



County of Madera, California

Comprehensive Annual Financial Report

For the Year Ended June 30, 2019

Todd E. Miller, CPA
Auditor-Controller



*Image: Chowchilla Western Stampede
Courtesy of Kim Lawson*





County of Madera, California
Comprehensive Annual Financial Report
Year Ended June 30, 2019

Prepared under the Supervision of

Todd E. Miller, CPA
AUDITOR-CONTROLLER

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INTRODUCTORY SECTION





December 30, 2019

To the Honorable Members of the Board of Supervisors,
Citizens of Madera County:

The Comprehensive Annual Financial Report (CAFR) of the County of Madera (County) for fiscal year ended June 30, 2019, is hereby submitted in compliance with Sections 25250 and 25253 of the Government Code of the State of California. These statutes require that the County publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Management assumes full responsibility for the completeness, accuracy, and reliability of the information contained in this report, based upon a comprehensive internal control framework it established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The independent auditor's report is located at the front of the financial section of this report. Clifton Larson Allen LLP, a registered public accounting firm, rendered an unmodified opinion on the County's financial statements for the year ended June 30, 2019. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the County of Madera

Madera County is located at the geographical center of California and includes the rich, fertile farm lands of the great Central Valley as well as the foothills and mountains of the towering Sierra Nevada mountain range. Madera County was formed in 1893 from the portion of Fresno County north of the San Joaquin River, pursuant to a special election held on May 16, 1893.

Madera is Spanish for wood, and logging was the County's first industry. The County has a colorful heritage with logging, gold mining, cattle-raising, farming, and tourism as successive major industries. The County includes two incorporated cities, Madera and Chowchilla. The 2010 census counted 150,865 County residents with the current population estimated at 158,894.



AUDITOR-CONTROLLER

200 West Fourth Street • Madera, CA 93637 • 559.675.7707 • MadCoServices.com • maderacounty.com

As required by State and federal mandate, the County is responsible at the local level for activities involving public welfare, health, justice (including jails), and for the maintenance of public records. The County also provides services such as law enforcement and public works to the cities and the Chukchansi Gold Resort & Casino within the County on a cost-recovery basis. The County operates recreational and cultural facilities serving both the incorporated and unincorporated areas of the County.

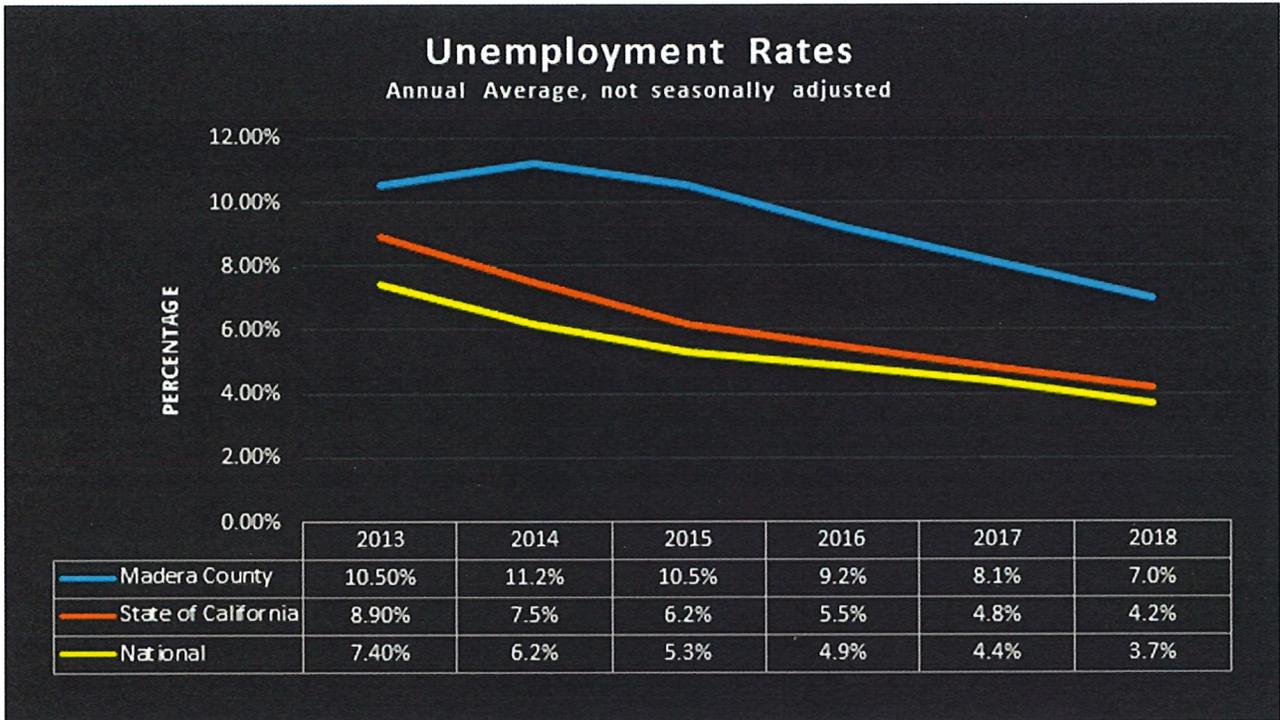
A five-member County Board of Supervisors is the legislative authority for governance of the County. Each supervisor is elected by district to a four year term on a non-partisan basis. The terms are staggered: two supervisors being elected, alternating with three supervisors being elected in the following election year. The Board is responsible for, among other things, establishing County ordinances, adopting the budget, appointing committees, and hiring the County Administrative Office and non-elected department heads. The County Administrative Officer is responsible for carrying out the policies and ordinances of the Board and for overseeing the day-to-day operations of the County. In addition to the five supervisors, the County elects six department heads to four year terms, who are responsible for the offices of Assessor, Auditor-Controller, Clerk-Registrar of Voters, District Attorney, Sheriff-Coroner, and Treasurer-Tax Collector.

State law requires the County to adopt a final budget each year. The annual budget serves as the foundation for the County's financial planning and control. The County Budget Act, as presented in California Government Code sections 29000 and 30200, establishes the general provisions and requirements for preparing and approving the County budget. All County departments are required to submit budget requests to the County Administrative Office where they are compiled into a proposed budget. The budgets are then submitted for approval by the Board with a recommendation by the County Administrative Officer. Public hearings are set in June with the Board adopting the budget for the next fiscal year. During the year department heads may transfer appropriations within a division with the approval of the County Administrative Officer and Auditor-Controller. Transfers of appropriations between departments or increases in the budget from new revenue sources, reserves and/or contingencies require Board of Supervisors approval.

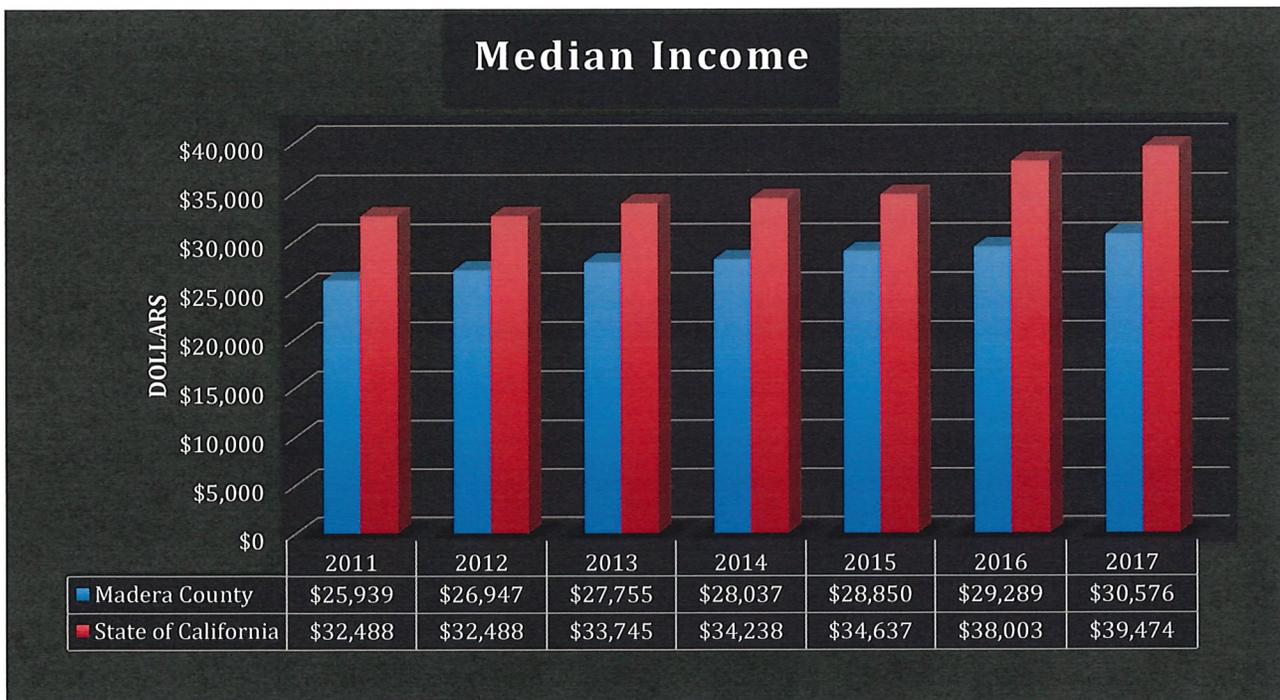
Economic and Financial Overview

As the nation and California continue to recover from the recession, so does Madera County. Revenues from Governmental Activities increased by 8.0 percent. Fees, Fines and Charges for Services led the way with a year over year increase of 40.7 percent.

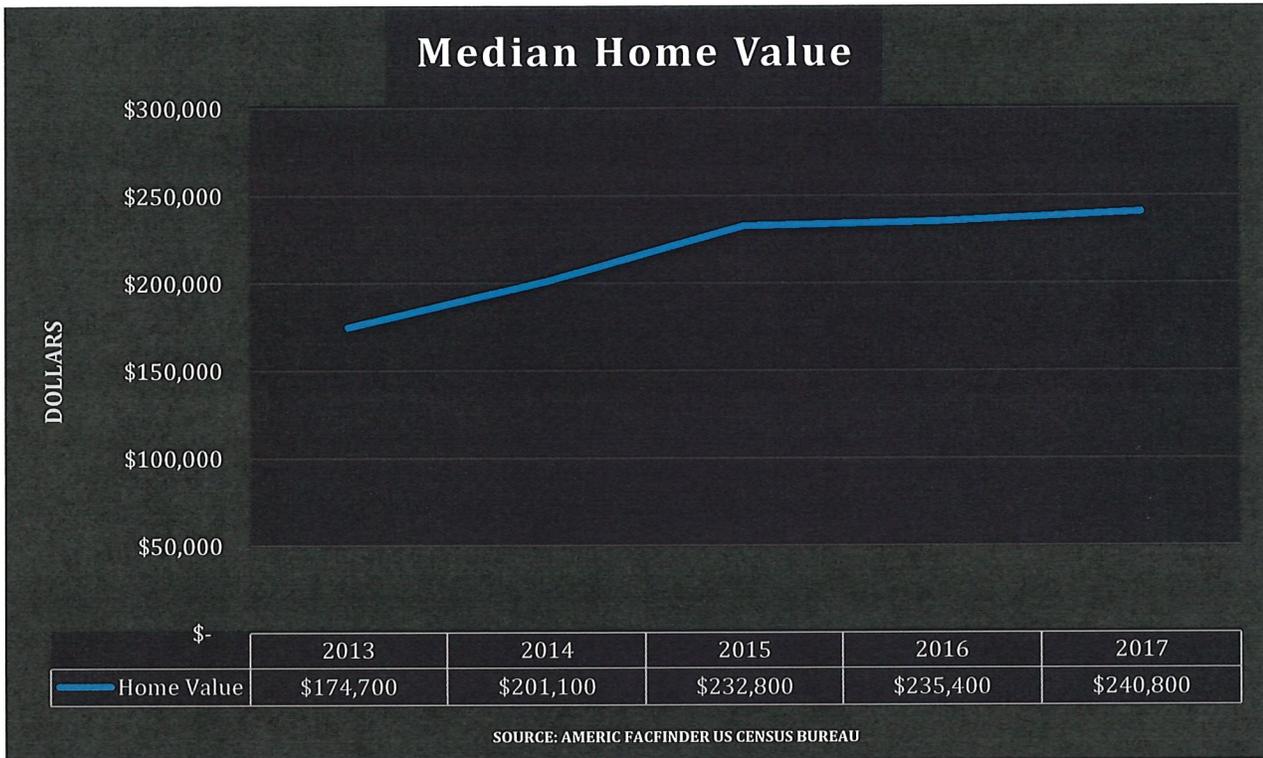
Unemployment rates continued to improve, showing a 16 percent decline in 2018.



Median incomes in the County improved by 4.4 percent from 2016 to 2017, while over the same period California median incomes increased by 3.9 percent.



The median home value in the County (an indicator of economic recovery) is recovering since the recession, though it remains below levels attained prior to the recent recession.



The County expects to see gains in all sectors of the economy, with continued improvements in new housing and commercial units coming online in 2018 and beyond. The effect on County revenues should be positive, generating anticipated increases in available Fund Balances, departmental spending, and contingency savings.

Property taxes, at \$45.6 million, remain the single largest source of discretionary revenue for Madera County government. The Assessor projects modest gains in the assessed values of properties within the County over the near term, extending the recent trend toward recovery of property tax revenues to the pre-recession highs.

Long-Term Financial Planning and Major Initiatives

The recent economic recession severely impacted County revenues, necessitating significant reductions of personnel and spending to maintain a balanced budget. The County has resolved, as revenues improve, to increase contingency savings to better weather a future downturn in the economy.

The County also has embarked on a plan to upgrade its financial accounting systems and modernize the accounting processes throughout the County. The goal is to provide accurate, timely, and informative financial information to management and citizens.

Awards and Acknowledgments



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Madera
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill
Executive Director/CEO

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Madera for its comprehensive financial report for the fiscal year ended June 30, 2018. This was the second year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial report would not have been possible without the dedication of the staff in the Auditor-Controller's office. We also acknowledge the timely assistance of County departments providing information employed in the preparation of this report.

Additionally, we would like to thank the Board of Supervisors, The County Administrative Officer and staff, and the County departments for their continued efforts in planning and conducting the County's financial operations in a responsible and conservative manner.

Respectfully submitted,

Todd E. Miller, CPA

Auditor-Controller

Darin McCandless

Deputy County Administrative Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Madera
California**

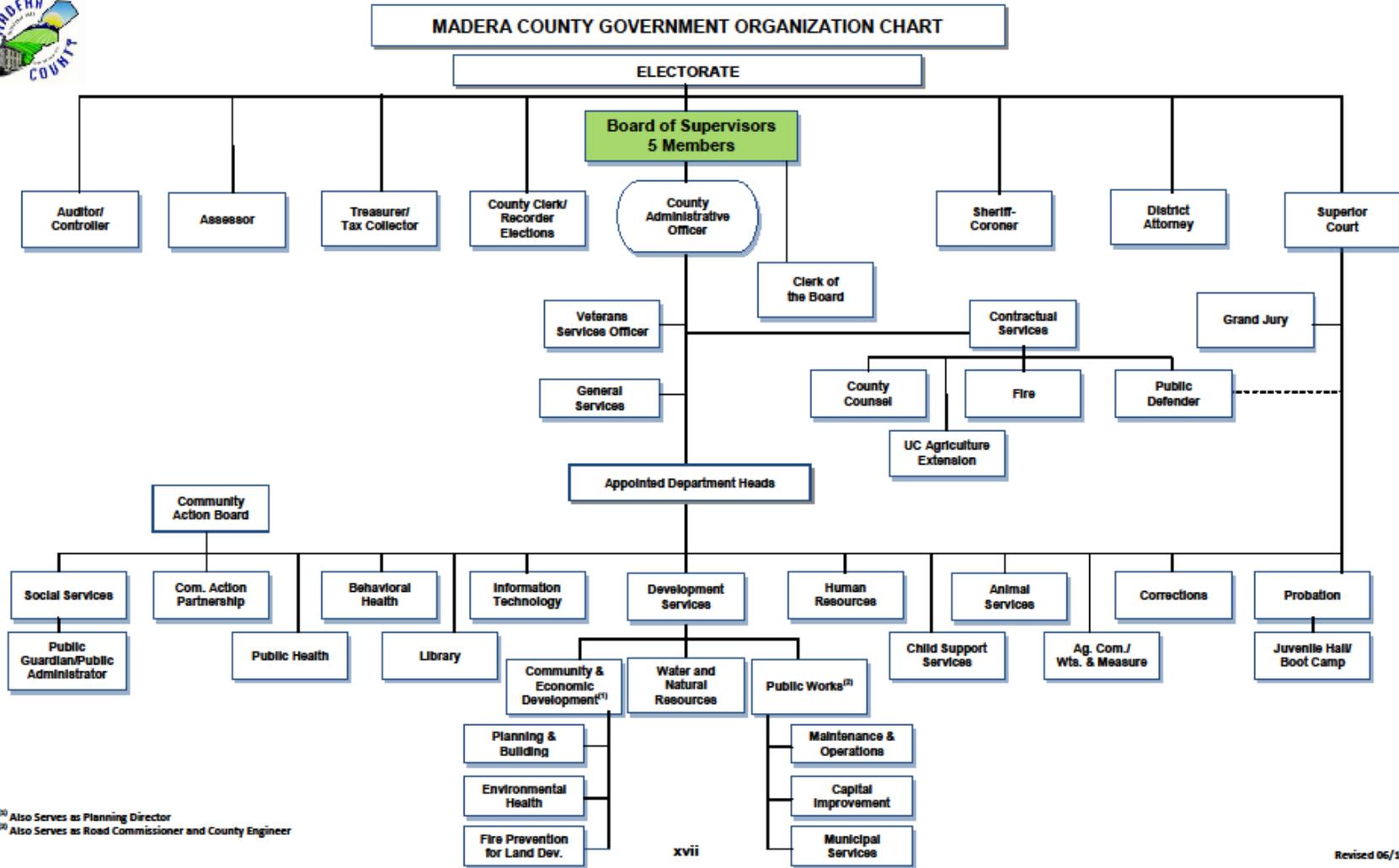
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

**COUNTY OF MADERA, CALIFORNIA
ORGANIZATIONAL CHART
AS OF JUNE 30, 2019**



**COUNTY OF MADERA, CALIFORNIA
COUNTY OFFICIALS
AS OF JUNE 30, 2019**

OFFICIALS

Brett F. Frazier

David Rogers

Robert L. Poythress

Max Rodriguez

Worley T. Wheeler

Gary L. Svanda

Todd E. Miller

Rebecca Martinez

Sally O. Moreno

Jay A. Varney

Tracy K. Desmond

Eric D. Fleming

POSITION

Supervisor, District 1

Supervisor, District 2

Supervisor, District 3

Supervisor, District 4

Supervisor, District 5

Assessor

Auditor-Controller

County Clerk-Recorder

District Attorney

Sherriff

Treasurer-Tax Collector

County Administrative Officer



FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

Honorable Board of Supervisors
County of Madera, California
Madera, 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 Madera, California (the County), as of and for the year ended June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Community Action Partnership (Partnership) of Madera County and Madera County Workforce Investment Corporation (Corporation), which represent 100 percent of the assets, net position, revenue and expenses of the County's discretely presented component units. 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 the Partnership and Corporation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2019, 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 A Matter

As disclosed in Note 10 to the financial statements, prior period adjustments were recorded for the correction of errors in the prior year financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, 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 and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Board of Supervisors
County of Madera, California

The introductory and statistical sections have 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 December 30, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Roseville, California
December 30, 2019



MANAGEMENT'S DISCUSSION AND ANALYSIS



COUNTY OF MADERA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

Within this section of Madera County's annual financial report, the County's management provides narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2019. Readers are encouraged to consider the information presented here in conjunction with accompanying financial statements and disclosures following this section. The discussion focuses on the County's primary government and, unless otherwise noted, does not include discretely reported component units.

FINANCIAL HIGHLIGHTS

- The Assets and Deferred Outflows of Resources of the County exceeded Liabilities and Deferred Inflows of Resources at the close of the most recent fiscal year by \$107,372,564 (*net position*). Of this amount, \$(318,701,586) (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors in accordance with the County's fund designation and fiscal policies. The *unrestricted net position* is negative, indicating that the County's assets spendable for other than restricted purposes are insufficient to meet its current and long-term obligations. The remaining net position, \$134,169,738, is restricted for specific purposes (*restricted net position*), and \$291,904,412, net investment in capital assets, is not spendable.
- Deferred Outflows of the County at the close of the 2018-19 fiscal year were \$56,554,797. Because the County's pension and other postemployment benefits (OPEB) liabilities and expenses as presented in the financial statements are actuarially determined and those actuarial determinations are a year behind the current fiscal year, actual pension and OPEB contributions, investment gains and losses, and changes in actuarial assumptions, methods, and plan benefits subsequent to the actuary's date of calculations are reported as deferred outflows, rather than expenses or losses of the current period. For the fiscal year 2018-19 these subsequent pension contributions, losses on investments or from changes in actuarial assumptions increased by \$4,360,056 over the prior fiscal year.
- Liabilities of the County at the close of the most recent fiscal year were \$501,117,695, an increase of \$26,624,104 over the prior fiscal year. Long-term liabilities accounted for all of the increase, driven above all by accelerating pension and OPEB liabilities, and capital lease obligations in excess of the scheduled retirement of these long-term liabilities.
- Deferred Inflows of the County at the close of the 2018-19 fiscal year were \$29,820,097. Because the County's pension and other postemployment benefits (OPEB) liabilities and expenses as presented in the financial statements are actuarially determined and those actuarial determinations are a year behind the current fiscal year, changes in actuarial assumptions and differences between actual and expected experience subsequent to the actuary's date of calculations are reported as deferred inflows, rather than reductions of expenses of the current period. For the fiscal year 2018-19 these subsequent changes in actuarial assumptions and differences between actual and expected experience increased by \$5,489,481 over the prior fiscal year.
- The County's net position, net investment in capital assets decreased by \$4,866,309 as combined asset retirements and depreciation exceeded asset additions.
- The County's governmental funds reported combined fund balances of \$148,871,187, an increase of \$13,577,208 compared to the prior year, because actual revenues exceeded budget estimates.
- The County's unrestricted and spendable fund balance for the governmental funds was \$15,938,087, or 6% of total governmental funds expenditures.

OVERVIEW OF 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. This report also contains other Supplementary Information in addition to the basic financial statements.

**COUNTY OF MADERA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

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.

- The *statement of net position* presents information on all County assets and deferred outflows of resources less liabilities and deferred inflows of resources, with the resulting difference reported as *net position*.

$$\text{Net Position} = (\text{Assets} + \text{Deferred Outflows of Resources}) - (\text{Liabilities} + \text{Deferred Inflows of Resources})$$

Over time, increases or decreases in *net position* are a useful indicator of an improving or deteriorating County financial condition.

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

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a 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, recreation, and interest expense. The business-type activities of the County include the County Landfill, as well as County Maintenance Districts and County Service Areas that provide water and sewer services. Fiduciary activities are not included in the government-wide statements, since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and organizations for which the County is accountable (component units). These organizations are blended into the primary government for financial reporting purposes and include: County special revenue funds, County Flood Control district, lighting districts, road maintenance districts, County service areas and maintenance districts, and the Madera County Public Financing Authority.

Component units are included in the financial statements and are legally separate entities for which the County is financially accountable. The Madera Community Action Agency and Workforce Development Agency are included in the County's overall reporting entity but are reported separately from the primary government. More complete information about the County's component units can be found in Note 1.

Fund Financial Statements A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, 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 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.

**COUNTY OF MADERA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

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* of 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 maintains 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 for the General Fund, Road Fund, Housing and Community Development Fund, Special Revenue – Public Protection Programs Fund, Capital Projects Fund, and the Other Governmental Funds combined into a single, aggregated column.

Proprietary funds are maintained in two ways. *Enterprise funds* report the same functions presented as *business-type activities* in the government-wide financial statements. The County's enterprise funds account for the water and sewer operations and the landfill. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses three internal service funds to account for its fleet maintenance, risk management, and microwave radio functions. Because these services predominantly 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. The Special Districts Water/Sewer and County Landfill are considered to be major funds of the County and are separately presented with combined internal service funds in the proprietary funds financial statements.

Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements, because the resources of those funds are not available to support the County's own programs.

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

Required Supplementary Information provides the schedule of funding progress for the County Employees Retirement Plan and Other Post-Employment Benefits. Also presented are the County's General Fund and Major Special Revenue Funds budgetary schedules. The County adopts an annual appropriated budget for each fiscal year. A budgetary comparison schedule has been provided for the General Fund, Road Fund, Housing and Community Development Fund, and Public Protection Programs Fund to demonstrate compliance with this budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial condition. In the case of the County, combined assets exceeded liabilities by \$107,372,564 at the close of the most recent fiscal year. Of these, the County's net investment in capital assets represents 272% of its net position. This percentage exceeds 100%, indicating that the County's *net investment in capital assets* exceeds its *total net position*, and its *total net position* is insufficient to meet its current and long-term obligations. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Another 125% of the County's net position is subject to external restrictions on how it may be used. In addition, a portion

**COUNTY OF MADERA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

of the remaining negative (297%), referred to as unrestricted, is dedicated to spending on specific programs or services.

The County's Net Position (in Thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	Fiscal Year		Fiscal Year		Fiscal Year	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 185,705	\$ 176,683	\$ 40,423	\$ 36,713	\$ 226,128	\$ 213,396
Capital Assets	291,769	285,722	63,858	67,790	355,627	353,512
Total Assets	477,474	462,405	104,281	104,503	581,756	566,908
Deferred Outflows - OPEB	4,371	3,981	--	--	4,371	3,981
Deferred Outflows - Pensions	52,184	48,214	--	--	52,184	48,214
	56,555	52,195	--	--	56,555	52,195
Current and Other Liabilities	13,071	17,915	3,272	3,177	16,343	21,092
Long-Term Liabilities	458,972	426,738	25,802	26,664	484,774	453,402
Total Liabilities	472,043	444,653	29,074	29,841	501,117	474,494
Deferred Inflows - OPEB	26,586	21,568	--	--	26,586	21,568
Deferred Inflows - Pensions	3,234	2,763	--	--	3,234	2,763
	29,820	24,331	--	--	29,820	24,331
Net Investment in Capital Assets	248,737	250,429	43,167	46,342	291,904	296,771
Restricted	134,170	109,757	--	--	134,170	109,757
Unrestricted	(350,741)	(314,570)	32,040	28,320	(318,701)	(286,251)
Total Net Position	\$ 32,166	\$ 45,616	\$ 75,207	\$ 74,662	\$ 107,373	\$ 120,278

A significant portion of the County's net position, \$107,372,564, reflects the amount invested in capital assets (e.g., land and easements, structures and improvements, infrastructure, and equipment), less any related debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in 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 restricted portion of the County's net position, \$134,169,738, represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year the County reported positive balances in all three categories of net position for its separate business-type activities only. For its governmental type activities and for the County as a whole, only the County's net investment in capital assets and restricted net position reported positive balances. For governmental type activities and for the County as a whole the County reported a negative balance of unrestricted net position, indicating that the restricted balance of net position exceeded the actual restricted balances of net position reported as available to meet the County's ongoing obligations to citizens and creditors.

During the current fiscal year the County's net position decreased by \$13,030,347. The decrease in net position represents the degree to which ongoing expenses exceeded ongoing revenues. Governmental Activities (the costs of providing general government, public protection, health and sanitation, and public assistance to County residents) account for the entire decrease in net position, declining \$13,066,616. The principal contributors to the

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decrease are the escalating costs of the County's defined benefit pension and health insurance benefits provided to employees upon retirement.

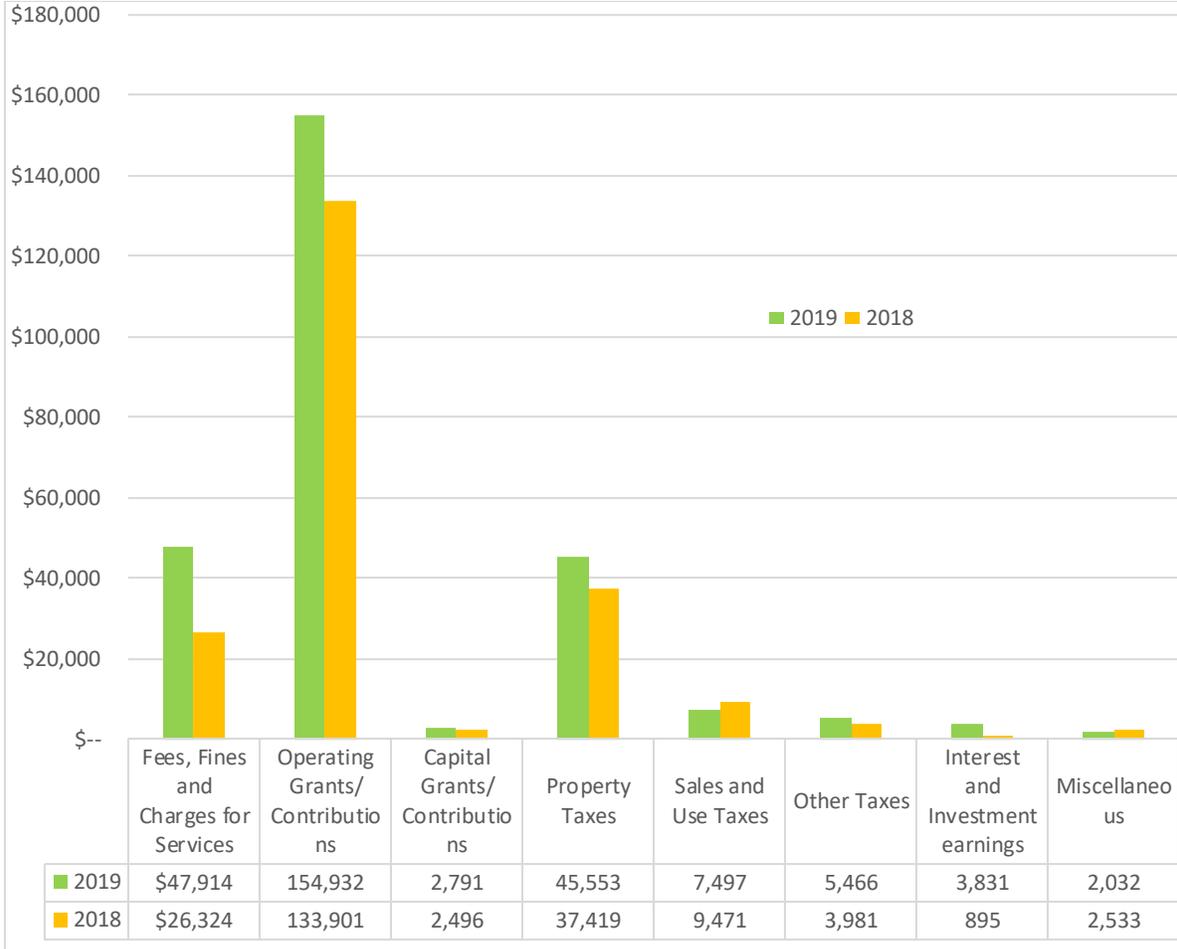
The net position of the County's Business –Type Activities increased, marginally, \$36,269. The increase resulted from escalating charges to customers receiving water and sewer, landfill, and transit services in County-operated maintenance districts and service areas, Landfill, and transit system exceeding the increasing costs of providing these services. At the same time reduced capital grants offset most of the increased revenues from charges to customers.

The County's Changes in Net Position (in Thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	Fiscal Year		Fiscal Year		Fiscal Year	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program Revenues:						
Fees, Fines, and Charges						
for Services	\$ 47,914	\$ 34,059	\$ 17,612	\$ 15,227	\$ 65,526	\$ 49,286
Operating Grants/Contributions	154,932	152,427	1,365	2,279	156,297	154,706
Capital grants/contributions	2,791	4,764	1,120	2,044	3,911	6,808
General Revenues						
Property Taxes	45,553	42,710	495	401	46,048	43,111
Sales and Use Taxes	7,497	7,534	--	--	7,497	7,534
Other Taxes	5,466	4,867	--	--	5,466	4,867
Interest and Investment earnings	3,831	(78)	842	37	4,673	(41)
Miscellaneous	2,032	2,673	355	39	2,387	2,712
Sale of Capital Assets	--	36	--	--	--	36
Total Revenues	<u>270,016</u>	<u>248,992</u>	<u>21,789</u>	<u>20,027</u>	<u>291,805</u>	<u>269,019</u>
EXPENSES						
General Government	40,363	36,790	--	--	40,363	36,790
Public Protection	97,491	90,429	--	--	97,491	90,429
Public Ways and Facilities	19,594	18,863	--	--	19,594	18,863
Health and Sanitation	42,562	37,552	--	--	42,562	37,552
Public Assistance	78,680	73,628	--	--	78,680	73,628
Education	1,992	2,078	--	--	1,992	2,078
Recreation	1,443	1,313	--	--	1,443	1,313
Interest on Debt	1,383	1,131	--	--	1,383	1,131
Special Districts - Water/Sewer	--	--	11,441	8,493	11,441	8,493
County Landfill	--	--	6,518	5,764	6,518	5,764
Transit	--	--	1,348	1,454	1,348	1,454
Total Expenses	<u>283,508</u>	<u>261,784</u>	<u>19,307</u>	<u>15,711</u>	<u>302,815</u>	<u>277,495</u>
Excess (Deficiency) Before Special Items and Transfers	(13,492)	(12,792)	2,482	4,316	(11,009)	(8,476)
Special item - Sale of Water System	-	-	(2,020)	-	(2,020)	-
Transfers	425	106	(425)	(106)	--	--
CHANGE IN NET POSITION	<u>(13,067)</u>	<u>(12,686)</u>	<u>37</u>	<u>4,210</u>	<u>(13,029)</u>	<u>(8,476)</u>
Net Position - Beginning, Restated	<u>45,233</u>	<u>58,302</u>	<u>75,170</u>	<u>70,452</u>	<u>120,403</u>	<u>128,754</u>
NET POSITION - ENDING	<u>\$ 32,166</u>	<u>\$ 45,616</u>	<u>\$ 75,207</u>	<u>\$ 74,662</u>	<u>\$ 107,373</u>	<u>\$ 120,278</u>

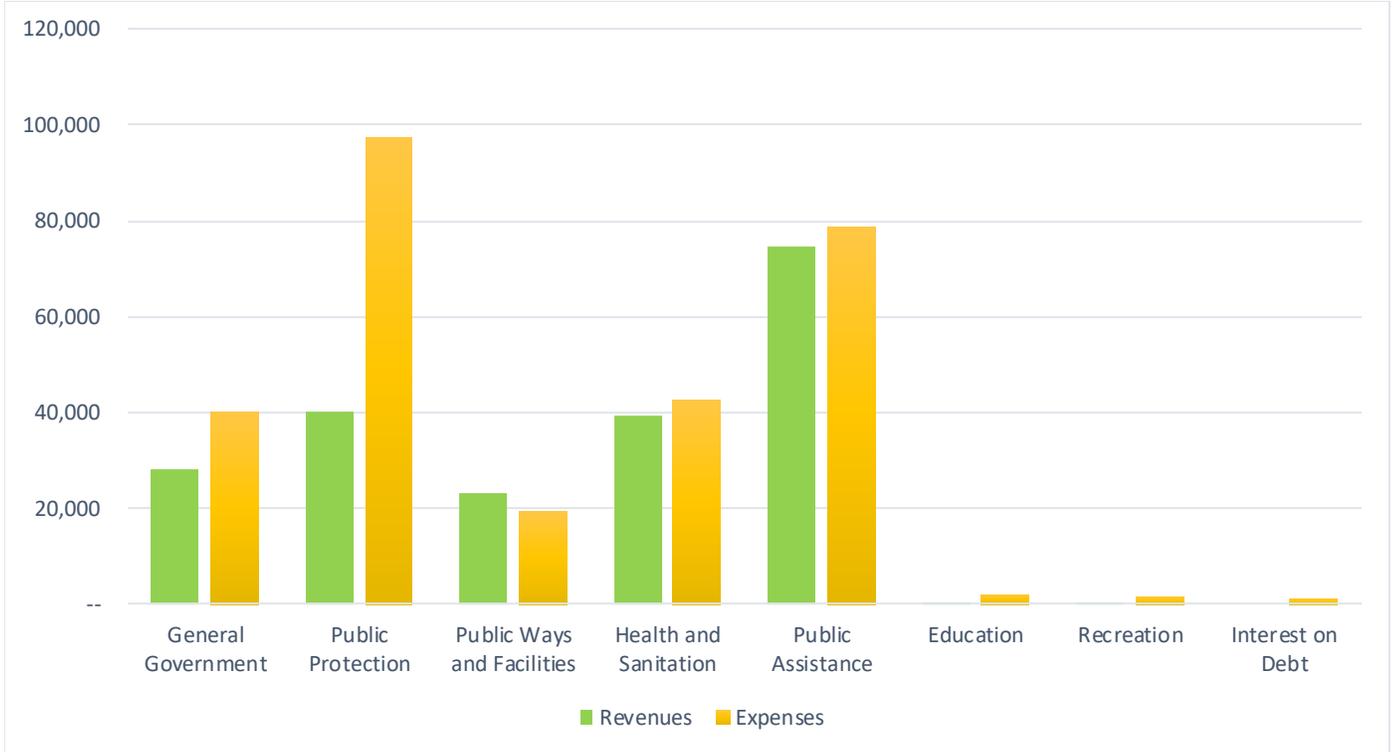
**COUNTY OF MADERA, CALIFORNIA
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Revenue by Source – Governmental Activities (\$ in Thousands)

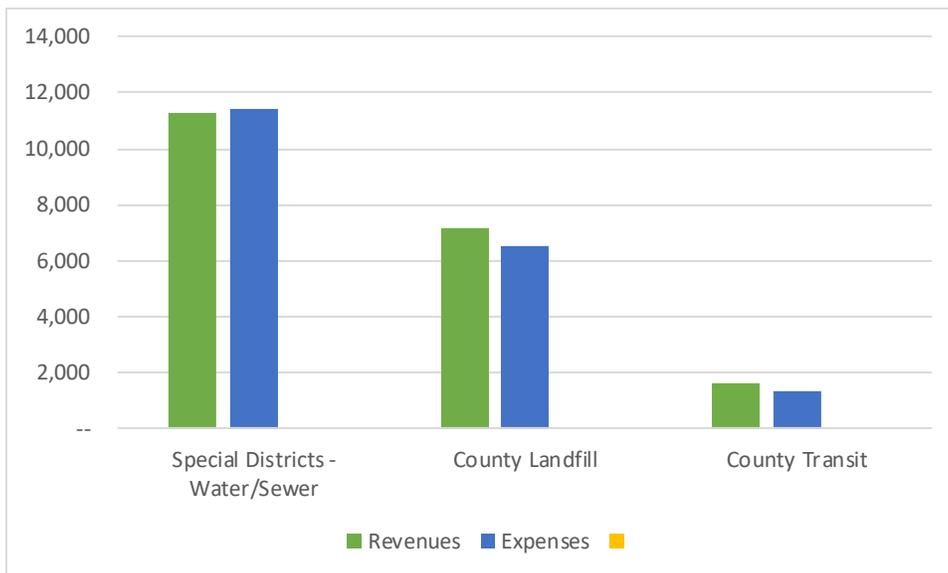


**COUNTY OF MADERA, CALIFORNIA
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Program Revenue and Expense – Governmental Activities (\$ in Thousands)



Program Revenue and Expense – Business-Type Activities (\$ in Thousands)



**COUNTY OF MADERA, CALIFORNIA
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FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As described 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, and Capital Project 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 financing 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

**Net Change in Fund Balance
Governmental Funds**

	2019	2018	Net Change	
			Amount	Percent
Fund Balance - Beginning, Restated	\$ 135,836,664	\$ 125,578,535	\$ 10,258,129	7.55 %
Revenues	270,743,868	249,064,395	21,679,473	8.01 %
Expenditures	(269,572,472)	(244,488,995)	(25,083,477)	9.30 %
Other Financing Sources (Uses)	11,863,127	5,140,044	6,723,083	56.67 %
Fund Balance - Ending	<u>\$ 148,871,187</u>	<u>\$ 135,293,979</u>	<u>\$ 13,577,208</u>	

At June 30, 2019 the County's governmental funds reported combined fund balances of \$148,871,187. Of these combined fund balances \$15,949,719 constitutes unrestricted fund balance of the General, Special Revenue, and Capital Projects Funds, which is available to meet the County's current and future needs.

- Non-spendable fund balance, \$7,235,048, represents amounts that are not in spendable form or are legally or contractually required to remain intact. These are amounts that are not spendable in form or are legally or contractually required to be maintained intact, including inventories and prepaid amounts of \$4,311,202 and General Fund advances of \$2,923,846.
- Restricted fund balance, \$120,132,667, consists of amounts with constraints put on their use by externally imposed creditors, grantors, laws, regulations, or enabling legislation.
- The committed fund balance, \$5,565,385 consists of amounts reserved for specific purposes determined by the Board of Supervisors to cover the County's future contractual obligations.
- Assigned fund balance, \$11,420,100, consists of \$1,000,000 set aside for future fire assets replacement, and \$10,420,100 of appropriation in the General Fund of fund balance for subsequent years.
- Unassigned fund balance, \$4,517,987, of the General Fund represents the residual classification of fund balance.

The General Fund is the chief operating fund of the County. At June 30, 2019 unrestricted General Fund balance was \$15,949,719, while total fund balance was \$71,044,431. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted and total General Fund balance to total General Fund expenditures. Unrestricted General Fund balance represents 7% of total General Fund expenditures.

The County's management also assigns (earmarks) unrestricted General Fund balance to a particular function, project, or activity. Fund balance may also be assigned for purposes beyond the current year. However, assigned fund balance is available for appropriation at any time. Of the \$15,949,719 General Fund unrestricted fund balance, 72% is assigned

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Total governmental funds Fund Balance as of June 30, 2019, increased by \$13,577,208 compared to the prior year. The major governmental funds had changes in fund balance as follows:

- **General Fund** decreased \$1,054,600, as revenues slightly underperformed budgeted estimates;
- **Roads Fund** increased \$6,270,181, as revenues exceeded costs of scheduled roadwork to maintain County roads;
- **Special Revenue – Public Protection** fund also increased \$3,088,711, primarily because revenues received from the State during the fiscal year exceeded expenditures on probation services funded by realignment funding from the State;
- **Capital Projects Funds** increased \$898,911, as the County continued multi-year projects with funding that exceeded actual expenditures;
- **Non-major Governmental Funds** increased \$3,831,320, as the County continues expending less for road maintenance than collected for revenues from Road Mitigation fees. The County is accumulating funds to improve County roads feeding into State Route 41 to meet increased traffic resulting from large-scale housing developments in the area.

Revenues

Total governmental fund revenues increased \$21,679,473, or 8.7%, to \$270,743,868. Significant variances in governmental fund revenues are as follows:

- Fines, Forfeitures, and Penalties increased \$1,517,942, or 38.9%, primarily from increased court fines and fines from a new more robust code enforcement effort by the County;
- Intergovernmental revenues, consisting of aid from other governments, increased \$3,462,138, or 2.2%, as all Social Services aid programs funded by the Federal and state governments increased;
- Charges for services increased by \$11,466,982, or 46.9%, as an improving economy generated additional charges for county services, especially for development related services.

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year:

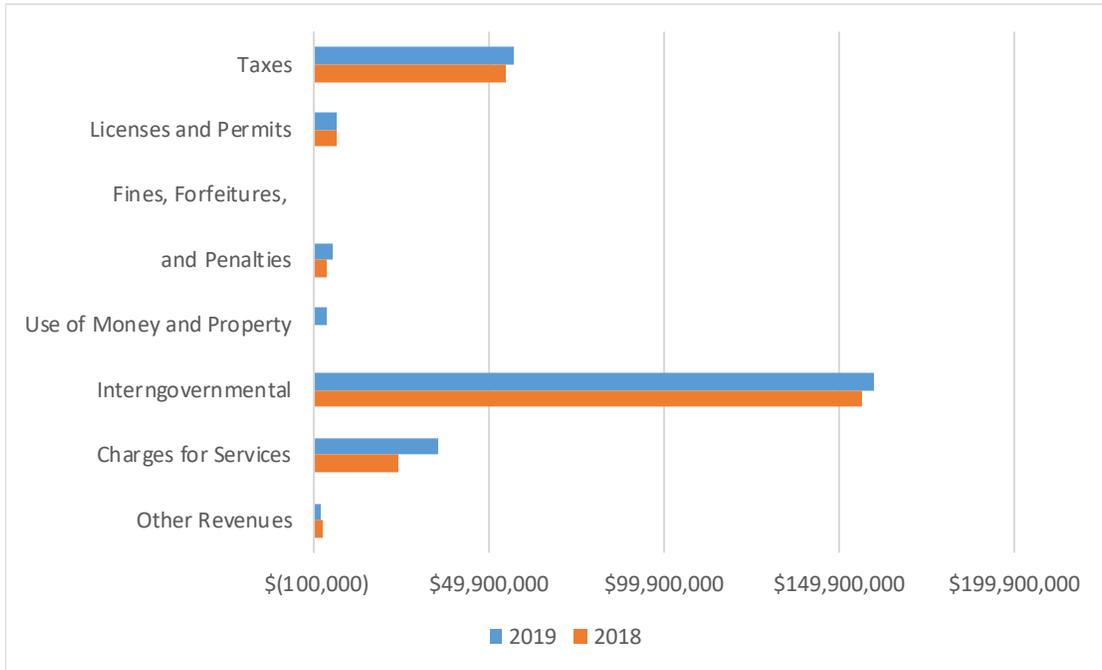
**Revenues Classified by Source
Governmental Funds**

	2019		2018		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Taxes	\$ 56,994,243	21.05 %	\$ 54,881,908	22.04 %	\$ 2,112,335	3.85 %
Licenses and Permits	6,691,388	2.47	6,559,816	2.63	131,572	2.01 %
Fines, Forfeitures, and Penalties	5,415,878	2	3,897,936	1.57	1,517,942	38.94 %
Use of Money and Property	3,566,143	1.32	(67,906)	(0.03)	3,634,049	(5351.59)%
Intergovernmental	160,149,291	59.15	156,687,153	62.91	3,462,138	2.21 %
Charges for Services	35,899,272	13.26	24,432,290	9.81	11,466,982	46.93 %
Other Revenues	2,027,653	0.75	2,673,198	1.07	(645,545)	(24.15)%
Total Revenue by Source	\$ 270,743,868	100.00 %	\$ 249,064,395	100.00 %	\$ 21,679,473	

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The following graph illustrates where the County funds come from:

Revenues by Source – Governmental Funds



Expenditures

Significant changes in the governmental funds expenditures are summarized as follows:

- Public Protection expenditures increased \$8,238,710, or 10.5%, as the county maintained police and fire services and increased expenditures on fire equipment serving the unincorporated areas of the county;
- Health and Sanitation expenditures increased \$3,264,980, or 9.4%, reflecting increasing County expenditures on administration of health programs and on mental health and alcohol services;
- Public Ways and Facilities expenditures increased \$1,498,839, or 11.9%, as the County continued road projects related to housing developments in the County.

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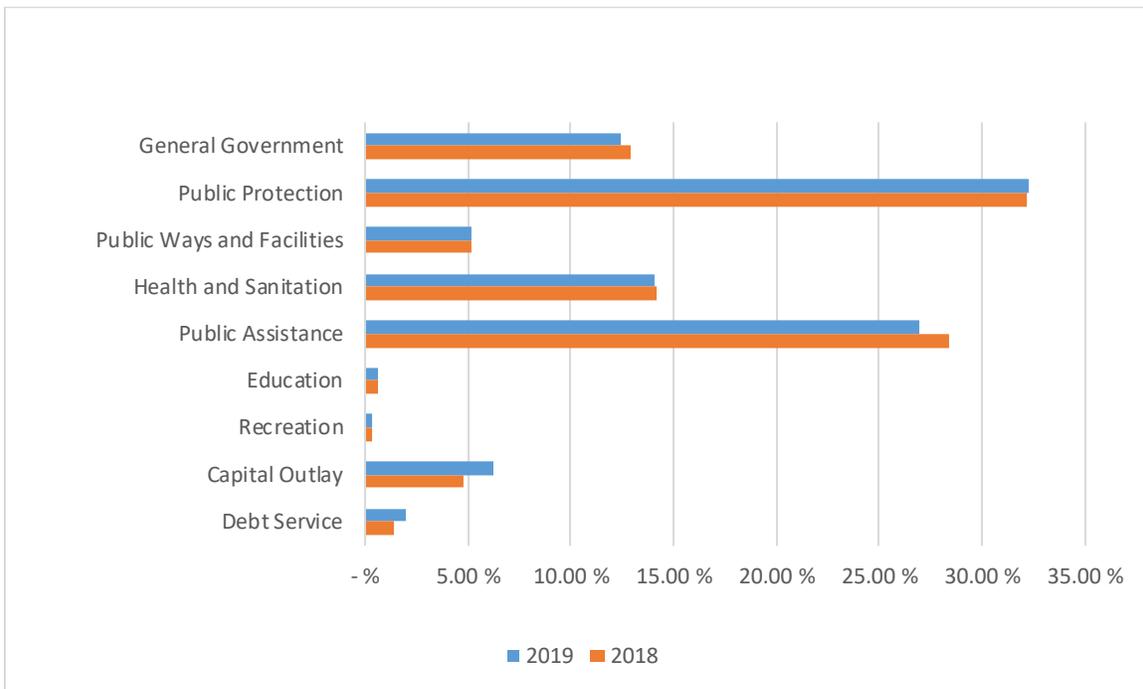
The following table presents expenditures by function compared to prior year amounts:

**Expenditures Classified by Function
Governmental Funds**

	2019		2018		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
General Government	\$ 33,444,682	12.41 %	\$ 31,555,758	12.91 %	\$ 1,888,924	5.99 %
Public Protection	86,875,342	32.23	78,636,632	32.16	8,238,710	10.48 %
Public Ways and Facilities	14,087,232	5.23	12,588,393	5.15	1,498,839	11.91 %
Health and Sanitation	37,847,279	14.04	34,582,299	14.14	3,264,980	9.44 %
Public Assistance	72,590,777	26.93	69,532,400	28.44	3,058,377	4.40 %
Education	1,669,127	0.62	1,510,232	0.62	158,895	10.52 %
Recreation	923,240	0.34	912,993	0.37	10,247	1.12 %
Capital Outlay	16,894,853	6.27	11,833,132	4.84	5,061,721	42.78 %
Debt Service	5,239,940	1.94	3,337,156	1.36	1,902,784	57.02 %
Total by Function	\$ 269,572,472	100.00 %	\$ 244,488,995	100.00 %	\$ 25,083,477	

The following graph illustrates how County funds were spent:

Expenditures by Function – Governmental Funds



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Other financing sources and uses are presented below to illustrate changes from the prior year:

**Other Financing Sources (Uses)
Governmental Funds**

	2019	2018	Increase (Decrease)	
			Amount	Percent
Transfers In	\$ 21,506,744	\$ 26,110,947	\$ (4,604,203)	(17.63)%
Transfers Out	(21,436,744)	(26,066,888)	4,630,144	(17.76)
Capital Leases	11,654,227	4,388,403	7,265,824	165.57
Sales of Capital Assets	138,900	707,582	(568,682)	(80.37)
Net Financing Sources (Uses)	<u>\$ 11,863,127</u>	<u>\$ 5,140,044</u>	<u>\$ 6,723,083</u>	

Proceeds from Sale of Capital Assets are the result of sale transactions involving property that was not needed for public use by the County.

Proprietary funds reporting focuses on determining operating income, changes in net position (or costs recovery), financial position, and cash flows using the full accrual basis of accounting.

Enterprise funds report the business-type activities of the County. Enterprise funds are used to account for its landfill and special district water and sewer operations.

**Net Change in Net Position
Enterprise Funds**

	2019	2018	Increase (Decrease)	
			Amount	Percent
Total Net Position - Beginning	\$ 74,662,298	\$ 69,673,373	\$ 4,988,925	7.16 %
Prior Period Adjustment	508,242	779,103	(270,861)	(34.77)
Operating Revenues	17,910,860	15,265,294	2,645,566	17.33
Operating Expenses	(18,285,099)	(14,942,070)	(3,343,029)	22.37
Nonoperating Income (Expense)	1,702,139	1,949,041	(246,902)	(12.67)
Capital Contributions	1,120,099	3,032,251	(1,912,152)	(63.06)
Transfers In	-	440,542	(440,542)	(100.00)
Transfers Out	(425,041)	(1,535,236)	1,110,195	(72.31)
Special Item - Water System Sale	(2,020,163)	-	(2,020,163)	100.00
Total Net Position - Ending	<u>\$ 75,173,335</u>	<u>\$ 74,662,298</u>	<u>\$ 511,037</u>	

Net position restricted for net investment in capital assets at fiscal yearend was \$43,167,036. Unrestricted net position of the enterprise funds at fiscal year-end was \$32,006,299.

The net position of the enterprise funds, as restated, increased, marginally, \$511,037 from prior fiscal year; reduced landfill closure/post-closure care costs accounted for all of the increase in enterprise fund balance from operations. The increase would have been larger, except that a Special item, loss on sale of water system of \$2,020,163, reduced the net position by that amount. At the request of the residents of County Service Area 19 the County sold the existing water system to a private company, Bakman Water Company for \$1.00.

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Internal service funds are an accounting device to accumulate and allocate costs internally among the County's various functions. Internal service funds are used to account the County's self-insurance, central garage, and microwave radio functions.

**Net Change in Net Position
Internal Service Funds**

	2019	2018	Increase (Decrease)	
			Amount	Percent
Total Net Position - Beginning	\$ 2,045,176	\$ 1,432,594	\$ 612,582	42.76 %
Prior Period Adjustments	(926,171)	(494,106)	(432,065)	n/a
Operating Revenues	10,474,664	9,574,832	899,832	9.40
Operating Expenses	(9,224,839)	(8,479,189)	(745,650)	8.79
Nonoperating Revenues	283,999	11,045	272,954	2471.29
Capital Contributions	26,856	-	26,856	100.00
Total Net Position - Ending	<u>\$ 2,679,685</u>	<u>\$ 2,045,176</u>	<u>\$ 634,509</u>	

Total net position of the internal service funds at fiscal year-end was \$2,679,685 and includes \$4,959,930 invested in capital assets.

The net position of the internal service funds, as restated, as of June 30, 2019 increased \$634,509 over the prior fiscal year. Operating revenues increased 9.4% and operating expenses also increased 8.8%. Increased insurance charges to fund the Self Insurance program and mileage charges of the Central Garage accounted for the increase in the internal service funds' net position.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year the Board of Supervisors revised the County's budget many times. Each time a grant or specific revenue enhancement is made available to a County program new appropriations and budget amendments are required.

The mid-year review is a formal process by which each department is analyzed for expense and revenue trends. Adjustments are recommended where indicated and monitored for the remainder of the year. Unless there is some unforeseen and unusual circumstance that causes a budget overrun, a draw on the Contingency Reserve is not recommended.

Differences between the original budget and the final amended budget increased appropriations \$10,240,110. The components of appropriations variance are briefly summarized as follows: \$1,540,719 increase in general government; \$2,390,674 increase in public protection; \$4,899,579 increase in health and sanitation; \$433,178 decrease in public assistance; \$7,332 decrease in education; \$2,078,702 increase in capital outlay; and \$62,835 increase in debt service.

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Differences between the original budget and the final amended budget are summarized in the table below:

**Budgetary Comparison
General Fund**

	Original	Final	Net Change	
	Budget	Budget	Amount	Percent
Total Revenues	\$ 228,398,775	\$ 232,496,994	\$ 4,098,219	1.8 %
Total Expenditures	(256,846,931)	(267,087,041)	(10,240,110)	4.0 %
Other Financing Sources (Uses)	18,510,394	21,439,950	2,929,556	15.8 %
Net Change in Fund Balances	<u>\$ (9,937,762)</u>	<u>\$ (13,150,097)</u>	<u>\$ 3,212,335</u>	

Differences between the final amended budget and actual amounts are summarized in the table below:

**Budgetary Comparison
General Fund**

	Final	Actual	Net Change	
	Budget	Amounts	Amount	Percent
Total Revenues	\$ 232,496,994	\$ 206,081,024	\$ (26,415,970)	(11.4)%
Total Expenditures	(267,087,041)	(237,974,537)	29,112,504	(10.9)%
Other Financing Sources (Uses)	21,439,950	25,567,969	4,128,019	19.3 %
Net Change in Fund Balances	<u>\$ (13,150,097)</u>	<u>\$ (6,325,544)</u>	<u>\$ (6,824,553)</u>	

CAPITAL ASSETS

The County' investment in capital assets for its governmental and business-type activities as of June 30, 2019 amounted to \$355,626,679 (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, leasehold improvements, equipment, and infrastructure (roads and bridges). The County's total net investment in capital assets increased \$2,532,466 during the current fiscal year, or 0.7%.

Madera County's Capital Assets (net of depreciation):

	Governmental Activities		Business-Type Activities		Total		Dollar Change	Percent Change
	2019	(Restated) 2018	2019	(Restated) 2018	2019	(Restated) 2018		
Land	\$ 16,194,409	\$ 15,173,588	\$ 3,596,680	\$ 3,631,807	\$ 19,791,089	\$ 18,805,395	\$ 985,694	5.2%
Infrastructure (non-depreciable)	58,493,802	58,173,720	-	418,355	58,493,802	58,592,075	(98,273)	-0.2%
Construction-in-progress	15,132,888	11,862,238	1,189,871	12,022,117	16,322,759	23,884,355	(7,561,596)	-31.7%
Capital assets, not being depreciated	<u>89,821,099</u>	<u>85,209,546</u>	<u>4,786,551</u>	<u>16,072,279</u>	<u>94,607,650</u>	<u>101,281,825</u>	<u>(6,674,175)</u>	-6.6%
Infrastructure (depreciable)	50,047,249	52,239,089	-	-	50,047,249	52,239,089	(2,191,840)	-4.2%
Buildings and improvements	120,111,831	121,562,777	57,949,172	51,309,916	178,061,003	172,872,693	5,188,310	3.0%
Equipment	31,788,713	25,784,577	1,122,064	916,029	32,910,777	26,700,606	6,210,171	23.3%
Capital assets, net of accumulated depreciation	<u>201,947,793</u>	<u>199,586,443</u>	<u>59,071,236</u>	<u>52,225,945</u>	<u>261,019,029</u>	<u>251,812,388</u>	<u>9,206,641</u>	3.7%
	<u>\$ 291,768,892</u>	<u>\$ 284,795,989</u>	<u>\$ 63,857,787</u>	<u>\$ 68,298,224</u>	<u>\$ 355,626,679</u>	<u>\$ 353,094,213</u>	<u>\$ 2,532,466</u>	0.7%

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Components of the change in net capital assets are as follows:

	Additions	Retirements (Net of Accum Depreciation)	Transfers & Adjustments	Depreciation	Net Change
General Government	6,796,994	(12,361)	(516,086)	2,727,247	3,541,300
Public Protection	5,870,973	(68,777)	1,731,217	3,014,030	4,519,383
Public Ways and Facilities	2,578,153	(1,111)	311,070	4,622,349	(1,734,237)
Health and Sanitation	124,622	(24,437)	-	203,545	(103,360)
Public Assistance	163,702	(101,373)	(262,326)	186,817	(386,814)
Education	1,303,261	(68,482)	-	91,081	1,143,698
Recreation and Culture	108,247	-	-	404,914	(296,667)
Internal Service Funds	1,096,034	(15,238)	26,856	818,052	289,600
Enterprise Funds	12,893,631	(13,701,879)	(1,047,287)	2,584,902	(4,440,437)
	<u>30,935,617</u>	<u>(13,993,658)</u>	<u>243,444</u>	<u>14,652,937</u>	<u>2,532,466</u>

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

- Various road and bridge projects at a cost of \$1,280,493;
- Improvements to the County Jail facility at a cost of \$1,761,878;
- Fire engines and water tender trucks of \$2,466,721;
- Health and Social Services building projects of \$543,268;
- Ranchos Library/Sheriff substation project of \$1,112,080;
- ONESolution financial software upgrade of \$753,830
- POSSE web conversion project of \$950,629;
- Water and sewer projects initiated in multiple special districts of \$2,237,007;
- Network security equipment and software project of \$1,419,133;
- Central garage vehicle leases and purchases of \$558,543;
- Satellite government center building in Oakhurst of \$1,422,286
- District Attorney/Probation building project of \$564,075

Additional information regarding capital assets may be found in note 5 in the Notes to the Financial Statements.

DEBT ADMINISTRATION

At the end of the current fiscal year, the County had total debt obligations outstanding of \$63,740,055. Of this amount \$9,325,290 consists of Revenue Bonds, for which the County has pledged a portion of special assessment revenues to debt service the bonds, secured by property subject to the assessments. \$4,986,097 consists of loans payable of special districts of the County, for which the County has pledged a portion of special assessment revenues to service the loans.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

The following table shows the composition of the County's debt obligations outstanding for governmental and proprietary funds:

	Long-Term Debt Obligations					
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Capital Lease Obligations	\$ 32,887,879	\$ 23,721,988	\$ -	\$ -	\$ 32,887,879	\$ 23,721,988
Improvement District						
1915 Act Bonds	-	-	9,325,290	10,079,876	9,325,290	10,079,876
Revenue Bonds	-	-	6,351,400	6,671,700	6,351,400	6,671,700
Loans Payable	10,075,268	11,400,737	4,986,097	5,119,016	15,061,365	16,519,753
Litigation Judgment	114,121	147,297				
Total	<u>\$ 43,077,268</u>	<u>\$ 35,270,022</u>	<u>\$ 20,662,787</u>	<u>\$ 21,870,592</u>	<u>\$ 63,740,055</u>	<u>\$ 57,140,614</u>

Reductions of the County's total outstanding debt included principal payments of \$8,042,154 and amortization of bond discount of \$62,344. Principal payments of \$4,062,005, with \$1,099,385 interest expense for governmental activities and principal payments of \$3,980,149 with \$911,461 interest expense for business-type activities. Other debt reductions consist of \$24,308,187 pension contributions and \$3,981,000 employee health premiums paid, \$3,323,634 worker's compensation and general liability claims paid, and \$12,183,565 payments of compensated absence to County employees.

Other obligations include compensated absences (accrued vacation and sick leave), workers' compensation and general liability claims liability, and the landfill closure/post-closure care costs liability. More detailed information about the County's long-term debt may be found in note 6 and note 7 in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The County's fiscal year 2019-20 budget takes into consideration the overall financial health of the County and related impacts of the California State Budget. The County Executive Officer monitors the State's spending plan and advises the Board of Supervisors of any negative impact on the County's budget and the public we serve. Department heads and their fiscal managers are to be commended for their willingness to manage spending within available resources, while continuing to meet the needs of our community.

California Economic Indicators

The fiscal year 2018-19 Adopted Budget anticipates the State taking back revenues from the County if State revenues fall short of projections and depending on changes in funding of Federal entitlements and awards that may affect the State and County. The 2018-19 budget also incorporates reduced funding of food stamps, CalWorks, and IHSS programs.

The Governor's 2018-19 Budget assumes continued but slowing growth through 2019, anticipating an eventual recession in the near term. While the budget continues prior commitments to pay down the State's substantial burden of debt, invest in education and health care, priority is given to maximizing the "Rainy Day Fund" to soften the impact of the inevitable economic downturn. Despite recent increases in gasoline and diesel fuel taxes the State still faces a challenge to address deferred maintenance of infrastructure that could impact future budgets, unless alternate financing sources (issuance of additional long-term bonded debt or increased taxes) can be found.

**COUNTY OF MADERA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

The State Controller's October 2019 Cash Update reported revenues through the fourth month of Fiscal Year 2019-20 exceeded Budget Act estimates by \$1.363 billion, or 3.5 percent, after three months of consistent though smaller excess of revenues over projections.

The California Department of Finance Bulletin, November 2019 reports that California's labor market improved, adding 23,600 non-farm jobs in October, following a monthly average job gain of 32,800. California's unemployment rate dropped to 3.9 percent, the lowest unemployment rate since 1969. Building activity declined as residential permit issuance increased 21.9 percent in September; total residential permits for the first nine months of 2019 averaged 111,000 compared to 122,000 for the same period last year. Nonresidential valuation decreased by 4.0 percent through September 2019 over the same period of the prior year, reflecting declining commercial and agricultural property values.

Madera County Budget

The adopted 2019-20 General Fund Budget is \$290.9 million, which represents a \$22 million increase over the fiscal year 2018-19 budget. The 2019-20 budget increased the County's "Reserve for Future Budgetary Needs" from the \$7.4 million established in the 2018-19 fiscal year to \$8.4 million.

LONG-RANGE PLANNING

The County is experiencing modest improvement to revenues, and the County continues to follow a conservative approach to spending due to the sensitivity of future revenues to a generally modest economic recovery from the recession. Declining agricultural property values are anticipated to be a probable damper on property tax revenues that have been increasing since the 2012-13 fiscal year. The County remained solvent through the worst of the recession, continued to monitor revenues closely, and implemented spending reductions wherever feasible.

Balancing service delivery with available resources will continue to challenge the County for the foreseeable future.

DISCRETIONARY REVENUE

The national, state, and local economic downturn resulted in a decline of property values, lagging sales of consumer goods and services, and a steep decline in interest rates. Madera County has suffered from relatively depressed discretionary revenue compared to revenue prior to the economic downturn, but in recent years the County's revenues have recovered. Fiscal year 2018-19 recommended discretionary revenue is expected to reach \$80.0 million, an increase of \$3.1 million over fiscal year 2017-18.

NONDISCRETIONARY REVENUE

In addition to discretionary sales tax revenues, sales taxes dedicated to public health, mental health, social services, and public safety have declined since the economic downturn but have recovered in recent years.

1991 Realignment (Health and Human Services) sales tax and vehicle license fees (VLF) are dedicated to public health, mental health, and social services and provide the majority of matching funds for numerous state and federal funding sources. After decreasing for several years, VLF reached its base allocation in fiscal year 2012-13 with strong growth, which the County received in fiscal year 2013-14 for public health and mental health. However, under AB85, beginning in fiscal year 2013-14, a portion of health realignment and growth has been redirected to support the State's share of cost for CalWORKS payments as well as state and county costs associated with increases to the CalWORKS maximum assistance payment (MAP). This redirection of funding significantly limits the amount of public health growth received in the future. The growth formula in 1991 health

**COUNTY OF MADERA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

realignment has also been changed, since the State has assumed responsibility for much of the indigent health care population through the Medi-Cal expansion implemented January 1, 2015. This change in funding has reduced future VLF and significantly limited its growth potential. Sales tax realignment revenue increased by 20 percent in fiscal year 2018-19 as the economy continued to grow.

2011 Realignment (Health and Human Services) revenues are being received as anticipated. Under 2011 realignment, social services programs receive payments for costs previously paid by the state general fund, with the majority of sales tax collected in excess of base allocations directed to a \$200 million statewide restoration of funding for child welfare services. Restoration was completed in fiscal year 2014-15, with growth payments thereafter distributed between protective services and behavioral health. The 2011 realignment structure includes preferential treatment of behavioral health, intended to compensate for financial treatment that favored health and social services under the 1991 realignment mechanism.

2011 Realignment (Public Safety) included a major realignment of public safety programs from the state to local governments. The intent of the Community Corrections Partnership Program authorized by AB 109 is to end the revolving door of lower-level offenders and parole violators through the state's prisons.

The County's Community Corrections Partnership Committee, chaired by the Chief Probation Officer, approved its 2019-19 budget at the May 2, 2019 meeting and included it in its respective 2019-19 budget requests. Funding for fiscal year 2019-20 is expected to be \$6.6 million and appropriations are requested at \$6.6 million.

Receipts from Public Safety Augmentation (Proposition 172) sales tax have shown only modest growth in recent years; receipts year to date are larger than the prior year to date. The County's pro-rata share of this sales tax declines slightly each year as the two cities in the County annex additional territory and garner a large portion of sales taxes. During the 2018-19 fiscal year the County's share stood at 95.8 percent of total Public Safety Sales Taxes.

EMPLOYEE BENEFITS

The cost of worker's compensation insurance, CalPERS retirement, health insurance rate increases, and retiree health care continue to impact the County. The County maintains a minimum confidence level of 80 percent for its self-insured worker's compensation and general liability insurance programs.

The County's employer share of CalPERS retirement has experienced volatility, because of investment losses PERS suffered during the downturn in the financial markets. Since April 2012 PERS has implemented a series of changes in discount rates and other actuarial assumptions that are driving employer contribution rates up significantly in current and future periods. New pension law effective in 2013 reduced retirement benefits for new hires. However, the County does not realize immediate savings from the reduced benefits.

On the local level, the County successfully negotiated with represented and unrepresented bargaining units for benefit concessions. All active employees, except elected officials and department heads, now pay the employee share of PERS retirement; new hires are working longer (to age 62 for miscellaneous and 57 for public safety), and their retirement is based on the average of the three highest years instead of the highest year.

Beginning in fiscal year 2014-15 the County's financial statements incorporated changes to pension liability reporting and recognition mandated by the Governmental Accounting Standards Board (GASB) statements No. 67 and 68. The County's June 30, 2019 Net Pension Liability of \$203.0 million represents the actuarially determined future cost of pension benefits the County must fund over the future funding period. See Note 10 of the financial statements for complete details.

**COUNTY OF MADERA, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

The County of Madera provides post-retirement medical benefits (OPEB) to eligible employees who retire directly from the County. Eligible retirees pay a portion of the medical premium based on the PEHMCA (CalPERS medical program) "unequal method." The remaining premium is shared by the County and active employees in accordance with bargaining agreements. Like most governmental agencies, the County pays for these post-retirement benefits on a "pay-as-you-go" basis. This means that OPEB costs are ignored while an employee renders service and are recognized only after the employee retires.

GASB statement No. 45 requires that governmental agencies conduct an actuarial valuation of the liability for OPEB and report them on their financial statements. Beginning in fiscal year 2017-18 GASB Statement No. 75 required recognition of the County's total actuarially determined OPEB liability. Prior to GASB Statement No. 75 the County recognized an Annual Required Contribution amount representing the normal cost; the County amortized any unfunded actuarial liabilities (or funding excess) over a maximum of thirty years. This change in accounting for OPEB increased the County's OPEB Liability as of July 1, 2017 by \$69.9 million. The County's OPEB Liability as of June 30, 2019 is \$186.3 million. The County has not pre-funded its OPEB liability and has no plans to pre-fund in the foreseeable future.

REQUEST FOR INFORMATION

This financial report is designed to demonstrate accountability of the Madera County government by providing both long-term and near-term view of the County's finances. Questions or comments regarding the information presented in this report or requests for additional financial information should be addressed to the Auditor-Controller, 200 West Fourth Street, Madera, CA 93637.



BASIC FINANCIAL STATEMENTS

COUNTY OF MADERA, CALIFORNIA
STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government			Component Units	
	Governmental	Business-Type	Totals	CAPMC	MCWIC
	Activities	Activities			
ASSETS					
Cash and Investments	\$ 137,115,254	\$ 19,672,538	\$ 156,787,792	\$ 1,933,441	\$ 279,841
Restricted Assets:					
Cash and Investments	34,815	9,069,233	9,104,048	-	-
Cash with Fiscal Agent	2,470,801	99,534	2,570,335	-	-
Receivables (net of allowance for uncollectibles):					
Accounts	1,632,281	2,578,801	4,211,082	18,103	34,297
Interest	393,605	108,271	501,876	-	-
Taxes	10,817,199	269,789	11,086,988	-	-
Loans	7,149,441	-	7,149,441	-	-
Special Assessments	-	10,254,661	10,254,661	-	-
Due from Other Governments	18,055,856	1,970,043	20,025,899	2,925,917	315,957
Internal Balances	3,599,596	(3,599,596)	-	-	-
Prepaid Expenses	4,046,361	-	4,046,361	31,158	2,807
Inventories	390,397	-	390,397	20,196	-
Deposits with others	-	-	-	116,487	-
Capital Assets:					
Nondepreciable	89,821,099	4,786,551	94,607,650	59,005	-
Depreciable, Net	201,947,793	59,071,236	261,019,029	1,653,695	62,263
Total assets	<u>477,474,498</u>	<u>104,281,061</u>	<u>581,755,559</u>	<u>6,758,002</u>	<u>695,165</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows - OPEB	4,370,642	-	4,370,642	-	-
Deferred Outflows - Pensions	52,184,155	-	52,184,155	-	-
Total deferred outflows of resources	<u>56,554,797</u>	<u>-</u>	<u>56,554,797</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	6,434,289	1,613,108	8,047,397	3,588,388	149,994
Salaries and Benefits Payable	-	-	-	-	113,389
Retention Payable	68,369	127,498	195,867	-	-
Interest Payable	302,419	262,873	565,292	-	-
Due to Other Governments	2,561,940	396,613	2,958,553	-	-
Deposits Payable	2,185,047	205,808	2,390,855	-	-
Unearned Revenue	1,519,052	66,288	1,585,340	667,342	-
Short-term Debt	-	600,000	600,000	-	-
Long-Term Liabilities, Due Within One Year	18,351,916	719,278	19,071,194	826	-
Long-term Liabilities, Due in More Than One Year	440,620,411	25,082,786	465,703,197	-	-
Total Liabilities	<u>472,043,443</u>	<u>29,074,252</u>	<u>501,117,695</u>	<u>4,256,556</u>	<u>263,383</u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF MADERA, CALIFORNIA
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2019

	Primary Government			Component Units	
	Governmental	Business-Type	Totals	CAPMC	MCWIC
	Activities	Activities			
DEFERRED INFLOWS					
Deferred Inflows - OPEB	26,586,288	-	26,586,288	-	-
Deferred Inflows - Pensions	3,233,809	-	3,233,809	-	-
Total deferred inflows of resources	29,820,097	-	29,820,097	-	-
NET POSITION					
Net Investment in Capital Assets	248,737,376	43,167,036	291,904,412	-	-
Restricted for:					
Public Protection	21,230,908	-	21,230,908	-	-
Public Ways and Facilities	40,398,720	-	40,398,720	-	-
Public Health and Sanitation	50,062,505	-	50,062,505	-	-
Public Assistance	9,400,795	-	9,400,795	-	-
Education	278,086	-	278,086	-	-
Recreation and Cultural Services	430,537	-	430,537	-	-
Capital Projects	-	-	-	-	-
Other Programs	12,368,187	-	12,368,187	-	33,039
Unrestricted	(350,741,359)	32,039,773	(318,701,586)	2,501,446	398,743
Total Net Position	<u>\$ 32,165,755</u>	<u>\$ 75,206,809</u>	<u>\$ 107,372,564</u>	<u>\$ 2,501,446</u>	<u>\$ 431,782</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MADERA, CALIFORNIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 40,363,000	\$ 15,717,478	\$ 12,167,760	\$ 210,126
Public Protection	97,491,378	14,518,885	25,809,712	21,743
Public Ways and Facilities	19,593,777	5,500,323	15,026,651	2,540,142
Health and Sanitation	42,561,867	11,610,449	27,600,708	-
Public Assistance	78,680,327	204,677	74,327,493	-
Education	1,992,463	179,176	-	19,304
Recreation and Cultural Services	1,443,407	183,114	-	-
Interest and Fiscal Charges	1,382,765	-	-	-
Total Governmental Activities	<u>283,508,984</u>	<u>47,914,102</u>	<u>154,932,324</u>	<u>2,791,315</u>
Business-Type Activities:				
Special Districts - Water/Sewer	11,440,942	10,412,918	109,583	780,779
County Landfill	6,517,691	7,144,056	-	-
Transit	1,348,236	55,595	1,255,051	339,320
Total Business-Type Activities	<u>19,306,869</u>	<u>17,612,569</u>	<u>1,364,634</u>	<u>1,120,099</u>
Total Madera County	<u>\$ 302,815,853</u>	<u>\$ 65,526,671</u>	<u>\$ 156,296,958</u>	<u>\$ 3,911,414</u>
Component Units:				
Community Action Partnership of Madera County (CAPMC)	\$ 29,547,183	\$ 211,689	\$ 29,399,243	\$ -
Madera County Workforce Investment Corporation (MCWIC)	3,311,980	370,971	3,091,564	1,481
Total Component Units	<u>\$ 32,859,163</u>	<u>\$ 582,660</u>	<u>\$ 32,490,807</u>	<u>\$ 1,481</u>

General Revenues:

Taxes:
Property Taxes
Sales and Use Taxes
Other
Interest and Investment Earnings
Miscellaneous
Special item - Loss on sale of Water System
Transfers
Total General Revenues, Special Items and Transfers

Change in Net Position

Net Position - Beginning of Year, Restated

Net Position - End of Year

See accompanying Notes to Basic Financial Statements.

Net (Expense) Revenue and
Changes in Net Position

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	CAPMC	MCWIC
\$ (12,267,636)	\$ -	\$ (12,267,636)		
(57,141,038)	-	(57,141,038)		
3,473,339	-	3,473,339		
(3,350,710)	-	(3,350,710)		
(4,148,157)	-	(4,148,157)		
(1,793,983)	-	(1,793,983)		
(1,260,293)	-	(1,260,293)		
(1,382,765)	-	(1,382,765)		
(77,871,243)	-	(77,871,243)		
	(137,662)	(137,662)		
	626,365	626,365		
	301,730	301,730		
	790,433	790,433		
(77,871,243)	790,433	(77,080,810)		
			\$ 63,749	
			-	152,036
			63,749	152,036
45,553,237	494,558	46,047,795	-	-
7,497,458	-	7,497,458	-	-
5,465,846	-	5,465,846	-	-
3,831,189	841,786	4,672,975	1,510	-
2,031,856	354,696	2,386,552	27,146	-
-	(2,020,163)	(2,020,163)	-	-
425,041	(425,041)	-	-	-
64,804,627	(754,164)	64,050,463	28,656	-
(13,066,616)	36,269	(13,030,347)	92,405	152,036
45,232,371	75,170,540	120,402,911	2,409,041	279,746
<u>\$ 32,165,755</u>	<u>\$ 75,206,809</u>	<u>\$ 107,372,564</u>	<u>\$ 2,501,446</u>	<u>\$ 431,782</u>

**COUNTY OF MADERA, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

	General	Road	Special Revenue - Public Protection	Capital Projects	Other Governmental Funds	Total
ASSETS						
Cash and Investments	\$ 55,307,802	\$ 18,934,711	\$ 21,237,581	\$ 5,491,230	\$ 25,508,680	\$ 126,480,004
Imprest Cash	7,378	150	-	-	-	7,528
Cash with Fiscal agent	2,470,801	-	-	-	-	2,470,801
Receivables:						
Accounts	1,162,982	26,659	3,074	51,872	387,693	1,632,280
Interest	196,304	58,655	19,783	17,519	65,957	358,218
Due from Other Governments	9,282,048	4,968,951	1,936,002	-	1,868,855	18,055,856
Due from Other Funds	7,275,897	75,910	35,636	296	637	7,388,376
Prepays and Other Assets	971,056	-	-	3,000,000	-	3,971,056
Inventories	-	340,146	-	-	-	340,146
Restricted assets:						
Restricted cash and investments	-	-	-	-	34,815	34,815
Taxes Receivable	10,737,618	-	39,722	-	39,859	10,817,199
Loans Receivable	-	-	-	-	7,149,441	7,149,441
Advances to Other Funds	2,923,846	-	227,231	60,949	774,701	3,986,727
Total Assets	\$ 90,335,732	\$ 24,405,182	\$ 23,499,029	\$ 8,621,866	\$ 35,830,638	\$ 182,692,447
LIABILITIES						
Accounts Payable	\$ 3,383,314	\$ 1,355,888	\$ 494,135	\$ 238,523	\$ 743,072	\$ 6,214,932
Salaries and Benefits Payable	-	-	-	-	-	-
Deposits from Others	1,451,981	732,166	-	-	900	2,185,047
Due to Other Funds	61,227	290,267	4,469,437	771	1,183,736	6,005,438
Due to Other Governments	2,044,457	97	258,830	-	93,396	2,396,780
Unearned Revenue	1,518,726	326	-	-	-	1,519,052
Advances from Other Funds	160,949	-	447,400	854,591	-	1,462,940
Total Liabilities	8,620,654	2,378,744	5,669,802	1,093,885	2,021,104	19,784,189
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue	10,670,647	3,158,378	158,483	-	49,563	14,037,071
FUND BALANCES						
Nonspendable	3,894,902	340,146	-	3,000,000	-	7,235,048
Restricted	50,162,406	18,527,914	17,670,744	-	33,771,603	120,132,667
Committed	1,037,404	-	-	4,527,981	-	5,565,385
Assigned	11,420,100	-	-	-	-	11,420,100
Unassigned	4,529,619	-	-	-	(11,632)	4,517,987
Total Fund Balances	71,044,431	18,868,060	17,670,744	7,527,981	33,759,971	148,871,187
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 90,335,732	\$ 24,405,182	\$ 23,499,029	\$ 8,621,866	\$ 35,830,638	\$ 182,692,447

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MADERA, CALIFORNIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION –
GOVERNMENTAL ACTIVITIES
JUNE 30, 2019**

Fund Balance - Total Governmental Funds	\$ 148,871,187
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.</p>	286,351,606
<p>Unavailable revenues represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.</p>	14,037,071
<p>Deferred outflows of resources reported in the statement of net position</p>	56,373,828
<p>Long-term liabilities, including capital leases, are not due and payable in the current period and, therefore, are not reported in the governmental funds.</p>	
<p>Litigation Settlement Obligation</p>	(114,121)
<p>Capital Leases</p>	(32,430,523)
<p>Due to other governments</p>	(135,964)
<p>Accrued Interest</p>	(302,419)
<p>Loans payable</p>	(10,075,268)
<p>Compensated Absences</p>	(15,944,005)
<p>Total Other Postemployment Benefits (OPEB) Liability</p>	(185,228,236)
<p>Net Pension Liability</p>	(202,199,945)
<p>Deferred inflows of resources reported in the statement of net position</p>	(29,683,667)
<p>Internal service funds are used by the County to charge the cost of its central garage, microwave radio services and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.</p>	<u>2,646,211</u>
<p>Net Position of Governmental Activities</p>	<u><u>\$ 32,165,755</u></u>

See accompanying Notes to Basic Financial Statements.

COUNTY OF MADERA, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	General	Road	Special Revenue - Public Protection	Capital Projects	Other Governmental Funds	Total
REVENUES						
Taxes	\$ 55,413,293	\$ -	\$ 206,482	\$ -	\$ 1,374,468	\$ 56,994,243
Licenses and Permits	6,380,926	310,462	-	-	-	6,691,388
Fines, Forfeitures, and Penalties	4,902,686	3,880	303,709	-	205,603	5,415,878
Use of Money and Property	1,894,602	490,384	354,697	133,319	693,141	3,566,143
Intergovernmental	114,382,673	18,086,937	14,773,867	5,000	12,900,814	160,149,291
Charges for Services	28,032,479	1,699,131	1,137,251	-	5,030,411	35,899,272
Other Revenues	1,200,435	96,097	-	728,067	3,054	2,027,653
Total Revenues	<u>212,207,094</u>	<u>20,686,891</u>	<u>16,776,006</u>	<u>866,386</u>	<u>20,207,491</u>	<u>270,743,868</u>
EXPENDITURES						
Current:						
General Government	33,439,719	-	-	-	4,963	33,444,682
Public Protection	81,110,285	-	5,764,025	1,032	-	86,875,342
Public Ways and Facilities	9,512	11,646,132	-	-	2,431,588	14,087,232
Health and Sanitation	37,655,612	-	-	-	191,667	37,847,279
Public Assistance	72,014,144	-	-	-	576,633	72,590,777
Education	1,669,127	-	-	-	-	1,669,127
Recreation and Cultural Services	-	-	-	6,503	916,737	923,240
Capital Outlay	7,700,217	2,770,828	-	6,423,808	-	16,894,853
Debt Service:						
Principal	3,890,706	-	-	-	8,672	3,899,378
Interest	1,340,341	-	-	-	221	1,340,562
Total Expenditures	<u>238,829,663</u>	<u>14,416,960</u>	<u>5,764,025</u>	<u>6,431,343</u>	<u>4,130,481</u>	<u>269,572,472</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(26,622,569)</u>	<u>6,269,931</u>	<u>11,011,981</u>	<u>(5,564,957)</u>	<u>16,077,010</u>	<u>1,171,396</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	18,821,651	-	14,000	2,671,093	-	21,506,744
Transfers out	(1,253,784)	-	(7,937,270)	-	(12,245,690)	(21,436,744)
Capital Leases	7,861,452	-	-	3,792,775	-	11,654,227
Sale of Capital Assets	138,650	250	-	-	-	138,900
Total Other Financing Sources (Uses)	<u>25,567,969</u>	<u>250</u>	<u>(7,923,270)</u>	<u>6,463,868</u>	<u>(12,245,690)</u>	<u>11,863,127</u>
NET CHANGES IN FUND BALANCES	(1,054,600)	6,270,181	3,088,711	898,911	3,831,320	13,034,523
Fund Balances - Beginning of Year, Restated	<u>72,099,031</u>	<u>12,597,879</u>	<u>14,582,033</u>	<u>6,629,070</u>	<u>29,928,651</u>	<u>135,836,664</u>
FUND BALANCES - END OF YEAR	<u>\$ 71,044,431</u>	<u>\$ 18,868,060</u>	<u>\$ 17,670,744</u>	<u>\$ 7,527,981</u>	<u>\$ 33,759,971</u>	<u>\$ 148,871,187</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MADERA, CALIFORNIA
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, 2019**

Net Change to Fund Balance - Total Governmental Funds \$ 13,034,523

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	\$ 18,090,950	
Less: Current Year Depreciation	<u>(11,249,983)</u>	6,840,967

The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to decrease net position	(293,632)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(1,073,178)
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Some capital additions were financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position the lease obligation is reported as a liability.	(11,654,228)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in Compensated Absences	393,037
Change in OPEB Liability	(9,757,890)
Change in Interest Payable	(7,835)
Change in Litigation Settlement Obligation	33,176
Change in Net Pension Liability	(15,974,964)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Loans Payable	1,325,469	
Capital Leases Payable	<u>2,540,733</u>	3,866,202

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain activities of the internal service funds is reported with governmental activities.	<u>1,527,206</u>
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Change in Net Position of Governmental Activities	<u><u>\$ (13,066,616)</u></u>
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**COUNTY OF MADERA, CALIFORNIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds				Governmental
	Special Districts	County	Transit	Total	Activities
	Water/Sewer	Landfill		Enterprise	Internal
			Funds	Service	Funds
ASSETS					
Current Assets:					
Cash and Investments	\$ 14,819,436	\$ 4,606,959	\$ 246,143	\$ 19,672,538	\$ 10,627,722
Receivables:					
Accounts	736,055	1,842,746	-	2,578,801	1
Interest	75,620	32,651	-	108,271	35,387
Taxes	269,789	-	-	269,789	-
Due from Other Funds	27,357	40,144	-	67,501	-
Advances to other funds	-	-	-	-	-
Due from Other Governments	679,658	-	1,290,385	1,970,043	-
Prepaid Expenses	-	-	-	-	75,305
Inventories	-	-	-	-	50,251
Total Current Assets	<u>16,607,915</u>	<u>6,522,500</u>	<u>1,536,528</u>	<u>24,666,943</u>	<u>10,788,666</u>
Noncurrent Assets:					
Restricted Cash and Investments	3,851,748	5,217,485	-	9,069,233	-
Cash with Fiscal Agents	99,534	-	-	99,534	-
Long-Term Receivables	10,254,661	-	-	10,254,661	-
Capital Assets:					
Nondepreciable	3,516,020	1,268,259	2,272	4,786,551	488,358
Depreciable, Net	49,021,899	8,233,870	1,815,467	59,071,236	4,928,928
Total Noncurrent Assets	<u>66,743,862</u>	<u>14,719,614</u>	<u>1,817,739</u>	<u>83,281,215</u>	<u>5,417,286</u>
Total Assets	<u>83,351,777</u>	<u>21,242,114</u>	<u>3,354,267</u>	<u>107,948,158</u>	<u>16,205,952</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows - OPEB	-	-	-	-	24,106
Deferred Outflows - Pensions	-	-	-	-	156,863
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180,969</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	657,529	951,603	131,474	1,740,606	287,726
Accrued Salaries and Benefits	-	-	-	-	-
Interest Payable	262,873	-	-	262,873	-
Due to Other Funds	1,077,968	92,757	6,059	1,176,784	273,655
Due to Other Governments	-	-	396,613	396,613	29,196
Deposits from Others	205,808	-	-	205,808	-
Unearned Revenues	66,288	-	-	66,288	-
Short-term Debt	600,000	-	-	600,000	-
Other Post Employment Benefits Obligation	-	-	-	-	24,106
Claims Payable	-	-	-	-	2,662,641
Compensated Absences	-	-	-	-	36,005
Long-Term Debt, Due in One Year	719,278	-	-	719,278	83,907
Total Current Liabilities	<u>3,589,744</u>	<u>1,044,360</u>	<u>534,146</u>	<u>5,168,250</u>	<u>3,397,236</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MADERA, CALIFORNIA
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Special Districts Water/Sewer	County Landfill	Transit	Total Enterprise Funds	Internal Service Funds
Noncurrent Liabilities:					
Advances from Other Funds	2,523,787	-	-	2,523,787	-
Compensated Absences	-	-	-	-	7,588
Long-Term Debt, Due in More than One Year	19,943,509	-	-	19,943,509	373,449
Liability for Post Employment Benefits	-	-	-	-	1,026,558
Claims Payable	-	-	-	-	8,006,359
Closure/Postclosure Liability	-	5,139,277	-	5,139,277	-
Net Pension Liability	-	-	-	-	759,616
Total Noncurrent Liabilities	<u>22,467,296</u>	<u>5,139,277</u>	<u>-</u>	<u>27,606,573</u>	<u>10,173,570</u>
Total Liabilities	26,057,040	6,183,637	534,146	32,774,823	13,570,806
DEFERRED INFLOWS OF RESOURCES					
Deferred OPEB	-	-	-	-	125,270
Deferred Pension	-	-	-	-	11,160
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>136,430</u>
NET POSITION					
Net Investment in Capital Assets	31,847,168	9,502,129	1,817,739	43,167,036	4,959,930
Unrestricted	25,447,569	5,556,348	1,002,382	32,006,299	(2,280,245)
Total Net Position	<u>\$ 57,294,737</u>	<u>\$ 15,058,477</u>	<u>\$ 2,820,121</u>	<u>\$ 75,173,335</u>	<u>\$ 2,679,685</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time				\$ 33,474	
				<u>\$ 75,206,809</u>	

See accompanying Notes to Basic Financial Statements.

COUNTY OF MADERA, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Special Districts Water/Sewer	County Landfill	Transit	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES					
Charges for Services	\$ 10,412,855	\$ 7,144,056	\$ 55,595	\$ 17,612,506	\$ 10,474,664
Other Revenues	291,799	6,555	-	298,354	-
Total Operating Revenues	<u>10,704,654</u>	<u>7,150,611</u>	<u>55,595</u>	<u>17,910,860</u>	<u>10,474,664</u>
OPERATING EXPENSES					
Salaries and Benefits	-	-	-	-	622,386
Services and Supplies	3,561,046	5,449,560	1,227,344	10,237,950	3,578,463
Maintenance	3,146,983	-	5,656	3,152,639	305,781
Insurance	245,117	83,629	-	328,746	2,465,934
Utilities	1,594,061	34,431	6,752	1,635,244	15,159
Claims	-	-	-	-	1,419,064
Depreciation	1,871,965	604,453	108,484	2,584,902	818,052
Landfill Closure/Postclosure Care Costs	-	345,618	-	345,618	-
Other Operating Expense	-	-	-	-	-
Total Operating Expenses	<u>10,419,172</u>	<u>6,517,691</u>	<u>1,348,236</u>	<u>18,285,099</u>	<u>9,224,839</u>
OPERATING INCOME (LOSS)	285,482	632,920	(1,292,641)	(374,239)	1,249,825
NONOPERATING REVENUE (EXPENSES)					
Taxes	494,558	-	-	494,558	-
Aid From Other Governmental Agencies	109,583	-	1,255,051	1,364,634	-
Investment Income	537,629	292,465	11,692	841,786	265,046
Interest and Fiscal Charges	(911,461)	-	-	(911,461)	(34,368)
Debt Issuance Costs	(143,783)	-	-	(143,783)	-
Other Non-operating Revenues	63	56,342	-	56,405	4,203
Gain (Loss) on Disposal of Capital Assets	-	-	-	-	49,118
Total Nonoperating Revenue (Expenses)	<u>86,589</u>	<u>348,807</u>	<u>1,266,743</u>	<u>1,702,139</u>	<u>283,999</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	372,071	981,727	(25,898)	1,327,900	1,533,824
Capital Contributions	780,779	-	339,320	1,120,099	26,856
Special item - loss on sale of water system	(2,020,163)	-	-	(2,020,163)	-
Transfers out	(355,041)	(70,000)	-	(425,041)	-
CHANGE IN NET POSITION	(1,222,354)	911,727	313,422	2,795	1,560,680
Net Position - Beginning of Year, Restated	<u>58,517,091</u>	<u>14,146,750</u>	<u>2,506,699</u>	<u>75,170,540</u>	<u>1,119,005</u>
NET POSITION - END OF YEAR	<u>\$ 57,294,737</u>	<u>\$ 15,058,477</u>	<u>\$ 2,820,121</u>	<u>\$ 75,173,335</u>	<u>\$ 2,679,685</u>
Change in net position - total enterprise funds				\$ 2,795	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				33,474	
Change in net position of business-type activities				<u>\$ 36,269</u>	

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MADERA, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019**

	Business-type Activities - Enterprise Funds				Governmental Activities
	Special Districts	County	Transit	Total Enterprise Funds	Internal Service Funds
	Water/Sewer	Landfill			
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Receipts from Customers and Users	\$ 10,993,323	\$ 6,804,000	\$ 55,595	\$ 17,852,918	\$ -
Cash Receipts from Interfund Services	-	-	-	-	10,630,466
Cash Paid to Suppliers	(8,131,033)	(6,030,088)	(943,454)	(15,104,575)	(7,761,355)
Cash Paid to Employees	-	-	-	-	(545,742)
Net Cash Provided (Used) by Operating Activities	<u>2,862,290</u>	<u>773,912</u>	<u>(887,859)</u>	<u>2,748,343</u>	<u>2,323,369</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating Grants	109,583	-	1,182,661	1,292,244	-
Taxes	504,436	-	-	504,436	-
Interfund Loans	(396,596)	(62,812)	(5,442)	(464,850)	57,480
Other Receipts	63	56,342	-	56,405	-
Transfers out	-	(70,000)	-	(70,000)	-
Advance repayments	(234,829)	-	-	(234,829)	-
Advances from other funds	367,853	-	-	367,853	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>350,510</u>	<u>(76,470)</u>	<u>1,177,219</u>	<u>1,451,259</u>	<u>57,480</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of Capital Assets	(1,225,267)	(24,771)	(408,633)	(1,658,671)	(881,015)
Proceeds from Sale of Capital Assets	1	-	-	1	68,561
Proceeds from Capital Contributions	339,628	-	-	339,628	-
Proceeds from Borrowing	3,310,000	-	-	3,310,000	-
Principal Payments on Debt	(3,917,805)	-	-	(3,917,805)	(162,627)
Issuance Costs Paid on Capital Related Debt	(143,783)	-	-	(143,783)	-
Interest Paid on Capital Related Debt	(932,014)	-	-	(932,014)	(34,368)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(2,569,240)</u>	<u>(24,771)</u>	<u>(408,633)</u>	<u>(3,002,644)</u>	<u>(1,009,449)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on Investments	313,626	173,719	6,762	494,107	141,647
Changes in Fair Value of Investments	234,570	125,210	4,930	364,710	127,448
Net Cash Provided (Used) by Investing Activities	<u>548,196</u>	<u>298,929</u>	<u>11,692</u>	<u>858,817</u>	<u>269,095</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,191,756	971,600	(107,581)	2,055,775	1,640,495
Cash and Cash Equivalents - Beginning of Year	<u>17,578,962</u>	<u>8,852,844</u>	<u>353,724</u>	<u>26,785,530</u>	<u>8,987,227</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 18,770,718</u>	<u>\$ 9,824,444</u>	<u>\$ 246,143</u>	<u>\$ 28,841,305</u>	<u>\$ 10,627,722</u>
Reconciliation of Cash and Cash Equivalents					
Cash and Investments	\$ 14,819,436	\$ 4,606,959	\$ 246,143	\$ 19,672,538	\$ 10,627,722
Restricted cash and Investments	3,851,748	5,217,485	-	9,069,233	-
Cash with Fiscal Agent	99,534	-	-	99,534	-
	<u>\$ 18,770,718</u>	<u>\$ 9,824,444</u>	<u>\$ 246,143</u>	<u>\$ 28,841,305</u>	<u>\$ 10,627,722</u>

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MADERA, CALIFORNIA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019**

	Business-type Activities - Enterprise Funds				Governmental Activities
	Special Districts	County Landfill	Transit	Total Enterprise Funds	Internal Service Funds
	Water/Sewer				
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 285,482	\$ 632,920	\$ (1,292,641)	\$ (374,239)	\$ 1,249,825
Adjustments to Reconcile Operating Income (Loss) to Net Cash					
Provided (Used) by Operating Activities:					
Abandoned construction costs	-	-		-	-
Depreciation	1,871,965	604,453	108,484	2,584,902	818,052
Abandoned Construction Costs	841,829			841,829	-
Changes in Assets and Liabilities:					
(Increase) Decrease in:					
Accounts Receivable	(54,734)	(346,611)	-	(401,345)	155,802
Prepaid Expenses	-	-	-	-	(36,780)
Inventories	-	-	-	-	11,938
Long-term Assessment Receivables	235,508	-	-	235,508	
Deferred Outflows of Resources - Pension	-	-	-	-	(7,559)
Deferred Outflows of Resources - OPEB	-	-	-	-	1,099
Increase (Decrease) in:					
Accounts Payable	(392,187)	(389,613)	51,238	(730,562)	(96,129)
Salaries and Benefits Payable	-	-	-	-	(19,940)
Due to Other Governments	(33,468)	(72,855)	245,060	138,737	24,016
Deposits from Others	106,768	-	-	106,768	-
Unearned Revenue	1,127	-	-	1,127	-
Compensated Absences	-	-	-	-	(517)
Other Postemployment Benefits Obligation	-	-	-	-	17,898
Claims Payable	-	-	-	-	120,000
Closure/Postclosure Liability	-	345,618	-	345,618	-
Net Pension Liability	-	-	-	-	63,756
Deferred Inflows of Resources - Pension	-	-	-	-	3,249
Deferred Inflows of Resources - OPEB	-	-	-	-	18,659
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,862,290</u>	<u>\$ 773,912</u>	<u>\$ (887,859)</u>	<u>\$ 2,748,343</u>	<u>\$ 2,323,369</u>

**SCHEDULE OF NONCASH CAPITAL AND RELATED
FINANCING ACTIVITIES**

Contributions of capital assets	\$ -	\$ -	\$ -	\$ -	\$ 26,856
Purchase of Machinery, Equipment & Vehicles on Account	-	-	-	-	215,023

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MADERA, CALIFORNIA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2019**

	Investment Trust Fund	Private Purpose Trust	Agency Funds
ASSETS			
Cash and Investments	\$ 298,732,959	\$ 1,979,250	\$ 8,946,715
Receivables:			
Accounts Receivable	-	-	10,414
Interest Receivable	988,199	-	21,162
Taxes	-	-	511,282
Total Assets	299,721,158	1,979,250	9,489,573
LIABILITIES			
Accounts Payable	-	-	\$ 594,276
Due to Other Governments	-	-	410,102
Agency Obligations	-	-	8,485,195
Total Liabilities	-	-	\$ 9,489,573
NET POSITION			
Net Position Held in Trust for Investment Pool Participants and Other Purposes	299,721,158	1,979,250	
Total Net Position	\$ 299,721,158	\$ 1,979,250	

See accompanying Notes to Basic Financial Statements.

**COUNTY OF MADERA, CALIFORNIA
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2019**

	Investment Trust Fund	Private Purpose Trust
ADDITIONS		
Contributions to Pooled Investments	\$ 608,773,322	\$ 2,713,497
Net Investment Income:		
Investment Income	10,078,631	60,189
Total Additions	618,851,953	2,773,686
DEDUCTIONS		
Distributions from Pooled Investments	617,848,349	2,613,965
CHANGE IN NET POSITION	1,003,604	159,721
Net Position - Beginning of Year	298,717,554	1,819,529
NET POSITION - END OF YEAR	\$ 299,721,158	\$ 1,979,250

See accompanying Notes to Basic Financial Statements.

NOTES TO BASIC FINANCIAL STATEMENTS



COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the County of Madera, California (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

The County is a General Law county established as a political subdivision of the state of California and as such can exercise the powers specified by the Constitution and laws of the State of California. The County is governed by an elected, five member Board of Supervisors.

As required by generally accepted accounting principles (GAAP) in the United States of America, the accompanying basic financial statements present the activities of the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships.

Component Units

Component units are legally separate organizations for which the elected officials of the County are either financially accountable or for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading. Each blended and discretely presented component unit has a June 30 fiscal year-end. Following is information on the blended and discretely presented component units of the County.

Blended Component Units

Blended component units, although legally separate entities, are, in substance part of the County's operations. Therefore, data from these blended component units are integrated into the appropriate funds for reporting purposes.

Madera County Industrial Development Authority

The Madera County Industrial Development Authority (MCIDA) was established on March 9, 1981, by Madera County Ordinance No. 460 pursuant to the California Development Financing Act (Title 10 of the Government Code). MCIDA serves to promote and solicit industrial and economic development projects. The County Board of Supervisors acts in the capacity of the MCIDA governing board and have control over the day-to-day operations of MCIDA through budget approvals. The MDICA has no employees, and its daily operation is conducted by County employees. Because its financial and operational relationship with the County is closely integrated, the MCIDA is reported as a nonmajor governmental fund in the County's basic financial statements.

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Madera County Public Financing Authority

The Madera County Public Financing Authority (MCPFA), which is legally separate from the County, was established through a Joint Exercise of Powers Agreement between the County and the County Industrial Development Authority dated December 2013. The County Board serves as the governing board of the MCPFA. The MCPFA has no employees, and its daily operation is conducted by County employees. The MCPFA acts as an accommodation party in certain tax-exempt financings for the sole (exclusive) benefit of the County. For financial reporting purposes, MCPFA is reported as if it were part of the County's operations as it serves to assist the County through borrowings, which are used for the acquisition and construction of public capital improvements and the repair and maintenance, thereof. The MCPFA's financial information is included in the General Fund and the Special District/Water Sewer enterprise fund in the County's basic financial statements.

In-Home Supportive Services (IHSS) Public Authority of Madera County

The IHSS Public Authority (IHSS) was established to act as employer of record for IHSS individual providers and to assist IHSS clients in finding qualified caregivers. Though a legally separate entity, the IHSS Public Authority is programmatically integrated into the County service system for seniors and persons with disabilities. The County Board serves as its governing body and has control over the day-to-day operations of MCIDA through budget approvals. The County is financially accountable for the IHSS Public Authority because the County holds a voting majority and may impose its will on the Authority. The IHSS Public Authority has no employees, and its daily operation is conducted by County employees. Because its financial and operational relationship with the County is closely integrated, the IHSS Public Authority is reported as a nonmajor governmental fund in the County's basic financial statements.

County Service Areas, Maintenance Districts, and Other Special Districts

There are in excess of 100 Maintenance Districts and Service Areas located throughout Madera County. They were formed for the purpose of providing one or more specialized service(s) to the residents. Services provided may include water, sewer, road maintenance, lighting, drainage, etc. The County Board of Supervisors acts as the Board of Directors for, and on behalf of each property owner in the district. The County's Road Department oversees districts providing road maintenance, the County's Engineering Department oversees the daily operations of sewer and water districts. The County Board of Supervisors, review and approves budget, special assessments, and service charges for each special districts. Each of these special districts is, in substance, and integral part of the County and are reported as nonmajor special revenue fund and as Special District Water/Sewer enterprise fund in the County's basic financial statements. Complete financial statements of each special district can be obtained by contacting the County of Madera, Auditor-Controller, 200 W. 4th Street, Madera, CA 93637-3548.

**COUNTY OF MADERA, CALIFORNIA
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County Service Areas, Maintenance Districts and Other Special Districts

The following County Service Areas and Maintenance Districts are reported as nonmajor special revenue fund or part of the major enterprise fund in the County's basic financial statements, based on the measurement focus used by the district.

MD1	Hidden Lake Estates	MD48	Thornberry Estates	MD91	Hensley East
MD5	Mountain Ranches	MD49	Windy Gap	MD92	Cedar Ridge
MD6	Lake Shore Park	MD50	Morava	MD93	Wilcox
MD7	Marina View	MD51	Quali Ridge	MD94	Deadwood
MD8	North Fork	MD52	Lindy Lane	MD95	Ranchos West
MD9	Bonadelle Ranchos No. 5	MD53	Knolls Junction	MD96	Garnet Creek
MD10	Madera Ranchos	MD54	Happy Hollow	MD97	Cascadel Heights
MD11	Bass Lake Heights 1-3	MD55	Woodland Pond	MD98	Pine Meadow
MD13	Lake Madera Country Estates	MD56	River Crest	MD99	Lower Oak
MD14	Bonadelle Ranchos No. 9	MD57	Adobe	MD100	Cattle Way
MD15	Fine Gold Creek and addition 1 &2	MD58	Sierra Highlands	MD101	Old Corral
MD16	Mountain View	MD59	Eagle	MD103	Rodeo
MD17	Valley Lake Ranchos	MD60	Sillon Estates	MD104	Northridge Meadows
MD18	Leisure Acres	MD61	Vista Del Rio	MD106	Borden
MD19	Parkwood	MD62	Jennifer Lane	MD107	Deer Springs
MD20	Hidden Oaks Estates Madera Acres, Estates, Knolls, Highlands and Country Club	MD63	Coarsegold South	MD108	Robertson West
MD21	Oakhurst	MD64	Little Creek	MD115	Roundhouse Hills
MD22	Coarsegold Highlands	MD65	Coarsegold West	MD116	Rolling Oaks
MD23	Teaford Meadows	MD66	Brushy Knob	MD117	Point Millerton North
MD24	Bass Lake Annex	MD67	Whisky Creek	MD120	Old Town
MD25	Cedar Valley No. 1, 2 and 3	MD69	Oak Junction	MD121	Woodcrest Estates
MD26	Goldside Estates	MD70	Blueberry Hill	SA1	Indian Lakes
MD27	Ripperdan	MD71	Thornberry Mountain	SA 2a	Bass Lake/Wishon Cove
MD28	Oak Creek/Indian Springs	MD72	North Oakhurst	SA3	Parksdale Estates
MD29	Trabuco Road	MD73	Quartz Mountain	SA5	Eastside Acres/Villages Estates
MD30	Deer Run	MD74	Munson Lane	SA6	Still Meadow Ranch
MD31	West Road	MD75	Farlane Court	SA7	Thronberry Knolls
MD32	Fairmead	MD76	River Falls Road	SA8	Pierce Lake Estates
MD33	Yosemite Fors Estates	MD77	Whittenburg Road	SA9	Hawkins Valley/Mudge Ranch
MD35	Eastin Arcola	MD78	San Ramon	SA10	Spinelli Road/Road 416
MD36	La Vina	MD79	Serpa Canyon	SA12	West Oak and Boulder Creek
MD37	Maples Lane	MD80	City View	SA13	Fresno River Estates and Griffin Park
MD38	Snow Flake Lane	MD81	Blue Oak	SA14	Chik-Chanse
MD39	Sunset Ridge/Meadow Ridge Road	MD82	Poison Switch	SA15	Teaford Meadows
MD40	Twin Pines	MD83	Lone Olive	SA16	Sumner Hill
MD41	Meadow View	MD84	Mill Creek	SA18	Ponderosa Knolls/Victoria Lane
MD42	Miami Creek Knolls	MD85	Valeta	SA19	Rolling Hills
MD43	Stillmeadow Road	MD86	Hidden Meadow	SA20	Yosemite Pines Estates
MD44	River Knols Road	MD87	Madera Southeast	SA21	Cascadel Woods
MD45	Ahwahnee Couuntry Club	MD88	Safari World	SA22	Table Mountain
MD46	Spook Lane	MD89	Silver Spur	AD89-1	Bass Lake/Pines Tract
MD47		MD90	Raymond North	LMD 2	Boardview

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Madera County Flood Control and Water Conservation Agency

The Madera County Flood Control and Water Conservation Agency (MCFCWCA) was established to govern County-wide conservation, development of water resources, control of drainage, storm, flood and other waters. The members of the governing board of the MCFCWCA are members of the County's Board and have control over the day-to-day operations of MCFCWCA through budget approvals. The MCFCWCA has no employees, and its daily operations are conducted by the County's Engineering Department. Because its financial and operational relationship with the County is closely integrated, the MCFCWCA's financial information is included as a special revenue fund, accounting for reimbursement for flood control related services and projects within the County.

Separate reports are not issued for the Madera County Industrial Development Authority, Madera County Public Financing Authority, In-Home Supportive Services (IHSS) Public Authority of Madera County, and the Madera County Flood Control and Water Conservation Agency.

Discretely Presented Component Units

The discretely presented component units are legally separate from the primary government and usually provide services to entities and individuals outside the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County.

Madera County Workforce Investment Corporation

The Madera County Workforce Investment Corporation (MCWIC) is a private, non-profit 501(c)(3) organization serving as the administrator/operator of primarily federally-funded workforce development grants and programs, and links employers with employees to improve the quality, competitiveness, and productivity of the local workforce. The County Board of Supervisors appoints the Workforce Development Board of Madera County (WDB) Board of Directors to oversee the Workforce Innovation and Opportunity Act (WIOA) program, which is the primary funding for the MCWIC. In addition the economic resources received by MCWIC are held almost entirely for the direct benefit of the County's constituents. The MCWIC is reported as a discretely presented component unit in the County's basic financial statements. MCWIC issues a separate financial report that can be obtained by writing to Madera County Workforce Investment Corporation at 2037 W. Cleveland Avenue, Madera, California 93637.

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Community Action Partnership of Madera County

The Community Action Partnership of Madera County (CAPMC) is a private, non-profit 501(c)(3) organization provide help to an array of people; from low to moderate income individuals and families who are experiencing a crisis, to those seeking assistance finding or paying for child care, to victims of crime. MCPMC was created in 1965 by the County of Madera Board of Supervisors to administer programs authorized by the federal government under the Equal Opportunity Act of 1964. The Board of Supervisors has designated the governance and fiduciary responsibility to a 15 member tripartite Board of Directors. The Board's consists of five elected public officials, five members from private sector, and five members from the low-income target areas of community. The County is involved in the day-to-day operations of CAPMC, by the assignments of a County employee as the agency's executive director. In addition, the economic resources received by CAPMC are held almost entirely for the direct benefit of the County's constituents. CAPMC issues a separate financial report that can be obtained by writing to Community Action Partnership of Madera County at 1225 Gill Ave., Madera, California 93637.

B. Basis of Accounting and Measurement Focus

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The County's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the County accompanied by a total column. Fiduciary activities of the County are not included in these statements.

These basic financial statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all of the County's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the County in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

COUNTY OF MADERA, CALIFORNIA
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Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

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 separately aggregated and reported as non-major funds.

The County reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as general government, public protection, public ways and facilities, health and sanitation, public assistance, education and recreation services.
- The *Road Fund* is used to account for the planning, design, construction, maintenance, and administration of the County's roads and infrastructure.
- The *Public Protection Programs Fund* is used to account for various grants and taxes received from the federal, state, and local governments for the enhancement of public protection activities.
- The *Capital Projects Fund* is used to account for the planning, design and construction of various capital projects.

The County reports the following major proprietary funds:

- The *Special Districts – Water/Sewer* accounts for specialized services such as water, sewer, road maintenance, lighting, and drainage provided to the residents of the County.
- The *County Landfill Fund* accounts for the County's landfill sites, which provide a dumping site for the disposal of solid waste. Revenues are derived from fees generated for the disposal of waste at the site.

COUNTY OF MADERA, CALIFORNIA
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- The Transit Fund accounts for the administration and delivery of public transit services in Madera County.

The County reports the following additional fund types:

- *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 government and to other government units, on a cost reimbursement basis. These funds include central garage, self-insurance, and microwave radio services.
- *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer. These entities include school and community college districts, other special districts governed by local boards, regional boards and authorities and pass through funds for tax collections for other governments. These funds represent the assets, primarily cash and investments, and the related liabilities of the County to disburse these monies on demand.
- *Private Purpose Trust Fund* accounts for the assets of the Public Guardian and the Public Administrator.
- *Agency Funds* account for assets held by the County as an agent for various local governments.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the government-wide financial statements. The County has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or "*current financial resources*" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except for those revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, sales tax, intergovernmental revenues, and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

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Unavailable revenues arise when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable revenue is removed from the Balance Sheet and revenue is recognized.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows for each major proprietary fund.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Net Position. The County's fiduciary funds represent an Investment Trust Fund, a Private Purpose Trust Fund, and Agency Funds. Agency funds, which are custodial in nature (assets equal liabilities), do not involve measurement of results of operations. The Investment Trust Fund accounts for the external portion of the County's Investment Pool which commingles resources of legally separate local governments within the County in an investment portfolio for the benefit of all participants. These entities include school and community college districts, other special districts governed by local boards, regional boards, and authorities. These funds represent the assets, primarily cash and investments, and the related liabilities of the County to disburse these monies on demand.

COUNTY OF MADERA, CALIFORNIA
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C. Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the County's policy is to apply restricted net position first.

D. Cash, Cash Equivalents, and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The County participates in an investment pool managed by the State of California titled *Local Agency Investment Fund* (LAIF) which has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the state of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as well as to change in interest rates.

E. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans)." Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances."

Advances between funds, reported in the fund financial statements, are offset by a corresponding nonspendable portion of fund balance to indicate that they are not available for appropriation and are not available financial resources.

F. Inventories and Prepaid Items

Inventories for both governmental and proprietary funds, consisting principally of materials and supplies held for consumption, are valued at cost, approximating market value, using the first-in, first-out (FIFO) method. The costs of governmental funds inventories are recorded as expenditures when consumed, rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. The inventories and prepaid items recorded in the governmental funds do not reflect current appropriable resources and, thus, an equivalent portion of fund balance is reported as nonspendable.

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G. Capital Assets

Government-Wide Financial Statements

Capital assets, which include land, construction-in-progress, buildings and improvements, improvements other than buildings, machinery and equipment, autos and trucks, equipment under capitalized lease, and infrastructure assets (e.g., roads, bridges, traffic signals, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. County policy has set the capitalization threshold for reporting capital assets at \$5,000 for machinery and equipment and \$10,000 for the other categories of capital assets. If purchased or constructed, the capital assets are reported at historical or estimated historical cost. Capital assets received by the County in a service concession arrangement and donated capital assets, including works of art and historical treasures, are recorded at the estimated acquisition value of the date of donation.

Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Water and Sewer System	15-65 Years
Buildings and Improvements	30-50 Years
Machinery and Equipment	3-20 Years
Infrastructure	20-50 Years

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, which requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with Statement No. 34, the County has included the value of all infrastructure in the Basic Financial Statements.

The County defines infrastructure as the basic physical assets that allow the County to function. The assets include the streets, sewer collection and treatment system, park and recreation lands and improvement system, storm water conveyance system, and buildings combined with the site amenities such as parking and landscaped areas used by the County in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals, and pavement markings), landscaping, and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

For all infrastructure systems, the County elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The County commissioned an appraisal of County owned infrastructure and property as of June 30, 2002. This appraisal determined the estimated historical cost, which is defined as the actual cost to acquire new property in accordance with market prices at the time of first construction/acquisition. Estimated historical costs were developed in one of three ways: (1) historical records; (2) standard unit costs appropriate for the construction/acquisition date; or

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(3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, unrecovered cost method was computed using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the estimated historical cost.

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows or resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has deferred outflows of resources related to pensions and other postemployment benefits in its proprietary and government-wide statements.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has deferred inflows of resources related to unavailable revenues reported under the modified accrual basis of accounting in the governmental funds balance sheet and related to pensions and other postemployment benefits in its proprietary and government-wide statements. The governmental funds report unavailable revenues for receivables that have not been received within the modified accrual period. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

I. Long-Term Debt

Government-Wide Financial Statements

Long-term debt and other financed obligations are reported as liabilities in the proprietary fund financial statements and government-wide financial statements.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount.

Fund Financial Statements

The governmental fund financial statements do not present long-term debt. As such, long-term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

J. Compensated Absences

Government-Wide Financial Statements

For governmental and business-type activities, compensated absences are recorded as incurred and the related expenses and liabilities are reported.

COUNTY OF MADERA, CALIFORNIA
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Fund Financial Statements

In governmental funds, compensated absences are recorded as expenditures in the year paid, as it is the County's policy to liquidate any unpaid compensated absences at June 30 from future resources, rather than currently available financial resources. In proprietary funds, compensated absences are expensed to the various funds in the period they are earned, and such fund's share of the unpaid liability is recorded as a long-term liability of the fund. Vested or accumulated compensated absences in proprietary funds are recorded as an expense and liability of those funds as the benefits accrue to employees. The compensated absences liability will generally be liquidated through individual funds.

K. Claims Payable

The County records a liability to reflect an actuarial estimate of ultimate uninsured losses for both general liability claims (including property damage claims) and workers' compensation claims. The estimated liability for workers' compensation claims and general liability claims includes "incurred but not reported" (IBNR) claims. There is no fixed payment schedule to pay these liabilities.

L. Net Position and Fund Balances

Government-Wide Financial Statements

In the government-wide financial statements, net position is classified in the following:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – These amounts are restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position – All other net position that do not meet the definition of "net investment in capital assets" or "restricted net position."

Fund Financial Statements

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

- *Nonspendable Fund Balance* – includes amounts that are not in a spendable form (such as inventories or prepaid amounts) or are legally or contractually required to be maintained intact.
- *Restricted Fund Balance* – includes amounts that can be spent only for specific purposes stipulated by external parties (such as creditors, grant providers, or contributors) or by law.

COUNTY OF MADERA, CALIFORNIA
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- *Committed Fund Balance* –includes amounts that can be used only for the specific purpose determined by the County’s highest level of decision-making authority (the Board of Supervisors). Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action. The formal action must occur prior to the end of the reporting period. The amount which will be subject to the constraint may be determined in the subsequent period.

- *Assigned Fund Balance* – is comprised of amounts intended to be used by the government entity for specific purposes that are neither restricted nor committed. Intent can be expressed by the Board of Supervisors or by an official or body to which the Board delegates the authority. Assigned fund balance can be used to eliminate a projected budgetary deficit in the subsequent year’s budget.

- *Unassigned Fund Balance* – is the residual classification for the County’s General Fund that includes amounts not contained in other classifications. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance. Unassigned amounts are technically available for any purposes.

The Board of Supervisors establishes, modifies, or rescinds fund balance commitments and assignments by passage of a resolution or an ordinance.

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

M. Property Tax Levy, Collection, and Maximum Rates

The State of California Constitution, Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount for general obligation debt has been approved by the voters. Assessed value is calculated at 100% of market value as defined by Article XIII A and may be increased by no more than 2% per year unless the property is sold or transferred. These general property tax rates do not apply to taxes levied to pay the interest and redemption charges on any indebtedness incurred prior to June 6, 1978, or subsequently approved by the voters. Supplemental property taxes are levied on a pro rata basis when changes in assessed valuation occur due to sales transactions or the completion of construction. The State Legislature has determined the method of distribution among the counties, cities, school districts, and other districts for receipts from the 1% property tax levy.

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The County assesses properties, bills for, and collects taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Levy Dates	July 1	July 1
Lien Dates	January 1	January 1
Due Dates	November 1 and February 1	August 1
Delinquent After	December 10 and April 10	August 31
Tax Rate per \$100		
Full Cash Value	\$1	\$1
Late Penalty	10%	10%
Delinquent Interest	1-1.5% per month	1-1.5% per month

These taxes are secured by liens on the property being taxed. The Board annually sets the rates of the County and district taxes and levies State, County, and district taxes as provided by law. The term "secured" refers to taxes on land and buildings, while "unsecured" refers to taxes on personal property other than land and buildings. During fiscal year 1993-1994, the Board adopted the Alternative Method of Tax Apportionment (the Teeter Plan). Under this method, the County allocates to all taxing jurisdictions under the County, 100% of the secured property taxes billed, even if it has not yet been collected. In return, the County retains the subsequent delinquent payments and associated penalties and interest. The penalties and interest are accumulated in an Agency Fund. The County may transfer to the General Fund any excess over the reserve required by the Board and the State.

Delinquent property taxes receivable are shown on the balance sheet of the property tax trust funds. Under California law, real property is not subject to sale for reasons of delinquent taxes until the end of the fifth year of delinquency, and the taxpayer may arrange to repay the delinquent taxes over a five-year period and any time within the five-year period, although the property is subject to a cash redemption up to the time of the sale.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The County apportions secured property tax revenue in accordance with the alternate method of distribution prescribed by ¶4705 of the State of California Revenue and Taxation Code. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll.

Under the alternate apportionment method, specified amounts of penalties and interest collected on delinquent secured taxes are held in trust in the secured tax losses reserve fund-to-fund specified tax redemption short falls. This reserve is used to fund the apportionment of secured taxes.

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N. Use of Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the basic financial statements and the related reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management believes that the estimates are reasonable.

O. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the County's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. Other Postemployment Benefits (OPEB)

The County has not established a trust that meets paragraph 4 of GASB Statement No. 75 to fund its other post employment benefits.

Q. New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

Statement No. 83	<i>Certain Asset Retirement Obligations</i>	The provisions of this statement are effective for financial statement periods beginning after June 15, 2018. (FY 18/19). The requirements of this statement were considered but had no effect on the County's current fiscal year.
Statement No. 88	<i>Certain Disclosures Related to Debt including Direct Borrowings and Direct Placements</i>	The provisions of this statement are effective for financial statement periods beginning after December 15, 2018. (FY 18/19)

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
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R. Future Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements will be implemented in future financial statements.

Statement No. 84	<i>Fiduciary Activities</i>	The provisions of this statement are effective for financial statement effective for financial statement December 15, 2018 (FY 19/20)
Statement No. 87	<i>Leases</i>	The provisions of this statement are effective for financial statement periods beginning after December 15, 2019. (FY 20/21)
Statement No. 90	<i>Majority Equity Interests - an amendment of GASB Statements No. 14 and 61</i>	The provisions of this statement are effective for financial statement periods beginning after December 15, 2018. (FY 18/19)
Statement No. 91	<i>Conduit Debt Obligations</i>	The provisions of this statement are effective for financial statement periods beginning after December 15, 2020. (FY 21/22)

Management has not yet completed its assessments on the implementation of these accounting pronouncements.

NOTE 2 CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2019:

	Government-Wide Statement of Net Position		Total Primary Government	Fiduciary Funds	Discretely Presented	Total
	Governmental Activities	Business-Type Activities			Component Units	
Cash and Investments	\$ 137,115,254	\$ 19,672,538	\$ 156,787,792	\$ 309,658,924	\$ 2,213,282	\$ 468,659,998
Restricted Assets:						
Cash and Investments	34,815	9,069,233	9,104,048	-	-	9,104,048
Cash with Fiscal Agents	2,470,801	99,534	2,570,335	-	-	2,570,335
Total	\$ 139,620,870	\$ 28,841,305	\$ 168,462,175	\$ 309,658,924	\$ 2,213,282	\$ 480,334,381

**COUNTY OF MADERA, CALIFORNIA
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Cash deposits and investments consisted as follows at June 30, 2019:

County of Madera:

Cash and Investments:

Imprest Cash	\$	8,028
Cash in Banks-Department Administered		194,879
Total Cash		202,907

In Custody of Treasurer:

Cash on Hand		8,000
Cash in Banks		26,232,159
Total in Custody of Treasurer		26,240,159

Investments Held by Treasurer:

Certificates of Deposit		1,000,000
LAIF		51,338,991
CAMP		61,324,507
U.S. Government-Sponsored Enterprise Sec.		261,543,300
Medium Term Corporate Notes		58,213,930
Depository Accounts		4,086,970
Municipal Bonds		11,600,000
Total Investments Held by Treasurer		449,107,698

Cash Held With Fiscal Agent and Other Deposits

Government Money Market		99,493
Enterprise - Maintenance Districts & Service Areas		41
ConvergenceOne Financial Services		1,012,798
Opus Bank		1,458,003
Total Cash Held with Fiscal Agent and Other Deposits		2,570,335

Total Cash and Investments 478,121,098

Discretely Presented Component Units:

Cash and Cash Equivalents -		
Community Action Partnership of Madera County		1,933,441
Madera County Workforce Investment Corporation		279,841
Total Cash and Investments		\$ 480,334,381

A. Cash Deposits

The carrying amounts of the County's cash deposits were \$29,404,411 at June 30, 2019. Bank balances at June 30, 2019 were fully insured or collateralized with securities held by the pledging financial institutions in the County's name.

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

B. Investments

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool.

The Board exercises primary oversight responsibility for the County's investments. In addition, a Madera County Treasury Oversight Committee, which consists of the County Treasurer, the Auditor-Controller and a third member representing the County schools (the primary external pool participant) was established to monitor the Treasury's investments on a regular basis. No regulatory agency outside the County exercises any regulatory responsibilities over the County's investments. The County's pool is not registered with the SEC as an investment company.

School districts and special districts within the County are required to deposit funds with the County Treasurer and participate in the pool. The schools and special districts are not component units of the County and therefore are participants in the County's external investment pool.

The pool values participants' shares on an amortized cost basis. Specifically, the pool distributes income to participants on a quarterly basis based on their relative participation during the quarter that is calculated based on:

1. Realized investment gains and losses calculated on an amortized cost basis,
2. Interest income based on stated rates (both paid and accrued),
3. Amortization of discounts and premiums on a straight-line basis, and
4. Investment and administrative expenses.

This method differs from the fair value method because the amortized cost method is not designed to distribute to participants all unrealized gains and losses in the fair values of the pool's investments.

Under the provisions of the County's investment policy, and in accordance with California Government Code, the County is authorized to invest or deposit in the following:

- Local agency bonds
- US Treasury obligations
- State obligations
- California local agency obligations
- Obligations of the U.S. agency, U.S. government sponsored enterprise, participations, and instrumentalities
- Banker's acceptances
- Commercial paper rated A-1 by Standard & Poor's or P-1 by Moody's
- Negotiable certificates of deposit and non-negotiable time certificates of deposits
- Repurchase agreements
- Medium-term corporate notes rated "A" or its equivalent, or better
- Mutual funds and money market mutual funds
- State of California Local Agency Investment Fund
- Joint powers authority pool

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

C. Risk Disclosures

The following is a summary of the concentration of credit risk, average maturities, and credit quality distribution by investment type as a percentage of the County Investment Pool's fair value at June 30, 2019:

Investment Type	Cost	Fair Value	Percentage of Portfolio	Average Maturity (in years)	Credit Rating (Moody's)
LAIF	\$ 51,251,259	\$ 51,338,991	11.42 %	-	N/A
CAMP	61,324,507	61,324,507	13.66	-	N/A
Certificates of Deposits	1,000,000	1,000,000	0.22	0.69	N/A
Depository Accounts	4,086,970	4,086,970	0.91	2.32	N/A
Federal Agency Coupon Securities	261,607,697	261,543,300	58.28	1.94	AAA
Municipal Bonds					
University of CA	2,001,700	2,000,000	0.45	1.60	AA2
Hidden Lakes	350,000	350,000	0.08	2.32	AAA
MD19A&B Parkwood	250,000	250,000	0.06	1.83	AAA
Pub Fin Auth (Bass Lake)	6,290,000	6,290,000	1.40	3.45	AAA
Rolling Hills	2,710,000	2,710,000	0.60	3.63	AAA
Medium Term Corporate Notes:					
J P Morgan	5,003,162	4,990,550	1.11	1.50	AA2
Toyota	4,001,167	3,991,640	0.89	1.47	AA3
Apple Inc.	2,997,401	2,987,520	0.67	1.62	AA1
IBM Corp	3,996,695	3,977,040	0.89	1.69	A1
Citibank, NA	5,001,881	4,990,550	1.11	2.03	AA3
WalMart	3,064,984	3,047,970	0.68	1.72	AA2
Microsoft Corp	3,994,177	3,998,400	0.89	2.07	AAA
Wells Fargo	5,032,933	5,010,900	1.12	2.12	A2
Pepsico Inc.	3,000,000	2,999,190	0.67	1.97	A1
Wells Fargo	3,000,000	3,007,350	0.67	1.97	A2
Microsoft Corp	2,955,951	2,974,470	0.66	2.14	AAA
HSBC Bank USA	5,000,000	5,010,200	1.11	2.90	N/A
Cisco Systems	2,981,866	2,982,390	0.66	2.07	A1
Apple Inc.	3,988,642	4,015,720	0.89	2.22	AA1
Toyota	3,978,062	4,230,040	0.89	2.88	AA3
Total Investments Held by Treasurer	<u>\$ 448,869,054</u>	<u>\$ 449,107,698</u>	<u>100.00 %</u>		

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits investments to a maximum maturity of five years. Maturities are selected to anticipate cash need, thereby reducing the possibility of the need for future investment liquidation. The County is in compliance with this provision of the Policy.

Credit Risk

The County's Policy limits investments in commercial paper to the highest grade of stand alone or enhanced (prime) commercial paper as rated by Moody's Investor Service, Standard & Poor's Corporation, or Fitch Financial Services and requires that the management company of mutual funds must have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

Concentration of Credit Risk

At June 30, 2019, in accordance with State law and the County's Investment Policy, the County did not have 10% or more of its net investment in commercial paper, corporate bonds, or medium term notes of a single organization, nor did it have 15% or more of its net investment in any one money market mutual fund. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations. At June 30, 2019, the County had the following investments in any one issuer that represent 5% or more of the total investments.

	% of Portfolio	Amount
Federal Farm Credit	14.93%	\$ 66,995,887
Federal Home Loan Bank	21.20%	95,141,733
Federal Home Loan Mortgage Corp.	15.03%	67,482,497
Federal National Mortgage Association	7.13%	31,987,580

Custodial Credit Risk

The California Government Code requires California banks and savings and loan associations to secure the County's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the County's name.

The market value of pledged securities must equal at least 110% of the County's cash deposits. California law also allows institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the County's total cash deposits. The County may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The County, however, has not waived the collateralization requirements.

D. Local Agency Investment Fund

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. The County's investments with LAIF at June 30, 2019, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

Structured Notes: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options. They are issued by corporations and by government-sponsored enterprises such as the Federal National Mortgage Association and the Federal Home Loan Bank System or an international agency such as the World Bank.

Asset-Backed Securities: entitle the purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables (such as asset-backed commercial securities).

As of June 30, 2019, the County had \$51,338,991 invested in LAIF, which had invested 1.77% of the pool investment funds in Structured Notes and Asset-Backed Securities.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with state statute.

E. California Asset Management Program (CAMP)

California Asset Management Program ("CAMP" or the "Program") is a California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies under California Government Code Section 53601(p). CAMP is directed by a Board of Trustees, which is made up of experienced local government finance directors and treasurers. The CAMP is a short-term money market portfolio and cash management vehicle managed to maintain a dollar-weighted average portfolio maturity of 60 days and seeks to maintain a constant net asset value of one dollar per share. CAMP invests in obligations of U.S. Government and its agencies, high quality, short-term debt obligations of U.S. companies and financial institutions and is AAAM rated by S&P. As of June 30, 2019, the County had \$61,324,507 invested in CAMP.

F. County Investment Pool Summary

The following represents a summary of net position and changes in net position for the Treasurer's investment pool as of June 30, 2019:

Statement of Net Position:	
Net Position Held for Pool Participants	<u>\$ 475,347,857</u>
Equity of Internal Pool Participants	\$ 175,626,699
Equity of External Pool Participants	<u>299,721,158</u>
Total Net Position	<u>\$ 475,347,857</u>
Statement of Changes in Net Position:	
Net Position at July 1, 2018	\$ 464,842,810
Net Change in Investments by Pool Participants	<u>10,505,047</u>
Net Position at June 30, 2019	<u>\$ 475,347,857</u>

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

G. Fair Value Measurements

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

Level 1 – Investments reflect prices quoted in active markets;

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

Level 3 – Investments reflect prices based upon unobservable sources.

The pool has the following recurring fair value measurements as of June 30, 2019:

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)
Medium Term Corporate Notes	\$ 58,213,930	\$ -	\$ 58,213,930	\$ -
Federal Agency Coupon Securities	261,543,300	-	261,543,300	-
Municipal Bonds	11,600,000	-	11,600,000	-
Total Investments Measured at Fair Value	331,357,230	\$ -	\$ 331,357,230	\$ -
Investments Measured at Amortized Cost				
LAIF	51,338,991			
CAMP	61,324,507			
Depository Accounts	4,086,970			
Non-Negotiable CDs	1,000,000			
Total Pooled and Directed Investments	\$ 449,107,698			

H. Restricted Cash and Investments

Cash and investments at June 30, 2019 that are restricted by legal or contractual requirements are comprised of the following:

**COUNTY OF MADERA, CALIFORNIA
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Governmental Activities:

General Fund	
Fire equipment project	\$ 1,458,003
Security compliance programs and infrastructure upgrade project	1,012,798
Nonmajor Governmental Funds	
Debt service reserves	34,815

Business-type Activities:

Special Districts - Water Sewer	
Debt service reserves	3,951,244
CSA 2A&B Wastewater projects	38
County Landfill	
Funds for landfill site closure and maintenance costs	5,217,485
Total	\$ 11,674,383

NOTE 3 RECEIVABLES

A. Accounts Receivable

Accounts receivable balance for the Special Districts - Water/Sewer, an enterprise fund, is stated net of allowances for uncollectible accounts. At June 30, 2019, allowances for uncollectible accounts is \$704,998.

B. Loans Receivable

North Fork Community Development Council

The County entered into a loan agreement with the North Fork Community Development Council (NFCDC) on September 22, 2015. The loan amount was \$771,690 with a \$200,000 discount netting to \$571,690. The loan has a 10-year term beginning July 1, 2011 with a 1 percent interest rate. All principal and interest is due on June 30, 2021. Under the Promissory Note, the NFCDC will make monthly payments of at least \$2,000 and those payments will be augmented by additional payments NFCDC will make as they sell parcels at the Mill Site, as parcels are leased (generating lease income) and from income derived from the operation of a proposed new power plant at the site. A loan receivable of \$575,050 was recorded under the General Government nonmajor special revenue fund at June 30, 2019. Based on the payment schedule for loan receivable, \$551,050 of the amount reported is not expected to be collected within the next year.

Housing Loans

A total of \$6,574,391 was recorded as loans receivable under Housing nonmajor special revenue fund at June 30, 2019. This represents low or no interest mortgage notes to finance single family construction and rehabilitation projects, as well as homebuyer assistance for low income families, as part of the County's affordable program. The County's primary sources of funding for these loans come from grants from the federal Community Development Development Block Grant (CDBG) program, HOME Investment Partnership (HOME), Neighborhood Stabilization Program (NSP), and Economic Development Commission (EDC).

**COUNTY OF MADERA, CALIFORNIA
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At June 30, 2019, the County Housing fund has the following loans receivable:

<u>Loan Type</u>	<u>Loan Term</u>	<u>Interest rates</u>	<u>Outstanding at June 30, 2019</u>
CDBG loans	30 years	0%	\$ 3,712,558
HOME loans	30 years	0%	2,101,822
NSP-3 Loans	30 years	0%	486,082
EDC small business loans	5-10 years	3% - 5%	273,929
			<u>\$ 6,574,391</u>

The entire loans receivable balance of \$6,574,391 is not expected to be collected within the next year.

C. Long-term Receivables

Several maintenance districts and county service area within the County have issued capital improvement special assessment debts and the County is obligated in some manner for these debts. These special assessment debts and corresponding special assessment receivables are recorded in the Special District - Water/Sewer fund. Long-term assessments receivable as of June 30, 2019 is \$9,957,490. Based on the payment schedule for assessment receivables, \$9,709,044 of the amount reported in the Special District - Water/Sewer fund is not expected to be collected within the next year.

In addition, there is a receivable of \$297,171 from Backman Water Company as a result of the purchase and sale agreement of the CSA 19, Rolling Hills water system. Based on the payment schedule, \$154,613 of the total receivable is not expected to be collected within the next year.

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 4 INTERFUND TRANSACTIONS

A. Fund Financial Statements

Due to and Due from Other Funds

The County had the following due to/from other funds as of June 30, 2019:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Road Fund	\$ 251,135	Charges for interfund services
	Special Revenue - Public Protection	4,469,437	Cost recovery from Realignment fund
	Capital Projects	302	Charges for interfund services
	Nonmajor Governmental Funds	1,110,639	Cost recovery from Realignment fund/ fund reclassification
	Special Districts - Water/Sewer	1,071,989	Charges for interfund services
	County Landfill	92,757	Charges for interfund services
	Transit	5,983	Charges for interfund services
	Internal Service Fund	273,655	Charges for interfund services
		<u>7,275,897</u>	
	Road Fund	General Fund	19,217
Capital Projects		469	Charges for interfund services
Nonmajor Governmental Funds		50,169	Charges for interfund services
Special Districts - Water/Sewer		5,979	Charges for interfund services
Transit		76	Charges for interfund services
	<u>75,910</u>		
Special Revenue - Public Protection	General Fund	<u>35,636</u>	Charges for interfund services
Capital Projects	General Fund	<u>296</u>	Fund reclassification
Nonmajor Governmental Funds	General Fund	100	Fund reclassification
	Road Fund	537	Charges for interfund services, advance payback
		<u>637</u>	
Special Districts - Water/Sewer	General Fund	5,978	Charges for interfund services, advance payback
	Road Fund	379	Charges for interfund services
	Nonmajor Governmental Funds	21,000	Advance
		<u>27,357</u>	
County Landfill	Road Fund	38,216	Charges for interfund services
	Nonmajor Governmental Funds	1,928	Charges for interfund services
		<u>40,144</u>	
Total		<u>\$ 7,455,877</u>	

The interfund balances resulted from the time lag between the dates that interfund goods/services are provided or reimbursable expenditures occur and the dates payments between funds are made.

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

Advances to and Advances from Other Funds

The County had the following advances to/from other funds as of June 30, 2019:

Advances to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue - Public Protection	\$ 447,400
	Capital Projects	827,360
	Special Districts - Water/Sewer	1,649,086
		<u>2,923,846</u>
Special Revenue - Public Protection	General Fund	100,000
	Capital Projects	27,231
	Special Districts - Water/Sewer	100,000
		<u>227,231</u>
Capital Projects	General Fund	<u>60,949</u>
Nonmajor Governmental Funds	Special Districts - Water/Sewer	<u>774,701</u>
Total		<u>\$ 3,986,727</u>

Advances are used to record transactions between funds that are representative of lending and borrowing arrangements outstanding at the end of the fiscal year. The General Fund, Capital Projects Fund, Special Revenue – Public Protection, Special Districts – Water/Sewer Enterprise Fund, and Nonmajor Governmental loans were incurred primarily for the acquisition of capital assets.

Transfers in and Transfers out

Transfers are used primarily to fund capital projects and debt service payments, move revenues from funds required by statute or budget and finance various programs accounted for in other funds.

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
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Interfund transfers to/from other funds for the year ended June 30, 2019 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	Capital Projects	\$ 1,239,784	Jail HVAC & security upgrade projects, PH and DSS building, morgue project, Ag Commissioner's building, Rancho library and Sheriff substation. Basin pump
	Special Revenue - Public Protection	14,000	
		<u>1,253,784</u>	
Special Revenue - Public Protection	General Fund	6,562,324	Fund fire truck, realignment transfers Jail Security Upgrade, probation bootcamp projects, morgue project
	Capital projects	1,374,945	
		<u>7,937,269</u>	
Nonmajor Governmental Funds	General Fund	12,189,327	Realignment transfers, provide funding for MOE for SUD program, funding for Tobacco programs, fire service. Library project
	Capital Projects	56,363	
		<u>12,245,690</u>	
County Landfill	General Fund	70,000	LEA service
		<u>70,000</u>	
Total		<u>\$ 21,506,743</u>	

In addition to the transfers listed above, the County transferred capital assets in the amount of \$355,041 from the Special Districts – Water/Sewer proprietary funds to the Governmental Activities during the year.

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 5 CAPITAL ASSETS

A. Government-Wide Financial Statements

The following is a summary of capital assets for governmental activities:

	Restated Balance July 1, 2018	Additions	Retirements	Transfers and Adjustments	Balance June 30, 2019
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 15,173,588	\$ 1,113,262	\$ (116,480)	\$ 24,039	\$ 16,194,409
Construction-in-Progress	11,862,238	8,595,674	-	(5,325,024)	15,132,888
Infrastructure (Nondepreciable)	58,173,720	-	(10,919)	331,001	58,493,802
Total Capital Assets, Not Being Depreciated	85,209,546	9,708,936	(127,399)	(4,969,984)	89,821,099
Capital Assets, Being Depreciated:					
Infrastructure (Depreciable)	195,942,008	313,442	-	1,551,118	197,806,568
Buildings and Improvements	164,121,967	1,726,714	(421,131)	460,309	165,887,859
Equipment	56,092,042	6,292,894	(5,046,096)	4,516,345	61,855,185
Total Capital Assets, Being Depreciated	416,156,017	8,333,050	(5,467,227)	6,527,772	425,549,612
Less Accumulated Depreciation:					
Infrastructure (Depreciable)	(143,702,919)	(3,950,822)	-	(105,578)	(147,759,319)
Structures and Improvements	(42,559,190)	(3,590,037)	373,199	-	(45,776,028)
Equipment	(30,307,465)	(4,527,176)	4,929,648	(161,479)	(30,066,472)
Total Accumulated Depreciation	(216,569,574)	(12,068,035)	5,302,847	(267,057)	(223,601,819)
Total Capital Assets, Being Depreciated	199,586,443	(3,734,985)	(164,380)	6,260,715	201,947,793
Total Governmental Activities	<u>\$ 284,795,989</u>	<u>\$ 5,973,951</u>	<u>\$ (291,779)</u>	<u>\$ 1,290,731</u>	<u>\$ 291,768,892</u>

Depreciation expense was charged to governmental functions as follows:

<u>Governmental Activities</u>	<u>Total</u>
General Government	\$ 2,727,246
Public Protection	3,014,030
Public Ways and Facilities	4,622,349
Health and Sanitation	203,545
Public Assistance	186,817
Education	91,081
Recreation and Culture	404,914
Capital Assets Held by the Government's Internal Service Funds are Charged to the Various Functions Based on their Usage of the Assets	818,053
Total	<u>\$ 12,068,035</u>

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

The following is a summary of capital assets for business-type activities:

Business-Type Activities	Restated Balance July 1, 2018	Additions	Retirements	Transfers and Adjustments	Balance June 30, 2019
Capital Assets, Not Being Depreciated:					
Land	\$ 3,631,807	\$ 27,328	\$ (38,415)	\$ (24,040)	\$ 3,596,680
Land under Roads	418,355	-	(87,354)	(331,001)	-
Construction-in-Progress	12,022,117	1,157,277	(11,234,960)	(754,563)	1,189,871
Total Capital Assets, Not Being Depreciated	16,072,279	1,184,605	(11,360,729)	(1,109,604)	4,786,551
Capital Assets, Being Depreciated:					
Infrastructure (Depreciable)	269,516	-	(58,236)	(211,280)	-
Structures and Improvements	84,166,664	11,344,443	(3,995,322)	199,383	91,715,168
Equipment	2,082,968	364,583	-	67,667	2,515,218
Total Capital Assets, Being Depreciated	86,519,148	11,709,026	(4,053,558)	55,770	94,230,386
Less Accumulated Depreciation:					
Infrastructure (Depreciable)	(269,516)	-	58,236	211,280	-
Structures and Improvements	(32,856,748)	(2,421,208)	1,654,172	(142,212)	(33,765,996)
Equipment	(1,166,939)	(163,694)	-	(62,521)	(1,393,154)
Total Accumulated Depreciation	(34,293,203)	(2,584,902)	1,712,408	6,547	(35,159,150)
Total Capital Assets, Being Depreciated	52,225,945	9,124,124	(2,341,150)	62,317	59,071,236
Total Business-Type Activities	<u>\$ 68,298,224</u>	<u>\$ 10,308,729</u>	<u>\$ (13,701,879)</u>	<u>\$ (1,047,287)</u>	<u>\$ 63,857,787</u>

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

<u>Business-Type Activities</u>	<u>Total</u>
Special Districts - Water/Sewer	\$ 1,871,965
County Landfill	604,453
Transit	108,484
Total	<u>\$ 2,584,902</u>

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

NOTE 6 LEASES

Operating Leases

The County has commitments under long-term real property operating lease agreements for facilities used for operations. Total rental expense for these real property operating leases for the year ended June 30, 2019 was approximately \$1,177,709. The following is a schedule of future minimum rental payments required under operating leases entered into by the County that have initial or remaining noncancelable terms in excess of one year as of June 30, 2019:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 548,434
2021	438,660
2022	362,830
2023	283,654
2024	166,682
2025	134,130
2026	86,830
	<u>71,280</u>
Total	<u>\$ 2,092,500</u>

The County has also entered into leases for personal property, the majority of which are for equipment maintenance. These lease agreements provide for cancellation in the event the Board of Supervisors does not appropriate funding in subsequent fiscal years; therefor, the County is not obligated beyond the end of any fiscal year.

Capital Leases

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

The following is a summary of equipment leased under capital lease agreements by the County as of June 30, 2019:

	<u>Stated Interest Rate</u>	<u>Present Value of Remaining Payment as of June 30, 2019</u>
New sheriff facility	2.44%	\$ 8,868,251
Dell Computer Equipment	4 % - 7.338 %	384,601
Solar Equipment	3.49 %	9,218,000
IT Cubicles	4.77 %	58,636
Fire truck equipment	3.92 %	3,365,168
Jail HVAC	3.21 %	3,983,149
Oakhurst Satellite Gov't Center	3.17 %	1,913,940
Security Compliance Program & Infrastructure Upgrade	3.99 %	4,638,779
Central Garage Vehicles	7.26% - 8.48%	457,355
Total		<u>\$ 32,887,879</u>

COUNTY OF MADERA, CALIFORNIA
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The cost of buildings and equipment under capital leases are as follows:

	Amount
Land	
Oakhurst Satellite Govt. Center	\$ 489,782
Total Land	489,782
Construction in progress	
Jail HVAC	3,523,192
Fire truck equipment	271,997
Security Compliance Program & Infrastructure Upgrade	1,419,133
Total Construction in Progress	5,214,322
Buildings and Improvements	
New sheriff facility	9,750,000
Oakhurst Satellite Gov't Center	1,422,286
Total buildings and improvements	11,172,286
Equipment	
Dell computer equipment	859,616
Solar equipment	10,116,928
DOC computer equipment	164,297
IT Cubicles	157,166
Fire truck equipment	1,821,755
Security Compliance Program & Infrastructure Upgrade	3,454,743
Central Garage Vehicles	528,041
Total equipment	17,102,546
Total capital assets, gross	33,978,936
Less: Accumulated Depreciation	(3,523,724)
Total	\$ 30,455,212

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As of June 30, 2019, future minimum lease payments under capital leases were as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 3,924,360
2021	3,965,623
2022	3,963,594
2023	3,992,222
2024	3,617,856
2025 - 2029	2,582,519
2030 - 2034	15,540,240
2035 - 2039	<u>3,353,899</u>
Total Future Minimum Lease Payments	40,940,313
Less: Interest	<u>(8,052,434)</u>
Present Value Minimum Lease Payments	<u><u>\$ 32,887,879</u></u>

NOTE 7 LONG-TERM LIABILITIES

The following is a summary of long-term liabilities transactions for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Amounts Due Within One Year
Governmental Activities					
Capital lease obligations	\$ 23,721,988	\$ 11,869,251	\$ (2,703,360)	\$ 32,887,879	\$ 2,785,198
Loans from direct borrowings	11,400,737	-	(1,325,469)	10,075,268	1,346,089
Compensated Absences	16,381,152	11,790,012	(12,183,566)	15,987,598	7,151,849
Litigation Judgment	147,297	-	(33,176)	114,121	35,498
Liability for Unpaid Claims	10,549,000	3,443,634	(3,323,634)	10,669,000	2,662,641
Total other postemployment benefits liability	181,112,000	9,147,900	(3,981,000)	186,278,900	4,370,641
Net Pension Liability	<u>183,425,931</u>	<u>71,205,563</u>	<u>(51,671,933)</u>	<u>202,959,561</u>	<u>-</u>
Total Governmental Activities Long-Term Liabilities	<u><u>\$ 426,738,105</u></u>	<u><u>\$ 107,456,360</u></u>	<u><u>\$ (75,222,138)</u></u>	<u><u>\$ 458,972,327</u></u>	<u><u>\$ 18,351,916</u></u>
Business-Type Activities					
Improvement District 1915 Act Bonds from direct placements	\$ 10,142,220	\$ 2,710,000	\$ (3,526,930)	\$ 9,325,290	\$ 249,740
Unamortized Discount	(62,344)	-	62,344	-	-
	<u>10,079,876</u>	<u>2,710,000</u>	<u>(3,464,586)</u>	<u>9,325,290</u>	<u>249,740</u>
Revenue Bonds from direct borrowing and direct placements	6,671,700	-	(320,300)	6,351,400	330,600
Loans from direct borrowings	5,119,016	-	(132,919)	4,986,097	138,938
Liability for landfill closure	4,793,659	345,618	-	5,139,277	-
Total Business-Type Activities Long-Term Liabilities	<u><u>\$ 26,664,251</u></u>	<u><u>\$ 3,055,618</u></u>	<u><u>\$ (3,917,805)</u></u>	<u><u>\$ 25,802,064</u></u>	<u><u>\$ 719,278</u></u>

Compensated absences are generally liquidated with resources by the General fund, Road fund and the Central Garage internal services fund as follows: 96.7 percent, 3.0 percent and 0.3 percent, respectively. The General Fund liquidates the litigation judgement while the claims liability reported in the risk management internal service fund is liquidated by the internal service fund.

**COUNTY OF MADERA, CALIFORNIA
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The liability for the majority of the total other postemployment benefits liability and net pension liability are liquidated by the General Fund (approximately 99.5 percent), and the remaining 0.5 percent is liquidated by the Central Garage internal service fund.

As of June 30, 2019, annual debt service requirements of governmental activities to maturity are as follows:

Loans from Direct Borrowings		
Year Ending June 30,	Principal	Interest
2020	\$ 1,346,089	\$ 206,849
2021	1,376,032	176,906
2022	1,406,641	146,296
2023	1,437,932	115,006
2024	1,469,918	83,020
2025 - 2029	3,038,656	67,219
Total	\$ 10,075,268	\$ 795,296

As of June 30, 2019, annual debt service requirements of business-type activities to maturity are as follows:

Improvement District 1915 Act Bonds Direct Placements		
Year Ending June 30,	Principal	Interest
2020	\$ 249,740	\$ 293,520
2021	257,370	286,372
2022	269,410	278,892
2023	274,670	271,266
2024	287,250	263,483
2025 - 2029	1,618,110	1,187,861
2030 - 2034	1,986,710	934,218
2035 - 2039	2,446,200	617,719
2040 - 2044	1,935,830	223,196
Total	\$ 9,325,290	\$ 4,356,527

**COUNTY OF MADERA, CALIFORNIA
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Revenue Bonds and Loans from Direct Borrowings are as follows:

Revenue Bonds from Direct Borrowings and Direct Placements			Loans from Direct Borrowings		
Year Ending June 30,	Principal	Interest	Year Ending June 30,	Principal	Interest
2020	330,600	217,393	2020	\$ 138,938	\$ 162,234
2021	340,900	205,555	2021	137,790	156,784
2022	356,100	193,268	2022	132,739	151,223
2023	366,400	180,530	2023	126,890	146,541
2024	381,800	167,338	2024	131,160	142,039
2025 - 2029	2,105,600	622,213	2025 - 2029	730,180	636,327
2030 - 2034	2,470,000	222,250	2030 - 2034	869,770	494,503
Total	<u>\$ 6,351,400</u>	<u>\$ 1,808,547</u>	2035 - 2039	1,038,750	322,615
			2040 - 2044	703,880	151,879
			2045 - 2049	460,000	89,550
			2050 - 2054	516,000	35,327
			Total	<u>\$ 4,986,097</u>	<u>\$ 2,489,022</u>

Long-term liabilities at June 30, 2019 consisted of the following:

Governmental Activities

Loans from Direct Borrowings and Direct Placements

Maintenance District 32 entered into a direct borrowing contract with the United States Department of Agriculture Rural Development (USDA) for road paving projects within the District. Payments are due semi-annually on October 24th and April 24th of each year. The repayment period commenced on April 24, 2002. The loan document contains a provision which include acceleration clause that, upon default in the payments of any principal and accrued interest on the loan or in the performance of any covenant or agreement contained in the loan agreement, USDA may declare the entire principal amount then outstanding and accrued interest immediately due and payable. Principal and interest are repaid by charging property owners within the geographical boundaries of the district. Maintenance District 32 has repaid the loan during the fiscal year.

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On September 30, 2015, the County entered into a \$13,940,320 direct borrowing contract with Bank of the West to refund the 2005 Certificates of Participation related to the government center building. In the event of default, the County remains liable for the payment of the unpaid principal balance and the performance of all conditions contained in the contract. Lender has no right under any circumstances to accelerate the principal payment not then in default to be immediately due and payable. The contract contains a provision that in the event of termination resulting from default or non-compliance by the County, the County agrees to pay the lender all costs, loss or damages and liable for the payment of the unpaid principal balance according to the original payment schedule. Loan payments are secured by revenues from general ad valorem taxes and assessments

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2019</u>
Loan from Direct Borrowing:						
Maintenance District 32	10/24/2000	10/24/2018	5.125%	\$5,404 - \$19,320	\$ 344,445	\$ -
Loan from Direct Placement						
Government Center Bldg.	9/30/2015	8/1/2025	2.200%	\$1,260,112 - \$1,536,041	13,940,320	10,075,268
						<u>\$ 10,075,268</u>

Business-Type Activities

Revenue Bonds from Direct Borrowings and Direct Placements

On March 15, 1988, the County issued \$147,100 in direct borrowing Special Tax Bonds for Maintenance 08A to expand the wastewater treatment plant within the District with a loan from the United States Department of Agriculture Rural Development (USDA). The loan document contains a provision which include acceleration clause that, upon default in the payments of any principal and accrued interest on the loan or in the performance of any covenant or agreement contained in the loan agreement, USDA may declare the entire principal amount then outstanding and accrued interest immediately due and payable. The County has pledged a portion of special assessments revenue to repay the Maintenance District 08A Revenue Bonds.

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On April 5, 2017, Madera County Public Financing Authority (Authority) issued County Service Area 2A/2B Wastwater Revenue Bonds to finance the Bass Lake wastewater treatment plant and lift system construction costs and to pay costs of issuing such Bonds. County of Madera Treasurer purchased the bonds for its investment pool in a direct placement by the Authority. The bonds document contains a provision which include acceleration clause that, upon default in the payments of any principal and accrued interest on the loan or in the performance of any covenant or agreement contained in the bonds document, County of Madera Treasurer may declare the entire principal amount then outstanding and accrued interest immediately due and payable. County Service Area 2A/2B has pledged a portion of special assessments revenue to repay the bonds

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2019</u>
Bonds from Direct Borrowing						
Maintenance District 08A	3/15/1988	7/1/2027	5.00%	\$1,300 -\$7,900	\$ 147,000	\$ 61,400
Bonds from Direct Placement						
County Service Area 02	4/5/2017	9/1/2033	3.50%	\$175,000 -\$530,000	6,780,000	6,290,000
						<u>\$ 6,351,400</u>

Improvement District 1915 Act Bonds from Direct Placement

County Service Area 01, County Service Area 05, and Maintenance District 22A issued in direct placement bonds and used the proceeds to for improvement projects within the districts. Improvement bonds are supported by assessments for principal, interest, and handling charges placed as direct charges on current secured tax bills for property within the assessment/improvement area. The bonds contain a provision that, in the event of default, the outstanding principal balance and accrued interests shall become due and payable immediately. The bonds also contain a subjective acceleration clause that allows the USDA to accelerate payment of the entire principal amount to become immediately due if the County fails to perform any of the covenants, agreements or conditions on its part contained in the loan agreement.

COUNTY OF MADERA, CALIFORNIA
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On January 30, 2019, County of Madera issued \$2,710,000 in direct placement Assessment District No. 2007-1 (CSA No. 19 Rolling Hills Water Improvements) Reassessment and Refunding of 2019 Taxable Limited Obligation Refunding Improvement Bonds. The proceeds were used to refund the CSA No. 19 Rolling Hills Water Improvements Limited Obligation Improvement Bonds, Series 2008. County of Madera Treasurer purchased the bonds for its investment pool in a direct placement by the County.

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2019</u>
Improvement District 1915 Act Bonds from Direct Placement						
County Service Area 01	9/23/2003	9/6/2042	4.25%	\$6,600-\$29,200	\$ 632,140	\$ 312,590
County Service Area 05	3/3/1982	7/2/2021	5.00%	\$1,000 - \$7,000	125,200	20,000
Maintenance District 22A	3/24/2004	9/2/2043	4.50%	\$68,506 - \$365,100	6,956,106	5,161,300
Maintenance District 22A	3/24/2004	9/2/2043	4.50%	\$14,858 - \$79,500	1,514,958	1,121,400
County Service Area 19	9/4/2008	9/2/2038	3.00% - 5.875%	\$50,677 - \$225,000	3,410,677	2,710,000
Total						<u>\$ 9,325,290</u>

Loans from Direct Borrowings

Maintenance District 01 entered into a direct borrowing contract with the California Statewide Community Development Authority (CSCDA) to refinance \$249,191 in a previously outstanding loan for project within the District. Payments are due semi-annually on December 1st and June 1st of each year. The loan contains provisions that if the County is unable to make payment, outstanding amounts are due immediately. The loan also contain a subjective acceleration clause that allows the CSCDA to accelerate payment of the entire principal amount to become immediately due if the County fails to perform any of the covenants, agreements or conditions on its part contained in the loan agreement. Principal and interest are repaid by charging property owners within the geographical boundaries of the district.

Maintenance District 08A entered into a direct borrowing contract with the Department of Water Resources (DWR) for the North Fork water system project within the District. Payments are due semi-annually on April 1st and October 1st of each year. The repayment period commenced on October 1, 1995. The loan document contains a provision which include acceleration clause that, upon default in the payments of any principal and accrued interest on the loan or DWR determines that a substantial breach of the loan agreement, DWR may declare the entire principal amount then outstanding and accrued interest immediately due and payable. Principal and interest are repaid by charging property owners within the geographical boundaries of the district.

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Maintenance District 22A, Maintenance District 27, and County Service Area 01 entered into direct borrowing contracts with the United States Department of Agriculture Rural Development (USDA) for projects within its district. The loan document contains a provision which include acceleration clause that, upon default in the payments of any principal and accrued interest on the loan or in the performance of any covenant or agreement contained in the loan agreement, USDA may declare the entire principal amount then outstanding and accrued interest immediately due and payable. Principal and interest are repaid by charging property owners within the geographical boundaries of the district.

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Annual Principal Installments</u>	<u>Original Issue Amount</u>	<u>Outstanding at June 30, 2019</u>
Loans from Direct Borrowing						
Maintenance District 01	7/1/1993	12/1/2021	7.125%	\$2,844 - \$18,830	\$ 249,191	\$ 46,306
Maintenance District 08A	10/1/1994	3/31/2020	2.965%	\$3,144 - \$6,382	114,450	6,371
Maintenance District 27	12/9/1999	6/29/2040	3.25%	\$2,200 - \$7,600	175,190	118,600
County Service Area 01	9/23/2003	9/6/2042	4.25%	\$1,930 - \$9,410	185,000	145,590
Maintenance District 22A	3/24/2004	8/7/2040	4.50%	\$30,382 - \$136,100	3,091,782	2,018,230
Maintenance District 22A	6/17/2014	6/1/2054	2.25%	\$45,000 - \$108,000	2,886,000	2,651,000
Total						<u>\$ 4,986,097</u>

Compensated Absences

The total of the earned compensated absences and early retirement incentive as of June 30, 2019 for the Governmental Activities (including the Internal Service funds) is \$15,987,599.

The above amount includes \$14,210,195, which covers the earned compensated absences due for vacation, holiday compensation, and overtime. According to County policy and appropriate laws, this amount must be paid in full whether the County's employees take it as leave time while still employed or at the time their employment is terminated. The remaining \$1,777,404 covers the earned compensated absences due for sick leave. According to County policy, this amount is payable in full when the County's employees use it as leave time while still employed. However, at termination, the amount payable may be an amount, which is less than the full amount earned. Sick leave has been valued according to the sick vesting schedule based on bargaining units and the years of services.

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 at least every five years. The County has hired a consultant to perform calculations of excess investment earnings on various bonds and financings, and found that the County had no rebateable arbitrage liability at June 30, 2019.

NOTE 8 LANDFILL CLOSURE AND POST-CLOSURE COSTS

The County operates a solid waste landfill which is currently operating, the Fairmead Landfill. The Fairmead Landfill consists of three waste management units (WMU). On December 31, 1995, WMU 1 ceased receiving wastes, and reached final refuse capacity and final refuse grades. A vertical expansion of 48 feet from 322 feet to 370 feet above mean sea level to WMU 1 was approved in the Solid Waste Permit (SWP) on November 15, 2011. WMU 2 is an existing lined unit and WMU is the

COUNTY OF MADERA, CALIFORNIA
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current fill area that is split into five cells. The Fairmead Landfill is in the process of developing remaining three cells in WMU 3 and WMU4. CalRecycle approved the entire footprint of the Fairmead Landfill in June 2017 for refuse disposal.

State and federal laws and regulation require the County to place a final cover on these landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at each site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the respective landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$5,139,277 reported a landfill closure and post-closure liability at June 30, 2019, represents the cumulative amount reported to date based on the landfill capacity used to date. The County will recognize the remaining estimated cost of closure and post-closure care of \$8,296,150 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all remaining closure and post-closure care as of June 30, 2019. Total current cost of landfill closure and post-closure care is an estimate and subject to changes resulting from inflation, deflation, technology, or changes in applicable laws and regulations. As of June 30, 2019, the capacity of the Fairmead Landfill used to date was 38% and the estimated remaining landfill life is 26 years.

In addition, the County is required by state and federal laws and regulations to make annual contributions to finance closure and post-closure care. The County is in compliance with these requirements, and at June 30, 2019, restricted cash and investments of \$5,217,485 are held for these purposes. These are reported as restricted assets on the statement of net position. The County expects that any increase to future closure and post-closure costs (due to changes in technology or applicable laws or regulations, for example), will be paid from charges to future users.

NOTE 9 DEFICIT NET POSITION

The Madera County Tourism Bid Special Revenue Fund reported a deficit fund balance at June 30, 2019 of (\$11,632). This deficit will be financed through future charges of the fund.

The Self Insurance Internal Service Fund reported a deficit net position at June 30, 2019 of (\$1,777,450). This deficit will be financed through future charges of the fund.

**COUNTY OF MADERA, CALIFORNIA
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NOTE 10 NET POSITION/FUND BALANCE

Classification

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned. A detailed schedule of fund balances at June 30, 2019 is as follows:

	General Fund	Road Fund	Special Revenue - Public Protection	Capital Projects	Other Governmental Funds	Total
Nonspendable:						
Long-term interfund advances	\$ 2,923,846	\$ -	\$ -	\$ -	\$ -	\$ 2,923,846
Prepays and inventory	971,056	340,146	-	3,000,000	-	4,311,202
Total Nonspendable	3,894,902	340,146	-	3,000,000	-	7,235,048
Committed for:						
District attorney program	46,181	-	-	-	-	46,181
Development impact fee program	925,789	-	-	-	-	925,789
Environmental health program	65,434	-	-	-	-	65,434
Total Committed	1,037,404	-	-	-	-	1,037,404
Restricted for:						
General government	2,119,596	-	-	-	841,192	2,960,788
Public protection	2,138,433	-	17,670,744	-	-	19,809,177
Public ways and facilities	-	18,527,914	-	-	18,672,566	37,200,480
Health and sanitation	45,147,892	-	-	-	4,914,613	50,062,505
Public assistance	755,753	-	-	-	8,645,042	9,400,795
Education	70	-	-	-	278,016	278,086
Recreation and culture	662	-	-	-	420,174	420,836
Total Restricted	50,162,406	18,527,914	17,670,744	-	33,771,603	120,132,667
Assigned to:						
Capital projects	-	-	-	4,527,981	-	4,527,981
Purchases on order	985,219	-	-	-	-	985,219
Fire assets replacement	1,000,000	-	-	-	-	1,000,000
Fire department training program	3,902	-	-	-	-	3,902
Peace officer memorial program	3,803	-	-	-	-	3,803
Subsequent year's budget appropriation of fund balance	9,427,176	-	-	-	-	9,427,176
Total Assigned	11,420,100	-	-	4,527,981	-	15,948,081
Unassigned	4,529,619	-	-	-	(11,632)	4,517,987
Total Fund Balance	<u>\$ 71,044,431</u>	<u>\$ 18,868,060</u>	<u>\$ 17,670,744</u>	<u>\$ 7,527,981</u>	<u>\$ 33,759,971</u>	<u>\$ 148,871,187</u>

**COUNTY OF MADERA, CALIFORNIA
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Restatement of Beginning Fund Balance/Net Position

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

The restatement of beginning net position of the governmental activities and business-type activities are summarized as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Net position at July 1, as previously reported	\$ 45,615,857	\$ 74,662,298
Loans receivable adjustments	542,685	-
Capital assets adjustments	<u>(926,171)</u>	<u>508,242</u>
Net position at July 1, as restated	<u>\$ 45,232,371</u>	<u>\$ 75,170,540</u>

Restatements for Housing special revenue fund, County Transit enterprise fund, and Microwave Radio Services internal service fund are shown below:

	<u>Housing</u>	<u>County Transit</u>	<u>Microwave Radio Services</u>
Fund balance/net position at July 1, as previously reported	\$ 7,131,997	\$ 1,998,457	\$ 1,480,397
Loans receivable adjustments	542,685	-	-
Capital asset adjustments	<u>-</u>	<u>508,242</u>	<u>(926,171)</u>
Fund balance at July 1, as restated	<u>\$ 7,674,682</u>	<u>\$ 2,506,699</u>	<u>\$ 554,226</u>

**COUNTY OF MADERA, CALIFORNIA
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NOTE 11 PENSION PLANS

A. General Information about the Pension Plans

Plan Descriptions – The County’s defined benefit pension plans, the County’s Safety and Miscellaneous Plans, provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The County’s Safety and Miscellaneous Plans (Plans) are part of the Public Agency portion of the California Public Employees’ Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. The Madera County Superior Court are included as part of the County’s Miscellaneous Plan. However, for financial reporting purpose, the liabilities and related pension amounts have been excluded from the County’s amounts. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees’ Retirement Law. The County selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through County ordinance. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website at: <http://www.calpers.ca.gov/>.

Benefits Provided – CalPERS provides 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 each plan are applied as specified by the Public Employees’ Retirement Law.

The Public Employees' Pension Reform Act of 2013 (PEPRA) requires new benefits and member contributions for new members as defined by PEPRA, that are hired after January 1, 2013. Pursuant to PEPRA, the Miscellaneous and Safety "Classic" plans are closed to new entrants as of January 1, 2013.

The rate plan provisions and benefits for the Miscellaneous Plan in effect at June 30, 2019 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit Formula	2.7% @ 55	2.0% at 62
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 55	52 - 67
Monthly Benefits, as a % of Eligible Compensation	2.000% to 2.700%	1.000% to 2.500%
Required Employee Contribution Rates	8.000%	6.250%
Required Employer Contribution Rates	10.045%	10.045%

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The rate plan provisions and benefits for the Safety Plan in effect at June 30, 2019 are summarized as follows:

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Benefit Formula	3.0% @ 55	2.7% at 57
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 55	50 - 57
Monthly Benefits, as a % of Eligible Compensation	2.400% to 3.000%	2.000% to 2.700%
Required Employee Contribution Rates	9.000%	10.750%
Required Employer Contribution Rates	15.915%	15.915%

Beginning in fiscal year 2018, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The County's required contribution for the unfunded liability were \$802,626 and \$248,684 for the year for the Miscellaneous Plan and Safety Plan, respectively.

Employees Covered – At June 30, 2019, the following employees were covered by the benefit terms for the Miscellaneous and Safety Plans. Under the Miscellaneous Plan, the data includes Court employees. Currently, there are no reports available to exclude Court employees from the data.

	Miscellaneous	Safety
Inactive Employees or Beneficiaries Currently Receiving Benefits	1,138	180
Inactive Employees Entitled to But Not Yet Receiving Benefits	1,069	131
Active Employees	1,099	270
Total	<u>3,306</u>	<u>581</u>

Contributions – Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are 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 CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

**COUNTY OF MADERA, CALIFORNIA
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B. Net Pension Liability

The County's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plan is measured as of June 30, 2018, using an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2017 actuarial valuation were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry Age Normal	
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return	7.15% (1)	7.15% (1)
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds (2)	
Post Retirement Benefit Increase	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter	

(1) Net of pension plan investment expenses, including inflation.

(2) The mortality table used was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% pf scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Change of Assumptions – In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
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Long-term Expected Rate of Return – The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class ¹	Current Target Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Global Equity	50.0 %	4.80 %	5.98 %
Fixed Income	28.0	1.00 %	2.62 %
Inflation Assets	-	0.77 %	1.81 %
Private Equity	8.0	6.30 %	7.23 %
Real Assets	13.0	3.75 %	4.93 %
Liquidity	1.0	- %	0.92 %
Total	<u>100.0 %</u>		

¹ In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities

² An expected inflation of 2.0% used for this period

³ An expected inflation of 2.92% used for this period

Discount Rate – The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

C. Changes in the Net Pension Liability

The changes in Net Pension Liability for each Plan (excluding Courts) for the measurement date at June 30, 2018 are as follows:

<u>Miscellaneous</u>	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 384,487,412	\$ 251,652,696	\$ 132,834,716
Changes in the Year:			
Service Cost	10,200,951	-	10,200,951
Interest on the Total Pension Liability	28,373,932	-	28,373,932
Changes in Assumptions	(2,634,136)	-	(2,634,136)
Differences Between Actual and Expected Experience	16,618,933	-	16,618,933
Plan to Plan Resource Movement	-	(628)	628
Contributions - Employer	-	13,145,391	(13,145,391)
Contributions - Employee	-	4,194,989	(4,194,989)
Net Investment Income	-	21,355,700	(21,355,700)
Administrative Expenses	-	(395,510)	395,510
Other Miscellaneous Income/(Expenses)	-	(751,081)	751,081
Benefit Payments, including Refunds of Employee Contributions	(19,145,477)	(19,145,477)	-
Net Changes	<u>33,414,203</u>	<u>18,403,384</u>	<u>15,010,819</u>
Balance at June 30, 2019	<u>\$ 417,901,615</u>	<u>\$ 270,056,080</u>	<u>\$ 147,845,535</u>

<u>Safety</u>	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 139,695,275	\$ 89,104,060	\$ 50,591,215
Changes in the Year:			
Service Cost	4,999,963	-	4,999,963
Interest on the Total Pension Liability	10,221,451	-	10,221,451
Changes in Assumptions	586,955	-	586,955
Differences Between Actual and Expected Experience	2,831,744	-	2,831,744
Plan to Plan Resource Movement	-	(225)	225
Contributions - Employer	-	5,274,034	(5,274,034)
Contributions - Employee	-	1,693,773	(1,693,773)
Net Investment Income	-	7,552,246	(7,552,246)
Administrative Expenses	-	(138,849)	138,849
Other Miscellaneous Income/(Expense)	-	(263,676)	263,676
Benefit Payments, including Refunds of Employee Contributions	(5,313,212)	(5,313,212)	-
Net Changes	<u>13,326,901</u>	<u>8,804,091</u>	<u>4,522,810</u>
Balance at June 30, 2019	<u>\$ 153,022,176</u>	<u>\$ 97,908,151</u>	<u>\$ 55,114,025</u>

COUNTY OF MADERA, CALIFORNIA
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Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the County for the Plan, calculated using the discount rate for the Plan, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 6.15%	Discount Rate 7.15%	1% Increase 8.15%
Miscellaneous	\$ 204,674,283	\$ 147,845,535	\$ 101,002,598
Safety	78,284,572	55,114,025	36,209,961

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

D. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

For the year ended June 30, 2019, the County recognized pension expense of \$36,552,742. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 14,494,433	\$ -
Change in Assumptions	8,156,171	(1,881,525)
Differences Between Actual and Expected Experience	11,937,353	(617,556)
Net Differences Between Projected and Actual Earnings on Plan Investments	539,221	-
Total	<u>\$ 35,127,178</u>	<u>\$ (2,499,081)</u>
Safety	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 6,023,899	\$ -
Change in Assumptions	6,179,132	(725,107)
Differences Between Actual and Expected Experience	4,657,651	(9,621)
Net Differences Between Projected and Actual Earnings on Plan Investments	196,295	-
Total	<u>\$ 17,056,977</u>	<u>\$ (734,728)</u>

**COUNTY OF MADERA, CALIFORNIA
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\$20,518,332 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Miscellaneous</u>	<u>Safety</u>
2020	\$ 13,439,750	\$ 3,434,409
2021	5,927,075	2,618,289
2022	(555,090)	1,830,952
2023	(678,071)	1,893,206
2024	-	521,494
Thereafter	-	-
Total	<u>\$ 18,133,664</u>	<u>\$ 10,298,350</u>

E. Payable to the Pension Plan

The County did not have any outstanding contributions to the pension plan required for the year ended June 30, 2019.

NOTE 12 OTHER POST-EMPLOYMENT HEALTH CARE BENEFITS (OPEB)

A. General Information about the OPEB Plan

Plan Description - The County of Madera Retiree Healthcare Plan (HC Plan) is a single-employer defined benefit healthcare plan administered by the County. The HC Plan provides healthcare benefits to eligible retirees and their dependents. No dental, vision, or life insurance benefits are provided. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the County, its management employees, and the union representing County employees.

The County provides eligible employees who retire with a monthly retiree allowance, currently provided through the California Public Employees' Retirement System ("CalPERS") Health Benefits Program under the Public Employees' Medical and Hospital Care Act ("PEMHCA"). Employees are eligible for retiree health benefits if they retire from the County on or after age 50 and 5 years of CalPERS service or disability. The benefits are available only to employees who retire directly from the County.

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Benefits Provided - County pays County employee retiree medical premium up to cap. Caps based on United Healthcare Other Southern CA premiums (95% single premium + 50% of excess dual premium)¹. Larger cap for family coverage (\$1,131.64 pre-Medicare in 2019), based on 50% of excess family premium. Surviving spouse coverage based on CalPERS retirement plan election.

	Pre/Post Medicare Cap	
	Single Coverage	Dual Coverage
2018	\$552.83 / \$314.22	\$894.16 / \$479.60
2019	\$614.32/\$284.40	\$937.64/\$434.09

- 1) Caps for court retirees that are County's responsibility based on 100% Kaiser for single coverage + 50% of excess dual premium

Employees Covered – As June 30, 2018, the measurement date, the following numbers of participants were covered by the benefit terms under the HC Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	645
Inactive Employees Entitled to But Not Yet Receiving Benefits	220
Active employees	1,125
	1,990

Contributions – There is no statutory requirement for the County to pre-fund its OPEB obligation. The County has currently chosen to pay plan benefits on a pay-as-you-go basis. There are no employee contributions. The County fixed dollar benefit cannot be less than PEMHCA minimum (unequal method) for PEMHCA retirees. The County pays this contribution directly to CalPERS. The County has not established a trust that meets paragraph 4 of GASB, Statement No. 75 to fund its other postemployment benefits.

**COUNTY OF MADERA, CALIFORNIA
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B. Total OPEB Liability

At June 30, 2019, the County reported a total OPEB liability of \$186,278,900. The total OPEB liability was measured as of June 30, 2018 and was determined by an actuarial valuation as of June 30, 2017. Updated procedures were used to roll back the Total OPEB Liability from the valuation date (June 30, 2017) to the prior measurement date (June 30, 2016).

Actuarial Assumptions – The total OPEB liability measured as of June 30, 2018, was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2017
Contribution Policy	No pre-funding
Actuarial Assumptions:	
	3.87% at June 30, 2018 Bond Buyer 20 Index
Discount Rate	3.58% at June 30, 2016 Bond Buyer 20 Index
Inflation	2.75% per annum
Mortality, Retirement, Disability Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Projected fully generational with Scale MP-2017
Salary Increases	Aggregate 3%
	Merit - CalPERS 1997-2015 Experience Study
Medical Trend	Non-Medicare - 7.5% for 2019, decreasing to 4% for 2076 and later
	Medicare - 6.5% for 2019, decreasing to 4% for 2076 and later
Medical Plan at Retirement	Currently covered, current election
	Not currently covered: assumed to have Other Southern CA United Healthcare coverage
Medical Participation at Retirement	Current Actives: covered - 100%; waived 80%
	Current retirees - covered - 100%; waived - retiree - re-election assumption
Change of Assumptions	The discount rate was changed from 3.58% to 3.87% for the measurement period ended June 30, 2018

**COUNTY OF MADERA, CALIFORNIA
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C. Changes in Total OPEB Liability

The table below shows the changes in the Total OPEB Liability for the HC Plan during the measurement period ending June 30, 2018.

		Increase (Decrease) Total OPEB Liability
Balance at June 30, 2019 (Measurement Date June 30, 2018)	\$	181,112,000
Changes in the year:		
Service cost		11,587,145
Interest		6,827,370
Differences between actual and expected experience		-
Changes in assumptions		(9,266,615)
Changes in benefit terms		-
Benefit payments, including refunds*		(3,981,000)
Net changes		5,166,900
Balance at June 30, 2018 (Measurement Date June 30, 2018)	\$	186,278,900

* Includes \$3,336,000 in cash and \$645,000 in implied subsidy payments

Sensitivity of the Total OPEB Liability to Changes in Discount Rate – The following presents the 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 or 1-percentage point higher than the current discount rate:

1% Decrease	Current Discount Rate	1% Increase
2.87%	3.87%	4.87%
\$ 221,222,462	\$ 186,278,900	\$ 158,795,293

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate – The following presents the total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage point lower or 1-percentage point higher than the current health care cost trend rate:

1% Decrease	Current Discount Rate	1% Increase
6.5% Non-Medicare 5.5 % Medicare each decreasing to 3%	7.5% Non-Medicare 6.5 % Medicare each decreasing to 4%	8.5% Non-Medicare 7.5 % Medicare each decreasing to 5%
\$ 153,569,486	\$ 186,278,900	\$ 229,321,172

**COUNTY OF MADERA, CALIFORNIA
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D. OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB.

For the year ended June 30, 2019, the County recognized OPEB expense of \$14,166,188. OPEB expense represents the change in the total OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in actuarial assumptions or method. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Outflows of Resources
County contributions subsequent to measurement date **	\$ 4,370,642	\$ -
Differences between expected and actual experience	-	-
Changes in assumptions	-	(26,586,288)
Total	4,370,642	(26,586,288)

** Contributions of \$3,634,653 cash benefit payments and \$725,000 in implied subsidy benefit payments by the County, an \$10,989 administrative expenses.

The \$4,370,642 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2018 measurement date will be recognized as a reduction of the total OPEB liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended June 30,	Amount
2020	\$ (4,248,327)
2021	(4,248,327)
2022	(4,248,327)
2023	(4,248,327)
2024	(4,248,327)
Thereafter	(5,344,653)
	\$ (26,586,288)

NOTE 13 DEFERRED COMPENSATION PLAN

The County has maintained an IRS Section 457 deferred compensation plan for all full-time (and eligible part-time) employees who elect to participate. Employees are allowed to defer a portion of their current income until future years, up to a maximum of \$18,500 during 2018 (calendar year) and \$19,000 during 2019 (calendar year). For those over the age of 50, an additional \$6,000 each year is permitted. The deferred income is not taxable to the employee until retirement distributions begin.

**COUNTY OF MADERA, CALIFORNIA
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The Roth IRA provides for post-tax contributions up to \$5,500 during 2018 (calendar year) and \$6,000 during 2019 (calendar year). For those over the age of 50, an additional \$1,000 each year is permitted.

The employees' contributions are invested by a Trustee, ICMA-RC. At June 30, 2019, the Plan's assets are not presented in the accompanying financial statements as they are deposited with ICMA, the third-party administrator independent of the County.

NOTE 14 COMMITMENTS AND CONTINGENCIES

A. Litigation

There are several lawsuits and unresolved disputes involving the County or its employees in which the County is represented by the County counsel and outside counsel. However, in the opinion of the County counsel and outside counsel these actions will not, in the aggregate, have a material adverse effect upon the operations or financial position of the County.

B. Federal and State Grants

The County participates in a number of Federal and State grant programs subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. However, management does not believe that audit disallowances, if any, would have a significant effect on the financial position of the County.

C. Medicare and Medi-Cal Reimbursements

The County's Medicare and Medi-Cal cost reports for certain prior years are in various stages of review by the third-party intermediaries and have not been settled as a result of certain unresolved reimbursement issues. The County believes that it has adequately provided for any potential liabilities which may arise from the intermediaries' review.

D. Encumbrances

The County uses encumbrances to control expenditure commitments for the year and to enhance cash management. Encumbrances represent commitments related to contracts not yet performed and purchase orders not yet filled (executory contracts; and open purchase orders). Encumbrances still open at year-end are not accounted for as expenditures and liabilities but, rather, as restricted or committed governmental fund balance. As of June 30, 2019, total governmental fund encumbrance balances for the County are as follows:

General fund	\$ 985,219
Road fund	96,978
Special revenue - public protection	120,904
Capital Projects	247,814
Nonmajor governmental funds	40,498
Total	<u>\$ 1,491,413</u>

**COUNTY OF MADERA, CALIFORNIA
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E. Construction Commitments

At June 30, 2019, the County had commitments for the following major construction projects:

	<u>Spent to Date</u>	<u>Remaining Commitment</u>
County Service Area 16 - water system improvement	\$ 96,574	\$ 116,026
Maintenance District 01 - water system improvement	442,442	310,866
Maintenance District 06 - water system improvement	25,033	2,739
Maintenance District 07 - water system improvement	10,461	5,509
Maintenance District 08 - water system improvement	162,142	55,148
Maintenance District 10 - water system improvement	411,891	301,892
Maintenance District 19 - water system improvement	298,885	151,115
Maintenance District 24 - water system improvement	37,862	235,292
Maintenance District 46 - water system improvement	86,647	283,841
North Fork Roundabout Road 225	129,119	1,847,349
Oakhurst midtown connector project	325,939	542,961
Bridge replacement project	955,180	709,684
Ag Department Tenant Improvement	92,950	17,050
Fossil Discovery Center	47,745	2,255
Government Center 3rd Floor Tenant Improvements	39,500	9,875
Hall of Justice	158,099	399,418
Health & Social Services buildings	430,706	167,294
Jail HVAC Replacement	4,827,243	60,172
Madera Ranchos Library/Sheriff	34,000	6,000
Oakhurst BHS Tenant Improvement	112,776	25,190
	<u>\$ 8,725,194</u>	<u>\$ 5,249,676</u>

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
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NOTE 15 RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions, injuries to employees, natural disasters, medical malpractice, unemployment coverage, and dental and vision benefits to employees.

The County established a self-insurance program (reported in the County's Self-Insurance Fund, an internal service fund) to provide partial coverage for various types of risks:

- Worker's Compensation
- General Public Liability, including errors and omissions, malpractice, automobile liability
- Employee's Dental and Vision programs.

The amount of self-insured retention is as follows:

Type	Each Occurrence
Workers' Compensation	\$125,000
General Public Liability	\$100,000
Dental	N/A
Vision	N/A

The minimum reserve levels for the workman's compensation and public liability programs are established based upon an actuarial review of each program, and excess insurance coverage is purchased for both types of coverage. The County has maintained conservative general liability and workman's compensation reserves.

Excess coverage for workers' compensation and general public liability is provided by the California State Association of Counties (CSAC) Excess Insurance Authority (Insurance Authority), a joint powers authority whose purpose is to develop and fund programs of excess insurance for its member counties. The Insurance Authority is governed by a Board of Directors consisting of representatives of the member counties. The reserve levels are established for the Authority Joint Powers Agreement as a whole and are not available to the County separately.

The amount of excess insurance coverage is as follows:

Workers' Compensation:	Coverage
First Level	\$125,000 to \$5,000,000
Second Level	\$5,000,000 to \$50,000,000
Third Level	\$50,000,000 to Statutory Limit
General Public Liability	Coverage
First Level	\$100,000 to \$5,000,000
Second Level	\$5,000,000 to \$10,000,000
Third Level	\$10,000,000 to \$15,000,000
Fourth Level	\$15,000,000 to \$25,000,000

Settled claims have not exceeded insurance coverage in any of the past three years.

**COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019**

The changes in the balance of claims liabilities are as follows:

	<u>2019</u>	<u>2018</u>
Unpaid Claims and Claim Adjustment Expenses, Beginning of the Fiscal Year	\$ 10,549,000	\$ 10,944,000
Incurred Claims and Claim Adjustment Expenses	3,443,634	1,968,186
Claim Payments	<u>(3,323,634)</u>	<u>(2,363,186)</u>
Unpaid Claims and Claim Adjustment Expenses, End of the Fiscal Year	<u>\$ 10,669,000</u>	<u>\$ 10,549,000</u>

The long-term liability for claims and catastrophic losses is as follows:

<u>Type</u>	<u>Total Actuarially Determined Liability</u>
Workers' Compensation	\$ 9,483,000
General Public Liability	1,186,000
Total	<u>\$ 10,669,000</u>

Property, employee health, unemployment insurance, and blanket crime coverage are provided entirely by outside carriers and are, therefore, not accounted for in the self-insurance funds. Since internal service funds predominantly serve the governmental funds, the above-mentioned liabilities are included in governmental activities.

NOTE 16 TAX ABATEMENTS

The County provides property tax abatements through the Agricultural Preserve Program. The program enrolls land in Williamson Act or Farmland Security Zone contracts whereby the land is enforceably restricted to agricultural, open space, or recreational uses in exchange for reduced property tax assessments. Participation in the program is voluntary. The Madera County Uniform Rules for Agricultural Preserves and Farmland Security Zones is the set of rules by which the County administers its Agricultural Preserve Program. The Agricultural Preserve Advisory Committee is responsible for administering the County's Agricultural Preserve Program.

Under the provisions of these contracts, land parcels are assessed for property tax purposes at a rate consistent with their actual use, rather than potential market value of the property. The minimum contract term is ten years and automatically renews until a nonrenewal or cancellation process is initiated. Under the nonrenewal process, the annual tax assessment increases over a defined period of time until the assessment reflects the market value of the property. Under the cancellation process, a significant onetime cancellation fee is assessed based upon a certain percentage of the unrestricted, current fair market value of the property. No other commitments were made by the County as part of the Williamson Act or Farmland Security Zone contracts. For the fiscal year ended June 30, 2019, the Agricultural Preserve Program tax abatements were \$3,030,048.

COUNTY OF MADERA, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 17 SPECIAL ITEMS

Disposal of Operations

In more recent years water problems have been prevalent and the most prominent concern within the County Service Area (CSA) 19 - Rolling Hills. Due to its proximity to the Fresno River, sand has been an issue as well as arsenic. In the summer of 2016 there were catastrophic failures with both the arsenic treatment plant and well #3, which was the newest well, which required rehabilitation. The rehabilitation work required the district to use all of its cash on hand as well as to obtain a cash flow loan of from the County of Madera. Rate increase for CSA 19 is necessary if the County is to continue to operate the CSA 19 Rolling Hills water system and bring the system up to standards. In culmination with financial constraints, residents of the district believe selling their water system to a private water company that operates under the jurisdiction of the California Public Utilities Commission (CPUC) is the most feasible and best option for the district.

On October 23, 2018 the Board approved a Purchase and Sale Agreement for the CSA 19, Rolling Hills water system to Bakman Water Company. The Purchase and Sale Agreement details all of the terms and conditions of the sale of the water system. As of March 1, 2019, Bakman Water Company became the sole provider of potable water service for CSA19.

As a result of the sale of the water system, the County recognized a loss of \$2,020,163 on the sale of the CSA 19 water system as a special item. The District's fiscal year 2018/19 expenses related to its water service operations totaled approximately \$349,020. Fiscal year 2018/19 revenues associated with CSA 19 water service, consists of \$159,388 operating revenue and \$45,047 non-operating revenue. Expenses and revenues of the water service operations in the Special Districts Water/Sewer enterprise fund were \$11,829,457 and \$12,627,203, respectively



REQUIRED SUPPLEMENTARY INFORMATION



**COUNTY OF MADERA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

1. BUDGETARY INFORMATION

Budgets for the operating funds and proprietary fund operations are prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include encumbrances, are budgeted in the year that the applicable purchase orders are expected to be issued. The Debt Service fund budget is prepared to provide funding for debt service when liabilities are due for payment. The budget and actual financial statements are prepared on these basis. Unencumbered appropriation for annually budgeted funds lapse at fiscal year-end.

Budget Policy and Practice

County Administration submits an annual budget to the Board of Supervisors in accordance with the County code and State of California law. This proposed budget is the spending authority from July 1 until budget hearings are held the end of August and the Board of Supervisors formally adopts the budget in early September. Once approved, the Board of Supervisors may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Basis of Budgeting

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and objects as follows: salaries and benefits, services and supplies, other charges, capital outlay, operating transfers, residual equity transfers, and intrafund transfers out. This constitutes the legal level of control. Expenditures may not exceed appropriations for travel, transportation, and education. Budget revisions between object levels, for travel, transportation, and education, or specific capital outlays are subject to final approval by Board of Supervisors. Revisions less than \$5,000 within object levels (excluding transportation, travel & education and specific capital outlays) can be approved by the County Administrative Officer. Revisions to the budget were made throughout the year.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies and recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary accounting in the General and Special Revenue Funds. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities. Encumbrances at year-end are rebudgeted in the new year.

Expenditures Exceeding Appropriations

For the year ended June 30, 2019, expenditures exceeded appropriations in the following:

General Fund	Debt service	\$ 616,071
General Fund	Capital outlay	3,904,384

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 53,677,555	\$ 53,677,555	\$ 55,620,102	\$ 1,942,547
Licenses and Permits	5,942,084	5,959,084	6,098,658	139,574
Fines, Forfeitures, and Penalties	1,900,645	2,378,474	3,810,724	1,432,250
Use of Money and Property	155,646	166,606	196,505	29,899
Intergovernmental	143,723,436	146,734,925	111,676,981	(35,057,944)
Charges for Services	20,647,389	21,063,409	27,474,743	6,411,334
Miscellaneous	2,352,020	2,516,941	1,203,311	(1,313,630)
Total Revenues	228,398,775	232,496,994	206,081,024	(26,415,970)
EXPENDITURES				
General Government:				
Board of Supervisors:				
Salaries and Benefits	1,558,684	1,558,684	1,566,944	(8,260)
Services and Supplies	227,458	232,190	174,496	57,694
Total Board of Supervisors	1,786,142	1,790,874	1,741,440	49,434
Administrative Management/ Purchasing:				
Salaries and Benefits	909,063	894,063	957,284	(63,221)
Services and Supplies	43,355	59,752	60,876	(1,124)
Total Administrative Management/ Purchasing	952,418	953,815	1,018,160	(64,345)
Auditor Controller:				
Salaries and Benefits	2,265,011	2,265,011	2,103,433	161,578
Services and Supplies	239,505	289,982	160,450	129,532
Total Auditor Controller	2,504,516	2,554,993	2,263,883	291,110
Assessor:				
Salaries and Benefits	2,335,735	2,335,735	2,211,214	124,521
Services and Supplies	217,309	293,113	276,646	16,467
Total Assessor	2,553,044	2,628,848	2,487,860	140,988
Treasurer - Tax Collector:				
Salaries and Benefits	1,374,073	1,345,429	1,073,780	271,649
Services and Supplies	293,330	305,261	215,651	89,610
Total Treasurer - Tax Collector	1,667,403	1,650,690	1,289,431	361,259
County Counsel:				
Services and Supplies	1,352,550	1,660,213	1,541,726	118,487
Human Resources:				
Salaries and Benefits	1,221,561	1,221,561	1,220,000	1,561
Services and Supplies	129,524	161,523	124,545	36,978
Total Human Resources	1,351,085	1,383,084	1,344,545	38,539

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
General Government (Continued):				
Elections:				
Salaries and Benefits	\$ 605,383	\$ 605,383	\$ 492,867	\$ 112,516
Services and Supplies	429,613	429,613	428,708	905
Total Elections	1,034,996	1,034,996	921,575	113,421
General Services:				
Salaries and Benefits	207,135	207,135	210,186	(3,051)
Services and Supplies	110,773	100,773	109,254	(8,481)
Total General Services	317,908	307,908	319,440	(11,532)
PW - Engineering:				
Salaries and Benefits	3,584,530	3,584,530	2,604,219	980,311
Services and Supplies	647,261	699,737	457,977	241,760
Total PW - Engineering	4,231,791	4,284,267	3,062,196	1,222,071
Building Operations:				
Services and Supplies	430,642	718,932	646,214	72,718
Building Maintenance:				
Salaries and Benefits	814,364	794,364	790,705	3,659
Services and Supplies	608,825	770,544	760,286	10,258
Total Building Maintenance	1,423,189	1,564,908	1,550,991	13,917
PW - Special Districts:				
Salaries and Benefits	2,011,176	2,011,176	1,821,183	189,993
Services and Supplies	616,086	691,370	561,179	130,191
Total PW - Special Districts	2,627,262	2,702,546	2,382,362	320,184
Grounds Maintenance:				
Salaries and Benefits	377,904	377,904	370,368	7,536
Services and Supplies	94,173	94,173	87,429	6,744
Total Grounds Maintenance	472,077	472,077	457,797	14,280
Utilities:				
Services and Supplies	656,334	641,334	625,029	16,305
Insurance:				
Salaries and Benefits	217,456	217,456	96,712	120,744
Services and Supplies	4,338,179	4,338,179	4,063,262	274,917
Total Insurance	4,555,635	4,555,635	4,159,974	395,661
Central Services:				
Salaries and Benefits	81,203	81,203	84,438	(3,235)
Services and Supplies	531,190	640,803	493,342	147,461
Total Insurance	612,393	722,006	577,780	144,226

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
General Government (Continued):				
311 Customer Service Center:				
Salaries and Benefits	\$ 205,931	\$ 205,931	\$ 224,902	\$ (18,971)
Services and Supplies	38,889	39,084	31,640	7,444
Total 311 Customer Service Center	244,820	245,015	256,542	(11,527)
Information Technology:				
Salaries and Benefits	3,707,274	3,571,718	3,093,665	478,053
Services and Supplies	2,548,071	2,957,879	2,490,794	467,085
Total Information Technology	6,255,345	6,529,597	5,584,459	945,138
Special Payments:				
Services and Supplies	1,111,711	1,280,242	1,185,428	94,814
Total General Government	36,141,261	37,681,980	33,416,832	4,265,148
Public Protection:				
Child Support Services:				
Salaries and Benefits	2,478,786	2,905,667	2,372,062	533,605
Services and Supplies	288,639	308,682	268,297	40,385
Total Child Support Services	2,767,425	3,214,349	2,640,359	573,990
District Attorney:				
Salaries and Benefits	3,381,974	3,335,281	3,159,915	175,366
Services and Supplies	489,810	497,614	495,387	2,227
Total District Attorney	3,871,784	3,832,895	3,655,302	177,593
District Attorney - COPS:				
Salaries and Benefits	125,322	125,322	124,547	775
Services and Supplies	1,373	1,373	1,378	(5)
Total District Attorney - COPS	126,695	126,695	125,925	770
District Attorney - Rape Prosecution Grant:				
Salaries and Benefits	158,758	158,758	160,554	(1,796)
Services and Supplies	3,318	3,318	1,826	1,492
Total District Attorney - Rape Prosecution Grant	162,076	162,076	162,380	(304)
District Attorney - DUI Program:				
Salaries and Benefits	146,253	146,253	147,832	(1,579)
Services and Supplies	48,134	48,134	52,644	(4,510)
Total District Attorney - DUI Program	194,387	194,387	200,476	(6,089)

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Public Protection (Continued):				
District Attorney - Crime Prosecution Unit:				
Salaries and Benefits	\$ 290,929	\$ 290,929	\$ 280,475	\$ 10,454
Services and Supplies	6,553	6,868	5,020	1,848
Total District Attorney - Crime Prosecution Unit	297,482	297,797	285,495	12,302
District Attorney - Welfare Fraud:				
Salaries and Benefits	1,185,544	1,185,544	1,059,043	126,501
Services and Supplies	205,659	212,687	121,227	91,460
Total District Attorney - Welfare Fraud	1,391,203	1,398,231	1,180,270	217,961
District Attorney - VOCA Victim Services:				
Salaries and Benefits	73,863	73,863	13,221	60,642
Services and Supplies	106,637	107,225	69,284	37,941
Total District Attorney - VOCA Services	180,500	181,088	82,505	98,583
Trial Court Operations (Gen Fund Contribution):				
Services and Supplies	1,326,128	1,326,128	1,308,921	17,207
Grand Jury:				
Services and Supplies	73,700	82,800	83,165	(365)
Public Defender:				
Services and Supplies	3,448,536	3,448,536	3,429,187	19,349
Sheriff - Coroner:				
Salaries and Benefits	9,707,523	9,777,620	9,707,671	69,949
Services and Supplies	4,395,778	4,567,002	3,726,925	840,077
Total Sheriff - Coroner	14,103,301	14,344,622	13,434,596	910,026
Sheriff - EMPG Emergency Planning:				
Salaries and Benefits	176,322	176,322	172,465	3,857
Services and Supplies	148,678	128,167	120,796	7,371
Total Sheriff - EMPG Emergency Planning	325,000	304,489	293,261	11,228
Sheriff - Bass Lake Operations:				
Salaries and Benefits	231,052	231,052	214,393	16,659
Services and Supplies	74,613	129,272	93,407	35,865
Total Sheriff - Bass Lake Operations	305,665	360,324	307,800	52,524

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Public Protection (Continued):				
Sheriff - CalOES:				
Services and Supplies	\$ 165,081	\$ 181,298	\$ 88,954	\$ 92,344
Sheriff - Canine Program:				
Services and Supplies	35,000	36,350	23,637	12,713
Sheriff - Morgue Operations:				
Salaries and Benefits	349,842	309,842	305,306	4,536
Services and Supplies	363,482	446,249	374,774	71,475
Total Sheriff -Morgue Operations	713,324	756,091	680,080	76,011
Sheriff - Emergency Operations:				
Salaries and Benefits	115,055	115,055	10,646	104,409
Services and Supplies	100,000	117,267	44,319	72,948
Total Sheriff -Morgue Operations	215,055	232,322	54,965	177,357
Misc Sheriff				
Services and Supplies	25,000	29,759	11,516	18,243
Sheriff - Fed - Cannabis Eradication:				
Salaries and Benefits	50,000	16,844	-	16,844
Services and Supplies	45,000	48,510	46,765	1,745
Total Sheriff - Fed - Cannabis Eradication	95,000	65,354	46,765	18,589
Sheriff - Various Tobacco Grants				
Salaries and Benefits	-	430,200	288,412	141,788
Services and Supplies	-	83,613	39,935	43,678
Total Sheriff -Various Tobacco Grants	-	513,813	328,347	185,466
Sheriff - State Citizen OPTN				
Salaries and Benefits	216,713	216,713	212,613	4,100
Services and Supplies	6,561	6,561	6,461	100
Total Sheriff - State Citizen OPTN	223,274	223,274	219,074	4,200
Sheriff - Multi Juris Local Hazard:				
Services and Supplies	150,000	150,000	3,472	146,528
Sheriff - Tree Mortality:				
Salaries and Benefits	81,900	81,900	3,516	78,384
Services and Supplies	4,891,481	4,891,481	2,388,941	2,502,540
Total Sheriff - Tree Mortality	4,973,381	4,973,381	2,392,457	2,580,924

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Public Protection (Continued):				
Sheriff - Chukchansi Indian Casino:				
Salaries and Benefits	658,199	595,699	582,189	13,510
Services and Supplies	30,208	31,039	27,289	3,750
Total Sheriff - Chukchansi Indian Casino	<u>688,407</u>	<u>626,738</u>	<u>609,478</u>	<u>17,260</u>
Sheriff - Rural Crime Prevention Task Force:				
Salaries and Benefits	292,461	292,461	289,287	3,174
Services and Supplies	88,355	88,355	82,212	6,143
Total Sheriff - Rural Crime Prevention Task Force	<u>380,816</u>	<u>380,816</u>	<u>371,499</u>	<u>9,317</u>
Sheriff - Civil Division:				
Salaries and Benefits	595,961	575,961	549,558	26,403
Services and Supplies	112,900	112,900	102,182	10,718
Total Sheriff - Civil Division	<u>708,861</u>	<u>688,861</u>	<u>651,740</u>	<u>37,121</u>
Sheriff - Off Highway:				
Salaries and Benefits	59,000	38,830	-	38,830
Services and Supplies	46,000	46,051	19,025	27,026
Total Sheriff - Off Highway	<u>105,000</u>	<u>84,881</u>	<u>19,025</u>	<u>65,856</u>
Sheriff - Jstc Asstnc Byrne Grant:				
Services and Supplies	<u>27,706</u>	<u>56,506</u>	<u>27,187</u>	<u>29,319</u>
Sheriff - Anti-Drug Program:				
Salaries and Benefits	167,800	167,800	193,919	(26,119)
Services and Supplies	54,577	72,966	37,978	34,988
Total Sheriff - Anti-Drug Program	<u>222,377</u>	<u>240,766</u>	<u>231,897</u>	<u>8,869</u>
Sheriff - Cal - MMET:				
Salaries and Benefits	281,849	263,849	250,786	13,063
Services and Supplies	48,237	61,639	55,191	6,448
Total Sheriff - Cal - MMET	<u>330,086</u>	<u>325,488</u>	<u>305,977</u>	<u>19,511</u>
Sheriff - Court Security:				
Salaries and Benefits	1,728,874	1,613,874	1,586,421	27,453
Services and Supplies	121,750	134,093	107,473	26,620
Total Sheriff - Court Security	<u>1,850,624</u>	<u>1,747,967</u>	<u>1,693,894</u>	<u>54,073</u>
Sheriff - OCJP NET Project:				
Services and Supplies	93,900	95,746	46,205	49,541
Total Sheriff - OCJP NET Project	<u>93,900</u>	<u>95,746</u>	<u>46,205</u>	<u>49,541</u>
Department of Corrections:				
Salaries and Benefits	9,906,863	9,906,863	9,546,585	360,278
Services and Supplies	6,321,922	6,416,155	6,376,624	39,531
Total Department of Corrections	<u>16,228,785</u>	<u>16,323,018</u>	<u>15,923,209</u>	<u>399,809</u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

EXPENDITURES (CONTINUED)	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Public Protection (Continued):				
Juvenile Hall:				
Salaries and Benefits	3,930,944	3,930,944	3,925,959	4,985
Services and Supplies	1,093,483	1,118,697	1,119,556	(859)
Total Juvenile Hall	5,024,427	5,049,641	5,045,515	4,126
Probation:				
Salaries and Benefits	4,180,955	4,180,955	3,890,381	290,574
Services and Supplies	517,490	572,411	493,604	78,807
Total Probation	4,698,445	4,753,366	4,383,985	369,381
Probation - CCP Planning				
Services and Supplies	\$ 100,000	\$ 101,000	\$ 59,115	\$ 41,885
Probation - Crime Prevention Act of 2000:				
Salaries and Benefits	415,887	475,944	472,504	3,440
Services and Supplies	53,805	54,335	47,792	6,543
Total Probation - Crime Prevention Act of 2000	469,692	530,279	520,296	9,983
Probation - Youth Offender Block Grant:				
Salaries and Benefits	476,296	476,296	432,493	43,803
Services and Supplies	133,731	215,831	189,211	26,620
Total Probation - Youth Offender Block Grant	610,027	692,127	621,704	70,423
Probation - Proud Parent Program:				
Salaries and Benefits	60,057	--	--	--
Services and Supplies	59,204	59,204	--	59,204
Total Probation - Proud Parent Prg.	119,261	59,204	--	59,204
Probation - Cal OES Grant:				
Salaries and Benefits			-	-
Services and Supplies	-	51,113	41,772	9,341
Total Probation - Cal OES Grant	-	51,113	41,772	9,341
Fire Prevention:				
Salaries and Benefits	831,188	831,188	765,857	65,331
Services and Supplies	5,829,827	5,825,357	6,223,711	(398,354)
Total Fire Prevention	6,661,015	6,656,545	6,989,568	(333,023)
Fire - Chukchansi Indian Casino:				
Services and Supplies	958,301	1,466,647	857,715	608,932
Fire - Riverstone				
Services and Supplies	610,984	1,098,125	377,637	720,488

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Public Protection (Continued):				
Fire - Tesoro Viejo				
Services and Supplies	1,117,954	1,117,954	677,209	440,745
Ag. Commissioner/Sealer of Wts. & Measures:				
Salaries and Benefits	1,545,033	1,545,033	1,484,230	60,803
Services and Supplies	159,934	130,863	109,534	21,329
Total Ag. Commissioner/Sealer of Wts. & Measures	1,704,967	1,675,896	1,593,764	82,132
CED - Fire Prevention - Land Development:				
Salaries and Benefits				-
Services and Supplies	-	201	19	182
CED - Building Inspection:				
Salaries and Benefits	1,700,552	1,700,552	1,466,466	234,086
Services and Supplies	807,713	811,703	570,498	241,205
Total CED - Building Inspection	2,508,265	2,512,255	2,036,964	475,291
County Clerk-Recorder:				
Salaries and Benefits	850,672	850,672	769,878	80,794
Services and Supplies	193,868	244,444	189,008	55,436
Total County Clerk-Recorder	1,044,540	1,095,116	958,886	136,230
CED Water and Natural Resources:				
Salaries and Benefits	475,600	460,800	374,501	86,299
Services and Supplies	4,243,882	4,401,882	1,942,545	2,459,337
Total CED Water and Natural Res.	4,719,482	4,862,682	2,317,046	2,545,636
RMA - Planning:				
Salaries and Benefits	1,778,383	1,778,383	1,373,610	404,773
Services and Supplies	987,650	797,126	280,273	516,853
Total CED Planning	2,766,033	2,575,509	1,653,883	921,626
Animal Services:				
Salaries and Benefits	953,108	918,848	908,408	10,440
Services and Supplies	433,831	473,091	479,294	(6,203)
Total Animal Services	1,386,939	1,391,939	1,387,702	4,237
Local Agency Fomation Commission				
Services and Supplies	25,321	25,321	25,320	1
Public Guardian:				
Salaries and Benefits	347,452	347,452	299,346	48,106
Services and Supplies	54,169	54,489	48,682	5,807
Total Public Guardian	401,621	401,941	348,028	53,913

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Public Protection (Continued):				
Predatory Animal Control:				
Services and Supplies	80,002	80,002	60,099	19,903
Total Public Protection	90,812,835	93,203,509	80,875,247	12,328,462
Health and Sanitation:				
Behavioral Health Services:				
Salaries and Benefits	12,946,897	12,946,897	11,208,938	1,737,959
Services and Supplies	15,910,544	16,591,570	11,657,506	4,934,064
Total Behavioral Health Services	28,857,441	29,538,467	22,866,444	6,672,023
Health:				
Salaries and Benefits	9,424,508	9,548,108	7,857,364	1,690,744
Services and Supplies	2,682,209	6,195,016	5,096,765	1,098,251
Total Health	12,106,717	15,743,124	12,954,129	2,788,995
CED Environmental Health:				
Salaries and Benefits	\$ 1,385,542	\$ 1,385,542	\$ 1,312,344	\$ 73,198
Services and Supplies	143,005	720,151	522,695	197,456
Total CED Environmental Health	1,528,547	2,105,693	1,835,039	270,654
Total Health and Sanitation	42,492,705	47,387,284	37,655,612	9,731,672
Public Assistance:				
Department of Social Services:				
Salaries and Benefits	27,311,349	27,311,349	26,018,848	1,292,501
Services and Supplies	8,849,749	9,080,242	6,229,035	2,851,207
Total Department of Social Services	36,161,098	36,391,591	32,247,883	4,143,708
General Relief:				
Services and Supplies	890,416	890,416	641,883	248,533
Total General Relief	890,416	890,416	641,883	248,533
Aid for CalWORKS:				
Services and Supplies	23,000,000	20,494,331	19,491,397	1,002,934
Foster Care:				
Services and Supplies	8,400,000	9,500,000	8,693,222	806,778
Aid for Adopted Children:				
Services and Supplies	4,000,000	4,500,000	4,241,020	258,980
Cal - Learn:				
Services and Supplies	10,000	15,000	12,780	2,220
GAIN Support Services (Welfare to Work):				
Services and Supplies	350,000	669,201	432,472	236,729

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Public Assistance (Continued):				
In-home Supportive Service:				
Services and Supplies	4,286,378	4,442,846	4,384,502	58,344
CalWORKS Child Care:				
Services and Supplies	350,000	700,177	447,320	252,857
Kin Gap:				
Services and Supplies	725,000	900,000	769,100	130,900
Cash Assistance Program for Immigrants:				
Services and Supplies	45,000	45,000	29,613	15,387
Housing Assistance/Transitional Program:				
Services and Supplies	150,000	172,403	135,159	37,244
Veterans Service:				
Salaries and Benefits	\$ 231,727	\$ 231,727	\$ 176,711	\$ 55,016
Services and Supplies	20,615	36,240	12,590	23,650
Total Veterans Service	<u>252,342</u>	<u>267,967</u>	<u>189,301</u>	<u>78,666</u>
Community Action Partnership:				
Salaries and Benefits	189,521	189,521	196,658	(7,137)
Services and Supplies	41,447	105,927	101,834	4,093
Total Community Action Partnership	<u>230,968</u>	<u>295,448</u>	<u>298,492</u>	<u>(3,044)</u>
Total Public Assistance	78,851,202	79,284,380	72,014,144	7,270,236
Education:				
Library:				
Salaries and Benefits	1,192,279	1,168,279	1,133,696	34,583
Services and Supplies	436,525	453,193	453,879	(686)
Total Library Department	<u>1,628,804</u>	<u>1,621,472</u>	<u>1,587,575</u>	<u>33,897</u>
Agricultural Extension Service:				
Services and Supplies	81,600	81,600	81,552	48
Total Education	1,710,404	1,703,072	1,669,127	33,945
Debt Service:				
Principal	\$ 4,508,144	\$ 4,570,979	\$ 3,890,706	680,273
Interest	43,804	43,804	1,340,148	(1,296,344)
Total Debt Service	<u>4,551,948</u>	<u>4,614,783</u>	<u>5,230,854</u>	<u>(616,071)</u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
EXPENDITURES (CONTINUED)				
Capital Outlay	1,129,635	3,208,337	7,112,721	(3,904,384)
Appropriations for Contingencies	1,156,941	3,696	-	3,696
Establish Reserve for Future Budgetary Needs	-	-	-	-
Total Expenditures	<u>256,846,931</u>	<u>267,087,041</u>	<u>237,974,537</u>	<u>29,112,504</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(28,448,156)	(34,590,047)	(31,893,513)	2,696,534
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	\$ 2,686	\$ 120,186	\$ 138,650	\$ 18,464
Capital Leases	-	-	7,861,452	7,861,452
Transfers in	21,978,886	22,539,635	18,821,651	(3,717,984)
Transfers out	(3,471,178)	(1,219,871)	(1,253,784)	(33,913)
Total Other Financing Sources (Uses)	<u>18,510,394</u>	<u>21,439,950</u>	<u>25,567,969</u>	<u>4,128,019</u>
NET CHANGE IN FUND BALANCE	<u>\$ (9,937,762)</u>	<u>\$ (13,150,097)</u>	<u>\$ (6,325,544)</u>	<u>\$ 6,824,553</u>

Explanation of Differences Between Budgetary Outflows and GAAP Expenditures

Sources/Inflows of Resources

Actual Amounts from the Budgetary Comparison Schedule - Total Revenues	\$ 206,081,024
Revenues for funds not meeting the special revenue fund definition which are presented with the General Fund for financial reporting purposes.	<u>6,126,070</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 212,207,094</u>

Uses/Outflows of Resources

Actual amounts from the budgetary comparison schedule - Total Expenditures	\$ 237,974,537
Expenditures for funds not meeting the special revenue fund definition which are presented with the General Fund for financial reporting purposes.	<u>855,126</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 238,829,663</u>
Net change in fund balance as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	\$ (1,054,600)
Fund balance - General fund	11,154,345
Fund Balance for funds not meeting the special revenue fund definition which are presented with the General Fund for financial reporting purposes	<u>60,944,686</u>
Fund Balance - Ending	<u>\$ 71,044,431</u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
ROAD FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and Permits	\$ 180,000	\$ 180,000	\$ 310,462	\$ 130,462
Fines, Forfeitures and Penalties	-	-	3,880	3,880
Use of Money and Property	16,000	16,000	490,384	474,384
Aid from Other Governments	18,669,175	18,669,175	18,086,937	(582,238)
Charges for Services	5,055,328	5,055,328	1,699,131	(3,356,197)
Other Revenues	77,000	77,000	96,097	19,097
Total Revenues	<u>23,997,503</u>	<u>23,997,503</u>	<u>20,686,891</u>	<u>(3,310,612)</u>
EXPENDITURES				
Current:				
Public Way and Facilities	27,553,408	27,613,954	11,646,132	15,967,822
Capital Outlay	1,053,000	1,496,282	2,770,828	(1,274,546)
Total Expenditures	<u>28,606,408</u>	<u>29,110,236</u>	<u>14,416,960</u>	<u>14,693,276</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,608,905)	(5,112,733)	6,269,931	11,382,664
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	<u>20,000</u>	<u>20,000</u>	<u>250</u>	<u>(19,750)</u>
NET CHANGE IN FUND BALANCES	(4,588,905)	(5,092,733)	6,270,181	11,362,914
Fund Balances - Beginning of Year	<u>12,597,879</u>	<u>12,597,879</u>	<u>12,597,879</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 8,008,974</u></u>	<u><u>\$ 7,505,146</u></u>	<u><u>\$ 18,868,060</u></u>	<u><u>\$ 11,362,914</u></u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
PUBLIC PROTECTION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 220,800	\$ 220,800	\$ 206,482	\$ (14,318)
Fines, Forfeitures, and Penalties	248,656	248,656	303,709	55,053
Use of Money and Property	31,027	31,027	354,697	323,670
Aid from Other Governments	16,142,567	16,142,567	14,773,867	(1,368,700)
Charges for Services	759,981	811,094	1,137,251	326,157
Other Revenues	10,000	10,000	-	(10,000)
Total Revenues	<u>17,413,031</u>	<u>17,464,144</u>	<u>16,776,006</u>	<u>(688,138)</u>
EXPENDITURES				
Current:				
Public Protection	9,731,607	11,607,098	5,764,025	5,843,073
Appropriations for Contingencies	6,145,694	5,518,598	-	5,518,598
Total Expenditures	<u>15,877,301</u>	<u>17,125,696</u>	<u>5,764,025</u>	<u>11,361,671</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,535,730	338,448	11,011,981	10,673,533
OTHER FINANCING SOURCES (USES)				
Transfers in	-	14,000	14,000	-
Transfers out	-	(9,267,684)	(7,937,270)	1,330,414
Total Other Financing Sources (Uses)	<u>-</u>	<u>(9,253,684)</u>	<u>(7,923,270)</u>	<u>1,330,414</u>
NET CHANGE IN FUND BALANCES	1,535,730	(8,915,236)	3,088,711	12,003,947
Fund Balances - Beginning of Year	<u>14,582,033</u>	<u>14,582,033</u>	<u>14,582,033</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 16,117,763</u>	<u>\$ 5,666,797</u>	<u>\$ 17,670,744</u>	<u>\$ 12,003,947</u>

**COUNTY OF MADERA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

2. SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years*	2018-19 (MD June 30, 2018)		2017-18 (MD June 30, 2017)		2016-17 (MD June 30, 2016)		2015-16 (MD June 30, 2015)		2014-15 (MD June 30, 2014)	
	Miscellaneous	Safety								
Total Pension Liability:										
Service Cost	\$ 10,200,951	\$ 4,999,963	\$ 9,137,288	\$ 4,477,948	\$ 7,967,800	\$ 3,594,452	\$ 7,683,576	\$ 3,162,968	\$ 8,157,719	\$ 3,267,969
Interest on Total Pension Liability	28,373,932	10,221,451	26,139,799	9,335,190	25,278,398	8,611,631	23,765,848	7,905,321	22,719,323	7,438,687
Changes in assumptions	(2,634,136)	586,955	21,759,332	8,610,463	-	-	(5,749,451)	(2,106,263)	-	-
Differences between actual and expected experience	16,618,933	2,831,744	(1,647,538)	1,510,637	1,067,872	2,614,614	(2,908,580)	(27,941)	-	-
Benefit Payments, including Refunds of Employee Contributions	(19,145,477)	(5,313,212)	(17,617,872)	(4,881,950)	(17,000,742)	(4,672,414)	(15,804,469)	(4,659,227)	(14,759,285)	(4,070,640)
Net Change in Total Pension Liability	33,414,203	13,326,901	37,771,009	19,052,288	17,313,328	10,148,283	6,986,924	4,274,858	16,117,757	6,636,016
Total Pension Liability - Beginning	384,487,412	139,695,275	346,716,403	120,642,987	329,403,073	110,494,704	322,416,149	106,219,846	306,298,392	99,583,830
Total Pension Liability - Ending (a)	\$ 417,901,615	\$ 153,022,176	\$ 384,487,412	\$ 139,695,275	\$ 346,716,401	\$ 120,642,987	\$ 329,403,073	\$ 110,494,704	\$ 322,416,149	\$ 106,219,846
Plan Fiduciary Net Position:										
Contributions - Employer	\$ 13,145,391	\$ 5,274,034	\$ 13,417,594	\$ 5,316,998	\$ 10,869,044	\$ 4,207,414	\$ 9,996,596	\$ 3,656,075	\$ 8,914,032	\$ 3,121,564
Contributions - Employee	4,194,989	1,693,773	4,302,807	1,742,208	3,678,812	1,450,374	3,399,169	1,352,807	3,389,966	1,130,044
Net Investment Income	21,355,700	7,552,246	25,632,269	8,832,008	1,255,335	397,608	5,066,190	1,656,920	33,850,283	11,244,037
Administrative expenses	(395,510)	(138,849)	(337,408)	(115,472)	(140,151)	(46,851)	(256,676)	(86,468)	(277,446)	(83,334)
Plan to plan resource movement	(628)	(225)	(2,635)	-	(384)	419	(1,667)	7,463	-	-
Other Miscellaneous Income/(Expense)	(751,081)	(263,676)								
Benefit Payments	(19,145,477)	(5,313,212)	(17,617,872)	(4,881,950)	(17,000,742)	(4,672,414)	(15,804,469)	(4,659,227)	(14,759,285)	(4,070,640)
Net Change in Plan Fiduciary Net Position	18,403,384	8,804,091	25,394,755	10,893,792	(1,338,086)	1,336,550	2,399,143	1,927,570	31,117,550	11,341,671
Plan Fiduciary Net Position - Beginning	251,652,696	89,104,060	226,257,941	78,210,268	227,596,025	76,873,718	225,196,882	74,946,148	194,079,332	63,604,477
Plan Fiduciary Net Position - Ending (b)	\$ 270,056,080	\$ 97,908,151	\$ 251,652,696	\$ 89,104,060	\$ 226,257,939	\$ 78,210,268	\$ 227,596,025	\$ 76,873,718	\$ 225,196,882	\$ 74,946,148
Net Pension Liability - Ending (a) - (b)	\$ 147,845,535	\$ 55,114,025	\$ 132,834,716	\$ 50,591,215	\$ 120,458,462	\$ 42,432,719	\$ 101,807,048	\$ 33,620,986	\$ 97,219,267	\$ 31,273,698
Plan Fiduciary Net Percentage as a Percentage of the										
Total Pension Liability	64.62%	63.98%	65.45%	63.78%	65.26%	64.83%	69.09%	69.57%	69.85%	70.56%
Covered Payroll	\$ 55,783,423	\$ 18,355,307	\$ 54,688,584	\$ 17,859,592	\$ 46,674,621	\$ 16,224,794	\$ 44,850,158	\$ 14,890,358	\$ 42,604,393	\$ 12,916,055
Net Pension Liability as a Percentage of										
Covered Payroll	265.03%	300.26%	242.89%	283.27%	258.08%	261.53%	226.99%	225.79%	228.19%	242.13%

**COUNTY OF MADERA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

Notes to Schedule:

Benefit Changes: The figure above does not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015 amounts reported reflect an adjustment of the discount rate from 7.50 percent (net of administrative expenses) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

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

**COUNTY OF MADERA, CALIFORNIA
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2019**

3. SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years*	2018-19 (MD June 30, 2018)		2017-18 (MD June 30, 2017)		2016-17 (MD June 30, 2016)		2015-16 (MD June 30, 2015)		2014-15 (MD June 30, 2014)	
	Miscellaneous	Safety								
Actuarially Determined Contribution Contributions Related to the Actuarially Determined Contribution	\$ 14,494,434	\$ 6,023,899	\$ 13,158,233	\$ 5,273,771	\$ 13,423,896	\$ 5,316,125	\$ 10,764,709	\$ 4,206,633	\$ 9,757,659	\$ 3,660,890
	(14,494,434)	(6,023,899)	(13,158,233)	(5,273,771)	(13,423,896)	(5,316,125)	(10,764,709)	(4,206,633)	(9,757,659)	(3,660,890)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's Covered Payroll	\$ 57,750,898	\$ 19,115,890	\$ 55,783,423	\$ 18,355,307	\$ 54,688,584	\$ 17,859,592	\$ 46,674,621	\$ 16,224,794	\$ 44,850,158	\$ 14,890,358
Contributions as a Percentage of Covered Payroll	25.10%	31.51%	23.59%	28.73%	24.55%	29.77%	23.06%	25.93%	21.76%	24.59%

Notes to Schedule:

Valuation Date: Actuarially determined rates are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are reported

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal cost method
Amortization Method	Level percentage of payroll, closed
Asset Valuation Method	Market value of assets
Inflation	2.75%
Salary Increases	Varies by entry age and service
Payroll Growth	3.00 %
Investment Rate of Return	7.15% net of pension plan investment and administrative expenses; includes inflation
Retirement Age	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997-2011
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997-2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using ScaleBB published by the Society of Actuaries

* Additional years will be presented as they become available

SUPPLEMENTARY INFORMATION



NONMAJOR GOVERNMENTAL FUNDS



**COUNTY OF MADERA, CALIFORNIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019**

ASSETS	<u>Housing</u>	<u>Madera County Tourism Bid</u>	<u>Special Districts Road/Lighting</u>	<u>Development Impact Fees: Library</u>	<u>Development Impact Fees: Parks</u>
Cash and Investments	\$ 1,279,968	\$ 1,980	\$ 10,563,241	\$ 276,676	\$ 418,107
Receivables:					
Accounts	-	322,969	61,942	421	678
Interest	5,377	118	27,804	919	1,389
Due from Other Governments	-	-	-	-	-
Taxes Receivable	-	-	39,015	-	-
Due from Other Funds	100	-	537	-	-
Restricted cash and investments	-	-	34,815	-	-
Loans Receivable	6,574,391	-	-	-	-
Advances to Other Funds	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 7,859,836</u>	<u>\$ 325,067</u>	<u>\$ 10,727,354</u>	<u>\$ 278,016</u>	<u>\$ 420,174</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 271,889	\$ 324,676	\$ 67,739	\$ -	\$ -
Due to Other Funds	-	2,322	145,119	-	-
Due to Other Governments	-	-	-	-	-
Deposits from Others	-	-	900	-	-
Total Liabilities	<u>271,889</u>	<u>326,998</u>	<u>213,758</u>	<u>-</u>	<u>-</u>
 DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	9,701	39,017	-	-
 FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	7,587,947	-	10,474,579	278,016	420,174
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(11,632)	-	-	-
Total Fund Balances	<u>7,587,947</u>	<u>(11,632)</u>	<u>10,474,579</u>	<u>278,016</u>	<u>420,174</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 7,859,836</u>	<u>\$ 325,067</u>	<u>\$ 10,727,354</u>	<u>\$ 278,016</u>	<u>\$ 420,174</u>

**COUNTY OF MADERA, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019**

	Special Revenue				Total
	General Government	Public Ways and Facilities	Health and Sanitation	Public Assistance	
ASSETS					
Cash and Investments	\$ 265,261	\$ 7,511,345	\$ 4,507,716	\$ 684,386	\$ 25,508,680
Receivables:					
Accounts	-	1,683	-	-	387,693
Interest	881	24,965	3,339	1,165	65,957
Due from Other Governments	-	-	657,850	1,211,005	1,868,855
Taxes Receivable	-	844	-	-	39,859
Due from Other Funds	-	-	-	-	637
Restricted cash and investments	-	-	-	-	34,815
Loans Receivable	575,050	-	-	-	7,149,441
Advances to Other Funds	-	774,701	-	-	774,701
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 841,192</u>	<u>\$ 8,313,538</u>	<u>\$ 5,168,905</u>	<u>\$ 1,896,556</u>	<u>\$ 35,830,638</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ 5,264	\$ 72,098	\$ 1,406	\$ 743,072
Due to Other Funds	-	25,438	172,802	838,055	1,183,736
Due to Other Governments	-	84,004	9,392	-	93,396
Deposits from Others	-	-	-	-	900
Total Liabilities	<u> </u>	<u>114,706</u>	<u>254,292</u>	<u>839,461</u>	<u>2,021,104</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	845	-	-	49,563
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	841,192	8,197,987	4,914,613	1,057,095	33,771,603
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(11,632)
Total Fund Balances	<u>841,192</u>	<u>8,197,987</u>	<u>4,914,613</u>	<u>1,057,095</u>	<u>33,759,971</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 841,192</u>	<u>\$ 8,313,538</u>	<u>\$ 5,168,905</u>	<u>\$ 1,896,556</u>	<u>\$ 35,830,638</u>

**COUNTY OF MADERA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019**

	Housing	Madera County Tourism Bid	Special Districts Roads/Lighting	Development Impact Fees: Library	Development Impact Fees: Parks
REVENUES					
Taxes	\$ -	\$ -	\$ 1,191,054	\$ -	\$ -
Fines, Forfeitures, and Penalties	-	-	-	-	-
Use of Money and Property	43,428	174	311,403	6,715	9,312
Intergovernmental	60,536	-	-	-	-
Charges for Services	-	881,740	903,847	138,740	189,438
Miscellaneous	-	54	-	-	-
Total Revenues	103,964	881,968	2,406,304	145,455	198,750
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Ways and Facilities	-	-	1,338,415	-	-
Health and Sanitation	-	-	-	-	-
Public Assistance	190,699	-	-	-	-
Recreation and Cultural Services	-	885,881	30,856	-	-
Debt service					
Principal	-	-	8,672	-	-
Interest	-	-	221	-	-
Total Expenditures	190,699	885,881	1,378,164	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(86,735)	(3,913)	1,028,140	145,455	198,750
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	(205,000)	(56,362)	-
Total Other Financing Sources (Uses)	-	-	(205,000)	(56,362)	-
NET CHANGE IN FUND BALANCES	(86,735)	(3,913)	823,140	89,093	198,750
Fund Balances - Beginning of Year, Restated	7,674,682	(7,719)	9,651,439	188,923	221,424
FUND BALANCES - END OF YEAR	\$ 7,587,947	\$ (11,632)	\$ 10,474,579	\$ 278,016	\$ 420,174

**COUNTY OF MADERA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019**

	Special Revenue				Total
	General Government	Public Ways and Facilities	Health and Sanitation	Public Assistance	
REVENUES					
Taxes	\$ -	\$ 183,414	\$ -	\$ -	\$ 1,374,468
Fines, Forfeitures, and Penalties	-	-	205,603	-	205,603
Use of Money and Property	8,778	205,139	87,796	20,396	693,141
Intergovernmental	-	-	4,746,806	8,093,472	12,900,814
Charges for Services	-	2,896,723	7,291	12,632	5,030,411
Miscellaneous	3,000	-	-	-	3,054
Total Revenues	11,778	3,285,276	5,047,496	8,126,500	20,207,491
EXPENDITURES					
Current:					
General Government	4,963	-	-	-	4,963
Public Ways and Facilities	-	1,093,173	-	-	2,431,588
Health and Sanitation	-	-	191,667	-	191,667
Public Assistance	-	-	-	385,934	576,633
Recreation and Cultural Services	-	-	-	-	916,737
Debt service					
Principal	-	-	-	-	8,672
Interest	-	-	-	-	221
Total Expenditures	4,963	1,093,173	191,667	385,934	4,130,481
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,815	2,192,103	4,855,829	7,740,566	16,077,010
OTHER FINANCING SOURCES (USES)					
Transfers out	-	-	(4,655,469)	(7,328,859)	(12,245,690)
Total Other Financing Sources (Uses)	-	-	(4,655,469)	(7,328,859)	(12,245,690)
NET CHANGE IN FUND BALANCES	6,815	2,192,103	200,360	411,707	3,831,320
Fund Balances - Beginning of Year, Restated	834,377	6,005,884	4,714,253	645,388	29,928,651
FUND BALANCES - END OF YEAR	\$ 841,192	\$ 8,197,987	\$ 4,914,613	\$ 1,057,095	\$ 33,759,971

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
HOUSING AND COMMUNITY DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 5,225	\$ 5,225	\$ 43,428	\$ 38,203
Aid from Other Governments	-	400,000	60,536	(339,464)
Total Revenues	<u>5,225</u>	<u>405,225</u>	<u>103,964</u>	<u>(301,261)</u>
EXPENDITURES				
Current:				
Public Assistance	300,000	1,058,770	190,699	868,071
Appropriations for Contingencies	236,638	156,218	-	156,218
Total Expenditures	<u>536,638</u>	<u>1,214,988</u>	<u>190,699</u>	<u>1,024,289</u>
EXCESS(DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(531,413)	(809,763)	(86,735)	723,028
OTHER FINANCING SOURCES (USES)				
Transfer In	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
NET CHANGE IN FUND BALANCES	(481,413)	(759,763)	(86,735)	673,028
Fund Balances - Beginning of Year	<u>7,674,682</u>	<u>7,674,682</u>	<u>7,674,682</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 7,193,269</u></u>	<u><u>\$ 6,914,919</u></u>	<u><u>\$ 7,587,947</u></u>	<u><u>\$ 673,028</u></u>

**COUNTY OF MADERA, CALIFORNIA
 BUDGETARY COMPARISON SCHEDULE
 TOURISM
 YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 174	\$ 174
Charges for Services	957,600	957,600	881,740	(75,860)
Miscellaneous	-	-	54	54
Total Revenues	<u>957,600</u>	<u>957,600</u>	<u>881,968</u>	<u>(75,632)</u>
EXPENDITURES				
Current:				
Recreation and Cultural Services	<u>957,600</u>	<u>957,600</u>	<u>885,881</u>	<u>71,719</u>
NET CHANGE IN FUND BALANCES	-	-	(3,913)	(3,913)
Fund Balances - Beginning of Year	<u>(7,719)</u>	<u>(7,719)</u>	<u>(7,719)</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ (7,719)</u>	<u>\$ (7,719)</u>	<u>\$ (11,632)</u>	<u>\$ (3,913)</u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
SPECIAL DISTRICTS ROAD/LIGHTING
YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 1,029,360	\$ 1,029,360	\$ 1,191,054	\$ 161,694
Use of Money and Property	44,531	44,531	311,403	266,872
Charges for Services	<u>1,159,732</u>	<u>1,159,732</u>	<u>903,847</u>	<u>(255,885)</u>
Total Revenues	2,233,623	2,233,623	2,406,304	172,681
EXPENDITURES				
Current:				
Public Way and Facilities	9,963,525	10,062,568	1,338,415	8,724,153
Recreation and Cultural Services	12,920	48,151	30,856	17,295
Debt Service				
Principal	20,000	20,000	8,672	11,328
Interest	800	800	221	579
Appropriations for Contingencies	<u>1,119,316</u>	<u>1,080,846</u>	<u>-</u>	<u>1,080,846</u>
Total Expenditures	<u>11,116,561</u>	<u>11,212,365</u>	<u>1,378,164</u>	<u>9,834,201</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,882,938)	(8,978,742)	1,028,140	10,006,882
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(205,000)</u>	<u>(205,000)</u>	<u>(205,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(205,000)</u>	<u>(205,000)</u>	<u>(205,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(9,087,938)	(9,183,742)	823,140	10,006,882
Fund Balances - Beginning of Year	<u>9,651,439</u>	<u>9,651,439</u>	<u>9,651,439</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 563,501</u>	<u>\$ 467,697</u>	<u>\$ 10,474,579</u>	<u>\$ 10,006,882</u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
DEVELOPMENT IMPACT FEES – LIBRARY
YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of Money and Property	\$ 1,000	\$ 1,000	\$ 6,715	\$ 5,715
Charges for Services	<u>100,000</u>	<u>100,000</u>	<u>138,740</u>	<u>38,740</u>
Total Revenues	<u>101,000</u>	<u>101,000</u>	<u>145,455</u>	<u>44,455</u>
EXPENDITURES				
Appropriations for Contingencies	<u>287,498</u>	<u>231,136</u>	<u>-</u>	<u>231,136</u>
	<u>287,498</u>	<u>231,136</u>	<u>-</u>	<u>231,136</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(186,498)	(130,136)	145,455	275,591
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>(56,362)</u>	<u>(56,362)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(56,362)</u>	<u>(56,362)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(186,498)	(186,498)	89,093	275,591
Fund Balances - Beginning of Year	<u>188,923</u>	<u>188,923</u>	<u>188,923</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 2,425</u></u>	<u><u>\$ 2,425</u></u>	<u><u>\$ 278,016</u></u>	<u><u>\$ 275,591</u></u>

**COUNTY OF MADERA, CALIFORNIA
 BUDGETARY COMPARISON SCHEDULE
 DEVELOPMENT IMPACT FEES – PARKS
 YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 1,500	\$ 1,500	\$ 9,312	\$ 7,812
Charges for Services	122,000	122,000	189,438	67,438
Total Revenues	<u>123,500</u>	<u>123,500</u>	<u>198,750</u>	<u>75,250</u>
EXPENDITURES				
Appropriations for Contingencies	337,210	337,210	-	337,210
Total Expenditures	<u>337,210</u>	<u>337,210</u>	<u>-</u>	<u>337,210</u>
NET CHANGE IN FUND BALANCES	(213,710)	(213,710)	198,750	412,460
Fund Balances - Beginning of Year	<u>221,424</u>	<u>221,424</u>	<u>221,424</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 7,714</u></u>	<u><u>\$ 7,714</u></u>	<u><u>\$ 420,174</u></u>	<u><u>\$ 412,460</u></u>

**COUNTY OF MADERA, CALIFORNIA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL GOVERNMENT
 YEAR ENDED JUNE 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 8,778	\$ 8,778
Other Revenues	-	-	3,000	3,000
Total Revenues	<u>-</u>	<u>-</u>	<u>11,778</u>	<u>11,778</u>
EXPENDITURES				
Current:				
General Government	<u>9,479</u>	<u>9,479</u>	<u>4,963</u>	<u>4,516</u>
Total Expenditures	<u>9,479</u>	<u>9,479</u>	<u>4,963</u>	<u>4,516</u>
NET CHANGE IN FUND BALANCES	(9,479)	(9,479)	6,815	16,294
Fund Balances - Beginning of Year	<u>834,377</u>	<u>834,377</u>	<u>834,377</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 824,898</u>	<u>\$ 824,898</u>	<u>\$ 841,192</u>	<u>\$ 16,294</u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
PUBLIC WAYS AND FACILITIES
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	195,564	195,564	183,414	(12,150)
Use of Money and Property	51,300	51,300	205,139	153,839
Charges for Services	1,952,542	1,952,542	2,896,723	944,181
Total Revenues	<u>2,199,406</u>	<u>2,199,406</u>	<u>3,285,276</u>	<u>1,085,870</u>
EXPENDITURES				
Current:				
Public Way and Facilities	248,880	1,400,433	1,093,173	307,260
Appropriations for Contingencies	4,645,734	3,645,734	-	3,645,734
Total Expenditures	<u>4,894,614</u>	<u>5,046,167</u>	<u>1,093,173</u>	<u>3,952,994</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	505,000	275,000	-	(275,000)
Total Other Financing Sources (Uses)	<u>505,000</u>	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>
NET CHANGE IN FUND BALANCES	(2,190,208)	(2,571,761)	2,192,103	4,763,864
Fund Balances - Beginning of Year	<u>6,005,884</u>	<u>6,005,884</u>	<u>6,005,884</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 3,815,676</u></u>	<u><u>\$ 3,434,123</u></u>	<u><u>\$ 8,197,987</u></u>	<u><u>\$ 4,763,864</u></u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
HEALTH AND SANITATION
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines, Forfeitures, and Penalties	\$ 210,600	\$ 210,600	\$ 205,603	\$ (4,997)
Use of Money and Property	12,270	12,270	87,796	75,526
Aid from Other Governments	3,944,054	3,944,054	4,746,806	802,752
Charges for Services	6,875	6,875	7,291	416
Total Revenues	<u>4,173,799</u>	<u>4,173,799</u>	<u>5,047,496</u>	<u>873,697</u>
EXPENDITURES				
Current:				
Health and Sanitation	248,536	293,607	191,667	101,940
Appropriations for Contingencies	3,010,256	2,515,256	-	2,515,256
Total Expenditures	<u>3,258,792</u>	<u>2,808,863</u>	<u>191,667</u>	<u>2,617,196</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	915,007	1,364,936	4,855,829	3,490,893
OTHER FINANCING SOURCES (USES)				
Transfers out	(4,681,218)	(5,131,218)	(4,655,469)	475,749
Total Other Financing Sources (Uses)	<u>(4,681,218)</u>	<u>(5,131,218)</u>	<u>(4,655,469)</u>	<u>475,749</u>
NET CHANGE IN FUND BALANCES	(3,766,211)	(3,766,282)	200,360	3,966,642
Fund Balances - Beginning of Year	<u>4,714,253</u>	<u>4,714,253</u>	<u>4,714,253</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 948,042</u>	<u>\$ 947,971</u>	<u>\$ 4,914,613</u>	<u>\$ 3,966,642</u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
PUBLIC ASSISTANCE
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 3,000	\$ 3,000	\$ 20,396	\$ 17,396
Aid from Other Governments	7,850,017	7,850,017	8,093,472	243,455
Charges for Services	12,000	12,000	12,632	632
Total Revenues	<u>7,865,017</u>	<u>7,865,017</u>	<u>8,126,500</u>	<u>261,483</u>
EXPENDITURES				
Current:				
Public Assistance	517,287	517,287	385,934	131,353
Total Expenditures	<u>517,287</u>	<u>517,287</u>	<u>385,934</u>	<u>131,353</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,347,730	7,347,730	7,740,566	392,836
OTHER FINANCING SOURCES (USES)				
Transfers in			-	-
Transfers out	(8,094,027)	(8,094,027)	(7,328,859)	765,168
Total Other Financing Sources (Uses)	<u>(8,094,027)</u>	<u>(8,094,027)</u>	<u>(7,328,859)</u>	<u>765,168</u>
NET CHANGE IN FUND BALANCES	(746,297)	(746,297)	411,707	1,158,004
Fund Balances - Beginning of Year	<u>645,388</u>	<u>645,388</u>	<u>645,388</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ (100,909)</u></u>	<u><u>\$ (100,909)</u></u>	<u><u>\$ 1,057,095</u></u>	<u><u>\$ 1,158,004</u></u>

**COUNTY OF MADERA, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Use of Money and Property	\$ 547	\$ 547	\$ 133,319	\$ 132,772
Aid from Other Governments	-	5,000	5,000	-
Other Revenues	-	1,552,167	728,067	(824,100)
Total Revenues	<u>547</u>	<u>1,557,714</u>	<u>866,386</u>	<u>(691,328)</u>
EXPENDITURES				
Current:				
Public Protection	-	75,700	1,032	74,668
Recreation and Cultural Services	27,000	30,250	6,503	23,747
Capital Outlay	3,383,447	8,550,147	6,423,808	2,126,339
Total Expenditures	<u>3,410,447</u>	<u>8,656,097</u>	<u>6,431,343</u>	<u>2,224,754</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,409,900)	(7,098,383)	(5,564,957)	1,533,426
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,172,751	2,671,093	498,342
Transfers out	-	-	-	-
Capital Leases	2,142,727	2,142,727	3,792,775	1,650,048
Total Other Financing Sources (Uses)	<u>2,142,727</u>	<u>4,315,478</u>	<u>6,463,868</u>	<u>2,148,390</u>
NET CHANGE IN FUND BALANCES	(1,267,173)	(2,782,905)	898,911	3,681,816
Fund Balances - Beginning of Year	<u>6,629,070</u>	<u>6,629,070</u>	<u>6,629,070</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 5,361,897</u></u>	<u><u>\$ 3,846,165</u></u>	<u><u>\$ 7,527,981</u></u>	<u><u>\$ 3,681,816</u></u>

INTERNAL SERVICE FUNDS



COUNTY OF MADERA, CALIFORNIA
COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2019

	Central Garage	Self Insurance	Microwave Radio Services	Total
ASSETS				
Current Assets:				
Cash and Investments	\$ 948,358	\$ 9,212,095	\$ 467,269	\$ 10,627,722
Receivables:				
Accounts	-	1	-	1
Interest	3,115	30,719	1,553	35,387
Prepaid Items	-	-	75,305	75,305
Inventories	50,251	-	-	50,251
Total Current Assets	<u>1,001,724</u>	<u>9,242,815</u>	<u>544,127</u>	<u>10,788,666</u>
Noncurrent Assets:				
Capital Assets:				
Nondepreciable	293,563	-	194,795	488,358
Depreciable	4,747,500	-	181,428	4,928,928
Total Noncurrent Assets	<u>5,041,063</u>	<u>-</u>	<u>376,223</u>	<u>5,417,286</u>
Total Assets	<u>6,042,787</u>	<u>9,242,815</u>	<u>920,350</u>	<u>16,205,952</u>
DEFERRED OUTFLOWS				
Deferred Outflows - OPEB	24,106	-	-	24,106
Deferred Outflows - Pensions	156,863	-	-	156,863
Total deferred outflows of resources	<u>180,969</u>	<u>-</u>	<u>-</u>	<u>180,969</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	15,034	77,610	195,082	287,726
Due to Other Funds	-	273,655	-	273,655
Due to other Governments	-	-	29,196	29,196
Compensated Absences	36,005	-	-	36,005
Other post employment benefits obligation	24,106	-	-	24,106
Claims Payable	-	2,662,641	-	2,662,641
Long-Term Debt, Due in One Year	83,907	-	-	83,907
Total Current Liabilities	<u>159,052</u>	<u>3,013,906</u>	<u>224,278</u>	<u>3,397,236</u>
Noncurrent Liabilities:				
Compensated Absences	7,588	-	-	7,588
Long-Term Debt, Due in More than One Year	373,449	-	-	373,449
Liability for Other Postemployment Benefits	1,026,558	-	-	1,026,558
Claims Payable	-	8,006,359	-	8,006,359
Net Pension Liability	759,616	-	-	759,616
Total Noncurrent Liabilities	<u>2,167,211</u>	<u>8,006,359</u>	<u>-</u>	<u>10,173,570</u>
Total Liabilities	<u>2,326,263</u>	<u>11,020,265</u>	<u>224,278</u>	<u>13,570,806</u>
DEFERRED INFLOWS				
Deferred Inflows - OPEB	125,270	-	-	125,270
Deferred Inflows - Pensions	11,160	-	-	11,160
Total deferred inflows of resources	<u>136,430</u>	<u>-</u>	<u>-</u>	<u>136,430</u>
NET POSITION				
Net Investment in Capital Assets	4,583,707	-	376,223	4,959,930
Unrestricted	(822,644)	(1,777,450)	319,849	(2,280,245)
Total Net Position	<u>\$ 3,761,063</u>	<u>\$ (1,777,450)</u>	<u>\$ 696,072</u>	<u>\$ 2,679,685</u>

**COUNTY OF MADERA, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019**

	Central Garage	Self Insurance	Microwave Radio Services	Total
OPERATING REVENUES				
Charges for Services	\$ 2,355,068	\$ 7,506,411	\$ 613,185	\$ 10,474,664
Total Operating Revenues	<u>2,355,068</u>	<u>7,506,411</u>	<u>613,185</u>	<u>10,474,664</u>
OPERATING EXPENSES				
Salaries and Benefits	497,386	125,000	-	622,386
Services and Supplies	933,820	2,397,860	246,783	3,578,463
Maintenance	190,354	-	115,427	305,781
Insurance	349	2,465,585	-	2,465,934
Utilities	15,159	-	-	15,159
Claims	-	1,419,064	-	1,419,064
Depreciation	713,917	-	104,135	818,052
Total Operating Expenses	<u>2,350,985</u>	<u>6,407,509</u>	<u>466,345</u>	<u>9,224,839</u>
OPERATING INCOME (LOSS)	4,083	1,098,902	146,840	1,249,825
NONOPERATING REVENUE (EXPENSES)				
Investment Income	22,867	229,788	12,391	265,046
Interest and Fiscal Charges	(30,033)	-	(4,335)	(34,368)
Other Nonoperating Revenues	4,203	-	-	4,203
Gain (loss) on Disposal of Capital Assets	62,168	-	(13,050)	49,118
Total Nonoperating Revenue (Expenses)	<u>59,205</u>	<u>229,788</u>	<u>(4,994)</u>	<u>283,999</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	63,288	1,328,690	141,846	1,533,824
Capital Contributions	26,856	-	-	26,856
CHANGE IN NET POSITION	90,144	1,328,690	141,846	1,560,680
Net Position - Beginning of Year, Restated	<u>3,670,919</u>	<u>(3,106,140)</u>	<u>554,226</u>	<u>1,119,005</u>
NET POSITION - END OF YEAR	<u>\$ 3,761,063</u>	<u>\$ (1,777,450)</u>	<u>\$ 696,072</u>	<u>\$ 2,679,685</u>

**COUNTY OF MADERA, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019**

	Central Garage	Self Insurance	Microwave Radio Services	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Receipts from Interfund Services	2,358,390	7,658,891	613,185	\$ 10,630,466
Cash Paid to Suppliers	(1,146,527)	(6,434,794)	(180,034)	(7,761,355)
Cash Paid to Employees	(420,742)	(125,000)	-	(545,742)
Net Cash Provided (Used) by Operating Activities	791,121	1,099,097	433,151	2,323,369
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund Loans	17,660	39,820	-	57,480
Net Cash Provided (Used) by Noncapital Financing Activities	17,660	39,820	-	57,480
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of Capital Assets	(538,136)	-	(342,879)	(881,015)
Proceeds from Sale of Capital Assets	68,561	-	-	68,561
Principal Payments on Debt	(61,632)	-	(100,995)	(162,627)
Interest Payments	(30,033)	-	(4,335)	(34,368)
Net Cash Provided (Used) by Capital and Related Financing Activities	(561,240)	-	(448,209)	(1,009,449)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	13,017	122,330	6,300	141,647
Changes in Fair Value of investments	9,683	111,153	6,612	127,448
Net Cash Provided (Used) by Investing Activities	22,700	233,483	12,912	269,095
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
	270,241	1,372,400	(2,146)	1,640,495
Cash and Cash Equivalents - Beginning of Year	678,117	7,839,695	469,415	8,987,227
CASH AND CASH EQUIVALENTS - END OF YEAR	948,358	9,212,095	467,269	\$ 10,627,722

continued

**COUNTY OF MADERA, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019**

	Central Garage	Self Insurance	Microwave Radio Services	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	4,083	1,098,902	146,840	\$ 1,249,825
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	713,917	-	104,135	818,052
Changes in Assets and Liabilities:				
(Increase) Decrease in:				
Accounts Receivable	3,322	152,480	-	155,802
Prepaid Expenses	-		(36,780)	(36,780)
Inventories	11,938	-	-	11,938
Deferred Outflows of Resources - Pensions	(7,559)	-	-	(7,559)
Deferred Outflows of Resources - OPEB	1,099	-	-	1,099
Increase (Decrease) in:				
Accounts Payable and Other Liabilities	(18,660)	(272,292)	194,823	(96,129)
Salaries and Benefits Payable	(19,940)	-	-	(19,940)
Due to Other Governments	(124)	7	24,133	24,016
Compensated Absences	(517)	-	-	(517)
Post Employment Benefits Liability	17,898	-	-	17,898
Claims Payable	-	120,000	-	120,000
Net Pension Liability	63,756	-	-	63,756
Deferred Inflows of Resources - Pensions	3,249	-	-	3,249
Deferred Inflows of Resources - OPEB	18,659	-	-	18,659
Net Cash Provided (Used) by Operating Activities	<u>\$ 791,121</u>	<u>\$ 1,099,097</u>	<u>\$ 433,151</u>	<u>\$ 2,323,369</u>
SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Contribution of Capital Assets	\$ 26,856	-	-	\$ 26,856
Purchase of Machinery, Equipment, and Vehicles on Account	\$ 215,023	\$ -	\$ -	\$ 215,023

AGENCY FUNDS



**COUNTY OF MADERA, CALIFORNIA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2019**

	Beginning Balance	Additions	Deductions	Ending Balances
Assets				
Cash and investments	\$ 8,544,633	436,015,136	435,613,054	\$ 8,946,715
Accounts receivable	390	220,572	210,548	10,414
Due from other governments	5,840	732	6,572	-
Taxes receivable	518,542	521,307	528,567	511,282
Interest receivable	17,280	3,882	-	21,162
Total Assets	<u>\$ 9,086,685</u>	<u>\$ 436,761,629</u>	<u>\$ 436,358,741</u>	<u>\$ 9,489,573</u>
Liabilities				
Accounts payable	\$ 623,954	42,380,589	42,410,267	\$ 594,276
Due to other governments	695,112	4,353,971	4,638,981	410,102
Deposits from others	-	130	130	-
Agency obligations	7,767,619	424,489,922	423,772,346	8,485,195
Unearned revenue	-	28	28	-
Total Liabilities	<u>\$ 9,086,685</u>	<u>\$ 471,224,640</u>	<u>\$ 470,821,752</u>	<u>\$ 9,489,573</u>





STATISTICAL SECTION



**COUNTY OF MADERA, CALIFORNIA
STATISTICAL SECTION
DESCRIPTION**

This section of the County of Madera's comprehensive annual financial report presents detailed information as a context for understanding and expanding upon what the information of the financial statements, note disclosures, and required supplementary information says about the county's overall financial health.

Contents

Financial Trends

These schedules contain trend information to assist the reader in understanding how the county's financial information and well-being have changed over time.

Revenue Capacity

These schedules contain information to assist the reader in assessing the county's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to assist the reader in assessing the affordability of the county's current level of outstanding debt and the county's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to assist the reader to comprehend the environment within which the county's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to assist the reader in understanding how the information in the county's financial report relates to the services the county provides and the activities it performs.

Note about sources: Unless otherwise noted, the information in the following schedules is derived from the comprehensive annual financial reports for the relevant year. The County of Madera implemented GASB Statement 34 in fiscal year 1999-2000; schedules presenting government-wide information include information beginning in that year.



FINANCIAL TRENDS



COUNTY OF MADERA, CALIFORNIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 197,768	\$ 209,852	\$ 226,771	\$ 238,910	\$ 242,644	\$ 241,415	\$ 237,185	\$ 247,343	\$ 250,429	\$ 248,737
Restricted	37,863	44,050	91,589	90,499	102,820	101,690	104,482	99,024	109,757	134,170
Unrestricted	1,176	9,530	(42,467)	(52,203)	(67,464)	(200,639)	(211,549)	(221,281)	(314,570)	(350,741)
Total Governmental										
Activities Net Position	<u>\$ 236,807</u>	<u>\$ 263,432</u>	<u>\$ 275,893</u>	<u>\$ 277,206</u>	<u>\$ 278,000</u>	<u>\$ 142,466</u>	<u>\$ 130,118</u>	<u>\$ 125,086</u>	<u>\$ 45,616</u>	<u>\$ 32,166</u>
Business-Type Activities:										
Net Investment in										
Capital Assets	\$ 28,769	\$ 30,192	\$ 30,224	\$ 31,953	\$ 33,495	\$ 41,224	\$ 52,857	\$ 45,856	\$ 46,341	\$ 43,167
Restricted	1,630	1,847	21,313	-	-	-	-	-	-	-
Unrestricted	10,678	16,105	148	20,892	19,596	19,678	21,795	23,817	28,321	32,040
Total Business-Type										
Activities Net Position	<u>\$ 41,077</u>	<u>\$ 48,144</u>	<u>\$ 51,685</u>	<u>\$ 52,845</u>	<u>\$ 53,091</u>	<u>\$ 60,902</u>	<u>\$ 74,652</u>	<u>\$ 69,673</u>	<u>\$ 74,662</u>	<u>\$ 75,207</u>
Total Primary Government:										
Net Investment in										
Capital Assets	\$ 226,537	\$ 240,044	\$ 256,995	\$ 270,863	\$ 276,139	\$ 282,639	\$ 290,042	\$ 293,199	\$ 296,770	\$ 291,904
Restricted	39,493	45,897	112,902	90,499	102,820	101,690	104,482	99,024	109,757	134,170
Unrestricted	11,854	25,635	(42,319)	(31,311)	(47,868)	(180,961)	(189,754)	(197,464)	(286,249)	(318,701)
Total Primary Government										
Net Position	<u>\$ 277,884</u>	<u>\$ 311,576</u>	<u>\$ 327,578</u>	<u>\$ 330,051</u>	<u>\$ 331,091</u>	<u>\$ 203,368</u>	<u>\$ 204,770</u>	<u>\$ 194,759</u>	<u>\$ 120,278</u>	<u>\$ 107,373</u>

Source: Statements of Net Assets, 2009-10 through 2012-13, and Net Position, 2013-14 through 2018-19.

COUNTY OF MADERA, CALIFORNIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	2009-10	2010-11	2011-12	20012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
EXPENSES										
Governmental Activities:										
General Government	\$ 35,060	\$ 40,626	\$ 41,296	\$ 38,322	\$ 30,530	\$ 27,367	\$ 30,278	\$ 34,640	\$ 36,789	\$ 40,363
Public Protection	63,796	58,354	54,354	56,800	64,077	71,347	74,905	78,768	90,429	97,491
Public Ways and Facilities	19,193	17,854	18,719	18,300	17,905	20,709	20,904	20,731	18,863	19,594
Health and Sanitation	28,390	25,649	27,069	26,437	26,291	27,708	28,556	32,321	37,552	42,562
Public Assistance	54,130	56,544	54,927	53,225	55,979	60,060	61,982	69,492	73,628	78,680
Education	1,992	1,191	1,030	1,010	1,186	1,366	1,363	1,621	2,078	1,993
Recreation	60	51	674	831	934	946	973	1,251	1,313	1,443
Interest and Fiscal Charges	876	830	859	833	743	889	1,228	1,214	1,131	1,383
Total Governmental Activities Expenses	<u>\$ 203,497</u>	<u>\$ 201,099</u>	<u>\$ 198,928</u>	<u>\$ 195,758</u>	<u>\$ 197,645</u>	<u>\$ 210,392</u>	<u>\$ 220,189</u>	<u>\$ 240,038</u>	<u>\$ 261,783</u>	<u>\$ 283,509</u>
Business-Type Activities:										
Maintenance Districts	\$ 1,652	\$ 1,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance District 22A	1,942	1,648	-	-	-	-	-	-	-	-
Special Districts -										
Water/Sewer	-	-	-	-	-	-	7,323	10,323	8,493	11,441
County Landfill	2,590	2,838	1,817	3,630	4,469	4,467	5,498	(407)	5,764	6,518
Service Areas	1,520	1,475	-	-	-	-	-	-	-	-
Transit	-	-	-	-	-	-	-	-	1,454	1,348
Nonmajor Enterprise Funds	1,154	1,491	6,387	6,680	6,874	6,503	-	-	-	-
Total Business-Type Activities Expenses	<u>\$ 8,858</u>	<u>\$ 9,304</u>	<u>\$ 8,204</u>	<u>\$ 10,310</u>	<u>\$ 11,343</u>	<u>\$ 10,970</u>	<u>\$ 12,821</u>	<u>\$ 9,916</u>	<u>\$ 15,711</u>	<u>\$ 19,307</u>
Total Primary Government Expenses	<u>\$ 212,355</u>	<u>\$ 210,403</u>	<u>\$ 207,132</u>	<u>\$ 206,068</u>	<u>\$ 208,988</u>	<u>\$ 221,362</u>	<u>\$ 233,010</u>	<u>\$ 249,954</u>	<u>\$ 277,494</u>	<u>\$ 302,816</u>

**COUNTY OF MADERA, CALIFORNIA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)**

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
PROGRAM REVENUES										
Governmental Activities:										
Fees, Fines, Charges for Services:										
General Government	\$ 7,551	\$ 8,169	\$ 8,193	\$ 9,211	\$ 9,634	\$ 10,483	\$ 10,612	\$ 13,233	\$ 13,831	\$ 15,717
Public Protection	8,445	7,121	7,901	7,413	8,036	7,078	9,912	10,149	10,954	14,519
Public Ways and Facilities	2,197	2,759	2,101	4,310	2,957	5,737	1,760	3,258	5,194	5,500
Health and Sanitation	2,953	4,979	4,254	2,860	2,024	2,929	3,236	2,544	2,700	11,610
Public Assistance	87	178	149	146	127	270	122	143	231	205
Education	112	71	60	64	59	70	74	80	160	179
Recreation	61	23	598	464	545	550	608	759	989	183
Operating Grants and Contributions:										
General Government	336	22,441	4,588	2,033	1,986	11,571	10,178	11,504	11,869	12,168
Public Protection	16,175	9,815	25,448	26,378	23,839	17,595	26,610	15,541	22,167	25,810
Public Ways and Facilities	8,291	8,698	14,045	7,349	10,413	10,496	4,855	5,032	8,378	15,027
Health and Sanitation	23,153	20,316	24,597	29,995	23,868	26,924	28,466	31,523	43,703	27,601
Public Assistance	51,146	45,286	50,809	50,363	54,341	59,968	63,780	65,398	66,299	74,328
Education	54	-	25	-	6	93	13	5	11	-
Recreation	-	-	195	26	34	-	-	-	-	-
Capital Grants and Contributions:										
General Government	74	-	175	110	32	-	6	-	855	210
Public Protection	-	-	14,124	8,434	4,806	1,204	1,901	326	249	22
Public Ways and Facilities	5,672	2,444	-	2,176	2,080	2,508	525	8,150	3,007	2,540
Health and Sanitation	-	-	-	-	-	10	-	-	-	-
Public Assistance	-	-	-	-	-	-	-	-	653	-
Education	-	-	-	-	-	-	-	40	-	19
Recreation	1,219	-	-	-	-	257	64	-	-	-
Total Program Revenues	<u>\$ 127,526</u>	<u>\$ 132,300</u>	<u>\$ 157,262</u>	<u>\$ 151,332</u>	<u>\$ 144,787</u>	<u>\$ 157,743</u>	<u>\$ 162,722</u>	<u>\$ 167,685</u>	<u>\$ 191,250</u>	<u>\$ 205,638</u>

COUNTY OF MADERA, CALIFORNIA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Business-Type Activities:										
Fees, Fines, Charges for Services:										
Maintenance Districts	\$ 1,460	\$ 1,520	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance District 22A	1,585	1,423	-	-	-	-	-	-	-	-
Special Districts -										
Water/Sewer	-	-	-	-	-	-	5,919	7,130	7,709	10,413
County Landfill	2,693	2,602	2,941	3,859	4,060	3,839	4,472	5,710	7,474	7,144
Transit	-	-	-	-	-	-	-	-	43	56
Service Areas	1,008	1,065	-	-	-	-	-	-	-	-
Nonmajor Enterprise Funds	878	964	4,268	5,348	5,671	6,408	-	-	-	-
Operating Grants and Contributions:										
Maintenance Districts	-	18	-	-	-	-	-	-	-	-
Maintenance District 22A	-	-	-	-	-	-	-	-	-	-
Special Districts -										
Water/Sewer	-	-	-	-	-	-	321	-	-	109
County Landfill	-	-	-	-	-	-	-	-	-	-
Service Areas	-	-	-	-	-	-	-	-	-	-
Transit	-	-	-	-	-	-	-	-	2,279	1,255
Nonmajor Enterprise Funds	-	(3)	261	1,135	862	145	-	-	-	-
Capital Grants and Contributions:										
Maintenance Districts	-	-	-	-	-	-	-	-	-	-
Maintenance District 22A	-	-	-	-	-	-	-	-	-	-
Special Districts -										
Water/Sewer	-	-	-	-	-	-	4,463	1,509	1,958	781
County Landfill	-	-	-	-	-	-	-	-	-	-
Service Areas	-	31	-	-	-	-	-	-	-	-
Transit	-	-	-	-	-	-	-	-	85	339
Nonmajor Enterprise Funds	-	97	551	69	87	3,249	-	-	-	-
Total Business-Type Activities Revenues	<u>\$ 7,624</u>	<u>\$ 7,717</u>	<u>\$ 8,021</u>	<u>\$ 10,411</u>	<u>\$ 10,680</u>	<u>\$ 13,641</u>	<u>\$ 15,175</u>	<u>\$ 14,349</u>	<u>\$ 19,549</u>	<u>\$ 20,097</u>
Total Primary Government Revenues	<u>\$ 135,150</u>	<u>\$ 140,017</u>	<u>\$ 165,283</u>	<u>\$ 161,743</u>	<u>\$ 155,467</u>	<u>\$ 171,384</u>	<u>\$ 177,897</u>	<u>\$ 182,034</u>	<u>\$ 210,799</u>	<u>\$ 225,735</u>

COUNTY OF MADERA, CALIFORNIA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
NET (EXPENSE)/REVENUES										
Governmental Activities	\$ (75,971)	\$ (68,799)	\$ (41,666)	\$ (44,426)	\$ (52,858)	\$ (52,649)	\$ (57,467)	\$ (72,353)	\$ (70,534)	\$ (77,871)
Business-Type Activities	(1,234)	(1,587)	(183)	101	(663)	2,671	2,354	4,433	3,838	790
Total Primary Government										
Net Expense	<u>\$ (77,205)</u>	<u>\$ (70,386)</u>	<u>\$ (41,849)</u>	<u>\$ (44,325)</u>	<u>\$ (53,521)</u>	<u>\$ (49,978)</u>	<u>\$ (55,113)</u>	<u>\$ (67,920)</u>	<u>\$ (66,696)</u>	<u>\$ (77,081)</u>
GENERAL REVENUE AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Taxes:										
Property Taxes	\$ 26,567	\$ 34,150	\$ 38,639	\$ 38,962	\$ 40,464	\$ 38,200	\$ 37,419	\$ 40,303	\$ 42,710	\$ 45,553
Sales and Use Taxes	9,147	8,151	9,718	8,835	8,726	7,983	9,470	9,021	7,534	7,498
Motor Vehicle In-lieu	14,718	13,818	-	-	-	-	-	-	-	-
Other Taxes	2,847	1,916	2,984	2,573	3,048	2,849	3,982	4,139	4,867	5,466
Investment Earnings	1,716	1,317	1,009	454	658	803	895	1,126	(78)	3,831
Gain (Loss) on Sale of Assets	-	-	112	43	29	495	14	-	36	-
Miscellaneous	1,318	1,120	968	-	1,172	2,064	2,533	2,305	2,673	2,032
Contributed Capital	3,294	-	-	-	-	-	-	-	-	-
Transfers	-	-	(25)	-	70	(377)	108	70	106	425
Total Governmental Activities	<u>59,607</u>	<u>60,472</u>	<u>53,405</u>	<u>50,867</u>	<u>54,167</u>	<u>52,017</u>	<u>54,421</u>	<u>56,964</u>	<u>57,848</u>	<u>64,804</u>

COUNTY OF MADERA, CALIFORNIA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Business-Type Activities:										
Taxes:										
Property Taxes	-	367	465	367	376	422	1,175	576	401	494
Other Taxes	396	-	-	-	-	-	-	-	-	-
Investment Earnings	330	207	190	85	129	157	191	272	37	842
Gain (Loss) on Sale of Assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous	60	83	108	54	206	198	235	82	39	355
Contributed Capital	9	-	-	-	-	-	-	-	-	-
Change in Landfill Closure Estimate	-	-	3,023	-	-	-	-	-	-	-
Special Item - Water System Sale	-	-	-	-	-	-	-	-	-	(2,020)
Transfers	-	-	25	-	(70)	377	(108)	(70)	(106)	(425)
Total Business-Type Activities	795	657	3,811	506	641	1,154	1,493	860	371	(754)
Total Primary Government	\$ 60,402	\$ 61,129	\$ 57,216	\$ 51,373	\$ 54,808	\$ 53,171	\$ 55,914	\$ 57,824	\$ 58,219	\$ 64,050
CHANGE IN NET POSITION										
Governmental Activities	\$ (16,364)	\$ (8,327)	\$ 11,739	\$ 6,441	\$ 1,309	\$ (632)	\$ (3,046)	\$ (15,389)	\$ (12,686)	\$ (13,067)
Business-Type Activities	(439)	(930)	3,628	607	(22)	3,825	3,847	5,293	4,209	36
Total Primary Government	\$ (16,803)	\$ (9,257)	\$ 15,367	\$ 7,048	\$ 1,287	\$ 3,193	\$ 801	\$ (10,096)	\$ (8,476)	\$ (13,031)

COUNTY OF MADERA, CALIFORNIA
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year		
	2009-2010	2010-2011	2011-2012
General Fund:			
Reserved	\$ 16,192	\$ 2,639	\$ 36,678
Unreserved	5,909	57,359	10,733
Total General Fund	<u>\$ 22,101</u>	<u>\$ 59,998</u>	<u>\$ 47,411</u>
All Other Governmental Funds:			
Reserved	\$ 14,878	\$ 52,311	\$ 57,480
Unreserved, Reported in:			
Special Revenue Funds	-	(247)	16
Nonmajor Funds	38,889	(654)	5,214
Capital Project Funds	-	-	-
Total, All Other Governmental Funds	<u>\$ 53,767</u>	<u>\$ 51,410</u>	<u>\$ 62,710</u>

Note: In fiscal year 2012-13, the County implemented GASB Statement 54, which changed the classifications of the fund balance. Fund balance information in years prior to 2012-13 is presented according to the previous guidelines.

COUNTY OF MADERA, CALIFORNIA
FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year						
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
General Fund:							
Nonspendable	\$ -	\$ 2,800	\$ 2,134	\$ 3,460	\$ 1,333	\$ 3,210	\$ 3,895
Restricted	39,474	43,439	43,441	42,064	41,535	47,280	50,162
Committed				5,405	766	942	1,037
Assigned				3,345	13,518	12,864	11,420
Unassigned	11,137	6,221	17,142	19,879	17,107	7,804	4,530
Total General Fund	<u>\$ 50,611</u>	<u>\$ 52,460</u>	<u>\$ 62,717</u>	<u>\$ 74,153</u>	<u>\$ 74,259</u>	<u>\$ 72,100</u>	<u>\$ 71,044</u>
All Other Governmental Funds:							
Nonspendable	\$ -	\$ 280	\$ 285	\$ 347	\$ 300	\$ 5,007	\$ 3,340
Restricted	51,916	59,395	58,263	51,514	49,894	56,171	69,971
Committed	-	-	-	321	-	-	4,528
Assigned	-	-	-	-	1,125	2,025	-
Unassigned	2,193	969	316	(405)	-	(8)	(12)
Total, All Other Governmental Funds	<u>\$ 54,109</u>	<u>\$ 60,644</u>	<u>\$ 58,864</u>	<u>\$ 51,777</u>	<u>\$ 51,319</u>	<u>\$ 63,195</u>	<u>\$ 77,827</u>

COUNTY OF MADERA, CALIFORNIA
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
REVENUES										
Taxes	\$ 53,279	\$ 58,035	\$ 50,058	\$ 48,954	\$ 53,795	\$ 51,718	\$ 53,257	\$ 53,082	\$ 54,882	\$ 56,994
Licenses, Permits, and Franchises	3,496	3,346	3,390	3,521	4,136	4,710	5,567	5,712	6,560	6,691
Intergovernmental	109,524	108,733	135,112	122,975	121,824	124,579	134,753	141,617	156,687	160,149
Charges for Services	14,482	16,864	15,679	16,217	14,706	17,519	17,090	18,805	24,432	35,899
Fines, Forfeitures, and Penalties	3,428	3,090	4,187	3,929	4,541	4,044	4,294	4,866	3,898	5,416
Revenue from Use of Money and Property	1,435	1,199	858	414	603	686	910	1,050	(68)	3,566
Miscellaneous Revenues	1,318	1,046	968	1,430	1,172	2,064	2,331	2,305	2,673	2,028
Total Revenues	186,962	192,313	210,252	197,440	200,777	205,320	218,202	227,437	249,064	270,743

COUNTY OF MADERA, CALIFORNIA
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
EXPENDITURES										
Current:										
General Government	\$ 29,684	\$ 26,972	\$ 30,998	\$ 29,262	\$ 26,660	\$ 23,084	\$ 25,008	\$ 28,582	\$ 31,556	\$ 33,445
Public Protection	57,178	55,450	52,253	53,893	59,419	64,251	68,755	73,431	78,637	86,875
Public Ways and Facilities	11,907	13,075	14,032	17,161	11,319	15,422	16,345	15,714	12,588	14,087
Health and Sanitation	25,083	24,964	26,447	25,566	24,797	26,496	27,592	30,581	34,582	37,847
Public Assistance	51,432	54,405	53,631	51,894	54,419	58,218	60,410	67,206	69,532	72,591
Education	1,604	1,143	968	929	1,048	1,208	1,226	1,440	1,510	1,669
Recreation and Cultural										
Services	22	17	462	456	544	551	579	857	913	923
Capital Outlay	13,514	10,715	24,235	18,038	15,221	31,036	10,540	10,047	11,833	16,895
Debt Service:										
Principal	1,094	940	971	1,021	1,105	1,218	1,313	2,150	2,238	3,899
Interest and Fiscal Charges	875	824	814	784	705	867	1,197	1,171	1,099	1,341
Total, All Governmental Funds	<u>192,393</u>	<u>188,505</u>	<u>204,811</u>	<u>199,004</u>	<u>195,237</u>	<u>222,351</u>	<u>212,965</u>	<u>231,179</u>	<u>244,488</u>	<u>269,572</u>

COUNTY OF MADERA, CALIFORNIA
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) TOTAL EXPENDITURES	(5,431)	3,808	5,441	(1,564)	5,540	(17,031)	5,237	(3,742)	4,575	1,171
OTHER FINANCING SOURCES (USES)										
Proceeds from Sale of Capital Assets	14	-	67	69	2,109	584	305	70	708	139
Capital Leases	-	-	-	112	332	24,109	14,105	143	4,388	11,654
Payment to Refunding Escrow Agent	-	-	-	-	-	-	(13,560)	-	-	-
Insurance Recoveries	-	-	-	-	-	-	10	-	-	-
Transfers In	3,138	2,395	84	13,655	18,710	27,756	22,561	22,963	26,111	21,507
Transfers Out	(6,772)	(2,171)	-	(13,530)	(18,252)	(28,009)	(22,328)	(22,768)	(26,067)	(21,437)
Total Other Financing Sources (Uses):	(3,620)	224	151	306	2,899	24,440	1,093	408	5,140	11,863
NET CHANGE IN FUND BALANCE	(9,051)	4,032	5,592	(1,258)	8,439	7,409	6,330	(3,334)	9,715	13,034
FUND BALANCES										
Beginning of Year, as Restated	84,919	107,376	104,528	105,978	104,664	114,172	119,601	128,912	125,579	135,837
End of Year	<u>\$ 75,868</u>	<u>\$ 111,408</u>	<u>\$ 110,120</u>	<u>\$ 104,720</u>	<u>\$ 113,103</u>	<u>\$ 121,581</u>	<u>\$ 125,931</u>	<u>\$ 125,578</u>	<u>\$ 135,294</u>	<u>\$ 148,871</u>
Debt Service as a Percentage of Noncapital Expenditures	1.10%	0.99%	0.99%	1.00%	1.01%	1.09%	1.24%	1.50%	1.43%	2.07%

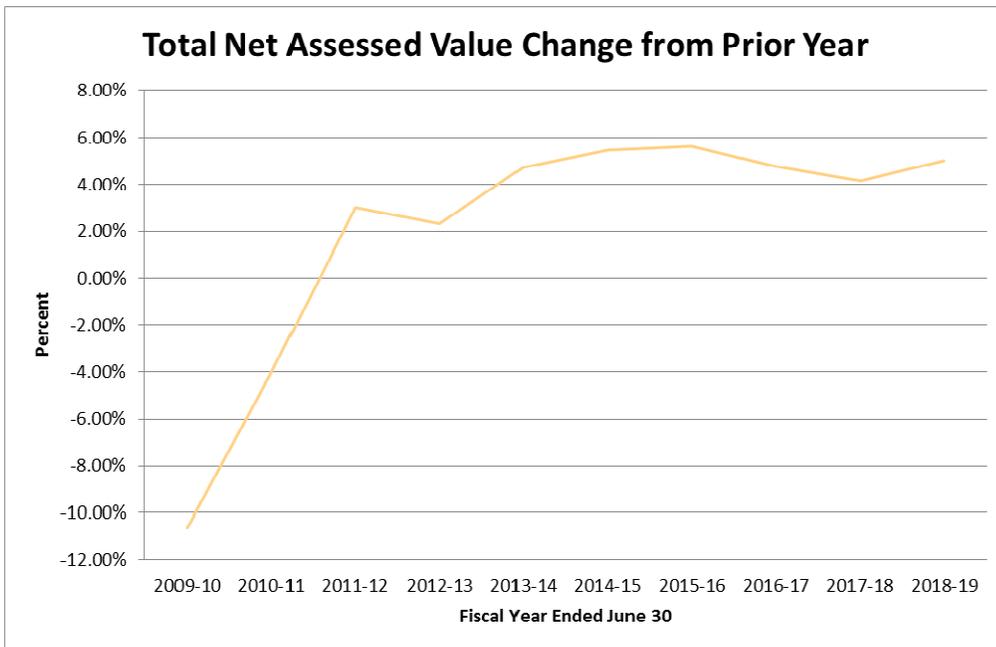


REVENUE CAPACITY

**COUNTY OF MADERA, CALIFORNIA
 ASSESSED VALUATION^a
 LAST TEN FISCAL YEARS
 (IN THOUSANDS)
 (UNAUDITED)**

<u>Fiscal Year</u>	<u>Secured</u>	<u>Unsecured</u>	<u>Exemptions</u>	<u>Net Assessed Avaluations</u>	<u>Percentage Increase from Prior Year</u>	<u>Tax Rate</u>
2009-10	11,124,188	450,117	450,195	11,124,110	-10.65%	1.0000
2010-11	10,711,816	424,323	468,361	10,667,778	-4.10%	1.0000
2011-12	11,080,986	463,885	556,941	10,987,930	3.00%	1.0000
2012-13	11,342,818	490,827	593,072	11,240,573	2.30%	1.0000
2013-14	11,899,485	525,560	652,738	11,772,307	4.73%	1.0000
2014-15	12,534,324	548,143	668,097	12,414,370	5.45%	1.0000
2015-16	13,287,145	550,493	721,797	13,115,841	5.65%	1.0000
2016-17	13,847,344	625,351	729,255	13,743,440	4.79%	1.0000
2017-18	14,463,379	600,758	748,530	14,315,607	4.16%	1.0000
2018-19	15,138,923	682,183	786,214	15,034,892	5.02%	1.0000

Source: Assessor to Auditor Certified Values



^a Due to Article XIII-A, added to the California Constitution by Proposition 13 in 1978, the County does not track the estimated actual value of all County properties. Proposition 13 fixed the base for valuation of real property at the full cash value which appeared on the Assessor's 1975-76 assessment roll. Thereafter, full cash value can be increased to reflect: 1) annual inflation up to two percent; 2) current market value at the time of ownership change; and 3) market value for new construction. As a result, similar properties can have substantially different assessed values based on the date of purchase.

COUNTY OF MADERA, CALIFORNIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS (PER \$100 OF ASSESSED VALUES)
(UNAUDITED)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-2017	2017-2018	2018-2019
COUNTY DIRECT RATES										
GENERAL	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Public Utility Unitary and Nonunitary										
Operating Property	0.999222	0.999051	0.998926	0.998936	0.998771	0.998445	0.998288	0.998027	0.997553	0.997553
Public Utility Unitary										
Regulated Railroad Property	-	-	-	-	-	1.000000	0.998194	1.000000	1.000000	-
Lower San Joaquin Levee (Negative Rate)	(0.031022)	(0.032830)	(0.033775)	(0.040456)	(0.034433)	(0.043238)	(0.030948)	0.038080	(0.040121)	0.039636
CITIES, SCHOOLS, AND SPECIAL DISTRICTS COMBINED RATES										
Bass Lake ESD Bond 2006	0.023782	0.022270	0.024714	0.028642	0.027111	0.027148	0.028231	0.026335	-	-
Bass Lake ESD Bond 2010	-	0.003119	0.001639	0.000237	0.000340	0.000899	0.000904	0.000525	0.000266	-
Bass Lake ESD Bond 2016	-	-	-	-	-	-	-	-	0.024450	0.027583
Chawanakee USD Bond 2006	0.036683	0.038084	0.031557	0.029429	0.027618	0.027114	-	-	-	-
Chawanakee USD Bond 2008	0.005707	0.011155	0.009641	0.005205	0.008101	0.008191	-	0.003478	0.001213	-
Chawanakee USD Refunding Bond 2015	-	-	-	-	-	-	0.060259	0.049420	0.035911	0.029544
Coarsegold ESD Refinancing Bonds 1A & 1B	0.029433	0.018615	-	-	-	-	-	-	-	-
Chowchilla UHS Bond 2005	0.019869	0.016118	0.015583	0.014651	0.015056	0.014782	0.004675	0.004748	0.007112	-
Chowchilla UHS Bond 2006	0.006514	0.006177	0.006951	0.006584	0.007299	0.008381	0.007914	0.007451	-	0.007614
Chowchilla UHS Bond 2014	-	-	-	-	-	-	0.011136	0.008630	0.017415	0.015573
Chowchilla UHS Bond 2016	-	-	-	-	-	-	-	-	0.025740	0.024378
Yosemite UHS Bond 1998	0.019337	0.015879	0.015354	-	-	-	-	-	-	-
Yosemite UHS Bond 2000	0.013868	0.011764	0.011553	-	-	-	-	-	-	-
Yosemite UHS Refunding Bond 2011	-	-	-	0.043157	0.009103	0.026243	0.022184	0.022153	0.020457	0.018786
Firebaugh-Las Deltas USD Building Override	0.080750	0.073788	0.078314	0.000206	-	-	-	-	-	-
Firebaugh-Las Deltas USD Bond 1998	0.000484	0.067630	0.068814	0.052224	0.045732	0.041236	0.036286	0.024558	0.029348	0.021818
Firebaugh-Las Deltas USD Bond 2002	0.000002	0.007740	0.077418	-	-	-	-	-	-	-
Firebaugh-Las Deltas USD Bond 2006	0.037249	0.011412	0.036922	0.063906	0.048390	0.044922	0.038816	0.027688	-	-
Firebaugh-Las Deltas USD Bond 2016	-	-	-	-	-	-	-	-	0.056558	0.052994
Firebaugh-Las Deltas USD Bond 2017	-	-	-	-	-	-	-	-	0.027922	0.040216
Golden Valley USD Refinancing Bond 2005	0.068012	0.067050	0.088803	0.073421	0.074863	0.074717	0.078247	0.075847	0.054158	0.058791
Golden Valley USD Bond 2007 C	0.018877	0.019971	0.024733	0.020622	0.016055	0.016923	0.021121	0.001995	0.004601	-
Golden Valley USD Bond 2007 D	0.008044	0.010608	-	-	-	-	-	-	-	-
Golden Valley USD Bond 2006 B	-	0.005569	0.008127	0.006582	0.005863	0.005595	0.006489	0.002165	0.002307	0.001906
Golden Valley USD Bond 2007 A	0.060000	0.056770	0.049514	0.051295	0.049049	0.050654	0.063393	0.018133	0.018040	-
Golden Valley USD Bond 2016	-	-	-	-	-	-	-	0.053897	0.062159	0.063821
Golden Valley USD Bond 2017	-	-	-	-	-	-	-	-	-	0.001191

**COUNTY OF MADERA, CALIFORNIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (CONTINUED)
LAST TEN FISCAL YEARS (PER \$100 OF ASSESSED VALUES)
(UNAUDITED)**

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-2019
CITIES, SCHOOLS, AND SPECIAL DISTRICTS COMBINED RATES (CONTINUED)										
Madera USD Bond 2003	0.012509	0.016029	0.016541	-	-	-	-	-	-	-
Madera USD Bond 2005	0.023583	0.028031	0.027784	0.027548	0.030358	0.029905	-	-	0.032140	0.028334
Madera USD Bond 2006	0.004091	0.003950	0.004041	0.004064	0.004370	0.004134	-	-	-	0.004751
Madera USD Bond 2007	0.026878	0.026994	0.028299	0.028414	0.029476	0.029082	0.020836	-	-	-
Madera USD Refunding Bond 2012	-	-	-	0.015708	0.014385	0.009555	0.016049	0.012187	0.013633	0.011002
Madera USD Refunding Bond 2014	-	-	-	-	-	-	0.045962	0.054690	0.024988	0.020545
Madera USD Bond 2015	-	-	-	-	-	-	0.045013	0.047002	0.023851	-
Madera USD Bond 2016	-	-	-	-	-	-	-	-	0.000502	0.002434
Madera USD Bond 2017										0.029798
Merced CC Bond 2003	0.003580	0.013700	0.013000	0.012900	0.011800	0.013500	0.011400	0.011100	0.012600	0.011600
State Center CC Bond 2003	0.000708	0.001600	0.001740	0.000806	-	-	-	-	-	-
State Center CC Bond 2007 A	0.010006	0.004384	0.005170	0.004206	0.004670	0.004358	0.000108	0.001724	-	-
State Center CC Bond 2004 A	0.000002	0.000002	0.000002	0.000812	0.001050	-	-	-	-	-
State Center CCBond 2009 A	0.003548	0.003254	0.000430	0.000754	0.000806	0.000782	0.000448	0.000482	0.000452	0.000452
State Center CCBond 2009 B	0.001548	0.000810	0.000722	0.000752	0.000726	0.000720	0.000834	0.000540	0.000514	0.000504
State Center CC Refunding Bond 2012	-	-	-	0.002028	0.002350	0.003448	0.002534	0.002562	0.002580	0.002284
State Center CC Refunding Bond 2015	-	-	-	-	-	-	0.004140	0.003172	0.004056	0.004286
State Center CC Refunding Bond 2016	-	-	-	-	-	-	-	-	0.108332	0.015440
West Hills Community College Bond 2001 A	0.000002	0.000002	0.000002	0.007426	-	-	-	-	-	-
West Hills CC Refunding Bond 2005	0.000002	0.000002	0.002158	0.014168	0.009384	0.008644	-	-	-	-
West Hills CC SFID Bond A 2008	0.018458	0.006082	0.007882	0.011108	0.007024	0.006146	0.002996	0.003686	0.003564	0.003584
West Hills CC Refunding Bond 2012	-	-	-	0.002770	0.001722	0.002562	0.001672	0.001618	0.001562	0.001428
West Hills CC SFID Bond B 2008	-	-	-	-	0.011306	0.011292	0.011162	0.009866	0.010144	0.009376
West Hills CC Bond 2014 A	-	-	-	-	-	-	0.011512	0.006996	0.008768	0.007848
West Hills CC Refunding Bond A 2015	-	-	-	-	-	-	0.003574	0.001952	0.002286	0.002062
West Hills CC Refunding Bond B 2015	-	-	-	-	-	-	0.011700	0.007640	0.002624	0.007676

Source: County Auditor-Controller Approved Tax Rates

**COUNTY OF MADERA, CALIFORNIA
PRINCIPAL PROPERTY TAX PAYORS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Taxpayer	Industry	Fiscal Year 2018-19			Fiscal Year 2009-10		
		Assessed Value	Rank	Percentage of Total County Assessed Value	Assessed Value	Rank	Percentage of Total County Assessed Value
PACIFIC GAS AND ELECTRIC COMPANY	PUBLIC UTILITY	\$ 406,953	1	2.84%	\$ 203,764	1	1.78%
PARAMOUNT FARMS INTERNATIONAL LLC	FARMING	158,756	2	1.11%			
CANANDAIGUA WEST INC	MANUFACTURING	140,184	3	0.98%	131,160	2	1.14%
JOHN HANCOCK LIFE	FARMING	102,002	4	0.71%			
SOUTHERN CALIFORNIA EDISON COMPANY	PUBLIC UTILITY	95,395	5	0.67%	75,487	4	0.66%
PARAMOUNT LAND COMPANY LLC	LAND DEVELOPMENT	94,098	6	0.66%			
ARDAGH GLASS	MANUFACTURING	90,212	7	0.63%			
PACIFIC ORCHAARDS LLC	FARMING	48,093	8	0.34%			
PACIFIC ETHANOL MADERA LLC	MANUFACTURING	37,072	9	0.26%	57,574	5	0.50%
HILLSIDE RM LLC	FARMING	12,048	10	0.08%			
MADERA GLASS	MANUFACTURING			-	101,987	3	0.89%
CERTAINTED CORPORATION	MANUFACTURING				54,163	6	0.47%
SAN JOAQUIN RIVER RANCH LLC	FARMING				38,054	7	0.33%
RANCHO CALERA LLC	FARMING				33,868	8	0.30%
PARAMOUNT ORCHARDS PARTNERS VI LLC	FARMING				33,380	9	0.29%
SIERRA TELEPHONE	PUBLIC UTILITY				30,083	10	0.26%
		<u>\$ 1,184,813</u>		<u>8.28%</u>	<u>\$ 759,520</u>		<u>6.63%</u>
Total County Assessed Value		\$ 14,315,607			\$ 11,458,731		

Source: Megabyte Property Tax System, County of Madera

**COUNTY OF MADERA, CALIFORNIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Total Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Delinquent Amount	Percent of Levy Collected
		Collected Amount	Percent of Original Levy			
2009-10	131,876,017	124,485,991	94.40%	7,371,850	18,176	99.99%
2010-11	121,088,538	114,967,278	94.94%	5,938,295	182,965	99.85%
2011-12	125,739,868	120,987,412	96.22%	4,365,049	387,407	99.69%
2012-13	127,721,903	123,931,194	97.03%	3,442,176	348,533	99.73%
2013-14	135,196,378	129,673,691	95.92%	5,056,534	466,153	99.66%
2014-15	142,834,780	139,107,373	97.39%	2,596,964	1,130,443	99.21%
2015-16	152,760,751	149,840,573	98.09%	1,414,835	1,505,343	99.01%
2016-17	166,571,258	162,692,153	97.67%	2,236,119	1,642,986	99.01%
2017-18	172,997,773	169,660,272	98.07%	1,256,433	2,081,068	98.80%
2018-19	191,503,688	187,432,071	97.87%	-	4,071,617	97.87%

Note: Amounts do not include tax collections for bonds and special assessments.

Source: County property tax statistics.

DEBT CAPACITY



COUNTY OF MADERA, CALIFORNIA
RATIOS OF TOTAL DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Governmental Activities										
Mello-Roos Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Certificates of Participation	19,475,000	18,575,000	17,645,000	16,680,000	15,680,000	14,640,000	-	-	-	-
Loans Payable	-	-	-	-	-	-	13,986,905	12,708,199	11,400,737	10,075,268
Capital Leases	1,390,993	1,130,778	1,511,218	1,410,252	1,482,356	25,172,494	21,076,015	20,159,072	23,721,988	32,887,879
Total Bonds and Notes Payable	<u>20,865,993</u>	<u>19,705,778</u>	<u>19,156,218</u>	<u>18,090,252</u>	<u>17,162,356</u>	<u>39,812,494</u>	<u>35,062,920</u>	<u>32,867,271</u>	<u>35,122,725</u>	<u>42,963,147</u>
Less: Resources Restricted for Principal Repayment	<u>210,542</u>	<u>311,261</u>	<u>107,502</u>	<u>98,303</u>	<u>45,237</u>	<u>69,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Bonds and Notes Payable	<u>20,655,451</u>	<u>19,394,517</u>	<u>19,048,716</u>	<u>17,991,949</u>	<u>17,117,119</u>	<u>39,743,175</u>	<u>35,062,920</u>	<u>32,867,271</u>	<u>35,122,725</u>	<u>42,963,147</u>
Business Type:										
Bonds Payable	12,244,899	11,928,646	11,722,433	11,580,970	11,237,770	13,786,660	10,630,512	17,153,506	16,751,576	15,676,690
Notes Payable	3,104,759	3,614,691	3,439,989	3,353,292	3,271,228	3,185,127	5,370,560	5,247,589	5,119,016	4,986,097
Total Bonds and Notes Payable	<u>15,349,658</u>	<u>15,543,337</u>	<u>15,162,422</u>	<u>14,934,262</u>	<u>14,508,998</u>	<u>16,971,787</u>	<u>16,001,072</u>	<u>22,401,095</u>	<u>21,870,592</u>	<u>20,662,787</u>
Less: Resources Restricted for Principal Repayment	<u>240,534</u>	<u>240,534</u>	<u>240,548</u>	<u>240,525</u>	<u>240,525</u>	<u>240,619</u>	<u>239,662</u>	<u>239,877</u>	<u>241,208</u>	<u>236,364</u>
Net Total Bonds and Notes Payable	<u>15,109,124</u>	<u>15,302,803</u>	<u>14,921,874</u>	<u>14,693,737</u>	<u>14,268,473</u>	<u>16,731,168</u>	<u>15,761,410</u>	<u>22,161,218</u>	<u>21,629,384</u>	<u>20,426,423</u>
Total Outstanding Debt Less Retricted Resources	<u>\$ 35,764,575</u>	<u>\$ 34,697,320</u>	<u>\$ 33,970,590</u>	<u>\$ 32,685,686</u>	<u>\$ 31,385,592</u>	<u>\$ 56,474,343</u>	<u>\$ 50,824,330</u>	<u>\$ 55,028,489</u>	<u>\$ 56,752,109</u>	<u>\$ 63,389,570</u>
Percentage of Personal Income	0.93%	0.81%	0.75%	0.68%	0.62%	1.03%	0.91%	0.96%	0.96%	1.01%
Percentage of Assessed Value of Taxable Property (a)	0.32%	0.33%	0.31%	0.29%	0.27%	0.45%	0.39%	0.40%	0.40%	0.42%
Net Outstanding Debt Per Capita	\$239.65	\$229.77	\$223.93	\$215.61	\$207.21	\$367.70	\$330.59	\$356.96	\$364.02	\$402.03

Note:

1. See the Demographic Statistics Schedule for detail information on personal income and population.
- (a) Pursuant to the amendments to Article XIII-A of the California Constitution by Proposition 13 in 1978, the County does not track estimated actual values for all county properties. Consequently, the ratio of net outstanding debt to the estimate actual value of taxable property is undeterminable and presented in the table.

**COUNTY OF MADERA, CALIFORNIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Assessed Value of Property (a)	\$ 11,908,926	\$ 11,136,139	\$ 11,544,870	\$ 11,833,645	\$ 12,425,045	\$ 13,082,466	\$ 13,837,638	\$ 14,472,695	\$ 15,064,137	\$ 15,942,624
Debt Limit, 1.25% of Assessed Value	\$ 148,862	\$ 139,202	\$ 144,311	\$ 147,921	\$ 155,313	\$ 163,531	\$ 172,970	\$ 180,909	\$ 188,302	\$ 199,283
<i>Amount of Debt Applicable to Limit</i>										
General Obligation Bonds (b)	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 148,862</u>	<u>\$ 139,202</u>	<u>\$ 144,311</u>	<u>\$ 147,921</u>	<u>\$ 155,313</u>	<u>\$ 163,531</u>	<u>\$ 172,970</u>	<u>\$ 180,909</u>	<u>\$ 188,302</u>	<u>\$ 199,283</u>
Total Debt Applicable as a Percentage of the Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:
(a) Countywide Assessed Values and Exemptions
(b) The County does not have any general bonded debt

**COUNTY OF MADERA, CALIFORNIA
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
Public Facilities Bonds/Loans						
2009-10	2,238,589	2,419,637	(181,048)	279,739	709,011	(0.18)
2010-11	2,219,833	2,372,097	(152,264)	287,037	685,708	(0.16)
2011-12	2,295,275	2,426,259	(130,984)	260,148	669,216	(0.14)
2012-13	2,356,801	2,575,065	(218,264)	286,450	674,699	(0.23)
2013-14	2,431,747	2,235,239	196,508	399,789	654,110	0.19
2014-15	2,535,902	2,150,647	385,255	311,470	626,565	0.41
2015-16	2,821,619	2,397,460	424,159	331,339	640,696	0.44
2016-17	3,672,683	2,605,851	1,066,832	379,176	672,995	1.01
2017-18	3,340,826	1,771,142	1,569,684	306,539	602,477	1.73
2018-19	3,390,125	2,134,479	1,255,646	898,450	576,008	0.85



DEMOGRAPHIC AND ECONOMIC INFORMATION

**COUNTY OF MADERA, CALIFORNIA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Calendar Year	Population (1,a)	Personal Income (in thousands)	Per Capita Income (1,a)	School Enrollment (3,b)	Unemployment Rate (2,a)
2010	149,234	\$ 2,863,519	25,889.00	29,643	13.4%
2011	151,006	4,295,517	28,446	29,993	16.6%
2012	151,702	4,549,846	29,992	30,308	16.2%
2013	151,594	4,805,227	31,698	30,478	14.4%
2014	151,470	5,022,745	33,160	30,861	12.6%
2015	153,590	5,491,457	35,754	30,865	11.5%
2016	153,739	5,589,489	36,357	31,077	10.5%
2017	154,160	5,736,139	37,209	31,468	9.2%
2018	155,904	5,934,018	38,062	31,728	8.1%
2019	157,672	6,290,640	39,897	31,925	7.0%

Sources:

1. U.S. Bureau of Economic Analysis (BEA)
2. Employment Development Department
3. California Department of Education, California Basic Educational Data System (CBEDS)

Notes:

- a. Data for calendar years
- b. Kindergarten through grade 12

OPERATING INFORMATION



COUNTY OF MADERA, CALIFORNIA
FULL TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	Full Time Equivalent Employees per Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	N/A	225	220	201	202	200	199	211	204	193
Public Protection	N/A	468	481	466	492	474	497	511	538	617
Public Ways and Facilities	N/A	71	71	74	76	77	76	77	73	77
Health and Sanitation	N/A	242	237	244	248	253	254	247	235	247
Public Assistance	N/A	224	235	259	275	302	315	341	362	379
Education	N/A	25	26	23	25	24	24	25	25	25
Recreation	N/A	4	4	4	5	5	5	6	6	6
Total	N/A	<u>1,260</u>	<u>1,274</u>	<u>1,271</u>	<u>1,322</u>	<u>1,336</u>	<u>1,371</u>	<u>1,418</u>	<u>1,443</u>	<u>1,544</u>

**COUNTY OF MADERA, CALIFORNIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Function/Department</u>	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Public Protection										
Planning and Building										
<i>Total Permits Issued</i>	1,179	N/A	657	440	537	913	636	756	5,556	3,735
Corrections										
<i>Jail Bookings</i>	4,850	5,823	5,425	5,381	4,913	4,575	4,193	4,350	4,313	5,494
<i>Average Daily Population</i>	450	408	388	440	482	443	405	415	451	487
Probation										
<i>Juvenile Hall</i>										
<i>Average Daily Population</i>	60	47	50	54	57	49	43	44	49	40
Health and Sanitation										
Environmental Health										
<i>Septic Permits Issued</i>	N/A	N/A	78	99	124	127	104	88	236	201
<i>Wells Permits Issued</i>	N/A	N/A	167	316	296	525	573	303	436	377
Health and Sanitation										
<i>Mental Health</i>										
<i>Services Provided to Youth</i>	10,494	9,205	8,470	8,729	12,346	16,239	20,350	25,224	20,068	18,598
<i>Services Provided to Adults</i>	43,286	37,451	33,669	32,944	31,837	27,665	27,594	27,400	25,467	26,215
<i>Public Health</i>										
<i>Number of Children Enrolled in the Healthy Families Program^a</i>	112	140	160	121	N/A	N/A	N/A	N/A	N/A	N/A
<i>Number of Children Enrolled in the Medical Targeted Income Program^a</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	603	4,979
<i>Percentage of the State Allocated Caseload Enrolled in the Women, Infants & Children (WIC) Program</i>	101.9%	100.2%	98.8%	98.0%	98.7%	97.9%	97.0%	91.0%	88.0%	82.0%

**COUNTY OF MADERA, CALIFORNIA
OPERATING INDICATORS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Function/Department</u>	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Health and Sanitation (Continued)										
<i>Percentage of Live Born Infants Whose Mothers Received Prenatal Care in the First Trimester</i>										
	74%	72%	71%	70%	73%	74%	73%	75%	77%	79%
Solid Waste										
<i>Fairmead Landfill</i>										
<i>Cubic Yards per year</i>	184,353	174,879	176,184	204,854	254,395	350,677	312,420	493,958	549,770	411,262
<i>% of Capacity</i>	72%	77%	83%	53% *	55%	58%	60%	34% **	36%	38%
Public Assistance										
Social Services										
<i>Rate per 1,000 Children Entering Out-of-Home Care for the First Time (State Rate is 2.8)</i>										
	3.5	3.3	2.6	5.4	5.6	4.4	5.1	5.7	4.5	4.3
<i>Percentage of Child Abuse/Neglect Referrals Where a Response is Required within 10 Days that were Timely</i>										
	2%	3%	6%	6%	12%	21%	71%	61%	81%	72%
Education										
Library										
<i>Annual Expenditure per Capita for Total Library Budget (\$)</i>										
	11	7	5	6	6	7	8	9	10	10

* Beginning with the 2012-13 fiscal year the State of California approved an alternative to fill the landfill vertically, which increased its overall capacity.

** At the end of the 2016-17 fiscal year, the State of California approved an expanded footprint for the landfill, which increased the total capacity and reduced the percent of capacity filled.

^a Medi-Cal Targeted Low Income Program replaced Healthy Families in 2013-14

**COUNTY OF MADERA, CALIFORNIA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Function/Department</u>	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Recreation and Cultural Services										
Park Acreage	14	14	14	14	325	325	325	325	325	325
Public Protection										
Correctional Facility Capacities:										
Main Jail	419	419	419	563	563	563	563	563	563	563
Juvenile Hall	70	74	74	74	74	74	74	74	74	74
Juvenile Boot Camp	N/A	N/A	N/A	N/A	N/A	N/A	30	30	30	30
Public Ways and Facilities										
Miles of County Roads	1,529	1,529	1,525	1,512	1,512	1,511	1,511	1,511	1,511	1,511
Number of Bridges	170	170	170	170	170	170	170	147	147	147
Libraries										
Main and Branches	5	5	5	5	5	5	5	5	5	5

Note: The majority of County assets consist of buildings and equipment classified under the Functional area of General Government.

Source: County management