounts	Other Accounts	Total
\$ 15,786,023	\$ 9,622,363	\$ 13,562,194	\$ 478,799,802
150,000	-	-	248,650
-	24,410	129,341	8,020,555
-	-	-	41,406,415
-	5,321	4,946	614,705
-	-	-	45,225,845
-	-	-	3,573,762
-	-	-	3,686,968
-	-	-	25,500
<u>\$ 15,936,023</u>	<u>\$ 9,652,094</u>	<u>\$ 13,696,481</u>	<u>\$ 581,602,202</u>
\$ -	\$ 497,153	\$ 10,518	\$ 14,077,607
-	-	-	13,260,465
-	-	25,188	2,884,324
-	-	-	217,109
15,784,688	-	-	28,272,108
-	-	-	592,078
<u>15,784,688</u>	<u>497,153</u>	<u>35,706</u>	<u>59,303,691</u>
-	-	-	90,729,520
-	-	-	90,729,520
-	-	-	3,686,968
151,335	9,154,941	13,660,775	144,799,390
-	-	-	283,082,633
<u>151,335</u>	<u>9,154,941</u>	<u>13,660,775</u>	<u>431,568,991</u>
<u>\$ 15,936,023</u>	<u>\$ 9,652,094</u>	<u>\$ 13,696,481</u>	<u>\$ 581,602,202</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
All General Fund Special Accounts
Year Ended June 30, 2021

	General Accounts	Sheriff's Special Accounts	Prisoner Welfare Accounts	Court Fees and Assessments
Revenues:				
Taxes	\$ 336,096,251	\$ -	\$ -	\$ -
Licenses, permits, and franchises	9,936,767	-	-	-
Fines, forfeitures, and penalties	8,434,714	114,101	-	109,573
Revenue from use of money and property	2,183,105	2,055	9,161	2,727
Aid from other governmental agencies	489,825,484	620,425	-	715,898
Charges for services	44,563,002	670,390	3,510	-
Other revenues	11,666,043	545	6,039,257	-
Total revenues	902,705,366	1,407,516	6,051,928	828,198
Expenditures:				
Current:				
General government	65,451,705	-	-	-
Public protection	250,893,016	233,360	1,644,869	-
Public ways and facilities	4,420	-	-	-
Health and sanitation	56,082,984	-	-	-
Public assistance	367,489,000	-	-	-
Education	380,824	-	-	-
Parks and recreation	5,428,830	-	-	-
Capital outlay	9,008,305	-	-	-
Debt service:				
Interest and fiscal charges	3,563	-	-	-
Total expenditures	754,742,647	233,360	1,644,869	-
Excess (deficiency) of revenues over (under) expenditures	147,962,719	1,174,156	4,407,059	828,198
Other financing sources (uses):				
Transfers in	23,262,815	-	-	-
Transfers out	(21,633,762)	(681,714)	(1,257,222)	(696,174)
Total other financing sources (uses)	1,629,053	(681,714)	(1,257,222)	(696,174)
Net change in fund balances	149,591,772	492,442	3,149,837	132,024
Fund balances, beginning of year, as restated	137,177,829	4,345,191	4,371,363	2,993,005
Fund balances, end of year	\$ 286,769,601	\$ 4,837,633	\$ 7,521,200	\$ 3,125,029

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
All General Fund Special Accounts (Continued)
Year Ended June 30, 2021

Emergency Medical Services	Agriculture Special Accounts	Public Health Special Accounts	Community Service Special Accounts	Parks' Special Accounts	Recorder's Accounts
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
241,238	-	204,896	14,004	-	-
5,493	29,194	(482)	(124,126)	2,682	(1,181)
80,568	-	201,722	35,358,409	-	-
14,984	699,914	64,970	1,038,146	657,336	82,877
2,733	52,493	-	26,997	329,424	-
<u>345,016</u>	<u>781,601</u>	<u>471,106</u>	<u>36,313,430</u>	<u>989,442</u>	<u>81,696</u>
-	-	-	-	-	-
-	5,672	-	-	-	-
-	-	-	-	-	-
196,228	-	512,452	-	-	-
-	-	-	29,287,415	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>196,228</u>	<u>5,672</u>	<u>512,452</u>	<u>29,287,415</u>	<u>-</u>	<u>-</u>
<u>148,788</u>	<u>775,929</u>	<u>(41,346)</u>	<u>7,026,015</u>	<u>989,442</u>	<u>81,696</u>
1,070,373	-	-	-	-	-
-	(565,647)	(202,523)	(863,133)	(199,955)	-
<u>1,070,373</u>	<u>(565,647)</u>	<u>(202,523)</u>	<u>(863,133)</u>	<u>(199,955)</u>	<u>-</u>
1,219,161	210,282	(243,869)	6,162,882	789,487	81,696
<u>7,387,098</u>	<u>3,289,892</u>	<u>13,800,360</u>	<u>31,149,491</u>	<u>1,572,758</u>	<u>274,902</u>
<u>\$ 8,606,259</u>	<u>\$ 3,500,174</u>	<u>\$ 13,556,491</u>	<u>\$ 37,312,373</u>	<u>\$ 2,362,245</u>	<u>\$ 356,598</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
All General Fund Special Accounts (Continued)
Year Ended June 30, 2021

	Assessor Special Accounts	Probation Juvenile Welfare	Community Development Accounts	District Attorney Accounts
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	818,398	-
Fines, forfeitures, and penalties	-	-	-	1,370,805
Revenue from use of money and property	28,271	32,028	7,031	41,795
Aid from other governmental agencies	-	5,166,864	7,209,661	6,239,830
Charges for services	593,763	-	67,392	1,484,762
Other revenues	-	-	10	519,797
Total revenues	<u>622,034</u>	<u>5,198,892</u>	<u>8,102,492</u>	<u>9,656,989</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	7,483,454	7,044,512	493,957
Public ways and facilities	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>7,483,454</u>	<u>7,044,512</u>	<u>493,957</u>
Excess (deficiency) of revenues over (under) expenditures	<u>622,034</u>	<u>(2,284,562)</u>	<u>1,057,980</u>	<u>9,163,032</u>
Other financing sources (uses):				
Transfers in	-	4,413,378	-	-
Transfers out	<u>(483,689)</u>	<u>-</u>	<u>-</u>	<u>(3,512,847)</u>
Total other financing sources (uses)	<u>(483,689)</u>	<u>4,413,378</u>	<u>-</u>	<u>(3,512,847)</u>
Net change in fund balances	138,345	2,128,816	1,057,980	5,650,185
Fund balances, beginning of year, as restated	<u>933,089</u>	<u>15,204,352</u>	<u>6,781,970</u>	<u>8,759,600</u>
Fund balances, end of year	<u>\$ 1,071,434</u>	<u>\$ 17,333,168</u>	<u>\$ 7,839,950</u>	<u>\$ 14,409,785</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
All General Fund Special Accounts (Continued)
Year Ended June 30, 2021

HSA Grant Accounts	Payroll and Benefits Accounts	Other Accounts	Total
\$ -	\$ -	\$ -	\$ 336,096,251
-	-	-	10,755,165
-	-	-	10,489,331
799	(10,988)	(14,480)	2,193,084
-	-	-	545,418,861
-	-	177,239	50,118,285
-	739,535	2,352,448	21,729,282
799	728,547	2,515,207	976,800,259
-	-	19,703	65,471,408
-	-	-	267,798,840
-	-	-	4,420
-	-	-	56,791,664
-	-	-	396,776,415
-	-	-	380,824
-	-	-	5,428,830
-	-	-	9,008,305
-	-	-	3,563
-	-	19,703	801,664,269
799	728,547	2,495,504	175,135,990
-	-	230,000	28,976,566
-	-	(804,931)	(30,901,597)
-	-	(574,931)	(1,925,031)
799	728,547	1,920,573	173,210,959
150,536	8,426,394	11,740,202	258,358,032
\$ 151,335	\$ 9,154,941	\$ 13,660,775	\$ 431,568,991

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor governmental funds include special revenue funds, capital projects funds, and debt service funds that are not classified as major funds by the County.

County of San Joaquin
Combining Balance Sheet –
Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and investments:				
Pooled and other	\$ 315,983,456	\$ 12,382	\$ 23,747,518	\$ 339,743,356
Imprest cash	33,650	-	-	33,650
Accounts receivable	4,386,281	-	66,719	4,453,000
Taxes receivable	4,415,137	-	-	4,415,137
Interest receivable	272,865	13	15,147	288,025
Due from other agencies	10,203,260	-	-	10,203,260
Due from other funds	26,468	-	-	26,468
Loans receivable	39,334,202	-	-	39,334,202
Inventory	807,838	-	-	807,838
Other assets	1,040	-	-	1,040
Restricted assets:				
Restricted cash and investments	-	23	-	23
Total assets	\$ 375,464,197	\$ 12,418	\$ 23,829,384	\$ 399,305,999
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 8,177,763	\$ -	\$ 17,892	\$ 8,195,655
Accrued payroll	1,571,041	-	-	1,571,041
Due to other funds	2,769,622	-	-	2,769,622
Advances from other funds	3,686,968	-	-	3,686,968
Total liabilities	16,205,394	-	17,892	16,223,286
Deferred Inflows of resources:				
Unavailable revenue	4,794,911	-	-	4,794,911
Total deferred inflows of resources	4,794,911	-	-	4,794,911
Fund balances:				
Nonspendable	807,838	-	-	807,838
Restricted	359,314,469	12,418	15,327,672	374,654,559
Assigned	-	-	8,483,820	8,483,820
Unassigned	(5,658,415)	-	-	(5,658,415)
Total fund balances	354,463,892	12,418	23,811,492	378,287,802
Total liabilities, deferred inflows of resources and fund balances	\$ 375,464,197	\$ 12,418	\$ 23,829,384	\$ 399,305,999

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ 34,473,075	\$ -	\$ -	\$ 34,473,075
Licenses, permits, and franchises	163,057	-	-	163,057
Fines, forfeitures, and penalties	1,243	-	893,677	894,920
Revenue from use of money and property	605,956	87	(17,118)	588,925
Aid from other governmental agencies	131,055,606	-	-	131,055,606
Charges for services	38,202,667	18,220	18,928	38,239,815
Other revenues	1,220,831	-	-	1,220,831
Total revenues	205,722,435	18,307	895,487	206,636,229
Expenditures:				
Current:				
General government	2,866,014	328	-	2,866,342
Public protection	56,894,376	-	-	56,894,376
Public ways and facilities	38,497,544	-	24,555	38,522,099
Community infrastructure	1,029,127	-	-	1,029,127
Health and sanitation	4,342,123	-	-	4,342,123
Public assistance	17,556,025	-	-	17,556,025
Education	7,069,914	-	-	7,069,914
Parks and recreation	205,485	-	-	205,485
Capital outlay	23,130,367	-	145,460	23,275,827
Debt service:				
Principal	-	4,957,000	-	4,957,000
Interest and fiscal charges	18,961	3,331,025	-	3,349,986
Total expenditures	151,609,936	8,288,353	170,015	160,068,304
Excess (deficiency) of revenues over (under) expenditures	54,112,499	(8,270,046)	725,472	46,567,925
Other financing sources (uses):				
Transfers in	3,246,787	8,269,694	500,000	12,016,481
Transfers out	(15,565,755)	-	(226,232)	(15,791,987)
Total other financing sources (uses)	(12,318,968)	8,269,694	273,768	(3,775,506)
Net change in fund balances	41,793,531	(352)	999,240	42,792,419
Fund balances, beginning of year, as restated	312,670,361	12,770	22,812,252	335,495,383
Fund balances, end of year	\$ 354,463,892	\$ 12,418	\$ 23,811,492	\$ 378,287,802

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service and capital projects.

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Revenue Funds
June 30, 2021

	Road	Fish and Game	County Facilities Fee Program	Special Districts Settlement Fund
Assets				
Cash and investments:				
Pooled and other	\$ 61,837,479	\$ 158,645	\$ 54,871,884	\$ -
Imprest cash	500	-	-	-
Accounts receivable	294,056	10,823	2,470,966	-
Taxes receivable	3,503,815	-	-	-
Interest receivable	53,233	142	50,231	-
Due from other agencies	6,338,021	-	-	-
Due from other funds	11,513	-	-	-
Loans receivable	-	-	-	-
Inventory	807,838	-	-	-
Other assets	-	-	-	-
Total assets	\$ 72,846,455	\$ 169,610	\$ 57,393,081	\$ -
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 2,372,485	\$ -	\$ -	\$ -
Accrued payroll	574,013	-	-	-
Due to other funds	383,911	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	3,330,409	-	-	-
Deferred Inflows of resources:				
Unavailable revenue	3,134,502	-	-	-
Total deferred inflows of resources	3,134,502	-	-	-
Fund balances:				
Nonspendable	807,838	-	-	-
Restricted	65,573,706	169,610	57,393,081	-
Unassigned	-	-	-	-
Total fund balances (deficit)	66,381,544	169,610	57,393,081	-
Total liabilities, deferred inflows of resources and fund balances	\$ 72,846,455	\$ 169,610	\$ 57,393,081	\$ -

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Revenue Funds (Continued)
June 30, 2021

Work Incentive Act	Rabies Treatment	County Head Start	Road District #1	Road District #2	Road District #3
\$ -	\$ 253,218	\$ 45,462	\$ 3,425,000	\$ 1,374,134	\$ 3,021,775
250	-	-	-	-	-
205,255	5,645	-	-	-	-
-	-	-	41,785	25,754	36,388
-	-	-	3,094	1,258	2,734
392,973	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 598,478</u>	<u>\$ 258,863</u>	<u>\$ 45,462</u>	<u>\$ 3,469,879</u>	<u>\$ 1,401,146</u>	<u>\$ 3,060,897</u>
\$ 376,033	\$ -	\$ -	\$ 88,864	\$ 99,606	\$ 55,327
206,540	-	-	-	-	-
170,730	-	-	-	-	-
-	-	-	-	-	-
<u>753,303</u>	<u>-</u>	<u>-</u>	<u>88,864</u>	<u>99,606</u>	<u>55,327</u>
<u>570,000</u>	<u>-</u>	<u>-</u>	<u>25,747</u>	<u>15,841</u>	<u>21,774</u>
<u>570,000</u>	<u>-</u>	<u>-</u>	<u>25,747</u>	<u>15,841</u>	<u>21,774</u>
-	-	-	-	-	-
-	258,863	45,462	3,355,268	1,285,699	2,983,796
(724,825)	-	-	-	-	-
<u>(724,825)</u>	<u>258,863</u>	<u>45,462</u>	<u>3,355,268</u>	<u>1,285,699</u>	<u>2,983,796</u>
<u>\$ 598,478</u>	<u>\$ 258,863</u>	<u>\$ 45,462</u>	<u>\$ 3,469,879</u>	<u>\$ 1,401,146</u>	<u>\$ 3,060,897</u>

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Revenue Funds (Continued)
June 30, 2021

	Road District #4	Road District #5	County Library	District Attorney Narcotics Enforcement
Assets				
Cash and investments:				
Pooled and other	\$ 12,073,629	\$ 5,730,882	\$ 10,394,227	\$ 273,552
Imprest cash	-	-	-	-
Accounts receivable	-	-	-	-
Taxes receivable	202,913	68,885	385,290	-
Interest receivable	11,005	5,186	285	280
Due from other agencies	-	-	-	-
Due from other funds	-	-	-	-
Loans receivable	-	-	-	-
Inventory	-	-	-	-
Other assets	-	-	-	-
Total assets	\$ 12,287,547	\$ 5,804,953	\$ 10,779,802	\$ 273,832
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 651,664	\$ 102,328	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	1,395	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	653,059	102,328	-	-
Deferred Inflows of resources:				
Unavailable revenue	124,833	42,319	237,197	-
Total deferred inflows of resources	124,833	42,319	237,197	-
Fund balances:				
Nonspendable	-	-	-	-
Restricted	11,509,655	5,660,306	10,542,605	273,832
Unassigned	-	-	-	-
Total fund balances (deficit)	11,509,655	5,660,306	10,542,605	273,832
Total liabilities, deferred inflows of resources and fund balances	\$ 12,287,547	\$ 5,804,953	\$ 10,779,802	\$ 273,832

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Revenue Funds (Continued)
June 30, 2021

Sheriff Narcotics Enforcement	Justice Assistance Grant	Supplemental Local Law Enforcement Block Grant	Local Innovation Subaccount	Whole Person Care	Recorder's Equipment Automation
\$ 93,487	\$ -	\$ 38,766	\$ 796,409	\$ 2,491,021	\$ 7,585,547
7,500	-	-	-	-	-
-	-	-	-	-	16,014
-	-	-	-	-	-
77	25	-	716	1,980	6,593
-	4,975	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 101,064</u>	<u>\$ 5,000</u>	<u>\$ 38,766</u>	<u>\$ 797,125</u>	<u>\$ 2,493,001</u>	<u>\$ 7,608,154</u>
\$ -	\$ -	\$ -	\$ -	\$ 493,264	\$ 51,217
-	-	38,742	-	-	-
-	59,910	-	-	-	562
-	-	-	-	-	-
<u>-</u>	<u>59,910</u>	<u>38,742</u>	<u>-</u>	<u>493,264</u>	<u>51,779</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
101,064	-	24	797,125	1,999,737	7,556,375
-	(54,910)	-	-	-	-
<u>101,064</u>	<u>(54,910)</u>	<u>24</u>	<u>797,125</u>	<u>1,999,737</u>	<u>7,556,375</u>
<u>\$ 101,064</u>	<u>\$ 5,000</u>	<u>\$ 38,766</u>	<u>\$ 797,125</u>	<u>\$ 2,493,001</u>	<u>\$ 7,608,154</u>

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Revenue Funds (Continued)
June 30, 2021

	Child Support	Community Infrastructure	Public Works Special Accounts	AB 109 Trial Court Security
Assets				
Cash and investments:				
Pooled and other	\$ -	\$ 34,023,892	\$ 3,667,449	\$ 14,938,658
Imprest cash	25,400	-	-	-
Accounts receivable	723,429	356,629	44,864	126
Taxes receivable	-	-	-	-
Interest receivable	585	30,031	3,278	14,873
Due from other agencies	-	-	-	692,564
Due from other funds	-	-	-	-
Loans receivable	-	-	-	-
Inventory	-	-	-	-
Other assets	-	-	-	-
Total assets	\$ 749,414	\$ 34,410,552	\$ 3,715,591	\$ 15,646,221
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,124,472	\$ 195,262	\$ -	\$ 127,554
Accrued payroll	387,736	-	-	39,929
Due to other funds	719,508	-	-	7,320
Advances from other funds	-	-	-	-
Total liabilities	2,231,716	195,262	-	174,803
Deferred Inflows of resources:				
Unavailable revenue	410,000	-	-	-
Total deferred inflows of resources	410,000	-	-	-
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	34,215,290	3,715,591	15,471,418
Unassigned	(1,892,302)	-	-	-
Total fund balances (deficit)	(1,892,302)	34,215,290	3,715,591	15,471,418
Total liabilities, deferred inflows of resources and fund balances	\$ 749,414	\$ 34,410,552	\$ 3,715,591	\$ 15,646,221

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Revenue Funds (Continued)
June 30, 2021

AB 109 District Attorney - Public Defender	AB 118 Local Community Corrections Fund	AB 118 Health and Human Services	AB 1476 Prob CDCR Early Release	Industrial Revolving Loan Fund	Home Investment Trust Local Account
\$ 1,865,591	\$ 45,977,758	\$ -	\$ 1,208,319	\$ 3,879,588	\$ 2,133,632
-	-	-	-	-	-
-	6,250	-	-	-	1,917
-	-	-	-	-	-
2,110	41,023	-	1,113	-	2,205
381,632	1,899,965	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,613,428	16,982,364
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,249,333</u>	<u>\$ 47,924,996</u>	<u>\$ -</u>	<u>\$ 1,209,432</u>	<u>\$ 6,493,016</u>	<u>\$ 19,120,118</u>
\$ -	\$ 1,407,697	\$ -	\$ -	\$ -	\$ 9,412
-	310,131	-	-	-	-
320,817	781,886	-	-	-	-
-	-	-	-	-	-
<u>320,817</u>	<u>2,499,714</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,412</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,928,516	45,425,282	-	1,209,432	6,493,016	19,110,706
-	-	-	-	-	-
<u>1,928,516</u>	<u>45,425,282</u>	<u>-</u>	<u>1,209,432</u>	<u>6,493,016</u>	<u>19,110,706</u>
<u>\$ 2,249,333</u>	<u>\$ 47,924,996</u>	<u>\$ -</u>	<u>\$ 1,209,432</u>	<u>\$ 6,493,016</u>	<u>\$ 19,120,118</u>

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Revenue Funds (Continued)
June 30, 2021

	Rehabilitation Loan Program	Disaster Recovery Initiative Program	Neighborhood Stabilization Revolving Loan Program	Economic Development Association
Assets				
Cash and investments:				
Pooled and other	\$ 1,084,459	\$ 167,313	\$ 2,779,662	\$ 1,653,602
Imprest cash	-	-	-	-
Accounts receivable	9,915	-	200	303
Taxes receivable	-	-	-	-
Interest receivable	2,784	150	-	-
Due from other agencies	-	-	-	-
Due from other funds	-	-	-	-
Loans receivable	12,822,168	77,062	6,839,180	-
Inventory	-	-	-	-
Other assets	-	-	-	1,040
	<u>\$ 13,919,326</u>	<u>\$ 244,525</u>	<u>\$ 9,619,042</u>	<u>\$ 1,654,945</u>
Total assets				
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 342	\$ -	\$ -	\$ 53,754
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
	<u>342</u>	<u>-</u>	<u>-</u>	<u>53,754</u>
Total liabilities				
Deferred Inflows of resources:				
Unavailable revenue	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources				
Fund balances:				
Nonspendable	-	-	-	-
Restricted	13,918,984	244,525	9,619,042	1,601,191
Unassigned	-	-	-	-
	<u>13,918,984</u>	<u>244,525</u>	<u>9,619,042</u>	<u>1,601,191</u>
Total fund balances (deficit)				
	<u>\$ 13,919,326</u>	<u>\$ 244,525</u>	<u>\$ 9,619,042</u>	<u>\$ 1,654,945</u>
Total liabilities, deferred inflows of resources and fund balances				

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Revenue Funds (Continued)
June 30, 2021

Special Districts Under the Board	Total
\$ 38,138,416	\$ 315,983,456
-	33,650
239,889	4,386,281
150,307	4,415,137
37,874	272,865
493,130	10,203,260
14,955	26,468
-	39,334,202
-	807,838
-	1,040
\$ 39,074,571	\$ 375,464,197
\$ 968,482	\$ 8,177,763
13,950	1,571,041
323,583	2,769,622
3,686,968	3,686,968
4,992,983	16,205,394
212,698	4,794,911
212,698	4,794,911
-	807,838
36,855,268	359,314,469
(2,986,378)	(5,658,415)
33,868,890	354,463,892
\$ 39,074,571	\$ 375,464,197

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds
Year Ended June 30, 2021

	Road	Fish and Game	County Facilities Fee Program	Special Districts Settlement Fund
Revenues:				
Taxes	\$ 13,236,644	\$ -	\$ -	\$ -
Licenses, permits, and franchises	115,137	-	-	-
Fines, forfeitures, and penalties	-	1,243	-	-
Revenue from use of money and property	45,276	120	60,494	1,491
Aid from other governmental agencies	36,105,158	18,429	-	-
Charges for services	1,477,440	-	11,202,032	-
Other revenues	135,852	-	-	-
Total revenues	51,115,507	19,792	11,262,526	1,491
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	15,511	-	-
Public ways and facilities	19,027,570	-	-	-
Community infrastructure	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	21,530,267	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	40,557,837	15,511	-	-
Excess (deficiency) of revenues over (under) expenditures	10,557,670	4,281	11,262,526	1,491
Other financing sources (uses):				
Transfers in	328,371	-	-	-
Transfers out	(195,068)	(2,000)	(1,624,869)	(1,172,581)
Total other financing sources (uses)	133,303	(2,000)	(1,624,869)	(1,172,581)
Net change in fund balances	10,690,973	2,281	9,637,657	(1,171,090)
Fund balances (deficit), beginning of year	55,689,538	167,329	47,755,424	1,171,090
Prior period adjustments	1,033	-	-	-
Fund balances (deficit), beginning of year, as restated	55,690,571	167,329	47,755,424	1,171,090
Fund balances (deficit), end of year	\$ 66,381,544	\$ 169,610	\$ 57,393,081	\$ -

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds (Continued)
Year Ended June 30, 2021

Work Incentive Act	Rabies Treatment	County Head Start	Road District #1	Road District #2	Road District #3
\$ -	\$ -	\$ -	\$ 941,101	\$ 582,663	\$ 946,005
-	47,920	-	-	-	-
-	-	-	-	-	-
(346)	(911)	(205)	2,018	398	2,901
9,629,365	-	-	6,439	3,962	5,446
311,302	-	-	-	-	-
360,021	-	-	-	-	-
<u>10,300,342</u>	<u>47,009</u>	<u>(205)</u>	<u>949,558</u>	<u>587,023</u>	<u>954,352</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	667,215	623,256	343,741
-	-	-	-	-	-
10,511,657	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,511,657</u>	<u>-</u>	<u>-</u>	<u>667,215</u>	<u>623,256</u>	<u>343,741</u>
<u>(211,315)</u>	<u>47,009</u>	<u>(205)</u>	<u>282,343</u>	<u>(36,233)</u>	<u>610,611</u>
-	-	-	-	-	-
<u>(30,748)</u>	<u>(4,983)</u>	<u>-</u>	<u>(32,057)</u>	<u>(20,434)</u>	<u>(29,498)</u>
<u>(30,748)</u>	<u>(4,983)</u>	<u>-</u>	<u>(32,057)</u>	<u>(20,434)</u>	<u>(29,498)</u>
(242,063)	42,026	(205)	250,286	(56,667)	581,113
(482,762)	216,837	45,667	3,104,982	1,342,366	2,402,683
-	-	-	-	-	-
<u>(482,762)</u>	<u>216,837</u>	<u>45,667</u>	<u>3,104,982</u>	<u>1,342,366</u>	<u>2,402,683</u>
<u>\$ (724,825)</u>	<u>\$ 258,863</u>	<u>\$ 45,462</u>	<u>\$ 3,355,268</u>	<u>\$ 1,285,699</u>	<u>\$ 2,983,796</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds (Continued)
Year Ended June 30, 2021

	Road District #4	Road District #5	County Library	District Attorney Narcotics Enforcement
Revenues:				
Taxes	\$ 4,560,571	\$ 1,583,572	\$ 9,150,947	\$ -
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Revenue from use of money and property	8,664	3,997	(32,201)	576
Aid from other governmental agencies	31,224	10,584	207,578	-
Charges for services	500	-	64,942	6,131
Other revenues	-	-	-	189,850
Total revenues	4,600,959	1,598,153	9,391,266	196,557
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	-	-	-	6,768
Public ways and facilities	3,297,334	1,114,673	-	-
Community infrastructure	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	7,069,914	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	3,297,334	1,114,673	7,069,914	6,768
Excess (deficiency) of revenues over (under) expenditures	1,303,625	483,480	2,321,352	189,789
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(175,764)	(70,559)	-	(90,256)
Total other financing sources (uses)	(175,764)	(70,559)	-	(90,256)
Net change in fund balances	1,127,861	412,921	2,321,352	99,533
Fund balances (deficit), beginning of year	10,381,794	5,247,385	8,221,253	174,299
Prior period adjustments	-	-	-	-
Fund balances (deficit), beginning of year, as restated	10,381,794	5,247,385	8,221,253	174,299
Fund balances (deficit), end of year	\$ 11,509,655	\$ 5,660,306	\$ 10,542,605	\$ 273,832

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds (Continued)
Year Ended June 30, 2021

Sheriff Narcotics Enforcement	Justice Assistance Grant	Supplemental Local Law Enforcement Block Grant	Local Innovation Subaccount	Whole Person Care	Recorder's Equipment Automation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
114	60	(123)	535	417	7,527
127,895	50,687	-	-	3,471,144	-
-	-	-	-	-	1,567,685
50,489	-	-	-	-	-
<u>178,498</u>	<u>50,747</u>	<u>(123)</u>	<u>535</u>	<u>3,471,561</u>	<u>1,575,212</u>
-	-	-	-	-	-
134,914	117,727	-	-	-	493,157
-	-	-	-	-	-
-	-	-	-	4,342,123	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	34,056
-	-	-	-	-	-
<u>134,914</u>	<u>117,727</u>	<u>-</u>	<u>-</u>	<u>4,342,123</u>	<u>527,213</u>
<u>43,584</u>	<u>(66,980)</u>	<u>(123)</u>	<u>535</u>	<u>(870,562)</u>	<u>1,047,999</u>
-	-	-	-	180,000	117,527
-	(444)	-	-	-	-
-	(444)	-	-	180,000	117,527
43,584	(67,424)	(123)	535	(690,562)	1,165,526
57,480	12,514	147	796,590	2,690,299	6,390,849
-	-	-	-	-	-
<u>57,480</u>	<u>12,514</u>	<u>147</u>	<u>796,590</u>	<u>2,690,299</u>	<u>6,390,849</u>
<u>\$ 101,064</u>	<u>\$ (54,910)</u>	<u>\$ 24</u>	<u>\$ 797,125</u>	<u>\$ 1,999,737</u>	<u>\$ 7,556,375</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds (Continued)
Year Ended June 30, 2021

	Child Support	Community Infrastructure	Public Works Special Accounts	AB 109 Trial Court Security
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Revenue from use of money and property	6,579	31,372	2,379	28,738
Aid from other governmental agencies	15,758,480	-	-	15,897,601
Charges for services	-	5,003,507	166,352	-
Other revenues	251,106	-	-	546
Total revenues	<u>16,016,165</u>	<u>5,034,879</u>	<u>168,731</u>	<u>15,926,885</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public protection	16,555,279	-	-	4,265,966
Public ways and facilities	-	-	-	-
Community infrastructure	-	1,029,127	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	-
Education	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	195,970	-	-	659,935
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>16,751,249</u>	<u>1,029,127</u>	<u>-</u>	<u>4,925,901</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(735,084)</u>	<u>4,005,752</u>	<u>168,731</u>	<u>11,000,984</u>
Other financing sources (uses):				
Transfers in	-	-	3	-
Transfers out	(93,886)	-	-	(4,872,369)
Total other financing sources (uses)	<u>(93,886)</u>	<u>-</u>	<u>3</u>	<u>(4,872,369)</u>
Net change in fund balances	(828,970)	4,005,752	168,734	6,128,615
Fund balances (deficit), beginning of year	(1,063,332)	30,209,538	3,546,857	9,342,803
Prior period adjustments	-	-	-	-
Fund balances (deficit), beginning of year, as restated	<u>(1,063,332)</u>	<u>30,209,538</u>	<u>3,546,857</u>	<u>9,342,803</u>
Fund balances (deficit), end of year	<u>\$ (1,892,302)</u>	<u>\$ 34,215,290</u>	<u>\$ 3,715,591</u>	<u>\$ 15,471,418</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds (Continued)
Year Ended June 30, 2021

AB 109 District Attorney - Public Defender	AB 118 Local Community Corrections Fund	AB 118 Health and Human Services	AB 1476 Prob CDCR Early Release	Industrial Revolving Loan Fund	Home Investment Trust Local Account
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
2,916	41,309	55	2,769	82,807	183,581
4,738,305	29,841,908	10,825	882,290	-	1,683,516
-	8	-	-	-	2,629
-	23,689	-	-	16,959	-
<u>4,741,221</u>	<u>29,906,914</u>	<u>10,880</u>	<u>885,059</u>	<u>99,766</u>	<u>1,869,726</u>
-	-	-	-	224,925	1,410,883
-	27,950,312	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>27,950,312</u>	<u>-</u>	<u>-</u>	<u>224,925</u>	<u>1,410,883</u>
<u>4,741,221</u>	<u>1,956,602</u>	<u>10,880</u>	<u>885,059</u>	<u>(125,159)</u>	<u>458,843</u>
-	378,305	-	-	-	-
<u>(4,506,897)</u>	<u>(1,261,284)</u>	<u>-</u>	<u>(378,305)</u>	<u>-</u>	<u>-</u>
<u>(4,506,897)</u>	<u>(882,979)</u>	<u>-</u>	<u>(378,305)</u>	<u>-</u>	<u>-</u>
234,324	1,073,623	10,880	506,754	(125,159)	458,843
1,694,192	44,351,659	(10,880)	702,678	6,618,175	18,651,863
-	-	-	-	-	-
<u>1,694,192</u>	<u>44,351,659</u>	<u>(10,880)</u>	<u>702,678</u>	<u>6,618,175</u>	<u>18,651,863</u>
<u>\$ 1,928,516</u>	<u>\$ 45,425,282</u>	<u>\$ -</u>	<u>\$ 1,209,432</u>	<u>\$ 6,493,016</u>	<u>\$ 19,110,706</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds (Continued)
Year Ended June 30, 2021

	Rehabilitation Loan Program	Disaster Recovery Initiative Program	Neighborhood Stabilization Revolving Loan Program	Economic Development Association
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and franchises	-	-	-	-
Fines, forfeitures, and penalties	-	-	-	-
Revenue from use of money and property	52,260	111	10,404	2,000
Aid from other governmental agencies	2,370,932	-	-	55,000
Charges for services	696	-	553	-
Other revenues	9,269	-	574	131,240
Total revenues	2,433,157	111	11,531	188,240
Expenditures:				
Current:				
General government	1,221,323	-	8,883	-
Public protection	-	-	-	-
Public ways and facilities	-	-	-	-
Community infrastructure	-	-	-	-
Health and sanitation	-	-	-	-
Public assistance	-	-	-	395,115
Education	-	-	-	-
Parks and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	1,221,323	-	8,883	395,115
Excess (deficiency) of revenues over (under) expenditures	1,211,834	111	2,648	(206,875)
Other financing sources (uses):				
Transfers in	1,000,000	-	-	-
Transfers out	-	-	(1,000,000)	-
Total other financing sources (uses)	1,000,000	-	(1,000,000)	-
Net change in fund balances	2,211,834	111	(997,352)	(206,875)
Fund balances (deficit), beginning of year	11,707,150	244,414	10,616,394	1,808,066
Prior period adjustments	-	-	-	-
Fund balances (deficit), beginning of year, as restated	11,707,150	244,414	10,616,394	1,808,066
Fund balances (deficit), end of year	\$ 13,918,984	\$ 244,525	\$ 9,619,042	\$ 1,601,191

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Special Revenue Funds (Continued)
Year Ended June 30, 2021

	<u>Special Districts Under the Board</u>		<u>Total</u>
	\$ 3,471,572	\$	34,473,075
	-		163,057
	-		1,243
	57,874		605,956
	10,148,838		131,055,606
	18,398,890		38,202,667
	<u>51,236</u>		<u>1,220,831</u>
	<u>32,128,410</u>		<u>205,722,435</u>
	-		2,866,014
	7,354,742		56,894,376
	13,423,755		38,497,544
	-		1,029,127
	-		4,342,123
	6,649,253		17,556,025
	-		7,069,914
	205,485		205,485
	710,139		23,130,367
	<u>18,961</u>		<u>18,961</u>
	<u>28,362,335</u>		<u>151,609,936</u>
	<u>3,766,075</u>		<u>54,112,499</u>
	1,242,581		3,246,787
	<u>(3,753)</u>		<u>(15,565,755)</u>
	<u>1,238,828</u>		<u>(12,318,968)</u>
	5,004,903		41,793,531
	28,863,987		312,669,328
	-		1,033
	<u>28,863,987</u>		<u>312,670,361</u>
	<u>\$ 33,868,890</u>	<u>\$</u>	<u>354,463,892</u>

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Districts Governed by the Board of Supervisors –
Special Revenue Funds
June 30, 2021

	Lighting Districts	Service Areas	Maintenance Districts	Flood Control District	Water Districts
Assets					
Cash and investments:					
Pooled	\$ 1,781,971	\$ 8,230,692	\$ 17,627,044	\$ 7,746,445	\$ 791,624
Imprest cash	-	-	-	-	-
Accounts receivable	-	53,688	23,042	156,443	4,028
Taxes receivable	11,640	10,873	25,841	101,761	192
Interest receivable	1,759	9,367	16,970	7,882	750
Due from other agencies	-	-	-	493,130	-
Due from other funds	-	-	-	14,955	-
Total assets	<u>\$ 1,795,370</u>	<u>\$ 8,304,620</u>	<u>\$ 17,692,897</u>	<u>\$ 8,520,616</u>	<u>\$ 796,594</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 6,294	\$ 344,510	\$ 392,131	\$ 178,293	\$ 32,560
Accrued payroll	-	-	-	-	-
Due to other funds	-	91	-	321,901	-
Advances from other funds	-	-	-	-	-
Total liabilities	<u>6,294</u>	<u>344,601</u>	<u>392,131</u>	<u>500,194</u>	<u>32,560</u>
Deferred Inflows of resources:					
Unavailable revenue	<u>6,780</u>	<u>19,159</u>	<u>32,929</u>	<u>153,683</u>	<u>147</u>
Total deferred inflows of resources	<u>6,780</u>	<u>19,159</u>	<u>32,929</u>	<u>153,683</u>	<u>147</u>
Fund balances:					
Restricted	1,782,296	7,940,860	17,267,837	7,866,739	763,887
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>1,782,296</u>	<u>7,940,860</u>	<u>17,267,837</u>	<u>7,866,739</u>	<u>763,887</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,795,370</u>	<u>\$ 8,304,620</u>	<u>\$ 17,692,897</u>	<u>\$ 8,520,616</u>	<u>\$ 796,594</u>

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Districts Governed by the Board of Supervisors –
Special Revenue Funds (Continued)
June 30, 2021

North Eastern San Joaquin Ground Water Banking Authority	Eastern San Joaquin Ground Water Banking Authority	Mokelumne Water and Power Authority	Improvement Districts	IHSS Public Authority	Total
\$ 193,807	\$ 380,257	\$ 507,204	\$ 137,408	\$ 741,964	\$ 38,138,416
-	-	-	-	-	-
-	-	-	-	2,688	239,889
-	-	-	-	-	150,307
174	361	490	121	-	37,874
-	-	-	-	-	493,130
-	-	-	-	-	14,955
<u>\$ 193,981</u>	<u>\$ 380,618</u>	<u>\$ 507,694</u>	<u>\$ 137,529</u>	<u>\$ 744,652</u>	<u>\$ 39,074,571</u>
\$ -	\$ 10,805	\$ 1,085	\$ -	\$ 2,804	\$ 968,482
-	-	-	-	13,950	13,950
-	-	-	-	1,591	323,583
538,624	-	3,148,344	-	-	3,686,968
<u>538,624</u>	<u>10,805</u>	<u>3,149,429</u>	<u>-</u>	<u>18,345</u>	<u>4,992,983</u>
-	-	-	-	-	212,698
-	-	-	-	-	212,698
-	369,813	-	137,529	726,307	36,855,268
<u>(344,643)</u>	<u>-</u>	<u>(2,641,735)</u>	<u>-</u>	<u>-</u>	<u>(2,986,378)</u>
<u>(344,643)</u>	<u>369,813</u>	<u>(2,641,735)</u>	<u>137,529</u>	<u>726,307</u>	<u>33,868,890</u>
<u>\$ 193,981</u>	<u>\$ 380,618</u>	<u>\$ 507,694</u>	<u>\$ 137,529</u>	<u>\$ 744,652</u>	<u>\$ 39,074,571</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in the Fund Balance –
Nonmajor Special Districts Governed by the Board of Supervisors –
Special Revenue Funds
Year Ended June 30, 2021

	Lighting Districts	Service Areas	Maintenance Districts	Flood Control District
Revenues:				
Taxes	\$ 284,065	\$ 238,081	\$ 568,354	\$ 2,378,382
Revenue from use of money and property	2,293	32,118	15,186	8,339
Aid from other governmental agencies	1,951	1,734	3,855	2,088,830
Charges for services	271,162	4,461,591	8,372,781	5,162,467
Other revenues	-	36,767	13,567	902
Total revenues	559,471	4,770,291	8,973,743	9,638,920
Expenditures:				
Current:				
Public protection	-	-	-	7,354,742
Public ways and facilities	366,274	4,711,265	7,750,793	-
Public assistance	-	-	-	-
Parks and recreation	-	205,485	-	-
Capital outlay	-	51,439	570,299	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	366,274	4,968,189	8,321,092	7,354,742
Excess (deficiency) of revenues over (under) expenditures	193,197	(197,898)	652,651	2,284,178
Other financing sources (uses):				
Transfers in	-	70,000	657,664	-
Transfers out	-	(3,753)	-	-
Total other financing sources (uses)	-	66,247	657,664	-
Net change in fund balances	193,197	(131,651)	1,310,315	2,284,178
Fund balances (deficit), beginning of year	1,589,099	8,072,511	15,957,522	5,582,561
Fund balances (deficit), end of year	\$ 1,782,296	\$ 7,940,860	\$ 17,267,837	\$ 7,866,739

County of San Joaquin
Combining Balance Sheet –
Nonmajor Special Districts Governed by the Board of Supervisors –
Special Revenue Funds
Year Ended June 30, 2021

Water Districts	North Eastern San Joaquin Ground Water Banking Authority	Eastern San Joaquin Ground Water Banking Authority	Mokelumne Water and Power Authority	Improvement Districts	IHSS Public Authority	Total
\$ 2,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,471,572
1,353	128	1,504	235	85	(3,367)	57,874
18	-	1,412,120	-	-	6,640,330	10,148,838
130,889	-	-	-	-	-	18,398,890
-	-	-	-	-	-	51,236
<u>134,950</u>	<u>128</u>	<u>1,413,624</u>	<u>235</u>	<u>85</u>	<u>6,636,963</u>	<u>32,128,410</u>
-	-	-	-	-	-	7,354,742
91,458	-	402,154	101,811	-	-	13,423,755
-	-	-	-	-	6,649,253	6,649,253
-	-	-	-	-	-	205,485
88,401	-	-	-	-	-	710,139
-	2,761	-	16,200	-	-	18,961
<u>179,859</u>	<u>2,761</u>	<u>402,154</u>	<u>118,011</u>	<u>-</u>	<u>6,649,253</u>	<u>28,362,335</u>
<u>(44,909)</u>	<u>(2,633)</u>	<u>1,011,470</u>	<u>(117,776)</u>	<u>85</u>	<u>(12,290)</u>	<u>3,766,075</u>
514,917	-	-	-	-	-	1,242,581
-	-	-	-	-	-	(3,753)
<u>514,917</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,238,828</u>
470,008	(2,633)	1,011,470	(117,776)	85	(12,290)	5,004,903
<u>293,879</u>	<u>(342,010)</u>	<u>(641,657)</u>	<u>(2,523,959)</u>	<u>137,444</u>	<u>738,597</u>	<u>28,863,987</u>
<u>\$ 763,887</u>	<u>\$ (344,643)</u>	<u>\$ 369,813</u>	<u>\$ (2,641,735)</u>	<u>\$ 137,529</u>	<u>\$ 726,307</u>	<u>\$ 33,868,890</u>

Nonmajor Debt Service Funds

Debt service funds are used to account for and to report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds are therefore used to report the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

County of San Joaquin
Combining Balance Sheet –
Nonmajor Debt Service Funds
June 30, 2021

	County Administration Building	Maintenance District Shaded Terrace	Total
Assets			
Cash and investments:			
Pooled	\$ -	\$ 12,382	\$ 12,382
Interest receivable	-	13	13
Restricted assets:			
Restricted cash and investments	23	-	23
Total assets	\$ 23	\$ 12,395	\$ 12,418
Liabilities, Deferred Inflows Of Resources and Fund Balances			
Fund balances:			
Restricted	\$ 23	\$ 12,395	\$ 12,418
Total fund balances	23	12,395	12,418
Total liabilities, deferred inflows of resources and fund balances	\$ 23	\$ 12,395	\$ 12,418

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Debt Service Funds
For the Year Ended June 30, 2021

	County Administration Building	Maintenance District Shaded Terrace	Total
Revenues:			
Revenue from use of money and property	\$ 74	\$ 13	\$ 87
Charges for services	-	18,220	18,220
Total revenues	<u>74</u>	<u>18,233</u>	<u>18,307</u>
Expenditures:			
Current:			
General Government	-	328	328
Debt service:			
Principal	4,950,000	7,000	4,957,000
Interest and fiscal charges	<u>3,319,750</u>	<u>11,275</u>	<u>3,331,025</u>
Total expenditures	<u>8,269,750</u>	<u>18,603</u>	<u>8,288,353</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,269,676)</u>	<u>(370)</u>	<u>(8,270,046)</u>
Other financing sources (uses):			
Transfers in	<u>8,269,694</u>	<u>-</u>	<u>8,269,694</u>
Total other financing sources (uses)	<u>8,269,694</u>	<u>-</u>	<u>8,269,694</u>
Net change in fund balances	18	(370)	(352)
Fund balances, beginning of year	<u>5</u>	<u>12,765</u>	<u>12,770</u>
Fund balances, end of year	<u><u>\$ 23</u></u>	<u><u>\$ 12,395</u></u>	<u><u>\$ 12,418</u></u>

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude major capital facilities financed by proprietary funds or in trust funds for individual, private organizations, or other governments.

County of San Joaquin
Combining Balance Sheet –
Nonmajor Capital Projects Funds
June 30, 2021

	<u>Courthouse Construction</u>	<u>Criminal Justice Construction</u>	<u>H.S.A. Capital Replacement</u>	<u>Airport East Construction</u>
Assets				
Cash and investments:				
Pooled	\$ 7,912,072	\$ 6,798,621	\$ 2,035,379	\$ 6,335,152
Accounts receivable	39,065	27,654	-	-
Interest receivable	7,112	6,057	1,380	-
	<u>7,958,249</u>	<u>6,832,332</u>	<u>2,036,759</u>	<u>6,335,152</u>
Total assets	<u>\$ 7,958,249</u>	<u>\$ 6,832,332</u>	<u>\$ 2,036,759</u>	<u>\$ 6,335,152</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 17,892
	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,892</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,892</u>
Fund balances:				
Restricted	7,958,249	6,832,332	-	-
Assigned	<u>-</u>	<u>-</u>	<u>2,036,759</u>	<u>6,317,260</u>
	<u>7,958,249</u>	<u>6,832,332</u>	<u>2,036,759</u>	<u>6,317,260</u>
Total fund balances	<u>7,958,249</u>	<u>6,832,332</u>	<u>2,036,759</u>	<u>6,317,260</u>
	<u>\$ 7,958,249</u>	<u>\$ 6,832,332</u>	<u>\$ 2,036,759</u>	<u>\$ 6,335,152</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,958,249</u>	<u>\$ 6,832,332</u>	<u>\$ 2,036,759</u>	<u>\$ 6,335,152</u>

County of San Joaquin
Combining Balance Sheet –
Nonmajor Capital Projects Funds (Continued)
June 30, 2021

MG Golf Course Capital Improvement Trust	Public Health Construction	Special Districts Governed by the Board of Supervisors	Total
\$ 123,685	\$ 6,000	\$ 536,609	\$ 23,747,518
-	-	-	66,719
111	5	482	15,147
<u>\$ 123,796</u>	<u>\$ 6,005</u>	<u>\$ 537,091</u>	<u>\$ 23,829,384</u>
-	-	-	17,892
-	-	-	17,892
-	-	537,091	15,327,672
123,796	6,005	-	8,483,820
<u>123,796</u>	<u>6,005</u>	<u>537,091</u>	<u>23,811,492</u>
<u>\$ 123,796</u>	<u>\$ 6,005</u>	<u>\$ 537,091</u>	<u>\$ 23,829,384</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2021

	<u>Courthouse Construction</u>	<u>Criminal Justice Construction</u>	<u>H.S.A. Capital Replacement</u>
Revenues:			
Fines, forfeitures, and penalties	\$ 524,146	\$ 369,531	\$ -
Revenue from use of money and property	5,878	5,200	1,330
Charges for services	-	-	-
	<u>530,024</u>	<u>374,731</u>	<u>1,330</u>
Expenditures:			
Current:			
Public ways and facilities	-	-	-
Capital outlay	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>530,024</u>	<u>374,731</u>	<u>1,330</u>
Other financing sources (uses):			
Transfers in	-	-	500,000
Transfers out	<u>(224,893)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(224,893)</u>	<u>-</u>	<u>500,000</u>
Net change in fund balances	305,131	374,731	501,330
Fund balances, beginning of year	<u>7,653,118</u>	<u>6,457,601</u>	<u>1,535,429</u>
Fund balances, end of year	<u>\$ 7,958,249</u>	<u>\$ 6,832,332</u>	<u>\$ 2,036,759</u>

County of San Joaquin
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Capital Projects Funds (Continued)
For the Year Ended June 30, 2021

Airport East Construction	MG Golf Course Capital Improvement Trust	Public Health Construction	Improvement Districts	Total
\$ -	\$ -	\$ -	\$ -	\$ 893,677
(30,020)	103	3	388	(17,118)
-	8,235	-	10,693	18,928
<u>(30,020)</u>	<u>8,338</u>	<u>3</u>	<u>11,081</u>	<u>895,487</u>
24,555	-	-	-	24,555
<u>145,460</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,460</u>
<u>170,015</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,015</u>
<u>(200,035)</u>	<u>8,338</u>	<u>3</u>	<u>11,081</u>	<u>725,472</u>
-	-	-	-	500,000
<u>(1,277)</u>	<u>-</u>	<u>-</u>	<u>(62)</u>	<u>(226,232)</u>
<u>(1,277)</u>	<u>-</u>	<u>-</u>	<u>(62)</u>	<u>273,768</u>
(201,312)	8,338	3	11,019	999,240
<u>6,518,572</u>	<u>115,458</u>	<u>6,002</u>	<u>526,072</u>	<u>22,812,252</u>
<u>\$ 6,317,260</u>	<u>\$ 123,796</u>	<u>\$ 6,005</u>	<u>\$ 537,091</u>	<u>\$ 23,811,492</u>

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Internal Service Funds

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

County of San Joaquin
Combining Statement of Net Position –
Internal Service Funds
June 30, 2021

	Fleet Services	Information Systems	Office Automation	Central Telephone	Radio Communications	Southern Water System	Purchasing ISF
ASSETS							
Current assets:							
Cash and investments:							
Pooled	\$ 14,913,602	\$ 8,351,142	\$ 218,519	\$ 1,710,452	\$ 884,112	\$ 566,204	\$ 1,385,030
Imprest	40	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-
Accounts receivable, net	27,933	62,170	928	11,449	-	-	3,072
Interest receivable	13,760	5,647	203	1,133	272	509	819
Due from other funds	1,215,319	2,093,441	165,620	413,852	-	-	17,099
Inventories	785,905	-	-	15,000	-	-	-
Total current assets	<u>16,956,559</u>	<u>10,512,400</u>	<u>385,270</u>	<u>2,151,886</u>	<u>884,384</u>	<u>566,713</u>	<u>1,406,020</u>
Noncurrent assets:							
Capital assets:							
Non-depreciable	-	-	-	-	-	17,481	-
Depreciable, net	13,437,322	446,925	4,104,533	2,274,432	7,157,828	-	-
Total noncurrent assets	<u>13,437,322</u>	<u>446,925</u>	<u>4,104,533</u>	<u>2,274,432</u>	<u>7,157,828</u>	<u>17,481</u>	<u>-</u>
Total assets	<u>30,393,881</u>	<u>10,959,325</u>	<u>4,489,803</u>	<u>4,426,318</u>	<u>8,042,212</u>	<u>584,194</u>	<u>1,406,020</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows related to OPEB	128,598	293,887	-	20,742	-	-	-
Deferred outflows related to pensions	1,549,273	17,933,246	-	434,470	-	-	-
Total deferred outflows of resources	<u>1,677,871</u>	<u>18,227,133</u>	<u>-</u>	<u>455,212</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES							
Current liabilities:							
Accounts payable	379,863	108,713	526,345	316,031	167,306	-	891,900
Accrued payroll	106,087	410,470	-	38,136	-	-	-
Due to other funds	5,126	40,266	10,125	17,612	15,839	-	-
Interest payable	-	-	8,452	3,518	36,607	-	-
Current portion:							
Notes payable	-	-	-	-	-	-	-
Capital leases	-	136,826	1,626,127	576,244	1,280,333	-	-
Compensated absences	236,494	975,910	-	83,080	-	-	-
Claims liability	-	-	-	-	-	-	-
Total current liabilities	<u>727,570</u>	<u>1,672,185</u>	<u>2,171,049</u>	<u>1,034,621</u>	<u>1,500,085</u>	<u>-</u>	<u>891,900</u>
Noncurrent liabilities:							
Notes payable	-	-	-	-	-	-	-
Capital leases	-	-	1,895,646	1,195,091	3,773,078	-	-
Compensated absences	(2,797)	90,709	-	14,465	-	-	-
Claims liability	-	-	-	-	-	-	-
Net pension liability	6,863,346	27,992,021	-	2,493,349	-	-	-
Other post employment benefits liability	644,881	1,377,026	-	122,024	-	-	-
Total noncurrent liabilities	<u>7,505,430</u>	<u>29,459,756</u>	<u>1,895,646</u>	<u>3,824,929</u>	<u>3,773,078</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>8,233,000</u>	<u>31,131,941</u>	<u>4,066,695</u>	<u>4,859,550</u>	<u>5,273,163</u>	<u>-</u>	<u>891,900</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows related to OPEB	376,965	804,940	-	138,078	-	-	-
Deferred inflows related to pensions	727,681	2,188,287	-	944,735	-	-	-
Total deferred inflows of resources	<u>1,104,646</u>	<u>2,993,227</u>	<u>-</u>	<u>1,082,813</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION							
Net investment in capital assets	13,437,322	310,099	582,760	503,097	2,104,417	17,481	-
Unrestricted	9,296,784	(5,248,809)	(159,652)	(1,563,930)	664,632	566,713	514,120
Total net position (deficit)	<u>\$ 22,734,106</u>	<u>\$ (4,938,710)</u>	<u>\$ 423,108</u>	<u>\$ (1,060,833)</u>	<u>\$ 2,769,049</u>	<u>\$ 584,194</u>	<u>\$ 514,120</u>

County of San Joaquin
Combining Statement of Net Position –
Internal Service Funds (Continued)
June 30, 2021

Health Insurance	Dental Insurance	Medical Malpractice Insurance	Casualty Insurance	Workers' Comp Insurance	Unemployment Insurance	Total
\$ 14,992,479	\$ 5,525,586	\$ 3,428,220	\$ 4,578,750	\$ 28,829,111	\$ 2,844,356	\$ 88,227,563
-	-	-	-	-	-	40
-	-	-	-	250,000	-	250,000
905,558	157,336	-	243,210	-	7,236	1,418,892
14,422	5,201	4,959	6,239	28,597	2,481	84,242
-	-	-	-	-	-	3,905,331
-	-	-	-	-	-	800,905
<u>15,912,459</u>	<u>5,688,123</u>	<u>3,433,179</u>	<u>4,828,199</u>	<u>29,107,708</u>	<u>2,854,073</u>	<u>94,686,973</u>
-	-	-	-	-	-	17,481
-	-	-	-	-	-	27,421,040
-	-	-	-	-	-	27,438,521
<u>15,912,459</u>	<u>5,688,123</u>	<u>3,433,179</u>	<u>4,828,199</u>	<u>29,107,708</u>	<u>2,854,073</u>	<u>122,125,494</u>
-	-	-	-	-	-	443,227
-	-	-	-	-	-	19,916,989
-	-	-	-	-	-	20,360,216
1,412,837	433,526	85,009	893,006	153,721	3,651	5,371,908
-	-	-	-	-	-	554,693
-	-	-	-	-	-	88,968
-	-	-	38,196	-	-	86,773
-	-	-	90,447	-	-	90,447
-	-	-	-	-	-	3,619,530
-	-	-	-	-	-	1,295,484
-	368,800	2,603,000	6,758,000	8,430,000	103,560	18,263,360
<u>1,412,837</u>	<u>802,326</u>	<u>2,688,009</u>	<u>7,779,649</u>	<u>8,583,721</u>	<u>107,211</u>	<u>29,371,163</u>
-	-	-	878,583	-	-	878,583
-	-	-	-	-	-	6,863,815
-	-	-	-	-	-	102,377
3,241,000	-	3,820,000	14,205,000	31,378,000	-	52,644,000
-	-	-	-	-	-	37,348,716
-	-	-	-	-	-	2,143,931
<u>3,241,000</u>	<u>-</u>	<u>3,820,000</u>	<u>15,083,583</u>	<u>31,378,000</u>	<u>-</u>	<u>99,981,422</u>
<u>4,653,837</u>	<u>802,326</u>	<u>6,508,009</u>	<u>22,863,232</u>	<u>39,961,721</u>	<u>107,211</u>	<u>129,352,585</u>
-	-	-	-	-	-	1,319,983
-	-	-	-	-	-	3,860,703
-	-	-	-	-	-	5,180,686
-	-	-	-	-	-	16,955,176
<u>11,258,622</u>	<u>4,885,797</u>	<u>(3,074,830)</u>	<u>(18,035,033)</u>	<u>(10,854,013)</u>	<u>2,746,862</u>	<u>(9,002,737)</u>
<u>\$ 11,258,622</u>	<u>\$ 4,885,797</u>	<u>\$ (3,074,830)</u>	<u>\$ (18,035,033)</u>	<u>\$ (10,854,013)</u>	<u>\$ 2,746,862</u>	<u>\$ 7,952,439</u>

County of San Joaquin
Combining Statement of Revenues, Expenses and Changes in Net Position –
Internal Service Funds
For Year Ended June 30, 2021

	<u>Fleet Services</u>	<u>Information Systems</u>	<u>Office Automation</u>	<u>Central Telephone</u>
Operating revenues:				
Charges for services:	\$ 11,386,448	\$ 23,992,585	\$ 1,775,920	\$ 101,324
Concessions and rentals	771,045	426,804	278,730	5,322,759
Miscellaneous	256,332	256	-	-
Total operating revenues	<u>12,413,825</u>	<u>24,419,645</u>	<u>2,054,650</u>	<u>5,424,083</u>
Operating expenses:				
Salaries and benefits	4,027,661	20,714,067	-	1,067,316
Services and supplies	5,147,796	10,088,161	296,979	2,985,384
Liability claims and loss adjustments	-	-	-	-
Insurance	675,202	228,338	22	9,882
Depreciation and amortization	2,575,343	261,534	1,869,489	346,955
Total operating expenses	<u>12,426,002</u>	<u>31,292,100</u>	<u>2,166,490</u>	<u>4,409,537</u>
Operating income (loss)	<u>(12,177)</u>	<u>(6,872,455)</u>	<u>(111,840)</u>	<u>1,014,546</u>
Nonoperating revenues (expenses):				
Gain (loss) on sale of asset	(33,876)	-	-	-
Interest income	14,725	(6,318)	(670)	(568)
Interest expense	-	-	(122,809)	(54,239)
Insurance recovery	30,837	-	-	-
Total nonoperating revenues (expenses)	<u>11,686</u>	<u>(6,318)</u>	<u>(123,479)</u>	<u>(54,807)</u>
Income (loss) before contributions and transfers	(491)	(6,878,773)	(235,319)	959,739
Capital grants	120,648	-	-	-
Transfers in	26,378	1,790,000	-	-
Change in net position	146,535	(5,088,773)	(235,319)	959,739
Net position, beginning of year	22,587,571	150,063	658,427	(2,020,572)
Total net position (deficit), beginning of year, restated	<u>22,587,571</u>	<u>150,063</u>	<u>658,427</u>	<u>(2,020,572)</u>
Total net position (deficit), end of year	<u>\$ 22,734,106</u>	<u>\$ (4,938,710)</u>	<u>\$ 423,108</u>	<u>\$ (1,060,833)</u>

County of San Joaquin
Combining Statement of Revenues, Expenses and Changes in Net Position –
Internal Service Funds (Continued)
For Year Ended June 30, 2021

Radio Communications	Southern Water System	Purchasing ISF	Health Insurance	Dental Insurance	Medical Malpractice Insurance
\$ -	\$ -	\$ 7,886,618	\$ 36,248,582	\$ 5,412,255	\$ 1,000,000
3,005,613	-	-	-	-	-
-	-	-	123,579	-	10,553
<u>3,005,613</u>	<u>-</u>	<u>7,886,618</u>	<u>36,372,161</u>	<u>5,412,255</u>	<u>1,010,553</u>
-	-	-	-	-	-
1,804,958	-	7,883,608	1,029,622	113,653	335,738
-	-	-	30,067,360	5,304,145	5,579,859
544	-	-	4,123,723	-	1,474,552
1,413,097	-	-	-	-	-
<u>3,218,599</u>	<u>-</u>	<u>7,883,608</u>	<u>35,220,705</u>	<u>5,417,798</u>	<u>7,390,149</u>
<u>(212,986)</u>	<u>-</u>	<u>3,010</u>	<u>1,151,456</u>	<u>(5,543)</u>	<u>(6,379,596)</u>
-	-	-	-	-	-
(1,398)	380	(3,010)	13,219	5,217	(2,542)
(175,766)	-	-	-	-	-
-	-	-	-	-	-
<u>(177,164)</u>	<u>380</u>	<u>(3,010)</u>	<u>13,219</u>	<u>5,217</u>	<u>(2,542)</u>
(390,150)	380	-	1,164,675	(326)	(6,382,138)
-	-	-	-	-	-
-	-	-	-	-	-
<u>(390,150)</u>	<u>380</u>	<u>-</u>	<u>1,164,675</u>	<u>(326)</u>	<u>(6,382,138)</u>
3,159,199	583,814	514,120	10,093,947	4,886,123	3,307,308
<u>3,159,199</u>	<u>583,814</u>	<u>514,120</u>	<u>10,093,947</u>	<u>4,886,123</u>	<u>3,307,308</u>
<u>\$ 2,769,049</u>	<u>\$ 584,194</u>	<u>\$ 514,120</u>	<u>\$ 11,258,622</u>	<u>\$ 4,885,797</u>	<u>\$ (3,074,830)</u>

County of San Joaquin
Combining Statement of Revenues, Expenses and Changes in Net Position –
Internal Service Funds (Continued)
For Year Ended June 30, 2021

	Casualty Insurance	Worker's Comp Insurance	Unemployment Insurance	Total
Operating revenues:				
Charges for services:	\$ 10,070,690	\$ 9,000,000	\$ -	\$ 106,874,422
Concessions and rentals	-	-	-	9,804,951
Miscellaneous	1,411,345	534,888	-	2,336,953
Total operating revenues	11,482,035	9,534,888	-	119,016,326
Operating expenses:				
Salaries and benefits	-	-	-	25,809,044
Services and supplies	3,413,951	1,637,738	105,054	34,842,642
Liability claims and loss adjustments	7,677,224	8,494,783	1,421,678	58,545,049
Insurance	4,504,785	1,484,081	-	12,501,129
Depreciation and amortization	-	-	-	6,466,418
Total operating expenses	15,595,960	11,616,602	1,526,732	138,164,282
Operating income (loss)	(4,113,925)	(2,081,714)	(1,526,732)	(19,147,956)
Nonoperating revenues (expenses):				
Gain (loss) on sale of asset	-	-	-	(33,876)
Interest income	(3,904)	18,009	(2,475)	30,665
Interest expense	(41,979)	-	-	(394,793)
Insurance recovery	-	-	-	30,837
Total nonoperating revenues (expenses)	(45,883)	18,009	(2,475)	(367,167)
Income (loss) before contributions and transfers	(4,159,808)	(2,063,705)	(1,529,207)	(19,515,123)
Capital grants	-	-	-	120,648
Transfers in	-	-	-	1,816,378
Change in net position	(4,159,808)	(2,063,705)	(1,529,207)	(17,578,097)
Net position, beginning of year	(13,875,225)	(8,790,308)	4,276,069	25,530,536
Total net position (deficit), beginning of year, restated	(13,875,225)	(8,790,308)	4,276,069	25,530,536
Total net position (deficit), end of year	\$ (18,035,033)	\$ (10,854,013)	\$ 2,746,862	\$ 7,952,439

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County of San Joaquin
Combining Statement of Cash Flows –
Internal Service Funds
For Year Ended June 30, 2021

	Fleet Services	Information Systems	Office Automation	Central Telephone
Cash flows from operating activities:				
Cash received from customers	\$ 11,999,334	\$ 24,338,520	\$ 1,922,233	\$ 5,414,628
Cash payments to suppliers for goods and services	(4,983,956)	(8,428,215)	(5,353)	(2,492,144)
Cash payments to other departments for goods and services	(957,324)	(2,147,529)	(244,501)	(409,833)
Cash payments to employees for services	(3,919,055)	(15,540,401)	-	(1,263,017)
Other operating revenues	257,901	-	133,629	-
Net cash provided by (used for) operating activities	<u>2,396,900</u>	<u>(1,777,625)</u>	<u>1,806,008</u>	<u>1,249,634</u>
Cash flows from noncapital financing activities:				
Transfers in	-	1,790,000	-	-
State and Federal grant receipts	120,648	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>120,648</u>	<u>1,790,000</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(1,737,222)	(55,794)	-	-
Insurance recovery	23,227	-	-	-
Proceeds from sale of property and equipment	119,504	-	-	-
Principal payment on debts	-	(136,626)	(1,831,548)	(518,903)
Interest payments on debts	-	-	(127,334)	(53,275)
Net cash provided by (used for) capital and related financing activities	<u>(1,594,491)</u>	<u>(192,420)</u>	<u>(1,958,882)</u>	<u>(572,178)</u>
Cash flows from investing activities:				
Interest on investments and note receivable	47,001	7,686	240	88
Net increase (decrease) in cash and cash equivalents	970,058	(172,359)	(152,634)	677,544
Cash and cash equivalents, beginning of year	13,943,584	8,523,501	371,153	1,032,908
Cash and cash equivalents, end of year	<u>\$ 14,913,642</u>	<u>\$ 8,351,142</u>	<u>\$ 218,519</u>	<u>\$ 1,710,452</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (12,177)	\$ (6,872,455)	\$ (111,840)	\$ 1,014,546
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	2,575,343	261,534	1,869,489	346,955
(Increase) / decrease in receivables	(172,700)	(81,125)	1,211	(9,801)
(Increase) / decrease in inventories	(44,977)	-	-	-
Increase / (decrease) in payables	51,411	4,914,421	(15,623)	(102,066)
Increase / (decrease) in claims liabilities	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ 2,396,900</u>	<u>\$ (1,777,625)</u>	<u>\$ 1,743,237</u>	<u>\$ 1,249,634</u>
Noncash investing, capital and financing activities:				
Lease agreements	\$ -	\$ 410,477	\$ 2,011,831	\$ 425,472

County of San Joaquin
Combining Statement of Cash Flows –
Internal Service Funds (Continued)
For Year Ended June 30, 2021

Radio Communications	Southern Water System	Purchasing ISF	Health Insurance	Dental Insurance	Medical Malpractice Insurance
\$ 3,005,613	\$ -	\$ 7,898,826	\$ 35,098,832	\$ 5,393,845	\$ 1,000,000
(1,333,772)	-	(7,868,078)	(36,676,195)	(5,168,362)	(5,079,951)
(389,664)	-	(313,589)	(909,448)	(113,653)	(302,370)
-	-	-	-	-	-
-	-	-	2,432,566	-	10,553
<u>1,282,177</u>	<u>-</u>	<u>(282,841)</u>	<u>(54,245)</u>	<u>111,830</u>	<u>(4,371,768)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(18,202)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(1,257,486)	-	-	-	-	-
(160,974)	-	-	-	-	-
<u>(1,436,662)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(223)	1,678	(1,111)	47,152	16,127	21,450
(154,708)	1,678	(283,952)	(7,093)	127,957	(4,350,318)
1,038,820	564,526	1,668,982	14,999,572	5,397,629	7,778,538
<u>\$ 884,112</u>	<u>\$ 566,204</u>	<u>\$ 1,385,030</u>	<u>\$ 14,992,479</u>	<u>\$ 5,525,586</u>	<u>\$ 3,428,220</u>
\$ (212,986)	\$ -	\$ 3,010	\$ 1,151,456	\$ (5,543)	\$ (6,379,596)
1,413,097	-	-	-	-	-
-	-	9,137	(13,808)	(18,410)	-
-	-	-	-	-	-
82,066	-	(294,988)	(374,893)	96,383	51,828
-	-	-	(817,000)	39,400	1,956,000
<u>\$ 1,282,177</u>	<u>\$ -</u>	<u>\$ (282,841)</u>	<u>\$ (54,245)</u>	<u>\$ 111,830</u>	<u>\$ (4,371,768)</u>
\$ 3,314,442	\$ -	\$ -	\$ -	\$ -	\$ -

County of San Joaquin
Combining Statement of Cash Flows –
Internal Service Funds (Continued)
For Year Ended June 30, 2021

	Worker's Comp Insurance	Unemployment Insurance	Total
Cash flows from operating activities:			
Cash received from customers	\$ 9,000,000	\$ -	\$ 115,142,521
Cash payments to suppliers for goods and services	(11,682,444)	(1,874,256)	(96,675,671)
Cash payments to other departments for goods and services	(1,311,546)	(72,919)	(9,769,609)
Cash payments to employees for services	-	-	(20,722,473)
Other operating revenues	574,709	-	4,756,840
Net cash provided by (used for) operating activities	<u>(3,419,281)</u>	<u>(1,947,175)</u>	<u>(7,268,392)</u>
Cash flows from noncapital financing activities:			
Transfers in	-	-	1,790,000
State and Federal grant receipts	-	-	120,648
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>1,910,648</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	-	-	(1,811,218)
Insurance recovery	-	-	23,227
Proceeds from sale of property and equipment	-	-	119,504
Principal payment on debts	-	-	(3,831,281)
Interest payments on debts	-	-	(386,980)
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(5,886,748)</u>
Cash flows from investing activities:			
Interest on investments and note receivable	101,027	10,718	273,527
Net increase (decrease) in cash and cash equivalents	(3,318,254)	(1,936,457)	(10,970,965)
Cash and cash equivalents, beginning of year	32,147,365	4,780,813	99,198,568
Cash and cash equivalents, end of year	<u>\$ 28,829,111</u>	<u>\$ 2,844,356</u>	<u>\$ 88,227,603</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (2,081,714)	\$ (1,526,732)	\$ (19,147,956)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation/amortization expense	-	-	6,466,418
(Increase) / decrease in receivables	39,821	(7,236)	(325,171)
(Increase) / decrease in inventories	-	-	(44,977)
Increase / (decrease) in payables	(201,388)	3,651	4,290,981
Increase / (decrease) in claims liabilities	(1,176,000)	(416,858)	1,429,542
Net cash provided by (used for) operating activities	<u>\$ (3,419,281)</u>	<u>\$ (1,947,175)</u>	<u>\$ (7,331,163)</u>
Noncash investing, capital and financing activities:			
Lease agreements	\$ -	\$ -	\$ 6,162,222



Statistical Section
June 30, 2021

County of San Joaquin

County of San Joaquin
Changes in Net Position
Last Ten Fiscal Years
June 30, 2021

	2020-21	2019-20	2018-19	2017-18
Expenses:				
Governmental activities:				
General government	\$ 90,523,724	\$ 90,545,535	\$ 90,689,049	\$ 96,396,868
Public protection	326,232,470	392,284,281	387,178,591	357,099,707
Public ways and facilities	59,724,173	55,307,541	55,601,314	50,380,090
Health and sanitation	366,327,788	233,906,833	189,313,337	208,564,226
Public assistance	408,726,708	424,633,932	397,784,894	396,572,441
Education	7,651,018	7,813,868	6,840,251	6,944,605
Culture and recreation	7,811,946	5,878,699	6,256,877	6,515,982
Interest on long-term debt	2,684,792	3,071,536	3,201,653	3,478,816
Total governmental activities expenses	<u>1,269,682,619</u>	<u>1,213,442,225</u>	<u>1,136,865,966</u>	<u>1,125,952,735</u>
Business-type activities:				
Solid Waste	29,272,747	31,516,449	39,119,841	26,756,326
Hospital	447,046,358	430,577,528	436,903,156	382,406,015
Airport	5,902,017	7,696,526	6,229,421	5,471,043
CSA 31 - Flag City	1,089,225	974,967	913,594	1,317,553
Total business-type activities expenses	<u>483,310,347</u>	<u>470,765,470</u>	<u>483,166,012</u>	<u>415,950,937</u>
Total primary government expenses	<u>1,752,992,966</u>	<u>1,684,207,695</u>	<u>1,620,031,978</u>	<u>1,541,903,672</u>
Program Revenues:				
Governmental activities:				
Charges for services				
General government	67,075,865	24,922,933	24,401,107	34,005,460
Public protection	53,417,833	43,911,959	46,185,194	45,754,946
Public ways and facilities	15,087,228	14,317,209	14,229,491	14,243,483
Community infrastructure pro	5,003,507	3,953,620	3,582,186	3,847,291
Health & sanitation	91,645,761	86,038,651	73,239,541	71,169,535
Children & families act program			-	-
Public assistance	2,195,882	853,074	1,275,756	1,183,021
Education	64,943	94,928	-	110,091
Recreation	2,486,555	2,399,194	2,910,850	2,408,268
Operating grants and contribution	866,918,549	731,574,471	653,728,832	646,393,985
Capital grants and contribution	7,325,193	24,238,839	14,076,000	25,763,426
Total governmental activities revenues	<u>1,111,221,316</u>	<u>932,304,878</u>	<u>833,628,957</u>	<u>844,879,506</u>
Business-type activities:				
Charges for services				
Solid Waste	36,842,015	35,058,008	30,248,816	31,464,024
Hospital	296,321,247	364,435,898	405,561,304	376,393,539
Airport	3,889,045	4,278,336	4,584,602	3,945,657
CSA 31 - Flag City	1,328,841	1,434,062	1,505,909	1,371,972
Operating grants and contribution	150,504,607	38,827,100	353,253	655,749
Capital grants and contribution	6,281,465	3,368,719	8,218,894	4,564,006
Total business-type activities revenues	<u>495,167,220</u>	<u>447,402,123</u>	<u>450,472,778</u>	<u>418,394,947</u>
Total primary government revenues	<u>1,606,388,536</u>	<u>1,379,707,001</u>	<u>1,284,101,735</u>	<u>1,263,274,453</u>
Net(expense)/revenue:				
Governmental activities	(158,461,303)	(281,137,347)	(303,237,009)	(281,073,229)
Business-type activities	11,856,873	(23,363,347)	(32,693,234)	2,444,010
Total primary government net expense	<u>\$ (146,604,430)</u>	<u>\$ (304,500,694)</u>	<u>\$ (335,930,243)</u>	<u>\$ (278,629,219)</u>

County of San Joaquin
Changes in Net Position
Last Ten Fiscal Years (Continued)
June 30, 2021

2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$ 63,018,341	\$ 49,918,281	\$ 44,119,254	\$ 40,145,573	\$ 38,900,374	\$ 30,511,256
360,538,096	345,476,305	312,319,279	288,441,086	284,684,621	282,264,243
53,695,174	47,127,584	50,196,703	46,689,698	46,045,758	45,940,486
193,539,758	154,530,839	159,487,254	148,701,302	131,895,213	124,500,788
383,285,382	385,943,253	385,698,364	346,006,741	328,782,573	331,193,491
5,297,276	7,179,454	6,320,057	5,796,673	5,466,702	6,026,990
7,481,899	7,379,067	7,207,270	7,353,381	6,068,176	7,145,530
5,923,999	6,083,251	6,332,101	8,103,411	7,262,275	7,076,149
<u>1,072,779,925</u>	<u>1,003,638,034</u>	<u>971,680,282</u>	<u>891,237,865</u>	<u>849,105,692</u>	<u>834,658,933</u>
28,754,059	20,263,809	17,431,399	19,959,897	19,261,618	20,149,471
331,413,438	283,324,566	244,964,002	231,019,266	218,810,095	220,561,110
4,794,758	4,898,600	4,609,485	4,225,330	3,958,205	3,827,559
-	-	-	-	-	-
<u>364,962,255</u>	<u>308,486,975</u>	<u>267,004,886</u>	<u>255,204,493</u>	<u>242,029,918</u>	<u>244,538,140</u>
<u>1,437,742,180</u>	<u>1,312,125,009</u>	<u>1,238,685,168</u>	<u>1,146,442,358</u>	<u>1,091,135,610</u>	<u>1,079,197,073</u>
27,326,551	18,571,496	16,701,740	16,110,539	18,713,432	14,987,471
42,932,095	45,619,618	42,655,237	42,130,757	36,530,250	33,921,623
15,206,628	14,114,982	13,322,768	12,920,671	12,355,712	12,070,414
2,152,408	921,050	1,861,840	2,437,929	2,327,150	2,880,231
68,877,673	68,382,810	60,648,994	46,529,972	44,996,442	40,191,296
-	-	5,665	2,958	-	1,220
1,078,644	1,056,042	1,424,032	1,574,045	1,556,354	1,756,149
236,659	463,913	288,385	149,422	125,154	165,905
2,318,728	2,478,973	2,438,641	2,357,105	2,232,119	2,459,005
618,757,138	584,689,938	615,371,916	572,068,307	553,220,285	504,564,328
5,932,920	6,221,372	8,108,454	2,998,899	5,917,695	6,029,847
<u>784,819,444</u>	<u>742,520,194</u>	<u>762,827,672</u>	<u>699,280,604</u>	<u>677,974,593</u>	<u>619,027,489</u>
28,701,130	24,528,973	21,523,626	20,028,217	18,938,096	18,211,174
359,381,771	260,628,848	318,448,623	251,158,643	211,715,269	199,321,051
4,137,658	2,480,868	2,208,655	1,782,589	1,659,160	1,717,973
-	-	-	-	-	-
372,862	633,507	321,377	257,212	278,645	1,454,441
3,071,900	978,749	4,443,668	8,603	276,796	-
<u>395,665,321</u>	<u>289,250,945</u>	<u>346,945,949</u>	<u>273,235,264</u>	<u>232,867,966</u>	<u>220,704,639</u>
<u>1,180,484,765</u>	<u>1,031,771,139</u>	<u>1,109,773,621</u>	<u>972,515,868</u>	<u>910,842,559</u>	<u>839,732,128</u>
(287,960,481)	(261,117,840)	(208,852,610)	(191,957,261)	(171,131,099)	(215,631,444)
30,703,066	(19,236,030)	79,941,063	18,030,771	(9,161,952)	(23,833,501)
<u>\$ (257,257,415)</u>	<u>\$ (280,353,870)</u>	<u>\$ (128,911,547)</u>	<u>\$ (173,926,490)</u>	<u>\$ (180,293,051)</u>	<u>\$ (239,464,945)</u>

County of San Joaquin

Fund Balances –
Governmental Funds
Last Ten Fiscal Years
June 30, 2021

	2020-21	2019-20	2018-19	2017-18
General fund:				
Nonspendable	\$ 4,151,968	\$ 4,133,007	\$ 5,523,311	\$ 5,767,437
Restricted	144,799,390	95,222,429	85,766,038	75,421,855
Committed	69,416,965	49,917,816	36,386,549	26,277,881
Assigned	65,454,502	91,148,812	88,290,202	80,771,649
Unassigned	283,082,633	133,509,822	121,256,194	112,224,455
Total general fund	<u>566,905,458</u>	<u>373,931,886</u>	<u>337,222,294</u>	<u>300,463,277</u>
All Other Governmental Funds				
Nonspendable	1,290,728	1,273,469	1,876,040	2,083,598
Restricted	535,133,497	473,913,345	419,258,564	400,318,279
Committed	-	-	-	-
Assigned	122,754,911	129,799,653	89,772,583	79,892,345
Unassigned	(5,658,415)	(5,064,600)	(5,433,748)	(4,927,170)
Total all other governmental funds	<u>653,520,721</u>	<u>599,921,867</u>	<u>505,473,439</u>	<u>477,367,052</u>
Total - all governmental funds	<u>\$ 1,220,426,179</u>	<u>\$ 973,853,753</u>	<u>\$ 842,695,733</u>	<u>\$ 777,830,329</u>

County of San Joaquin
Fund Balances –
Governmental Funds
Last Ten Fiscal Years (Continued)
June 30, 2021

	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$	6,694,357	\$ 6,967,694	\$ 7,643,013	\$ 7,484,489	\$ 7,700,730	\$ 7,898,238
	65,261,426	63,448,008	48,549,323	43,080,110	37,762,674	35,416,191
	21,995,971	10,011,998	10,003,085	10,003,085	10,003,085	10,003,085
	62,581,180	39,901,829	31,497,014	25,806,721	18,458,934	14,497,524
	86,825,065	92,364,415	101,867,252	85,391,987	85,501,042	38,438,402
	<u>243,357,999</u>	<u>212,693,944</u>	<u>199,559,687</u>	<u>171,766,392</u>	<u>159,426,465</u>	<u>106,253,440</u>
	1,831,158	1,616,154	1,759,290	1,669,154	1,607,496	1,498,955
	357,949,255	334,575,218	238,992,643	216,181,366	201,341,318	185,975,884
	-	-	-	-	-	-
	80,895,279	81,466,303	76,886,985	65,338,370	57,659,447	58,718,682
	<u>(4,394,834)</u>	<u>(4,471,803)</u>	<u>(4,557,836)</u>	<u>(4,210,127)</u>	<u>(4,056,889)</u>	<u>(4,193,090)</u>
	<u>436,280,858</u>	<u>413,185,872</u>	<u>313,081,082</u>	<u>278,978,763</u>	<u>256,551,372</u>	<u>242,000,431</u>
\$	<u><u>679,638,857</u></u>	<u><u>\$ 625,879,816</u></u>	<u><u>\$ 512,640,769</u></u>	<u><u>\$ 450,745,155</u></u>	<u><u>\$ 415,977,837</u></u>	<u><u>\$ 348,253,871</u></u>

County of San Joaquin
Changes in Fund Balances –
Governmental Funds
Last Ten Fiscal Years
Year Ended June 30, 2021

	2020-21	2019-20	2018-19	2017-18
REVENUES				
Taxes	\$ 370,569,326	\$ 317,708,275	\$ 282,822,604	\$ 287,770,594
Licenses and permits	10,918,222	8,556,052	9,940,071	10,846,663
Fines, forfeits and penalties	11,615,559	8,792,956	9,727,140	9,818,005
Use of money and property	2,747,182	22,324,175	27,325,291	7,515,477
Aid from other governmental agencies	906,673,838	770,149,139	687,139,334	678,439,054
Charges for services	164,499,478	148,784,946	138,047,909	145,118,800
Miscellaneous	24,038,031	14,170,557	14,302,404	15,458,222
TOTAL REVENUES	1,491,061,636	1,290,486,100	1,169,304,753	1,154,966,815
EXPENDITURES				
Current:				
General government	90,129,209	69,232,917	54,191,950	54,764,010
Public safety	389,424,907	377,504,005	353,363,860	337,098,745
Public ways and facilities	39,693,314	36,752,359	36,741,186	33,796,666
Health & sanitation	262,482,193	208,379,125	179,785,125	191,040,791
Public assistance	417,243,840	420,031,115	387,143,702	389,124,754
Education	7,450,738	7,788,389	6,794,423	6,907,601
Recreation	5,829,761	5,368,639	5,477,591	5,768,241
Capital outlay	45,315,627	45,017,539	55,371,058	51,635,229
Debt service:				
Principal	4,957,000	4,723,601	4,671,585	156,946
Interest	3,353,549	3,640,472	3,881,133	3,137,250
Refunding escrow	-	-	-	15,240,197
Total expenditures	1,265,880,138	1,178,438,161	1,087,421,613	1,088,670,430
Excess (deficiency) of revenues over (under) expenditures	225,181,498	112,047,939	81,883,140	66,296,385
OTHER FINANCING SOURCES(USES)				
Transfers in	35,899,906	78,217,266	48,088,960	76,390,660
Transfers out	(40,467,785)	(83,683,757)	(65,106,696)	(46,532,856)
Loan proceeds	-	-	-	-
Refunding bonds issued	-	-	-	79,865,000
Premium on refunding bonds issued	-	-	-	15,550,343
Payment to refunded bond escrow agent	-	-	-	(94,188,428)
TOTAL OTHER FINANCING	(4,567,879)	(5,466,491)	(17,017,736)	31,084,719
Net change in fund balances	\$ 220,613,619	\$ 106,581,448	\$ 64,865,404	\$ 97,381,104

County of San Joaquin
 Changes in Fund Balances –
 Governmental Funds
 Last Ten Fiscal Years (Continued)
 Year Ended June 30, 2021

	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$	275,101,793	\$ 252,146,772	\$ 247,582,643	\$ 225,089,738	\$ 212,056,460	\$ 203,474,641
	7,980,108	8,015,705	7,590,126	7,163,302	7,065,578	5,709,247
	12,694,533	13,209,993	11,828,420	13,570,298	14,086,309	11,425,041
	3,757,045	5,258,787	3,360,170	3,164,958	3,285,935	3,150,330
	641,598,608	600,641,614	642,720,971	586,561,084	566,196,112	517,253,471
	127,061,719	124,528,292	113,776,069	97,077,976	95,469,119	87,814,747
	13,086,132	13,508,016	11,129,327	11,062,901	14,647,259	12,373,135
	<u>1,081,279,938</u>	<u>1,017,309,179</u>	<u>1,037,987,726</u>	<u>943,690,257</u>	<u>912,806,772</u>	<u>841,200,612</u>
	56,297,295	44,334,867	46,234,075	45,914,928	50,085,753	42,206,047
	319,821,432	303,198,198	294,376,805	275,078,622	268,176,699	264,428,919
	34,655,634	28,389,407	33,942,012	30,863,647	31,141,322	31,340,126
	178,226,120	141,857,452	157,673,353	146,876,715	128,532,481	119,911,230
	371,023,833	371,191,938	378,902,622	342,306,189	324,020,734	325,912,140
	5,125,682	6,887,103	6,051,470	5,564,668	5,266,189	5,641,949
	5,903,386	5,265,902	5,342,397	5,466,274	5,404,618	6,018,841
	36,154,249	33,290,825	26,706,194	31,613,607	32,288,100	29,264,625
	3,339,201	3,171,745	3,104,997	3,341,418	2,883,548	2,658,191
	5,783,337	5,935,543	6,085,105	6,297,634	6,711,246	6,543,010
	-	-	-	-	-	-
	<u>1,016,330,169</u>	<u>943,522,980</u>	<u>958,419,030</u>	<u>893,323,702</u>	<u>854,510,690</u>	<u>833,925,078</u>
	<u>64,949,769</u>	<u>73,786,199</u>	<u>79,568,696</u>	<u>50,366,555</u>	<u>58,296,082</u>	<u>7,275,534</u>
	41,685,433	54,520,424	41,738,981	40,999,390	64,860,509	51,360,280
	(52,518,517)	(68,591,905)	(59,412,063)	(56,478,391)	(81,598,473)	(83,152,495)
	-	-	-	-	-	49,789
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>(10,833,084)</u>	<u>(14,071,481)</u>	<u>(17,673,082)</u>	<u>(15,479,001)</u>	<u>(16,737,964)</u>	<u>(31,742,426)</u>
\$	<u><u>54,116,685</u></u>	<u><u>59,714,718</u></u>	<u><u>61,895,614</u></u>	<u><u>34,887,554</u></u>	<u><u>41,558,118</u></u>	<u><u>(24,466,892)</u></u>

County of San Joaquin
Net Position by Component
Last Ten Fiscal Years
June 30, 2021

	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>
Governmental activities				
Net investment in capital assets	\$ 568,626,414	\$ 554,669,800	\$ 537,284,521	\$ 508,324,186
Restricted	648,079,577	938,622,672	845,470,505	514,926,510
Unrestricted	<u>(582,926,581)</u>	<u>(1,124,476,896)</u>	<u>(1,131,438,127)</u>	<u>(811,650,698)</u>
Total governmental activities net position	<u>633,779,410</u>	<u>368,815,576</u>	<u>251,316,899</u>	<u>211,599,998</u>
Business-type activities				
Net investment in capital assets	183,554,159	184,677,213	166,241,747	141,119,606
Restricted	11,997,432	11,820,661	11,389,539	10,739,765
Unrestricted	<u>(97,757,321)</u>	<u>(124,909,369)</u>	<u>(79,527,231)</u>	<u>(37,433,504)</u>
Total business-type activities net position	<u>97,794,270</u>	<u>71,588,505</u>	<u>98,104,055</u>	<u>114,425,867</u>
Primary government				
Net investment in capital assets	752,180,573	739,347,013	703,526,268	649,443,792
Restricted	660,077,009	950,443,333	856,860,044	525,666,275
Unrestricted	<u>(680,683,902)</u>	<u>(1,249,386,265)</u>	<u>(1,210,965,358)</u>	<u>(849,084,202)</u>
Total primary government net position	<u>\$ 731,573,680</u>	<u>\$ 440,404,081</u>	<u>\$ 349,420,954</u>	<u>\$ 326,025,865</u>

County of San Joaquin
 Net Position by Component
 Last Ten Fiscal Years (Continued)
 Year Ended June 30, 2021

2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
\$ 479,182,110	\$ 472,053,779	\$ 463,486,189	\$ 462,765,546	\$ 451,195,289	\$ 450,740,695
467,736,953	452,087,897	257,513,902	376,464,492	360,682,027	348,192,228
(780,575,026)	(751,884,940)	(608,418,248)	162,911,173	157,049,194	87,518,360
<u>166,344,037</u>	<u>172,256,736</u>	<u>112,581,843</u>	<u>1,002,141,211</u>	<u>968,926,510</u>	<u>886,451,283</u>
108,594,961	82,290,076	67,100,975	48,767,460	51,507,576	39,837,451
19,279,531	19,169,722	3,758,051	2,684,231	2,254,966	9,675,885
(17,031,424)	(18,793,990)	(42,653,102)	80,389,697	41,981,219	38,294,913
<u>110,843,068</u>	<u>82,655,808</u>	<u>28,205,924</u>	<u>131,841,388</u>	<u>95,743,761</u>	<u>87,808,249</u>
587,777,071	554,343,855	530,587,164	511,533,006	502,702,865	490,578,146
487,016,484	471,257,619	261,271,953	379,148,723	362,936,993	357,868,113
(797,606,450)	(770,678,930)	(651,071,350)	243,300,870	199,030,413	125,813,273
<u>\$ 277,187,105</u>	<u>\$ 254,922,544</u>	<u>\$ 140,787,767</u>	<u>\$ 1,133,982,599</u>	<u>\$ 1,064,670,271</u>	<u>\$ 974,259,532</u>

County of San Joaquin
 Leal Debt Margin Information
 Last Ten Fiscal Years
 Year Ended June 30, 2021

	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>
Debt Limit	\$ 1,081,347,866	\$ 1,006,963,013	\$ 945,091,241	\$ 902,493,927	\$ 845,897,094
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	1,081,347,866	1,006,963,013	945,091,241	902,493,927	845,897,094
Total net debt applicable to the limit as a percentage of debt limit	-	-	-	-	-

Government Code Section 29909 and Revenue and Tax Code Section 135 limit the County's ability to raise resources through the issuance of debt to finance acquisitions or construction of County facilities. The debt limit is 1 1/4% of the total assessed value

County of San Joaquin
 Leal Debt Margin Information
 Last Ten Fiscal Years (Continued)
 Year Ended June 30, 2021

2015-16	2014-15	2013-14	2012-13	2011-12
\$ 801,117,815	\$ 754,692,239	\$ 692,834,021	\$ 659,393,352	\$ 659,802,311
-	-	-	-	-
801,117,815	754,692,239	692,834,021	659,393,352	659,802,311
-	-	-	-	-

County of San Joaquin
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 Year Ended June 30, 2021

Governmental Activities

Fiscal Year	Certificates of Participation	Capital Leases	Notes
2021	\$ 76,998,585	\$ 10,483,344	\$ 1,182,029
2020	82,815,269	11,039,421	1,275,748
2019	88,552,792	8,597,759	1,370,891
2018	94,379,000	9,839,916	1,450,606
2017	115,171,518	8,336,235	1,610,135
2016	118,508,505	6,967,892	1,690,313
2015	121,655,492	7,672,933	1,767,370
2014	124,657,479	7,551,166	1,841,430
2013	127,469,364	6,406,147	1,912,714
2012	129,912,106	4,669,946	1,980,134

County of San Joaquin
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years (Continued)
 Year Ended June 30, 2021

Fiscal Year	Business-Type Activities		
	Certificates of Participation / Revenue Bonds	Capital Leases	Notes
2021	\$ 9,524,481	\$ 3,044,777	\$ -
2020	11,472,259	3,782,928	-
2019	18,939,027	1,424,860	-
2018	27,542,216	752,192	91,715
2017	27,533,978	1,009,977	15,537
2016	35,534,774	664,506	26,564
2015	43,360,560	841,449	36,351
2014	51,721,834	555,367	45,036
2013	54,567,073	939,112	52,743
2012	69,089,415	1,038,467	59,583

County of San Joaquin
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years (Continued)
 Year Ended June 30, 2021

Fiscal Year	Total Primary Government	Per Capita	Population
2021	\$ 101,233,216	\$ 129	783,534
2020	110,385,625	143	773,632
2019	118,885,329	154	770,385
2018	134,055,645	177	758,744
2017	153,677,380	206	746,868
2016	163,392,554	223	733,383
2015	175,334,155	244	719,511
2014	186,372,312	262	710,731
2013	191,347,153	272	703,919
2012	206,749,651	297	695,750

County of San Joaquin
Pledged-Revenue Coverage
Last Three Fiscal Years
Year Ended June 30, 2021

Fiscal Year	Wastewater Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2018	\$ 1,371,972	\$ 430,708	\$ 941,264	\$ -	\$ 526,160	1.79
2019	1,505,909	279,995	1,225,914	195,000	344,156	2.27
2020	1,434,062	319,398	1,114,664	175,000	344,090	2.15
2021	1,328,841	439,471	889,370	180,000	356,750	1.66