

COUNTY OF GLENN

State of California

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2015



Glenn County Memorial Hall – Willows, CA

Prepared Under the Supervision of:

Edward J. Lamb

County Director of Finance



COUNTY OF GLENN

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INTRODUCTORY SECTION





County of Glenn

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March 14, 2016

To the Citizens of Glenn County, California

Dear Citizens:

The Comprehensive Annual Financial Report ("CAFR") of the County of Glenn ("County") for the fiscal year ended June 30, 2015, is hereby submitted in compliance with §25250 through §25253 of the Government Code of the State of California ("State"). The report contains financial statements that have been prepared in conformity with generally accepted accounting principles in the United States of America ("GAAP") prescribed for government entities. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and present fairly the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2015, and the respective changes in financial position and cash flow, where applicable, thereof for the financial year then ended. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The County's MD&A can be found on pages 3 through 14.

The financial reporting entity of the County includes all the funds of the primary government (i.e., Glenn County as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.

Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, certain districts and agencies accounted for in the non-major Special Revenue Fund Special Districts governed by the Board of Supervisors are reported as part of the primary government. For a more detailed overview of the County's component units see Note 1 in the Notes to the Basic Financial Statements.

PROFILE OF THE GOVERNMENT

The County of Glenn is located 85 miles north of Sacramento, and Willows, the County seat, is located 75 miles south of Redding along Interstate 5. The County encompasses over 1,300 square miles (including 12.4 square miles of water). Glenn County is boarded by Colusa County to the south, Butte County to the east, Tehama County to the north, Mendocino County to the west and Lake County to the southwest.

The County of Glenn is an important agricultural area in the state of California. Two thirds of the County is currently used for the production of rice, fruit, nuts, dairy products, wheat, and livestock. A strong agribusiness foundation and stable government sector are key factors in the County's economy.

Policymaking and legislative authority is vested in the County Board of Supervisors (“the Board”), which consists of an elected supervisor from each of five districts. The Board is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and appointing non-elected department heads. County Supervisors are elected to four-year terms with new elections every two years. The State Constitution designates that certain officials are elected which are responsible for the offices of the County: Assessor, District Attorney, and Sheriff.

The County provides a full range of services including public safety; health and sanitation; the construction and maintenance of highways, streets, and infrastructure assets; recreational activities; election; social services; and administration.

The County maintains a website located at: www.countyofglenn.net that provides online services and extensive information about the County government. The County’s website includes information about the Board of Supervisors, Board meeting agendas, County job listings, County directories, financial information and links to other local resources just to name a few.

MAJOR INITIATIVES

Glenn County is undertaking several major initiatives notwithstanding significant fiscal limitations:

Technology Upgrades

- ❖ New phone system
- ❖ New accounting system
- ❖ New property tax system
- ❖ Centralizing County Information Systems

FACTORS AFFECTING FINANCIAL CONDITION

Economic Challenges

As a result of Governmental Accounting Standards Board (GASB) Statement No. 68, the County has recorded its liability related to public employee pensions. The related pension liability has reduced total net position by \$48,527,072 resulting in a net deficit. The pension liability has always been reported in the notes to the financial statements, but as a result of required reporting changes nationwide, now for the first time governments will recognize the debt as part of the governmental-wide financial statements. It is unclear if there will be lasting ramifications to County operations as a result of reporting this net deficit.

Internal Control

The management of the County has established internal controls designed to ensure that the assets of the government are protected from loss, theft, or misuse. The controls ensure that adequate accounting data is compiled to allow for the preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. Reasonable assurance provides that the cost of internal controls should not exceed the benefits and that decisions often require the use of estimates and judgments by management.

Single Audit

As a recipient of federal and state financial assistance, the County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-profit Organizations. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, Schedule of Findings and Questioned Costs, and the independent auditor's report on internal control and compliance. The County is also responsible for ensuring the adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management and the Department of Finance staff. The 2014-15 Single Audit will be issued under separate cover and will be available at the County website located at <http://www.countyofglenn.net/govt/departments/finance/resources.aspx>.

Budgeting Controls

In addition to accounting controls, the County maintains budgetary controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Supervisors.

In accordance with the provisions of §29000 through §29143, inclusive, of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a final budget for each fiscal year on or before October 2. Budgeted expenditures are enacted into law through the passage of an appropriation. This mandates the maximum authorized expenditures for the fiscal year and cannot be exceeded except by subsequent amendments to the budget by the County's Board of Supervisors.

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the object level within budget units for the County, the object level within a budget unit is the level at which expenditures may not legally exceed appropriations. Any amendments or transfers of appropriations between departments or funds must be approved by the Board. The Board must approve supplementary appropriations normally financed by unanticipated revenues during the year. Budgeted amounts in the budgetary financial schedules are reported as originally adopted and are amended during the fiscal year by resolutions approved by the Board of Supervisors.

OTHER INFORMATION

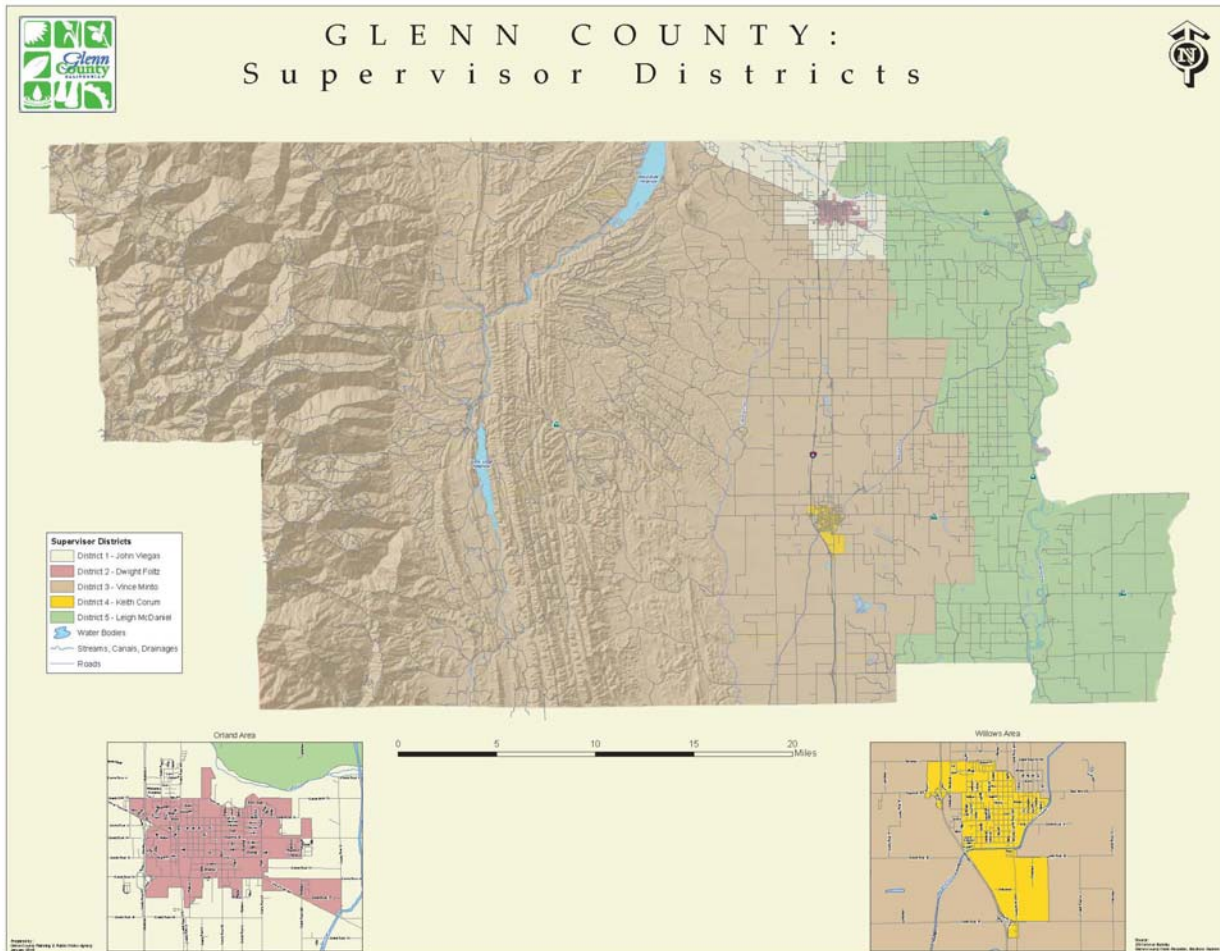
Independent Audit

County charter requires an annual audit by independent certified public accountants. The firm of Gallina, LLP was selected by the County to meet this requirement. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County, for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and evaluating the overall financial statement presentation. The independent auditors concluded, based upon their audit results, that there was a reasonable basis for rendering an unqualified ("clean") opinion that the County's basic financial statements for the fiscal year ended June 30, 2015, are fairly presented in conformity with accounting standards generally accepted in the United States of America. The independent auditor's report is presented as the first item of the fiscal section of this report.

COUNTY OF GLENN
BOARD OF SUPERVISORS
March 14, 2016

- District 1 John Viegas
- District 2 Dwight Foltz
- District 3 Vince Minto
- District 4 Keith Corum, Vice Chairman*
- District 5 Leigh McDaniel, Chairman*

*Chosen annually at the first meeting in January.



COUNTY OF GLENN
PRINCIPAL COUNTY OFFICIALS
March 14, 2016

Elected Officials

Assessor, Clerk-Recorder, Elections – Sheryl Thur

District Attorney – Dwayne Stewart

Sheriff-Coroner – Richard Warren Jr.

Appointed Officials

Agricultural Commissioner – Marcie Skelton

County Counsel – Huston Carlyle, Jr.

Director of Child Support Services – Dawn Mayer

Director of Finance – Edward Lamb

Director of Health & Human Services – Christine Zoppi

Director of Personnel – Linda Durrer

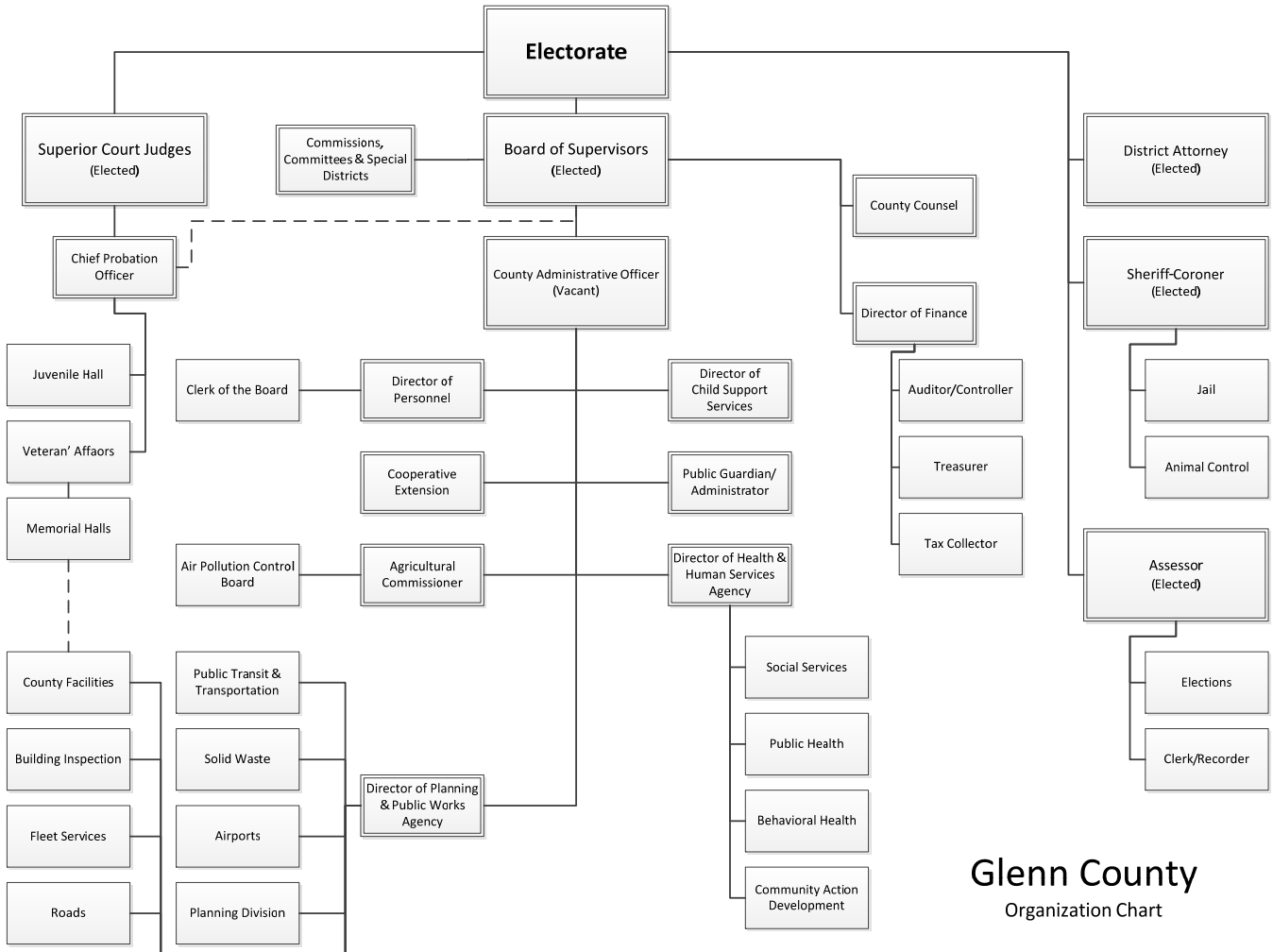
Director of Planning & Public Works – Matthew Gomes & Di Aulabaugh, Co-Deputies

Probation/ Veteran's Service Officer– Brandon Thompson

Public Guardian/ Administrator – Jeannie Rakestraw

COUNTY OF GLENN

Organizational Chart
June 30, 2015



Glenn County
Organization Chart



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

Board of Supervisors and Grand Jury
County of Glenn
Willows, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Glenn, California, (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Implementation of New Accounting Pronouncement

As discussed in Note 1 to the financial statements, the County adopted new accounting guidance, GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68, effective July 1, 2014. 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, the schedule of changes in net pension liability and related ratios and schedule of plan contributions for the County's employees' retirement plan, the schedule of funding progress for the County's other post-employment benefits (OPEB) plan, 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 of Glenn'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.

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 March 14, 2016 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Roseville, California
March 14, 2016



MANAGEMENT'S DISCUSSION & ANALYSIS (MD & A)



The information in this section is not covered by the Independent Auditor's Report. It is presented as required supplementary information for the benefit of the readers of the Comprehensive Annual Financial Report.

The management's discussion and analysis presents comparative financial information for the current and previous fiscal years. Because the County is showing comparative financial data, it is generally required to restate the previous fiscal years financial information if there were prior period adjustments made in the current fiscal year. The County has elected to not restate any of the previous year's financial data in the management's discussion and analysis because such information would be skewed by the implementation of GASB Statement No. 68, which required the County to recognize pension liability on its government-wide statements and proprietary statements.

In this section of the County of Glenn's "the County" Comprehensive Annual Financial Report "CAFR", the County's management discusses financial results for the fiscal year ended June 30, 2015. It should be read in conjunction with the County's financial statements following this section.

I. Financial Highlights

	2014-15	2013-14	\$ Change	% Change
Government-wide Net Position (Deficit)	\$ (8,770,112)	\$ 37,735,568	\$ (46,505,680)	(123.2%)
Governmental Fund Balance	\$ 19,201,271	\$ 19,039,452	\$ 161,819	0.8%
General Fund Fund Balance	\$ 5,784,631	\$ 6,675,056	\$ (890,425)	(13.3%)
Revenues	\$ 72,592,682	\$ 77,414,134	\$ (4,821,452)	(6.2%)
Expenses	\$ 70,296,729	\$ 76,538,869	\$ (6,242,140)	(8.2%)
Long-term Liabilities	\$ 77,581,784	\$ 32,062,744	\$ 45,519,040	142.0%

II. Overview of the Financial Statements

Basic Financial Statements

The basic financial statements presented in the County's CAFR are divided into three different sections: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide an overview of the County's finances, in a manner similar to a private-sector business that is, using the accrual basis of accounting. They demonstrate accountability of Glenn County by showing the extent to which it has met operating objectives efficiently and effectively, using all resources available, and whether it can continue to do so. The Statement of Net Position presents information on all of the County's asset and liabilities, the deferred inflows/outflows of resources, and the

difference reported as net position. Over time increases or decreases in net position may serve as a useful indicator whether the financial position of the County is improving or declining.

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

The Statement of Net Position and the Statement of Activities distinguish functions of the County that are primarily supported by taxes and aid from other governments (governmental activities) from other functions that are intended to be recovered all or a significant portion of their cost 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, and education. The business-type activities of the County include solid waste management, landfill closure, and county airport management.

Fund Financial Statements

The fund financial statements provide evidence of accountability by demonstrating compliance with budgetary decisions made in public forum. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes stipulated by laws, regulations, or policies. The funds of the County are divided into three categories: governmental, proprietary, and fiduciary funds.

Governmental Funds

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

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

On the fund financial statements for governmental funds, governmental funds are presented separately by four major funds: the General Fund, the Community Action Agency Fund, the Road Fund, and the Mental Health Services Act Fund. Data from the other governmental funds are aggregated into a single column. Individual fund data for each of these nonmajor governmental funds is provided in the combining statements and schedules section of this report.

Proprietary Funds

Proprietary funds are comprised of two types; Enterprise funds and Internal service funds (ISF). Enterprise funds are used to report the same functions as presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its landfill, landfill closure costs, and its airports.

Internal service funds are used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for the Fleet and Fleet Service Center, County Centralized Services and to pass out administrative costs between grant funded programs. 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 County's internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements

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

Required Supplementary Information

In addition to the basic financial statements, this report presents Required Supplementary Information. The required supplementary information is presented concerning the County's progress in funding its obligation to provide pension benefits and Other Post-Employment Benefits (OPEB) to its employees. The County also includes budgetary comparisons schedules for the major governmental funds.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information budgetary comparisons.

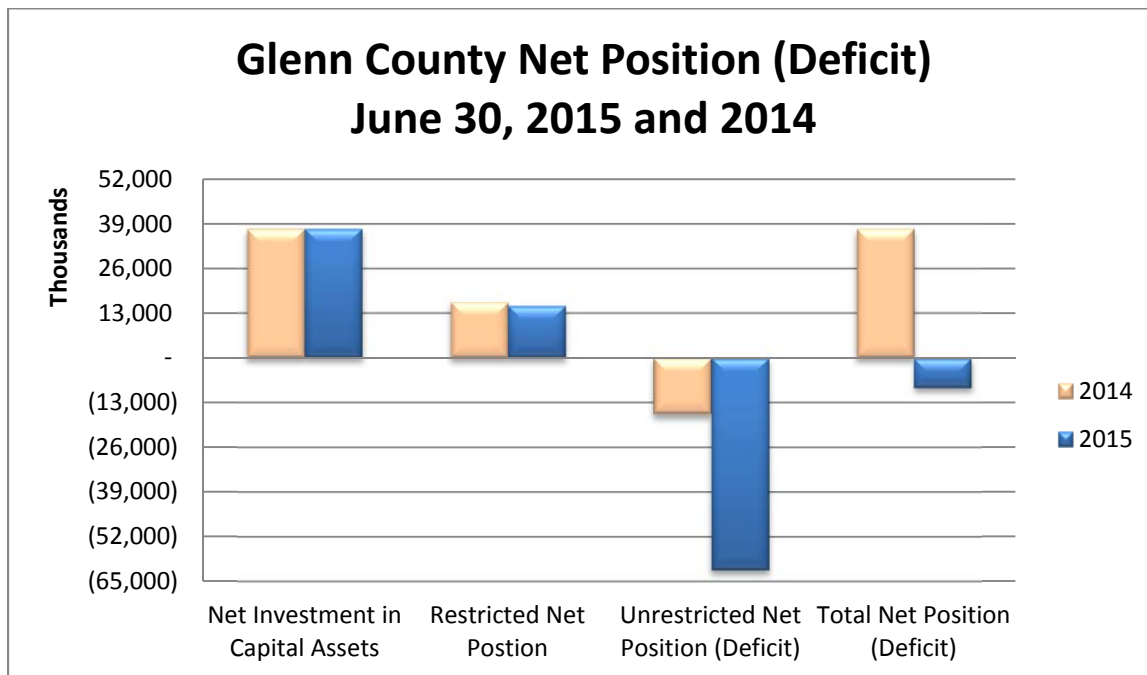
III. Government-Wide Overall Financial Analysis

	Governmental Activities		Business-type Activities		Total		Total	
	2015	2014	2015	2014	2015	2014	\$ Change 2014 to 2015	% Change 2014 to 2015
Current and other assets	\$ 31,531,161	\$31,253,706	\$ 7,699,681	\$ 6,943,907	\$ 39,230,842	\$38,197,613	\$ 1,033,229	2.7%
Capital assets	39,399,859	38,844,713	1,974,762	2,490,382	41,374,621	41,335,095	39,526	0.1%
Total assets	70,931,020	70,098,419	9,674,443	9,434,289	80,605,463	79,532,708	1,072,755	2.8%
Total deferred outflows of resources	3,238,270	--	35,710	--	3,273,980	--	3,273,980	--
Current and other liabilities	7,345,705	9,302,137	87,316	432,259	7,433,021	9,734,396	(2,301,375)	(23.6%)
Long-term liabilities	63,772,576	17,220,311	13,809,208	14,842,433	77,581,784	32,062,744	45,519,040	142.0%
Total liabilities	71,118,281	26,522,448	13,896,524	15,274,692	85,014,805	41,797,140	43,217,665	118.3%
Total deferred inflows of resources	7,551,421	--	83,329	--	7,634,750	--	7,634,750	--
Net investment in capital assets	36,052,069	35,534,157	1,655,595	2,082,696	37,707,664	37,616,853	90,811	0.2%
Restricted net position	15,587,546	16,373,832	--	--	15,587,546	16,373,832	(786,286)	(4.8%)
Unrestricted net position	(56,140,027)	(8,332,018)	(5,925,295)	(7,923,099)	(62,065,322)	(16,255,117)	(45,810,205)	281.8%
Total net position (deficit)	\$ (4,500,412)	\$43,575,971	\$ (4,269,700)	\$ (5,840,403)	\$ (8,770,112)	\$37,735,568	\$ (46,505,680)	277.3%

The largest positive portion of the County's net position reflects the County's investment in capital assets (e.g. its land, structures and improvements, infrastructure, and equipment and vehicles); net of any related outstanding debt issued to acquire those assets. The County uses these capital assets to provide a variety of services to citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt. It should be noted that the resources needed to repay this debit must be provided from other sources, since the capital assets themselves cannot be used to retire these liabilities.

The largest factor contributing to the net deficit is the unfunded pension liability. The unfunded pension liability is an estimate of how much it will cost the County to fund its pension obligations over time. The County pays benefit payouts as they become due, but does not set aside funds for future pension costs incurred in the current fiscal year.

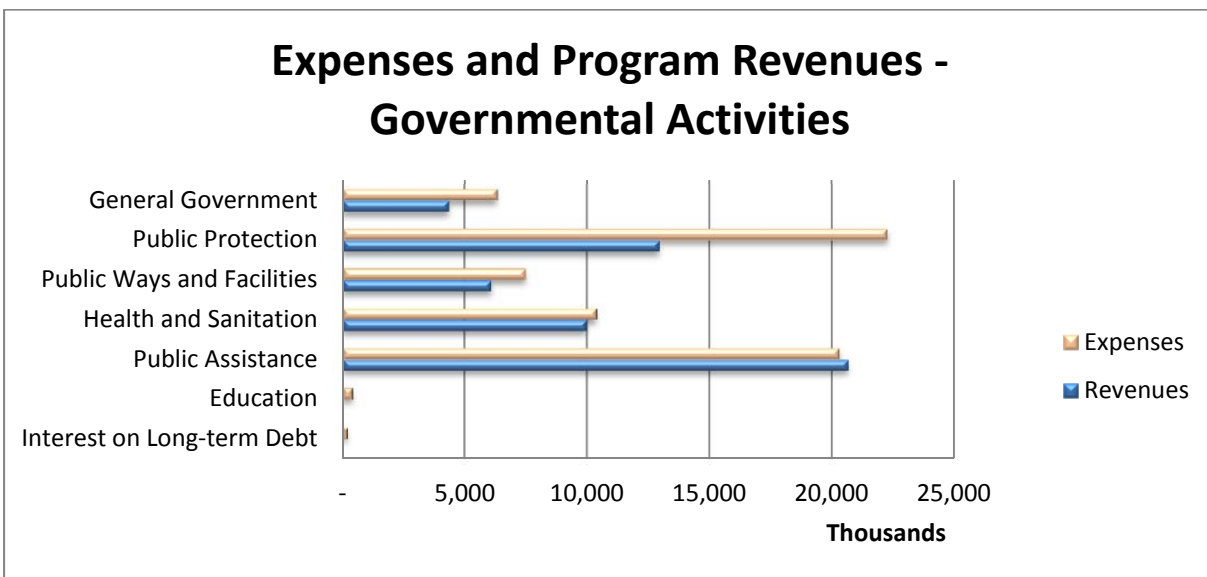
Restricted net position is subject to external restrictions on how it may be used.



As noted above, the significant factor contributing to the decrease in net position was the implementation of GASB Statement No. 68. Recording pension liability reduced the County's net position significantly.

The following table presents the activities that accounted for the changes in net position.

	Governmental Activities		Business-type Activities		Total		Total	
	2015	2014	2015	2014	2015	2014	\$ Change 2014 to 2015	% Change 2014 to 2015
Revenues:								
Program revenues:								
Charges for services	\$ 7,891,364	\$ 13,308,541	\$ 2,350,531	\$ 2,369,157	\$ 10,241,895	\$ 15,677,698	\$ (5,435,803)	(34.7%)
Operating grants and contributions	40,494,839	43,324,505	194,911	55,000	40,689,750	43,379,505	(2,689,755)	(6.2%)
Capital grants and contributions	5,570,726	4,866,198	--	--	5,570,726	4,866,198	704,528	14.5%
General revenues:								
Property taxes	6,088,381	5,901,621	--	--	6,088,381	5,901,621	186,760	3.2%
Sales taxes	1,013,477	1,156,215	--	--	1,013,477	1,156,215	(142,738)	(12.3%)
Other taxes and related revenues	135,374	242,014	--	--	135,374	242,014	(106,640)	(44.1%)
Unrestricted grants and contributions	3,421,057	3,334,410	--	--	3,421,057	3,334,410	86,647	2.6%
Unrestricted Investment Income	51,758	103,905	343,481	314,150	395,239	418,055	(22,816)	(5.5%)
Miscellaneous revenues	4,827,797	2,247,878	208,986	190,540	5,036,783	2,438,418	2,598,365	106.6%
Total revenues	69,494,773	74,485,287	3,097,909	2,928,847	72,592,682	77,414,134	(4,821,452)	24.1%
Program Expenses:								
General government	6,309,888	6,963,916	--	--	6,309,888	6,963,916	(654,028)	(9.4%)
Public protection	22,234,343	22,380,161	--	--	22,234,343	22,380,161	(145,818)	(0.7%)
Public ways and facilities	7,483,035	3,317,352	--	--	7,483,035	3,317,352	4,165,683	125.6%
Health and sanitation	10,366,544	13,354,684	--	--	10,366,844	13,354,684	(2,987,840)	(22.4%)
Public assistance	20,272,064	26,140,090	--	--	20,272,064	26,140,090	(5,868,026)	(22.4%)
Education	395,045	441,421	--	--	395,045	441,421	(46,376)	(10.5%)
Interest on long-term debt	176,437	173,190	--	--	176,437	173,190	3,247	1.9%
Solid waste	--	--	1,774,887	1,169,509	1,774,887	1,169,509	605,378	51.8%
Solid waste closure	--	--	651,868	2,078,423	651,868	2,078,423	(1,426,555)	(68.6%)
Airport	--	--	632,618	520,123	632,618	520,123	112,495	21.6%
Total expenses	67,237,356	72,770,814	3,059,373	3,768,055	70,297,029	76,538,869	(6,241,840)	66.8%
Change in net assets before transfers	2,257,417	1,714,473	38,536	(839,208)	2,295,653	875,265	1,420,388	162.3%
Transfers in/ (out)	5,000	--	(5,000)	--	--	--	--	--
Change in net position	2,262,417	1,714,473	33,536	(839,208)	2,295,653	875,265	1,420,388	162.3%
Net position (deficit) - beginning	43,575,971	41,861,498	(5,840,403)	(5,001,195)	37,735,568	36,860,303	875,265	2.4%
Prior period adjustment	(50,338,800)	--	1,537,167	--	(48,801,633)	--	(48,801,633)	--
Net position (deficit) - ending	\$(4,500,412)	\$43,575,971	\$(4,269,700)	\$(5,840,403)	\$(8,770,412)	\$37,735,568	\$(46,505,980)	(123.2%)



IV. Financial Analysis of Governmental Funds

As noted earlier, the County is required to use fund accounting to ensure and demonstrate compliance with budgetary and legal requirements.

Governmental Funds

The general government functions are included in the General, Special Revenue, Capital Project, and Debt Service Funds. Included in these funds are the special districts governed by the County 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, total fund balance less the nonspendable portion is a useful measure of the County's net resources available for spending at the end of the fiscal year.

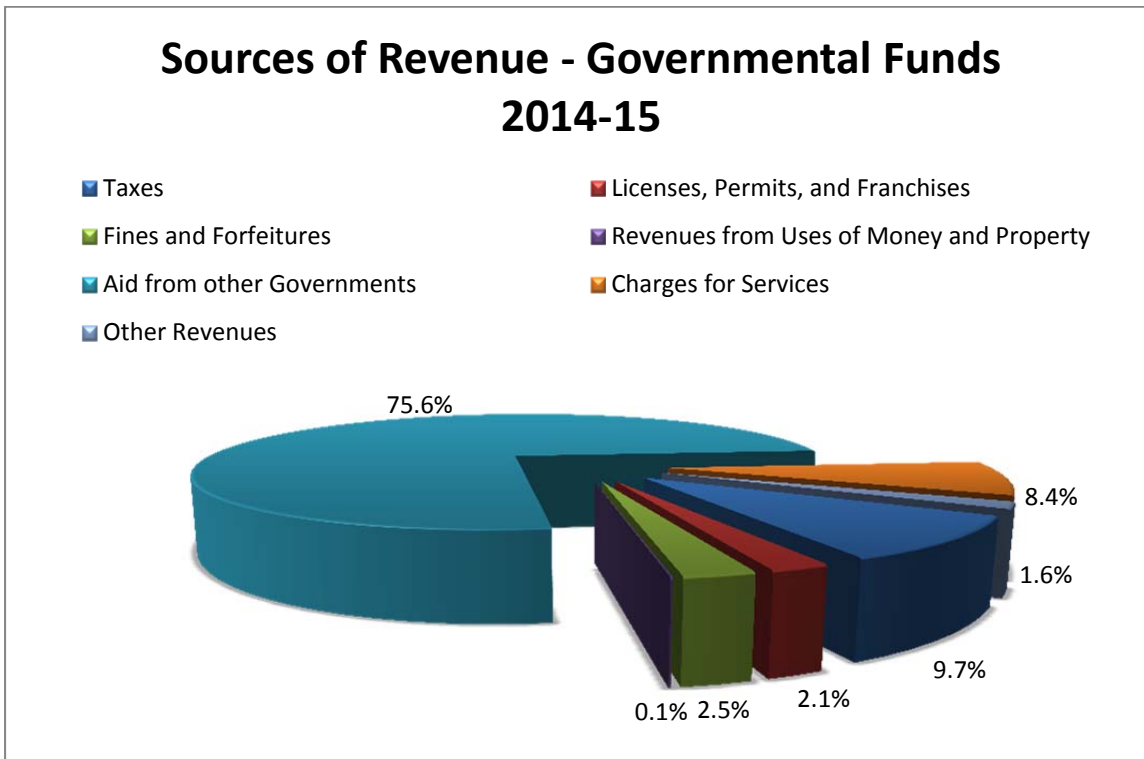
The table below shows the County's governmental funds ending fund balances broken out by component on June 30, 2015.

Component	Amount	Description
Nonspendable	\$ 1,804,856	These are amounts that are not spendable in form, or are legally or contractually required to be maintained intact, and are made up of inventories, prepaid expenses, and outstanding loans receivable.
Restricted	14,995,727	These are amounts that are externally constrained by creditors, grantors, contributions, laws, regulations, or enabling legislation.
Committed	163,447	These are amounts that are for specific purposes determined by the Board of Supervisors such as encumbrances.
Assigned	15,247	These are amounts that are intended to be used for specific purposes.
Unassigned	2,221,994	These are amounts that represent the residual classification for the County's General Fund.
Total	\$ 19,201,271	

With the approval of the Board of Supervisors, County management may allocate a portion of fund balance to a particular function, project or activity, and may also allocate for purposes beyond the current year, within the constraints applied to the various categories of fund balance. With the exception of the nonspendable portion, fund balances are available for appropriation at any time. The general fund is the main operating fund of the County.

The following table presents revenues from various sources as well as reflecting increases or decreases from the prior fiscal year in the governmental funds.

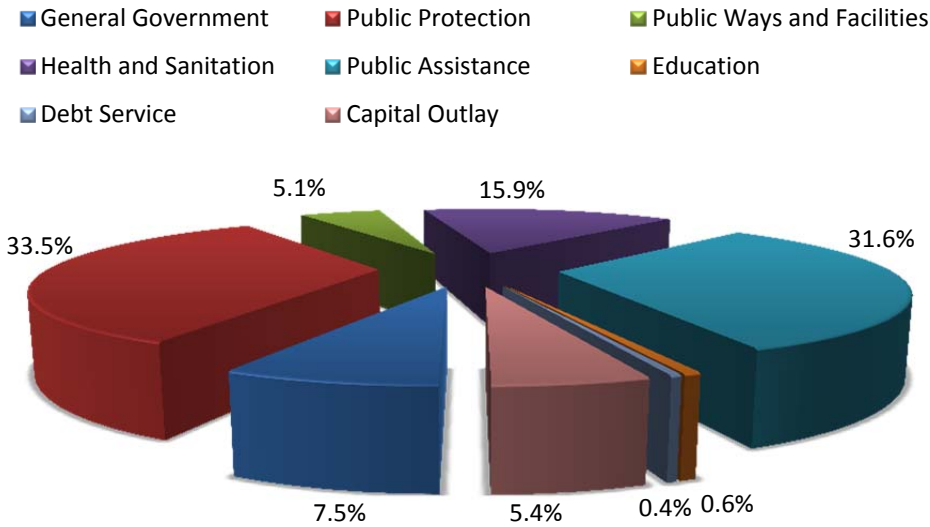
Revenue Sources	2014-15		2013-14		Change	
	Amount	% of total	Amount	% of total	Amount	% of change
Taxes	\$ 6,223,755	9.7%	\$ 6,143,635	8.2%	\$ 80,120	1.3%
Licenses, permits, and franchises	1,360,277	2.1%	1,230,934	1.7%	129,343	10.5%
Fines and forfeitures	1,611,882	2.5%	1,863,440	2.5%	(251,558)	(13.5%)
Revenues from uses of money and property	50,928	0.1%	93,713	0.1%	(42,785)	(45.7%)
Aid from other governments	48,627,358	75.6%	52,760,407	70.8%	(4,133,049)	(7.8%)
Charges for services	5,377,958	8.4%	10,798,436	14.5%	(5,420,478)	(50.2%)
Other revenues	1,049,119	1.6%	1,612,067	2.2%	(562,948)	(34.9%)
Total	\$64,301,277	100.0%	\$74,502,632	100.0%	\$(10,201,355)	(140.3%)



The following table presents expenditures by function compared to prior fiscal year's amounts in governmental funds.

Expenditure by Function	2014-15		2013-14		Change	
	Amount	% of total	Amount	% of total	Amount	% of change
General government	\$ 4,764,571	7.5%	\$ 5,391,545	7.5%	\$ (626,974)	(11.6%)
Public protection	21,379,307	33.5%	21,452,400	30.0%	(73,093)	(0.3%)
Public ways and facilities	3,226,573	5.1%	2,894,349	4.0%	332,224	11.5%
Health and sanitation	10,163,013	15.9%	12,833,742	18.0%	(2,670,729)	(20.8%)
Public assistance	20,121,599	31.6%	25,658,185	35.9%	(5,536,586)	(21.6%)
Education	391,797	0.6%	377,951	0.5%	13,846	3.7%
Debt service	248,424	0.4%	281,424	0.4%	(33,000)	(11.7%)
Capital outlay	3,461,163	5.4%	2,601,373	3.6%	859,790	33.1%
Total	\$63,756,447	100.0%	\$71,490,969	100.0%	\$(7,734,522)	(17.9%)

Uses/ Expenditures of Governmental Funds 2014-15



Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. These funds include the County's enterprise funds; and the internal service funds, which are presented in aggregate.

The following tables present operating revenue and expense for enterprise and internal service funds compared to prior fiscal year's amounts in proprietary funds.

	2014-15		2013-14		Change	
	Amount	% of total	Amount	% of total	Amount	% of change
Enterprise Funds						
Operating revenues						
Charges for services	\$ 2,337,002	81.0%	\$ 2,369,157	92.6%	\$ (32,155)	(1.4%)
Other revenues	548,032	19.0%	190,540	7.4%	357,492	187.6%
Total operating revenues	<u>2,885,034</u>	<u>100.0%</u>	<u>2,559,697</u>	<u>100.0%</u>	<u>325,337</u>	<u>186.3%</u>
Operating expenses						
Salaries and benefits	435,458	16.5%	533,923	14.3%	(98,465)	(18.4%)
Services and supplies	2,089,941	79.4%	3,095,196	82.6%	(1,005,255)	(32.5%)
Depreciation	108,381	4.1%	116,418	3.1%	(8,037)	(6.9%)
Total operating expenses	<u>2,633,780</u>	<u>100.0%</u>	<u>3,745,537</u>	<u>100.0%</u>	<u>(1,111,757)</u>	<u>(57.8%)</u>
Operating Income (loss)	<u>\$ 251,254</u>		<u>\$ (1,185,840)</u>		<u>\$ 1,437,094</u>	<u>(121.2%)</u>
Internal Service Funds						
Operating revenues						
Charges for services	\$ 6,618,925	99.4%	\$ 6,238,857	98.8%	\$ 380,068	6.1%
Other revenues	39,903	0.6%	72,763	1.2%	(32,860)	(45.2%)
Total operating revenues	<u>6,658,828</u>	<u>100.0%</u>	<u>6,311,620</u>	<u>100.0%</u>	<u>347,208</u>	<u>(39.1%)</u>
Operating expenses						
Salaries and benefits	4,509,320	64.7%	3,588,094	58.1%	921,226	25.7%
Services and supplies	2,142,757	30.7%	2,301,913	37.3%	(159,156)	(6.9%)
Depreciation	316,401	4.5%	280,904	4.6%	35,497	12.6%
Total operating expenses	<u>6,968,478</u>	<u>100.0%</u>	<u>6,170,911</u>	<u>100.0%</u>	<u>797,567</u>	<u>31.4%</u>
Operating Income (loss)	<u>\$ (309,650)</u>		<u>\$ 140,709</u>		<u>\$ (450,359)</u>	<u>(320.1%)</u>

V. General Fund Budgetary Highlights

The following table presents the original budget, final budget, actual amount, and variance between final and actual for the governmental funds.

Governmental Funds	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 6,016,375	\$ 6,016,375	\$ 6,223,755	\$ 207,380
Licenses, permits, and franchises	1,254,594	1,280,862	1,360,277	79,415
Fees and fines	1,402,750	1,484,250	1,611,882	127,632
Revenues from uses of money and property	29,321	35,436	50,928	15,492
Aid from other governments	60,985,172	62,376,123	48,627,358	(13,748,765)
Charges for services	5,955,064	6,023,102	5,377,958	(645,144)
Other revenues	668,059	745,342	1,049,120	303,778
Total Revenues	76,311,335	77,961,490	64,301,278	(13,660,212)
Expenditures				
General government	5,118,075	5,094,623	4,764,571	330,052
Public protection	21,997,699	23,000,407	21,379,307	1,621,100
Public ways and facilities	12,860,247	12,860,247	3,226,573	9,633,674
Health and sanitation	12,642,332	12,825,198	10,163,013	2,662,185
Public assistance	22,685,243	23,844,602	20,121,599	3,723,003
Education	397,989	397,989	391,797	6,192
Debt service	290,572	298,572	248,424	50,148
Capital outlay	1,425,322	1,538,977	3,461,163	(1,922,186)
Total Expenditures	77,417,479	79,860,615	63,756,447	16,104,168
Excess (Deficiency) of Revenues Over Expenditures	(1,106,144)	(1,899,125)	544,831	2,443,956
Other Financing Sources (Uses)				
Sale of capital assets	--	--	44,020	44,020
Transfers in	22,826,216	23,339,343	7,030,260	(16,309,083)
Transfers out	(22,491,238)	(23,796,495)	(7,309,498)	16,486,997
Total Other Financing Sources (Uses)	334,978	(457,152)	(235,218)	221,934
Net Change in Fund Balances	\$ (771,166)	\$ (2,356,277)	\$ 309,613	\$ 2,665,890

VI. Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets includes land, structures and improvements, equipment and vehicles, construction-in-progress, and infrastructure. The following table provides a comparison between current fiscal year and prior fiscal year capital assets, net of depreciation.

	Governmental Activities		Business-type Activities		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Land	\$ 141,873	\$ 106,373	\$ 1,022,894	\$ 1,022,894	\$ 1,164,767	\$ 1,129,267
Construction in progress	3,711,154	2,753,339	34,069	245,738	3,745,223	2,999,077
Structures & improvements	9,851,893	10,588,315	811,208	1,064,425	10,663,101	11,652,740
Equipment & vehicles	3,193,509	3,794,732	106,591	157,325	3,300,100	3,952,057
Infrastructure	22,501,430	21,601,954	--	--	22,501,430	21,601,954
Total	<u>\$ 39,399,859</u>	<u>\$ 38,844,713</u>	<u>\$ 1,974,762</u>	<u>\$ 2,490,382</u>	<u>\$ 41,374,621</u>	<u>\$ 41,335,095</u>

Additional information on the County's capital assets can be found in the Notes to the Financial Statements section of this report.

Long-term Obligations

The County's long-term obligations includes certificates of participation, loans, capital leases, compensated absences, landfill closure obligation, landfill postclosure obligation, pension obligation, and other post employment obligation.

	Governmental Activities		Business-type Activities		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Certificates of participation	\$ 2,455,000	\$ 2,490,000	\$ --	\$ --	\$ 2,455,000	\$ 2,490,000
Loans	561,631	591,323	13,710	35,774	575,341	627,097
Capital leases	331,159	229,233	305,457	371,912	636,616	601,145
Compensated absences	1,528,169	1,579,509	28,982	30,268	1,557,151	1,609,777
Landfill closure obligation	--	--	3,019,190	14,201,232	3,019,190	14,201,232
Landfill postclosure obligation	--	--	9,782,450	--	9,782,450	--
Pension obligation	44,715,708	--	494,553	--	45,210,261	--
Other postemployment obligation	14,180,909	12,330,246	164,866	203,247	14,345,775	12,533,493
Total	<u>\$ 63,772,576</u>	<u>\$ 17,220,311</u>	<u>\$ 13,809,208</u>	<u>\$ 14,842,433</u>	<u>\$ 77,581,784</u>	<u>\$ 32,062,744</u>

Additional information on the County's Long-term Obligations can be found in the Notes to the Financial Statements section of this report.

VII. Fiscal Outlook

The County adopted its fiscal year 2015-2016 Final Budget in the amount of \$85,740,000, after inclusion of general fund reserves in the amount of \$300,000 to cover an estimated revenue shortfall. The County continues to face fiscal challenges in the foreseeable future. The single most critical issue facing the County is that costs to provide required services are escalating faster than are revenues needed to support them. For example, the County is required to provide for public protection, provision of health, and social services. Rising labor and healthcare costs without at least an equal increase in funding dictate that either the breadth of service or the quality of service must be reduced to stay within the funding limits, thus impacting the ability for the County to serve its constituents as they have come to expect.

It is also currently unknown if the implementation of GASB Statement No. 68 and the future implementation of GASB Statement No. 74 will either directly or materially affect the County's operations. Statement No. 68 and No. 74 requires or will require the County to record its estimated unfunded pension and retiree healthcare liability on the government-wide financial statements. In recording these estimates of potential future pension and healthcare cause the statements to reflect a net deficit. It should be noted that the estimated net pension and OPEB liabilities are due over time. The County has had no issues paying actual pension and OPEB payouts as

they currently come due nor does the County anticipate a problem providing for these costs as they come due in the foreseeable near future.

VIII. Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest. Questions concerning any of the information presented in this report or requests for additional financial information should be addressed to:

Department of Finance
516 West Sycamore Street
Willows, CA 95965

The County's Comprehensive Annual Financial Report can also be found at www.countyofglenn.net.



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



COUNTY OF GLENN

Statement of Net Position
June 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 21,333,230	\$ 7,548,845	\$ 28,882,075
Accounts receivable	753,919	110,692	864,611
Interest receivable	86,052	8,401	94,453
Due from other governments	6,381,196	--	6,381,196
Prepaid items	181,058	--	181,058
Internal balances	4,788	(4,788)	--
Due from other agencies	244,028	11,884	255,912
Inventories	111,808	24,647	136,455
Loans Receivable	2,435,082	--	2,435,082
Capital Assets:			--
Non-depreciable	3,853,027	1,056,963	4,909,990
Depreciable, net	35,546,832	917,799	36,464,631
Total Assets	70,931,020	9,674,443	80,605,463
DEFERRED OUTFLOWS OF RESOURCES			
Pension contributions	3,238,270	35,710	3,273,980
Total Deferred Outflows of Resources	3,238,270	35,710	3,273,980
LIABILITIES			
Accounts payable	2,654,173	47,427	2,701,600
Salaries and benefits payable	712,217	11,491	723,708
Interest payable	164	3,007	3,171
Deposits payable	20,521	25,391	45,912
Unearned revenue	3,958,630	--	3,958,630
Long-term liabilities:			
Due within one year	624,590	91,425	716,015
Due in more than one year	63,147,986	13,717,783	76,865,769
Total Liabilities	71,118,281	13,896,524	85,014,805
DEFERRED INFLOWS OF RESOURCES			
Actuarial differences	7,551,421	83,329	7,634,750
Total Deferred Inflows of Resources	7,551,421	83,329	7,634,750
NET POSITION (DEFICIT)			
Net investment in capital assets	36,052,069	1,655,595	37,707,664
Restricted for:			
General government	2,616,520	--	2,616,520
Public protection	5,355,795	--	5,355,795
Public ways & facilities	1,232,496	--	1,232,496
Public assistance	5,259,502	--	5,259,502
Education	540,855	--	540,855
Capital projects	522,408	--	522,408
Debt service	59,970	--	59,970
Unrestricted	(56,140,027)	(5,925,295)	(62,065,322)
Total Net Deficit	\$ (4,500,412)	\$ (4,269,700)	\$ (8,770,112)

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

COUNTY OF GLENN

Statement of Activities
For the Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 6,309,888	\$ 2,860,524	\$ 1,456,704	\$ 22,672	\$ (1,969,988)	\$ --	\$ (1,969,988)
Public protection	22,234,343	4,129,290	8,807,081	--	(9,297,972)	--	(9,297,972)
Public ways and facilities	7,483,035	387,608	129,473	5,548,054	(1,417,900)	--	(1,417,900)
Health and sanitation	10,366,544	418,007	9,546,893	--	(401,644)	--	(401,644)
Public assistance	20,272,064	94,367	20,551,943	--	374,246	--	374,246
Education	395,045	1,568	2,745	--	(390,732)	--	(390,732)
Interest on long-term debt	176,437	--	--	--	(176,437)	--	(176,437)
Total governmental activities	67,237,356	7,891,364	40,494,839	5,570,726	(13,280,427)	--	(13,280,427)
Business-type activities:							
Solid waste	1,774,887	2,058,399	102,876	--	--	386,388	386,388
Solid waste closure	651,868	--	--	--	--	(651,868)	(651,868)
Airport	632,618	292,132	92,035	--	--	(248,451)	(248,451)
Total business-type activities	3,059,373	2,350,531	194,911	--	--	(513,931)	(513,931)
Total	\$ 70,296,729	\$ 10,241,895	\$ 40,689,750	\$ 5,570,726	(13,280,427)	(513,931)	(13,794,358)
General revenues:							
Taxes:							
Property taxes					6,088,381	--	6,088,381
Sales and use taxes					1,013,477	--	1,013,477
Real property transfer taxes					128,819	--	128,819
Other taxes					6,555	--	6,555
Franchise fees					624,752	--	624,752
Grants and contributions - unrestricted					3,421,057	--	3,421,057
Interest and investment earnings					51,758	343,481	395,239
Miscellaneous					4,203,045	208,986	4,412,031
Transfers in (out)					5,000	(5,000)	--
Total General Revenues and Transfers					15,542,844	547,467	16,090,311
Change in Net Position					2,262,417	33,536	2,295,953
Net Position (Deficit) - Beginning					43,575,971	(5,840,403)	37,735,568
Prior period adjustment					(50,338,800)	1,537,167	(48,801,633)
Net Deficit - Beginning, Restated					(6,762,829)	(4,303,236)	(11,066,065)
Net Deficit - Ending					\$ (4,500,412)	\$ (4,269,700)	\$ (8,770,112)

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



**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**



COUNTY OF GLENN

Balance Sheet
Governmental Funds
June 30, 2015

	General Fund	Community Action Agency	Road	Mental Health Services Act	Other Government al Funds	Total
ASSETS						
Cash and investments	\$ 6,323,550	\$ 809,744	\$ 1,879,583	\$ 2,839,134	\$ 7,007,950	\$ 18,859,961
Accounts receivable	1,313	496,649	201,257	--	8,869	708,088
Interest receivable	72,845	846	3,049	3,385	3,713	83,838
Due from other governments	3,591,162	--	1,659,644	305,026	784,366	6,340,198
Prepaid costs	152,899	3,507	--	--	8,832	165,238
Due from other funds	1,868,144	24,522	55,754	46,651	174,934	2,170,005
Inventory	--	43,647	33,437	--	--	77,084
Advances to other funds	1,557,714	--	--	--	--	1,557,714
Loans receivable	--	2,435,082	--	--	--	2,435,082
Total Assets	\$ 13,567,627	\$ 3,813,997	\$ 3,832,724	\$ 3,194,196	\$ 7,988,664	\$ 32,397,208
LIABILITIES						
Accounts payable	\$ 2,086,236	\$ 177,567	\$ 212,931	\$ --	\$ 107,440	\$ 2,584,174
Accrued salaries and benefits	495,260	30,767	57,893	--	35,708	619,628
Interest payable	164	--	--	--	--	164
Deposits from others	17,421	2,192	--	--	--	19,613
Due to other funds	1,228,701	83,781	1,203	91,946	647,312	2,052,943
Unearned revenue	920,676	3,591	--	3,013,741	20,622	3,958,630
Advances from other funds	785,000	250,000	--	--	200,000	1,235,000
Total Liabilities	5,533,458	547,898	272,027	3,105,687	1,011,082	10,470,152
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	2,249,538	172,553	129,473	--	174,221	2,725,785
Total Deferred Inflows of Resources	2,249,538	172,553	129,473	--	174,221	2,725,785
FUND BALANCES						
Nonspendable	1,715,408	47,154	33,437	--	8,857	1,804,856
Restricted	1,668,535	3,046,392	3,397,787	88,509	6,794,504	14,995,727
Committed	163,447	--	--	--	--	163,447
Assigned	15,247	--	--	--	--	15,247
Unassigned	2,221,994	--	--	--	--	2,221,994
Total Fund Balances	5,784,631	3,093,546	3,431,224	88,509	6,803,361	19,201,271
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 13,567,627	\$ 3,813,997	\$ 3,832,724	\$ 3,194,196	\$ 7,988,664	\$ 32,397,208

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



COUNTY OF GLENN

Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Position
June 30, 2015

Amounts reported for governmental activities in the statement of net position are different because:

Fund balances-total governmental funds \$ 19,201,271

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. These assets consist of:

Land	\$ 141,873	
Construction in progress	3,711,154	
Buildings and improvements	17,791,194	
Equipment	11,196,622	
Infrastructure	40,718,954	
Less: accumulated depreciation	<u>(35,617,296)</u>	
Total capital assets		37,942,501

Some of the County's revenue will be collected after year-end, but is not available soon enough to pay for the current period's expenditures, and therefore is reported as unavailable revenue in the governmental funds. 2,725,785

Internal service funds are used by the County to charge the cost of certain County-wide or Department-wide activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. (3,811,967)

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities are reported in the statement of net assets. Balances as of June 30, 2015 are:

Certificates of participation	(2,455,000)	
Loans payable	(561,631)	
Capital leases	(330,647)	
Compensated absences	(1,370,363)	
Net OPEB obligation	(12,462,479)	
Pension	(39,561,052)	
Other changes in long-term liabilities	<u>(3,816,830)</u>	
Total long-term liabilities		<u>(60,558,002)</u>

Net deficit of governmental activities \$ (4,500,412)

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

COUNTY OF GLENN

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	<u>General Fund</u>	<u>Community Action Agency</u>	<u>Road</u>	<u>Mental Health Services Act</u>	<u>Other Governmental Funds</u>	<u>Total</u>
REVENUES						
Taxes	\$ 5,911,343	\$ --	\$ --	\$ --	\$ 312,412	\$ 6,223,755
Licenses, permits, and franchises	1,096,619	--	20,831	--	242,827	1,360,277
Fines and forfeitures	1,603,108	--	--	--	8,774	1,611,882
Revenues from uses of money and property	15,890	8,582	10,835	7,130	8,491	50,928
Aid from other governments	31,667,560	1,655,219	5,548,054	1,549,197	8,207,328	48,627,358
Charges for services	4,151,872	3,085	363,006	--	859,995	5,377,958
Other revenues	989,325	22,530	28,645	--	8,619	1,049,119
Total Revenues	<u>45,435,717</u>	<u>1,689,416</u>	<u>5,971,371</u>	<u>1,556,327</u>	<u>9,648,446</u>	<u>64,301,277</u>
EXPENDITURES						
Current:						
General government	4,757,716	--	--	--	6,855	4,764,571
Public protection	19,029,154	--	--	--	2,350,153	21,379,307
Public ways and facilities	--	--	3,226,573	--	--	3,226,573
Health and sanitation	9,880,914	--	--	7,937	274,162	10,163,013
Public assistance	17,168,994	2,671,755	--	--	280,850	20,121,599
Education	391,797	--	--	--	--	391,797
Debt Service:						
Principal	--	--	--	--	161,437	161,437
Interest and other charges	8,535	--	--	--	78,452	86,987
Capital Outlay	109,863	--	2,829,641	--	521,659	3,461,163
Total Expenditures	<u>51,346,973</u>	<u>2,671,755</u>	<u>6,056,214</u>	<u>7,937</u>	<u>3,673,568</u>	<u>63,756,447</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,911,256)</u>	<u>(982,339)</u>	<u>(84,843)</u>	<u>1,548,390</u>	<u>5,974,878</u>	<u>544,830</u>
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	21,777	13,715	3,528	--	5,000	44,020
Transfers in	6,070,092	677,277	56,553	--	226,339	7,030,261
Transfers out	(1,146,393)	(117,389)	--	(1,548,391)	(4,497,325)	(7,309,498)
Total Other Financing Sources (Uses)	<u>4,945,476</u>	<u>573,603</u>	<u>60,081</u>	<u>(1,548,391)</u>	<u>(4,265,986)</u>	<u>(235,217)</u>
Net Change in Fund Balances	<u>(965,780)</u>	<u>(408,736)</u>	<u>(24,762)</u>	<u>(1)</u>	<u>1,708,892</u>	<u>309,613</u>
Fund Balances - Beginning	<u>6,750,411</u>	<u>3,502,282</u>	<u>3,455,986</u>	<u>88,510</u>	<u>5,094,469</u>	<u>18,891,658</u>
Fund Balances - Ending	<u>\$ 5,784,631</u>	<u>\$ 3,093,546</u>	<u>\$ 3,431,224</u>	<u>\$ 88,509</u>	<u>\$ 6,803,361</u>	<u>\$ 19,201,271</u>

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

COUNTY OF GLENN

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Government-Wide Statement of Activities – Governmental Activities
For the Fiscal Year Ended June 30, 2015

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, which measure only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

Net change to fund balances-total governmental funds \$ 309,613

Amounts reported for governmental activities in the statements of activities are different because:

Governmental funds reported capital outlays as expenditures. However, in the statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures are therefore added back to fund balances	\$ 3,461,163	
Depreciation expense not reported in governmental funds	(1,911,724)	
Other capital asset adjustments	(830,238)	
		719,201

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

Principal payments		161,443
--------------------	--	---------

Some revenues reported in the statement of activities will not be collected for several months after the County's year end and do not provide current financial resources and therefore are not reported as revenues in the governmental funds.

Change in unavailable revenue		1,535,824
-------------------------------	--	-----------

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available (net change).

Compensated absences	(11,695)	
Other postemployment benefits (OPEB)	(132,233)	
Pension	(446,599)	
		(590,527)

Internal service funds are used by the County to charge the cost of certain County-wide or Department-wide activities to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.

		126,863
--	--	---------

Change in Net Position of Governmental Activities	\$ 2,262,417	2,262,417
--	---------------------	------------------

COUNTY OF GLENN

Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-Type Activities Enterprise Funds			Governmental Activities	
	Solid Waste Operating	Solid Waste Closure	Airport	Total	Internal Service Funds
ASSETS					
Current Assets:					
Cash and investments	\$ 2,484,657	\$ 4,599,090	\$ 465,098	\$ 7,548,845	\$ 2,473,269
Accounts receivable	104,205	--	6,487	110,692	45,831
Interest receivable	2,604	5,286	511	8,401	2,214
Due from other governments	--	--	--	--	40,998
Prepaid costs	--	--	--	--	15,820
Due from other funds	10,867	--	1,093	11,960	207,423
Inventory	--	--	24,647	24,647	34,724
Total Current Assets	2,602,333	4,604,376	497,836	7,704,545	2,820,279
Noncurrent Assets:					
Capital assets:					
Nondepreciable	921,567	--	135,396	1,056,963	--
Depreciable, net	102,860	--	814,939	917,799	1,457,358
Total Noncurrent Assets	1,024,427	-	950,335	1,974,762	1,457,358
DEFERRED OUTFLOWS OF RESOURCES					
Pension contributions	35,710	--	--	35,710	372,200
Total Deferred Outflows of Resources	35,710	--	--	35,710	372,200
LIABILITIES					
Current Liabilities:					
Accounts payable	30,387	--	17,040	47,427	69,999
Accrued salaries and benefits	11,491	--	--	11,491	92,589
Interest payable	3,007	--	--	3,007	--
Deposits payable	--	--	25,391	25,391	908
Due to other funds	4,835	--	29	4,864	79,170
Advances from other funds	--	--	--	--	319,213
Compensated absences	7,527	--	--	7,527	47,614
Capital leases	70,188	--	--	70,188	512
Loans	--	--	13,710	13,710	--
Total Current Liabilities	127,435	-	56,170	183,605	610,005
Noncurrent Liabilities:					
Compensated absences	21,454	--	--	21,454	110,192
Capital leases	235,269	--	--	235,269	--
Closure/postclosure liability	--	12,801,640	--	12,801,640	--
Net OPEB obligation	164,866	--	--	164,866	1,718,430
Net pension obligation	494,554	--	--	494,554	5,154,656
Total Noncurrent Liabilities	916,143	12,801,640	--	13,717,783	6,983,278
DEFERRED INFLOWS OF RESOURCES					
Actuarial Differences	83,329	--	--	83,329	868,521
Total Deferred Inflows of Resources	83,329	--	--	83,329	868,521
NET POSITION (DEFICIT)					
Net investment in capital assets	718,970	--	936,625	1,655,595	1,456,846
Unrestricted	1,816,593	(8,197,264)	455,376	(5,925,295)	(5,268,813)
Total Net Position (Deficit)	\$ 2,535,563	\$ (8,197,264)	\$ 1,392,001	\$ (4,269,700)	\$ (3,811,967)

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

COUNTY OF GLENN

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-Type Activities Enterprise Funds			Total	Governmental Activities
	Solid Waste Operating	Solid Waste Closure	Airport		Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 2,044,870	\$ --	\$ 292,132	\$ 2,337,002	\$ 6,618,925
Other revenues	217,272	--	330,760	548,032	39,903
Total Operating Revenues	<u>2,262,142</u>	<u>--</u>	<u>622,892</u>	<u>2,885,034</u>	<u>6,658,828</u>
OPERATING EXPENSES					
Salaries and benefits	435,458	--	--	435,458	4,509,320
Services and supplies	981,526	651,868	456,547	2,089,941	2,142,757
Depreciation	46,208	--	62,173	108,381	316,401
Total Operating Expenses	<u>1,463,192</u>	<u>651,868</u>	<u>518,720</u>	<u>2,633,780</u>	<u>6,968,478</u>
Operating Income (Loss)	<u>798,950</u>	<u>(651,868)</u>	<u>104,172</u>	<u>251,254</u>	<u>(309,650)</u>
NON-OPERATING REVENUES (EXPENSES)					
Aid from other governments	102,876	--	92,035	194,911	91,772
Investment income	5,425	11,582	957	17,964	4,601
Gain (loss) on sale of capital assets	(294,191)	--	(113,048)	(407,239)	56,116
Interest expense	(17,504)	--	(850)	(18,354)	(213)
Total Non-Operating Revenue (Expenses)	<u>(203,394)</u>	<u>11,582</u>	<u>(20,906)</u>	<u>(212,718)</u>	<u>152,276</u>
Income (Loss) Before Transfers	<u>595,556</u>	<u>(640,286)</u>	<u>83,266</u>	<u>38,536</u>	<u>(157,374)</u>
Transfers in	--	--	--	--	387,429
Transfers out	(5,000)	--	--	(5,000)	(103,192)
Change in Net Position	<u>590,556</u>	<u>(640,286)</u>	<u>83,266</u>	<u>33,536</u>	<u>126,863</u>
Total Net Position (Deficit) - Beginning	<u>2,481,883</u>	<u>(9,608,438)</u>	<u>1,286,152</u>	<u>(5,840,403)</u>	<u>3,115,867</u>
Prior period adjustment	(536,876)	2,051,460	22,583	1,537,167	(7,054,697)
Total Net Position (Deficit) - Beginning, Restated	<u>1,945,007</u>	<u>(7,556,978)</u>	<u>1,308,735</u>	<u>(4,303,236)</u>	<u>(3,938,830)</u>
Total Net Position (Deficit) - Ending	<u>\$ 2,535,563</u>	<u>\$ (8,197,264)</u>	<u>\$ 1,392,001</u>	<u>\$ (4,269,700)</u>	<u>\$ (3,811,967)</u>

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

COUNTY OF GLENN

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-Type Activities			Totals	Governmental
	Solid Waste	Solid Waste Closure	Airport		Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Charges for services	\$ 2,264,479	\$ --	\$ 616,707	\$ 2,881,186	\$ 6,729,384
Payments to suppliers	(1,339,784)	--	(452,789)	(1,792,573)	(2,169,880)
Payments to employees	(445,860)	--	1,241	(444,619)	(4,266,295)
Net Cash Provided by Operating Activities	<u>478,835</u>	<u>--</u>	<u>165,159</u>	<u>643,994</u>	<u>293,209</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Grants and other receipts	102,876	--	102,035	204,911	59,674
Interfund loan repayments received	34,732	--	33,589	68,321	350,254
Interfund loans received	4,835	--	29	4,864	346,208
Interfund loans made	(15,867)	--	(1,093)	(16,960)	(207,423)
Interfund loans repaid	(48,781)	--	(12,328)	(61,109)	(376,849)
Transfers in	--	--	--	--	387,429
Transfers out	--	--	--	--	(103,192)
Net Cash Provided by Noncapital Financing Activities	<u>77,795</u>	<u>--</u>	<u>122,232</u>	<u>200,027</u>	<u>456,101</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	--	--	--	--	(163,035)
Proceeds from sale of capital assets	--	--	--	--	66,805
Principal paid on capital debt	(66,455)	--	(22,064)	(88,519)	(6,349)
Interest paid on capital debt	(17,578)	--	(1,698)	(19,276)	(213)
Net Cash Used by Capital and Related Financing Activities	<u>(84,033)</u>	<u>--</u>	<u>(23,762)</u>	<u>(107,795)</u>	<u>(102,792)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and dividends	4,408	10,252	585	15,245	3,732
Net Cash Provided by Investing Activities	<u>4,408</u>	<u>10,252</u>	<u>585</u>	<u>15,245</u>	<u>3,732</u>
Net Increase (Decrease) in Cash and Cash Equivalents	477,005	10,252	264,214	751,471	650,250
Cash and Cash Equivalents - Beginning	<u>2,007,652</u>	<u>4,588,838</u>	<u>200,884</u>	<u>6,797,374</u>	<u>1,823,019</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,484,657</u>	<u>\$ 4,599,090</u>	<u>\$ 465,098</u>	<u>\$ 7,548,845</u>	<u>\$ 2,473,269</u>

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

COUNTY OF GLENN

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-Type Activities			Totals	Governmental Activities
	Solid Waste	Solid Waste Closure	Airport		Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 798,950	\$ (651,868)	\$ 104,172	\$ 251,254	\$ (309,650)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	46,208	--	62,173	108,381	316,401
Decrease (increase) in:					
Accounts receivable	2,337	--	(5,292)	(2,955)	82,863
Prepaid costs	180	--	--	180	3,324
Inventory	--	--	(8,925)	(8,925)	1,957
Pension contributions	--	--	--	--	(372,200)
Increase (decrease) in:					
Accounts payable	(358,438)	--	12,683	(345,755)	(32,404)
Accrued salaries and benefits	1,386	--	1,241	2,627	(8,650)
Deposits payable	--	--	(893)	(893)	--
Unearned revenue	--	--	--	--	(12,307)
Compensated absences	(1,287)	--	--	(1,287)	(63,035)
Closure/ postclosure liability	--	651,868	--	651,868	--
Net OPEB obligation	(15,798)	--	--	(15,798)	259,506
Pension obligation	--	--	--	--	(441,117)
Pension actuarial differences	5,297	--	--	5,297	868,521
Net Cash Provided by Operating Activities	\$ 478,835	\$ --	\$ 165,159	\$ 643,994	\$ 293,209

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

COUNTY OF GLENN

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2015

	Private Purpose Trust	Investment Trusts	Total	Agency
ASSETS				
Cash and investments	\$ 25,145	\$ 34,384,825	\$ 34,409,970	\$ 7,325,883
Due from other funds	--	2,907,968	2,907,968	105,558
Interest receivable	29	40,563	40,592	95,258
Advances to other funds	--	108,000	108,000	--
Property taxes receivable	--	--	--	1,882,355
Total Assets	<u>25,174</u>	<u>37,441,356</u>	<u>37,466,530</u>	<u>9,409,054</u>
LIABILITIES				
Due to other funds	--	2,851,800	2,851,800	414,137
Advances from other funds	--	108,000	108,000	3,501
Agency obligations	--	--	--	8,991,416
Total Liabilities	<u>--</u>	<u>2,959,800</u>	<u>2,959,800</u>	<u>\$ 9,409,054</u>
NET POSITION				
Net position held in trust	<u>25,174</u>	<u>34,481,556</u>	<u>34,506,730</u>	
Total Net Position	<u>\$ 25,174</u>	<u>\$ 34,481,556</u>	<u>\$ 34,506,730</u>	

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

COUNTY OF GLENN

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2015

	<u>Private Purpose Trust</u>	<u>Investment Trusts</u>	<u>Total</u>
ADDITIONS			
Contributions to investment pool	\$ --	\$ 164,367,187	\$ 164,367,187
Net investment income	85	116,434	116,519
Total Additions	<u>85</u>	<u>164,483,621</u>	<u>164,483,706</u>
DEDUCTIONS			
Distributions from investment pool	--	158,943,597	158,943,597
Total Deductions	<u>--</u>	<u>158,943,597</u>	<u>158,943,597</u>
Change in Net Position	85	5,540,024	5,540,109
Net Position - Beginning	<u>25,089</u>	<u>28,941,532</u>	<u>28,966,621</u>
Net Position - Ending	<u>\$ 25,174</u>	<u>\$ 34,481,556</u>	<u>\$ 34,506,730</u>

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





NOTES TO THE FINANCIAL STATEMENTS



COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of County of Glenn (County) have been prepared in conformity with generally accepted accounting principles (GAAP) 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.

For financial reporting purposes, the County’s basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the Board of Supervisors. The financial statements of the individual component units may be obtained by writing to the County of Glenn, Department of Finance, 516 W. Sycamore Street, Willows, CA 95988 or by visiting the County’s website located at www.countyofglenn.net/govt/departments/finance/resources.aspx.

A. Reporting Entity

The County of Glenn, which was incorporated as a County in 1891, is a legal subdivision of the State of California charged with governmental powers. The County’s powers are exercised through a Board of Supervisors, which, as the governing body of the County, is responsible for the legislative and executive control of the County. As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units; legally separate entities for which the County is considered to be financially accountable. Financial accountability is demonstrated by the County Board of Supervisors acting as the governing board for each of the component units.

Blended component units, although legally separate entities are, in substance, part of the County’s operations: therefore data from these units are combined with data of the primary government. Each blended component unit has a June 30, 2015 fiscal year-end.

Discretely presented component units, also legally separate entities are separately stated from the County in the financial report. Discretely presented component units would be financially accountable to the County but for all practical purposes, would function on their own. The County currently does not report any discretely presented component units.

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14 “The Financial Reporting Entity.”

Based on the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, the reporting entity also includes the following blended component units, which are Special Districts under control of the Board of Supervisors:

Included in the Reporting Entity

- | | |
|-----------------------------------|-------------------------------|
| Air Pollution Control District | Artois Fire District |
| Bayliss Fire District | Hamilton Fire District |
| North Willows County Service Area | Olive Fruit Fly Pest District |
| Storm Drain Maintenance #1 | Storm Drain Maintenance #3 |
| Willows Rural Fire District | |

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Excluded from the Reporting Entity

Local Board Governed Districts and School Districts: These potential component units have been excluded from the reporting entity. They are legally separate primary governmental units. The financial reporting for these governmental entities, which are independent of the County, are limited to the total amount for cash and investments and the related fiduciary responsibilities of the County for disbursement of these assets. Activities of local board governed districts and school districts are administered by boards which are separately elected and which are independent of the County Board of Supervisors. The following local board governed districts and school districts have been excluded from the County's financial statements:

4-E Water District	Artois Community Service District
Butte City Community Service District	Children's and Families Commission
Elk Creek Cemetery	Elk Creek Community Service District
Elk Creek Fire District	German Cemetery
Glenn County Mosquito & Vector District	Glenn County Office of Education
Glenn County Resource Conservation District	Glenn-Codora Fire District
Glenn-Colusa Fire District	Hamilton City Community Service District
Kanawha Fire District	Levee District No. 1
Levee District No. 2	Levee District No. 3
Marvin Chapel Cemetery	Northeast Willows Community Service District
Ord Bend Community Service District	Ord Fire Protection District
Orland Cemetery	Orland Fire Protection District
Reclamation District No. 2106	Reclamation District No. 2140
Rice Pest Abatement District No. 1	Stony Gorge Resort Improvement District
Stony Creek Water District	Willows Cemetery

These entities have separate elected boards and provide services to residents, generally within the geographic boundaries of the County. In addition, these entities are excluded from the reporting entity because they are not financially accountable to the County.

B. Basis of Presentation

New Accounting Pronouncements

The following Governmental Accounting Standards Board (GASB) Statements have been implemented this year if applicable to the County:

Statement No. 67 – Financial Reporting for Pension Plans. (Applies to plans) This Statement revises the existing standards of financial reporting for most pension plans. Replaces GASB Statement No. 25.

Statement No. 68 – Accounting and Financial Reporting for Pensions. (Applies to employers) The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statement No. 27 and No. 50. This Statement and Statement 67 establish a definition of a pension plan that reflects the primary activities associated with the pension arrangement – determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements (continued)

Statement No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68. (Applies to employers) The objective of this Statement is to address an issue regarding the application of the transition provisions of Statement No. 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government’s beginning net pension liability.

The following Governmental Accounting Standards Board (GASB) Statements will be implemented in future years:

Statement No. 72 – Fair Value Measurement and Application. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investment and disclosures related to all fair value measurements. Effective for financial statements for reporting periods beginning after June 15, 2015.

Statement No. 76 – The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. Effective for financial statements for reporting periods beginning after June 15, 2015.

Statement No. 77 – Tax Abatement Disclosures. This Statement requires governments that enter into tax abatement agreements to disclose information related to the agreements. Effective for financial statements for reporting periods beginning after December 15, 2015.

Statement No. 73 – Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement 67 and 68. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. Effective for financial statements for reporting periods beginning after June 15, 2016.

Statement No. 74 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. Effective for financial statements for reporting periods beginning after June 15, 2016.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements (continued)

Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. Effective for financial statements for reporting periods beginning after June 15, 2017.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

The County has no discretely presented component units at this time, but will continue to assess for any potential component units. If a component unit is later identified, it may not be considered as a major component unit, but would nevertheless be shown in a separate column in the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide information about the government's funds including its 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 are displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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

The County reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, health and sanitation, public assistance and education.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (continued)

- The *Community Action Agency Fund* is a special revenue fund used to account for program operations for low income, elderly, disabled, and minority residents by providing financial assistance for shelter, housing, and food. Individual and family programs protect adults and children, assist youth and families in properly handling their family conflicts, and help people become employed. Victim witness services and youth mentoring programs are also provided. Funding comes primarily from state and federal grant revenues and user fees.
- The *Road Fund* is a special revenue fund used to account for revenues and expenditures related to the maintenance of over 860 miles of County roads of which approximately 700 miles are paved, numerous storm drainage ditches and culverts, over 200 bridges, traffic control systems, and a fleet of heavy construction equipment. Funding comes primarily from the state and federal grants and user fees.
- The *Mental Health Services Act (MHSA) Fund* is a special revenue fund used to account for funding of personnel and other resources to support County mental health programs provided for by the Act.

The County reports the following major enterprise funds:

- The *Solid Waste Operating Fund* is an enterprise fund responsible for the operation and maintenance of the County Solid Waste Landfill operated by the County's public works department.
- The *Solid Waste Closure Fund* is an enterprise fund used to account for revenues and expenses related to the future closure and postclosure maintenance of the landfill.
- The *Airport Fund* is an enterprise fund used to account for revenues and expenses related to the Orland and Willows airports.

The County reports the following additional fund types:

- *Internal Service Funds* account for the County's fleet management services, public works administration, health and human services administration, centralized County services, environmental management, underground storage tanks program, and the Tri-County bee pest services.
- The *Private Purpose Trust Funds* accounts for an endowment received by the County in which the income from the principal is used for the purchase of books and supplies for the Chester Walker Memorial Library in Hamilton City.
- The *Investment Trust Funds* account for the assets of legally separate entities that deposit cash with the County Treasurer in an investment pool, which combines resources in the investment portfolio for the benefit of all participants. These entities include school districts, other special districts governed by local boards, regional boards, and authorities.
- The *Agency Funds* are custodial in nature and do not involve measurement of the results of operations. Such funds have no equity accounts, since all assets are due to individuals or entities at some future time. These funds account for assets held by the County as an agent for other government units or individuals under the conservation of the Glenn County Public Administrator & Guardian.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which the taxes are levied. Operating revenues are those that result from providing services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Grants and similar items are recognized in the fiscal year in which all eligible requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when they become both measureable and available. "Measureable" means the amount of the transaction can be determined, and "available" means that revenues are collective within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenues are recognized in the current year if they are collected within 45 days of fiscal year end. For all other revenues, County considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. Revenues not considered available are recorded as unavailable revenue, a type of deferred inflows. The County's other primary revenue sources: investment income, aid from other governments, and charges for services have been treated as "susceptible to accrual" under the modified accrual basis. Licenses and permits, fines, forfeitures and penalties, and other revenues are not considered "susceptible to accrual" under the modified accrual basis and are recorded as revenues when received. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded when payment is due.

When both restricted and unrestricted net position is available, unrestricted resources are used only after the restricted resources are depleted.

D. Cash and Cash Equivalents

The County maintains a Cash and Investment Pool that holds deposits for all County funds, Glenn County Schools, Special Districts, and certain other local agency depositors. For some entities, participation is mandatory. Some of the outside agencies under mandatory participation in the Investment Pool are Superior Court, Special Districts governed by local boards, and School districts. Other local agencies may qualify to participate on a voluntary basis.

The Pool is not registered as an investment company with the Securities and Exchange Commission (SEC), nor is it an SEC Rule 2a7- like pool. The Treasurer's Statement of Investment Policy is prepared in accordance with California Government Code, and approved annual by the County's Board of Supervisors.

State statutes and the County's investment policy authorize the County Treasurer to invest in instruments described in California Government Code §53601 and §53635, including but not limited to, U.S. Government Treasury and Agency Securities, bankers' acceptances, commercial paper, corporate bonds and notes, repurchase agreements and the State Treasurer's Local Agency Investment Fund (LAIF). In accordance with

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Cash Equivalents (continued)

GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, investments held by the County Treasurer are stated at fair value.

The fair value of investments in the Pool is determined monthly based upon quoted market prices. The County has not provided nor obtained any legally binding guarantees during the fiscal year ended June 30, 2015 to support the values of shares in the Pool. However, management believes that the investments in the Pool are of high quality and that the risk of participation in the Pool is negligible.

The Pool values participants' shares on an amortized cost basis. Specifically, the Pool distributes income to participants quarterly based on their relative participation during the quarter, which is calculated based on 1) realized investment gains and losses computed on an amortized cost basis, 2) interest income based on stated rates (both paid and accrued), 3) amortization of discounts and premiums on straight-line basis, and 4) investment and administrative expenses. This method differs from the fair value method used to value investments in these financial statements because the amortized cost method is not designed to distribute to participants all unrealized gains and losses in the fair value of the Pool's investments. Investment income related to investments reported in certain funds may be assigned to other funds based upon legal or contractual provisions.

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

E. Receivables

Receivables for governmental activities consist mainly of accounts, aid from other governments, and interest. Receivables in business-type activities consist mainly of user fees and interest earnings. Management believes its receivables are fully collectible, and accordingly no allowance for doubtful accounts is required.

F. Inventory

Inventories are valued at cost, which is determined on a first-in, first-out basis, and consist primarily of expendable supplies held for consumption. The costs are recorded as expenditures when the items are used. In the governmental fund balance sheet, there is a reservation of fund balance equal to the inventory balance as these amounts are not available for appropriation.

G. Prepaid Items

Payments made for services that will benefit future accounting periods are recorded as prepaid items. In the governmental fund balances sheet, there is a reservation of fund balance equal to the amount of prepaid items, as these amounts are not available for appropriation.

H. Property Tax

Property taxes attached as an enforceable lien on January 1. Secured taxes are levied on July 1 and are payable in two installments delinquent after December 10 and April 10. All general property taxes are then allocated by the County Department of Finance's Office to the various taxing entities per the legislation that implemented Proposition 13. The method of allocation used by the County is subject to review by the State of California.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Property Tax (continued)

Alternative Method of Distribution of Tax Levies

The County is required to create a tax loss reserve fund (an agency fund) under one of two alternative methods: 1) one percent of total amount of taxes and assessments levied on the secured roll for the year or 2) twenty-five percent of the total delinquent secured taxes and assessments as calculated at the end of the fiscal year. The County is using one percent of the total amount of taxes and assessments levied on the secured roll for the year to establish its tax loss reserve.

The County utilizes the alternative method of property tax distribution, whereby the County, through the legally required Tax Resource Agency Fund, purchases the current secured unpaid taxes remaining at year-end from participating agencies. In return, the Tax Resource Agency Fund records a tax receivable and receives the delinquent secured taxes. The Tax Loss Reserve Agency Fund receives delinquent penalties and redemption interest accruing to delinquent collections related to participating agencies. The participating agencies, including the County, the special districts, and the school districts, in turn, receive their full tax distribution with no liability for uncollected taxes to the Tax Resource Agency Fund. Therefore, the participating agencies, revenue is measureable and available and is recorded in the period the payment of current secured unpaid taxes is received.

I. Loans Receivable

Loans receivable relate to the Housing and Community Development Program funded by federal, state, and local monies. Loans receivable are restricted by the terms of the grant, and accordingly are reported as a restricted component of fund balance. The balance of loans receivable includes loans that may be forgiven if certain terms and conditions of the loans are met. No amount has been provided as an allowance for doubtful accounts because, in the opinion of management, all material amounts are fully collectable.

J. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, water/sewer, lighting systems, drainage systems, and flood control. The County defines capital assets as assets with an initial individual cost of more than \$5,000 for building, land improvements, equipment, machinery, and computer software; more than \$25,000 for infrastructure; and an estimated useful life in excess of one year. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lessor of the capital lease period or the estimated useful lives in the government-wide statements, and the proprietary funds with exception to vehicles which generally are depreciated over the number of miles driven.

The estimated useful lives are as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Equipment, Machinery, & Software	3-15 years
Vehicles	90,000 to 100,000 miles
Structures and land improvements	10-40 years
Infrastructure	40+ years

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets (continued)

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

K. Deferred Outflows/ Inflows of Resources

In addition to assets, the statement of financial position/ balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position/ fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

The County recognizes pension contributions made after the CalPERS accounting valuation report measurement date as deferred outflows of resources as well as differences arising from other pension actuarial differences such as differences between expected and actual experience, changes of assumptions, and differences between projected and actual earnings on pension plan investments.

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/ fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The County recognizes differences arising from pension actuarial differences such as differences between expected and actual experience, changes of assumptions, and differences between projected and actual earnings on pension plan investments as deferred inflows of resources. The County also recognizes unavailable revenue under the modified accrual basis of accounting. Unavailable revenue is reported only when the County has revenue receivable that has not been received within the modified accrual period of 45 days. These amounts are deferred and recognized as an inflow of resources in the period that the amount became available.

L. Compensated Absences

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

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

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Interfund Transactions

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

All interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation. All transfers within the same fund are eliminated for financial statement purposes.

O. Use of Estimates

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

P. Presentation of Financial Information Related to County Fiduciary Responsibilities

The basic financial statements also include Private Purpose Trust and Investment Trust Funds to account for cash and investments held by the County Treasurer for numerous self-governed school and special districts. The financial reporting for these governmental entities, which are independent of the County, is limited to the total amount of cash and investments and other assets, and the related fiduciary responsibility of the County for disbursement of these assets. School and special district boards that are separately elected, and that are independent of the County Board of Supervisors, administer activities of the school and special districts. The County Treasurer makes disbursements upon the request of the responsible self-governed special district officers. The Board has no effective authority to govern, manage, approve budgets, assume financial accountability, establish revenue limits, or appropriate surplus funds available in these entities. Therefore, these entities are fiscally independent of the County. Two cities and numerous self-governed special districts provide services to the residents of the County. The operations of these entities have been excluded from the basic financial statements, since each entity conducts its own day-to-day operations, and is controlled by its own governing board.

Q. Net Position

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

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

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Net Position (continued)

Net Position Policy – Based on the County’s policy regarding the Net Position classifications when both restricted and unrestricted funds are available for expense, restricted funds should be spent first unless legal requirements disallow it.

R. Fund Balance

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

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

Committed Fund Balance – Amounts that can be used only for the specific purpose determined by a resolution approved by the Board of Supervisors. Commitments remain binding unless changed or lifted only by the Board of Supervisors taking the same formal action that imposed the constraint originally. 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 – 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 – The residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

Fund Balance Policy – Based on the County’s policy regarding the fund balance classifications when both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it. When expenditures are incurred for which amounts in any unrestricted fund balance classification could be used, committed funds are to be spent first, assigned funds second, and unassigned funds last.

S. Fund Reporting

Some of the County’s funds were reported as different fund types as of June 30, 2015, to be consistent with the nature of the funds’ activities and with the County’s current accounting and reporting practices. The Records Modernization, Micrographics Conversion, Property Characteristics, and Social Security Redaction funds were reported as part of the General Fund as of June 30, 2015; instead of special revenue funds. As a result, the beginning fund balances for the General Fund and the special revenue funds were increased and decreased by \$75,355, respectively.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Fund Reporting (continued)

The Superior Regional Workforce Education, Inmate Welfare, and Blood and Alcohol County funds were reported as Agency funds as of June 30, 2015; instead of special revenue funds. As a result, the beginning agency obligations and fund balances for the Agency and special revenue funds were increased and decreased by \$147,795, respectively.

NOTE 2: CASH AND INVESTMENTS

As of June 30, 2015, the County's cash and investments are reported in the financial statements as follows:

Statement of Net Position:

Primary government	\$ 28,882,075
Fiduciary funds	41,735,853
Total Cash and Investments	<u>\$ 70,617,928</u>

Cash and investments as of June 30, 2015 consisted of the following:

Cash on hand	\$ 101,448
Deposits in Treasurer's Pool (less outstanding warrants)	13,745,766
Investments	56,770,714
Total Cash and Investments	<u>\$ 70,617,928</u>

Investments Authorized by the California Government Code and the County's Investment Policy

The investment policy provides the basis for the management of a prudent, conservative investment program. Funds are invested to provide the maximum security of principal with secondary emphasis on achieving the highest return, while meeting daily cash flow needs. All investments are made in accordance with the Government Code, and in general, the investment policy is more restrictive than state law. Under the provisions of the County's investment policy the County may invest or deposit in the following:

- Banker's Acceptances
- Commercial Paper
- Local Agency Investment Fund (LAIF)
- Medium Term Notes
- Money Market Funds
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Securities of the Federal Government or its Agencies
- Registered Treasury Notes and Bonds of the State of California
- Registered Treasury Notes and Bonds of any of the other 49 United States
- Local Agency Obligations
- Time Deposits
- California Asset Management Program (CAMP)

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk (continued)

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the County manages its exposure to interest rate risk is by holding a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The County limits its exposure to interest rate risk inherent in its portfolio by limiting individual maturities to 5 years or less. Information about the sensitivity of the fair values of the

County's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the County's investments by maturity.

Investment Type	Interest Rates	Maturities		Fair Value	Weighted Average Maturity
		0-1 year	1-5 years		
US Treasury Notes	0.379%	\$ --	\$ 963,191	\$ 963,191	0.58
Governmental Agencies	0.352-1.000%	7,971,344	7,007,124	14,978,468	1.17
Corporate Notes	0.593-1.023%	1,941,905	4,910,341	6,852,246	1.01
LAIF	Variable	32,738,483	--	32,738,483	N/A
CAMP	Variable	1,238,326	--	1,238,326	N/A
Total Investments		<u>\$ 43,890,058</u>	<u>\$ 12,880,656</u>	<u>\$ 56,770,714</u>	<u>0.92</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the County's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Minimum Legal Rating	Standard & Poor's Rating	Moody's Rating	Percent of Portfolio
US Treasury Notes	N/A	AA+	Aaa	1.70%
Federal Home Loan Mortgage Corp.	N/A	AA+	Aaa	10.56%
Federal Home Loan Bank	N/A	AA+	Aaa	5.28%
Federal National Mortgage Assoc.	N/A	AA+	Aaa	10.54%
Corporate Notes	A	AA+	A1	1.77%
Corporate Notes	A	AA-	Aa3	5.34%
Corporate Notes	A	A+	A1	3.30%
Corporate Notes	A	A+	A2	1.66%
LAIF	N/A	Unrated	Unrated	57.67%
CAMP	N/A	Unrated	Unrated	2.18%
Total				<u>100.00%</u>

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

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

<u>Investment Type</u>	<u>Amount Invested</u>	<u>Percentage of Total Investments</u>
Federal Home Loan Mortgage Corp.	\$ 5,994,963	10.56%
Federal Home Loan Bank	2,999,849	5.28%
Federal National Mortgage Assoc.	5,983,657	10.54%

Custodial Credit Risk

Custodial credit risk of deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. To mitigate the custodial credit risk the County requires that all of its managed investments be held in safekeeping by a third party bank trust department acting as agent for the County. The County's investment pool had no securities exposed to custodial credit risk.

Investment in State Investment Pool

The County is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. This fund is not registered with the Securities and Exchange Commission as an investment company, but is required to invest according to California State Code. Participants in the pool include voluntary and involuntary participants, such as special districts and school districts for which there are legal provisions regarding their investments. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the County's investment in this pool is reported in the accompanying financial statements at amounts based upon the County's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on the amortized cost basis.

Investment in California Asset Management Program

The County also maintains an investment in the California Asset Management Program (CAMP) a California JPA established in 1989 by the treasurers and finance directors of several California agencies. CAMP was created to provide professional investment services to California public agencies at a reasonable cost. The fair value of the County's position in the pool is approximately the same as the value of the pool shares.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Treasury Investment Pool

Condensed Financial Information for the Treasurer's Investment Pool

In lieu of separately issued financial statements for the Treasurer's investment pool, condensed financial information is presented below as of and for the fiscal year ended, June 30, 2015:

	<u>Internal Participants</u>	<u>External Participants</u>	<u>Total Pool</u>
Statement of Net Position			
Cash on hand	\$ 21,114	\$ 80,334	\$ 101,448
Deposits (Less outstanding warrants)	13,342,137	403,629	13,745,766
Investments	<u>15,518,824</u>	<u>41,251,890</u>	<u>56,770,714</u>
Net Position on June 30, 2015	<u>\$ 28,882,075</u>	<u>\$ 41,735,853</u>	<u>\$ 70,617,928</u>
Statement of Changes in Net Position			
Net position on July 1, 2014	\$ 29,969,673	\$ 29,125,528	\$ 59,095,201
Net changes in investments by pool participants	<u>(1,087,598)</u>	<u>12,610,325</u>	<u>11,522,727</u>
Net Position on June 30, 2015	<u>\$ 28,882,075</u>	<u>\$ 41,735,853</u>	<u>\$ 70,617,928</u>

NOTE 3: INTERFUND TRANSACTIONS

Due To/ From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from other or due to other funds. The following are due from and due to balances as of June 30, 2015:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 1,868,144	\$ 1,228,701
Community Action Agency	24,522	83,781
Road Fund	55,754	1,203
Mental Health Service Act	46,651	91,946
Nonmajor Governmental Funds	174,934	647,312
Solid Waste Operating	10,867	4,835
Airport	1,093	29
Internal Service Funds	207,423	79,170
Investment Trust Funds	2,907,968	2,851,800
Agency Funds	<u>105,558</u>	<u>414,137</u>
Total	<u>\$ 5,402,914</u>	<u>\$ 5,402,914</u>

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 3: INTERFUND TRANSACTIONS (CONTINUED)

Advances To/ From Other Funds

Advances to/ from other funds are non-current interfund loans and are offset by a Nonspendable fund balance account in applicable governmental funds to indicate they are not in spendable form. The following are advances to/ from other funds as of June 30, 2015.

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
General Fund	\$ 1,557,714	\$ 785,000
Community Action Agency	--	250,000
Nonmajor Governmental Funds	--	200,000
Internal Service Funds	--	319,213
Investment Trust Funds	108,000	108,000
Agency Funds	--	3,501
Total	<u>\$ 1,665,714</u>	<u>\$ 1,665,714</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments, debt service, reimbursement of various County operations, or re-allocations of special revenues. The following are the interfund transfer balances as of June 30, 2015:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General Fund	Community Action Agency Fund	\$ 674,616	Transfer for County operations
	Nonmajor Governmental Funds	7,541	Transfer for County operations
	Nonmajor Governmental Funds	76,807	Transfer for debt service
	Internal Service Funds	<u>387,429</u>	Transfer for County operations
		<u>1,146,393</u>	
Community Action Agency Fund	General Fund	60,836	Transfer for special revenue allocation
	Road Fund	<u>56,553</u>	Transfer for special revenue allocation
		<u>117,389</u>	
Mental Health Service Act Fund	General Fund	<u>1,548,391</u>	Transfer for special revenue allocation
Nonmajor Governmental Funds	General Fund	4,360,334	Transfer for special revenue allocation
	Nonmajor Governmental Funds	<u>136,991</u>	Transfer for debt service
		<u>4,497,325</u>	
Solid Waste	Nonmajor Governmental Funds	<u>5,000</u>	Transfer for County operations
Internal Service Funds	General Fund	100,531	Transfer for County operations
	Community Action Agency Fund	<u>2,661</u>	Transfer for County operations
		<u>103,192</u>	
Total		<u>\$7,417,690</u>	

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2015, was as follows:

	Balance July 1, 2014	Additions	Retirements	Adjustments/ Transfers	Balance June 30, 2015
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 106,373	\$ --	\$ --	\$ 35,500	\$ 141,873
Construction in progress	2,753,339	3,408,908	--	(2,451,093)	3,711,154
Total Capital Assets, Not Being Depreciated	2,859,712	3,408,908	--	(2,415,593)	3,853,027
Capital Assets, Being Depreciated:					
Buildings and Improvements	20,688,200	--	(8,677)	(2,496,661)	18,182,862
Equipment	17,598,837	215,290	(966,026)	(2,469,639)	14,378,462
Infrastructure	38,844,461	--	--	1,874,493	40,718,954
Total Capital Assets, Being Depreciated	77,131,498	215,290	(974,703)	(3,091,807)	73,280,278
Less Accumulated Depreciation For:					
Buildings and Improvements	(10,099,885)	(394,456)	1,952	2,161,420	(8,330,969)
Equipment	(13,804,105)	(858,652)	940,368	2,537,436	(11,184,953)
Infrastructure	(17,242,507)	(975,017)	--	--	(18,217,524)
Total Accumulated Depreciation	(41,146,497)	(2,228,125)	942,320	4,698,856	(37,733,446)
Total Capital Assets, Being Depreciated, Net	35,985,001	(2,012,835)	(32,383)	1,607,049	35,546,832
Governmental Activities Capital Assets, Net	\$ 38,844,713	\$ 1,396,073	\$ (32,383)	\$ (808,544)	\$ 39,399,859
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 1,022,894	\$ --	\$ --	\$ --	\$ 1,022,894
Construction in progress	245,738	14,056	--	(225,725)	34,069
Total Capital Assets, Not Being Depreciated	1,268,632	14,056	--	(225,725)	1,056,963
Capital Assets, Being Depreciated:					
Buildings and Improvements	2,054,047	--	--	(404,399)	1,649,648
Equipment	1,593,299	--	--	835,093	2,428,392
Total Capital Assets, Being Depreciated	3,647,346	--	--	430,694	4,078,040
Less Accumulated Depreciation For:					
Buildings and Improvements	(989,622)	(57,647)	--	208,829	(838,440)
Equipment	(1,435,974)	(50,733)	--	(835,094)	(2,321,801)
Total Accumulated Depreciation	(2,425,596)	(108,380)	--	(626,265)	(3,160,241)
Total Capital Assets, Being Depreciated, Net	1,221,750	(108,380)	--	(195,571)	917,799
Governmental Activities Capital Assets, Net	\$ 2,490,382	\$ (94,324)	\$ --	\$ (421,296)	\$ 1,974,762

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 4: CAPITAL ASSETS (CONTINUED)

Depreciation

Depreciation expense was allocated to functions as follows:

General governmental	\$ 168,561
Public protection	447,010
Public ways and facilities	1,139,695
Health and sanitation	66,889
Public assistance	<u>89,569</u>
Subtotal of Governmental funds	1,911,724
Depreciation on capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	<u>316,401</u>
Total Depreciation Expense - Governmental Functions	<u><u>\$ 2,228,125</u></u>

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

Solid Waste Operating	\$ 46,207
Airport	<u>62,173</u>
Total Depreciation Expense - Business-Type Functions	<u><u>\$ 108,380</u></u>

NOTE 5: LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2015:

Type of Indebtedness	Balance July 1, 2014	Additions	Adjustments/ Retirements	Balance June 30, 2015	Amounts Due Within One Year
Governmental Activities					
Certificates of Participation	\$ 2,490,000	\$ --	\$ (35,000)	\$ 2,455,000	\$ 40,000
Loans	591,323	--	(29,692)	561,631	15,181
Capital Leases	229,233	--	101,926	331,159	100,165
Compensated Absences	<u>1,579,509</u>	<u>1,136,717</u>	<u>(1,188,057)</u>	<u>1,528,169</u>	<u>469,245</u>
Total Governmental Activities	<u><u>\$ 4,890,065</u></u>	<u><u>\$ 1,136,717</u></u>	<u><u>\$ (1,150,823)</u></u>	<u><u>\$ 4,875,959</u></u>	<u><u>\$ 624,591</u></u>
Business-Type Activities					
Loans	\$ 35,774	\$ --	\$ (22,064)	\$ 13,710	\$ 13,710
Capital Leases	371,912	--	(66,455)	305,457	70,188
Postclosure	14,201,232	126,409	(10,556,978)	3,770,663	--
Closure	--	302,804	8,728,173	9,030,977	--
Compensated Absences	<u>30,268</u>	<u>12,971</u>	<u>(14,257)</u>	<u>28,982</u>	<u>7,527</u>
Total Business-Type Activities	<u><u>\$ 14,639,186</u></u>	<u><u>\$ 442,184</u></u>	<u><u>\$ (1,931,581)</u></u>	<u><u>\$ 13,149,789</u></u>	<u><u>\$ 91,425</u></u>

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

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 5: LONG-TERM LIABILITIES (CONTINUED)

Individual issues of debt payable outstanding on June 30, 2015, are as follows:

Governmental Activities

Certificates of Participation:

2005 Certificates of Participation issued September 1, 2005, in the amount of \$2,750,000 due in annual installments of \$35,000 to \$135,000, with an interest rate of 4.125% and maturity on September 1, 2045. The certificates were used to finance the construction of the County Office of Education building in Willows.

\$ 2,455,000

Total Certificates of Participation

2,455,000

Loans:

California Department of Housing and Community Development loan issued May 2012, in the amount of \$546,450. This loan was for the purchase of and renovation to a house to be used as a Domestic Violence Shelter (Development). The County signed a Promissory Note secured by Deed of Trust. The Promissory Note has a maturity date of May 5, 2021. The note specifies a simple interest rate of 3.0% per annum to be applied to advances from this note. Repayment of principal and interest shall be deferred as long as the Development is operated as an emergency shelter or as transition housing. The note also forgives all outstanding principal and accrued interest on the maturity date indicated. Proceeds from the loan are advanced by the State to the Trustee, Glenn County Title Company. The Trustee then makes payments for costs. As of June 30, 2014, the County had drawn down \$546,450 and became liable for that amount.

546,450

State of California Energy Resources Conservation and Development Commission Loan, issued December 15, 2013 in the amount of \$101,514, due in semi-annual installments of \$15,409, with an interest rate of 3.0% and maturity on December 22, 2015. The Loan was used for the replacement of heating, ventilation, and air conditioning systems in County buildings.

15,181

Total Loans

561,631

Total Governmental Activities

\$ 3,016,631

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 5: LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activities

Loans:

State of California Department of Transportation loan issued December 2000 in the amount of \$120,000, due in annual installments of \$8,130 to \$12,452 with an interest rate of 5.132% and maturity in January 2015. The loan was used to finance the construction of an onsite fueling station at the Orland airport. \$ 7,733

State of California Department of Transportation loan issued December 2000 in the amount of \$125,000, due in annual installments of \$6,233 to \$11,309 with an interest rate of 4.283% and maturity in January 2016. The loan was used to finance the construction of an onsite fueling station at the Willows airport. 5,977

Total Loans 13,710

Total Business-Type Activities \$ 13,710

Following is a schedule of debt payment requirements of governmental activities and business-type activities to maturity for long-term debt, excluding the California Department of Housing and Community Development loan for which payment is deferred, compensated absences that have indefinite maturities.

Governmental Activities

Year Ended June 30	Certificates of Participation		
	Principal	Interest	Total
2016	\$ 40,000	\$ 100,444	\$ 140,444
2017	45,000	98,691	143,691
2018	45,000	96,834	141,834
2019	45,000	94,978	139,978
2020	50,000	93,019	143,019
2021-2025	265,000	433,228	698,228
2026-2030	330,000	372,900	702,900
2031-2035	405,000	296,484	701,484
2036-2040	490,000	205,013	695,013
2041-2045	605,000	92,523	697,523
2046	135,000	2,784	137,784
Total	<u>\$ 2,455,000</u>	<u>\$ 1,886,898</u>	<u>\$ 4,341,898</u>

Year Ended June 30	Loans		
	Principal	Interest	Total
2016	\$ 15,181	\$ 228	\$ 15,409
Total	<u>\$ 15,181</u>	<u>\$ 228</u>	<u>\$ 15,409</u>

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 5: LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activities

Year Ended June 30	Loans		
	Principal	Interest	Total
2016	\$ 13,710	\$ 653	\$ 14,363
Total	\$ 13,710	\$ 653	\$ 14,363

Capital Leases

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

	Stated Interest Rate	Present Value of Remaining Payments at June 30, 2015
Governmental activities	1.89%- 6.15%	\$ 331,159
Business-Type activities	5.00%	305,457
Total		\$ 636,616

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

	Governmental Activities	Business-Type Activities
Land	\$ --	\$ 658,125
Buildings and improvements	515,000	--
Equipment	375,088	--
Less: accumulated depreciation	(232,795)	--
Net Value	\$ 657,293	\$ 658,125

As of June 30, 2015, capital lease annual amortization is as follows:

Year Ended	Governmental Activities	Business-Type Activities
2016	\$ 109,978	\$ 84,033
2017	109,442	84,033
2018	109,442	84,033
2019	22,993	86,545
Total requirements	351,855	338,644
Less interest	(20,696)	(33,187)
Present Value of Remaining Payments	\$ 331,159	\$ 305,457

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 5: LONG-TERM LIABILITIES (CONTINUED)

Compensated Absences

Upon termination, compensated absences for vacation are paid out at the employee's current rate of pay. The County does not accrue for compensated absences in its governmental fund statements and recognizes liabilities for compensated absences only if they are due and payable in an event such as termination. However, in the statement of activities the expense is allocated to each function based on usage. The County limits compensated absences for vacation to twice the employee's annual vacation accrual.

Landfill Closure and Postclosure Costs

The County of Glenn has one landfill site. State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste, and to perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. GASB Statement No. 18 requires a portion of those closure and postclosure costs be reported as an operating expense in each period based on landfill capacity used as of each statement of net position date.

The following table illustrates the County's remaining liabilities for closure and postclosure maintenance as of June 30, 2015:

Landfill Liabilities	Total Estimated Closure/ Postclosure Costs	Percentage of Estimated Landfill Capacity Used	Proportionate Share of Liability Recognized	Estimated Remaining Closure/ Postclosure Costs	Cash and Investments Available to Cover Closure/ Postclosure Costs	Landfill Closure/ Postclosure Funding Deficit
Postclosure	\$ 4,309,329		\$ 3,770,663	\$ 538,666		
Closure	10,321,116		9,030,977	1,290,139		
Total	\$ 14,630,445	87.50%	\$ 12,801,640	\$ 1,828,805	\$ 4,599,090	\$ (8,202,550)

The County is required by State and Federal laws and regulations to provide financial assurance that appropriate resources will be available to finance closure and postclosure care costs in the future. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate, or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue. The County has obtained commercial insurance for the possibility that landfill contaminants could be released into the water supply.

Limitations and Restrictions

There are a number of limitations and restrictions contained in the various debt indentures. The County's management believes that the County is in compliance with all significant limitations and restrictions.

Rebtable Arbitrage Earnings

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. During the current year, the County does not expect to incur a liability.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 6: EMPLOYEES' RETIREMENT PLAN

General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the County's Miscellaneous (all non-safety employees) and the separate Safety (police) Employee Pension Plans. The County has both agent multiple-employer and cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolutions. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for 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 Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Miscellaneous Plans (Agent-Multiple Employer Plans)		
	Prior to January 1, 2013	On or after January 1, 2013	
Hire date			
Benefit formula	2.50% @ 55	2.00% @ 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	2.00% to 2.50%	1.00% to 2.50%	
Required employee contribution rates	8.00%	6.25%	
Required employer contribution rates	18.76%	18.76%	
	Safety Plans (Cost-sharing Plans)		
	Prior to April 1, 2012	April 1, 2012 through December 31, 2012	On or after January 1, 2013
Hire date			
Benefit formula	3.00% @ 50	3.00% @ 55	2.70% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.00%	2.40% to 3.00%	2.00% to 2.70%
Required employee contribution rates	9.00%	9.00%	11.50%
Required employer contribution rates	17.56%	15.63%	11.15%

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 6: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Employees Covered

At June 30, 2015, the following employees were covered by the benefit terms for each Plan:

	<u>All Plans</u>
Inactive employees or beneficiaries currently receiving benefits	572
Inactive employees entitled to, but not yet receiving, benefits	432
Active employees	<u>427</u>
Total	<u><u>1,431</u></u>

Contributions

Code §20814(c) of the California Public Employees' Retirement Law 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. Funding contributions for all Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

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 for each of the Plans is measured as of June 30, 2014 using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 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, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous and Safety Plans</u>
Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.50% (1)
Mortality	Derived using CalPERS' Membership Data
Post Retirement Benefit Increase	2.75%

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

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 6: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would be 7.65%. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial.

CalPERS is schedule to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is schedule to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time there is a change in methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60) years using a building-block approach. Using the expected normal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 6: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Discount Rate (continued)

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ²
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%

¹ An expected inflation of 2.50% used for this period

² An expected inflation of 3.00% used for this period

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in GASB 68 may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. For the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves.

The following table shows the changes in net pension liability recognized over the measurement period.

Miscellaneous Plans:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2013 ¹	\$ 121,589,167	\$ 78,862,779	\$ 42,726,388
Changes in the year:			
Service Cost	2,700,013	--	2,700,013
Interest on the Total Pension Liability	8,997,458	--	8,997,458
Contributions from the Employer	--	2,639,570	(2,639,570)
Contributions from the Employees	--	1,286,424	(1,286,424)
Net Investment Income ²	--	13,571,107	(13,571,107)
Benefit Payments, including Refunds of Employee Cor	(5,946,120)	(5,946,120)	--
Net Changes during 2013-14	<u>5,751,351</u>	<u>11,550,981</u>	<u>(5,799,630)</u>
Balance at June 30, 2014 ¹	\$ <u>127,340,518</u>	\$ <u>90,413,760</u>	\$ <u>36,926,758</u>

¹ The fiduciary net position may differ from the plan assets reported in the funding actuarial valuation report.

² Net of administrative expenses.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 6: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Pension Plan Fiduciary Net Position (continued)

Safety Plans:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2013	\$ 26,165,761	\$ 16,646,437	\$ 9,519,324
Net Changes during 2013-14	1,269,416	2,505,236	(1,235,820)
Balance at June 30, 2014	<u>\$ 27,435,177</u>	<u>\$ 19,151,673</u>	<u>\$ 8,283,504</u>

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

The following presents the net pension liability of the Plans as of the measurement date, calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.50%) or 1% higher (8.50%) than the current rate.

	Discount Rate - 1% (6.50%)	Current Discount Rate (7.50%)	Discount Rate + 1% (8.50%)
Miscellaneous Plans' Net Pension Liability / (Asset)	\$ 53,557,562	\$ 36,926,757	\$ 23,124,755
Safety Plans' Net Pension Liability / (Asset)	11,958,378	8,283,504	5,255,566
Total	<u>\$ 65,515,940</u>	<u>\$ 45,210,261</u>	<u>\$ 28,380,321</u>

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

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

For the year ended June 30, 2015, the County recognized pension expense of \$3,781,079. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 3,273,980	\$ --
Differences between Expected and Actual Experience	--	--
Changes of Assumptions	--	--
Net Difference between Projected and Actual Earnings on Pension Plan Investments	--	(7,541,569)
Adjustment due to Difference in Proportions	--	(93,181)
Total	<u>\$ 3,273,980</u>	<u>\$ (7,634,750)</u>

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 6: EMPLOYEES' RETIREMENT PLAN (CONTINUED)

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

\$3,273,980 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30:	Deferred Outflows/ (Inflows) of Resources
2015	\$ (1,918,670)
2016	(1,918,670)
2017	(1,912,015)
2018	(1,885,395)
2019	--
Thereafter	--

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The County offers the same cost-sharing multiple-employer medical plans to its retirees as to its active employees, with the exception that once a retiree becomes eligible for Medicare (that is, reaches age 65), he/ she must join a Medicare HMA or a Medicare Supplement plan under Public Employees' Medical and Hospital Care Act (PEMMICAN). The County sets its monthly contribution rates for health insurance on behalf of active employees through negotiations with bargaining units. Non-represented employees currently receive the same County contributions as the other groups. For all employees who retire from service (either regular retirement or disability retirement), the County shall pay a portion of their medical premiums based on their respective MOU currently in effect.

Funding Policy

As required by GASB 45, an actuary will determine the County's Annual Required Contributions (ARC) at least once every two fiscal years. The ARC is calculated in accordance with certain parameters, and includes (1) the Normal Cost of one year, and (2) a component of amortization of the total unfunded actuarial accrued liability (AIL) over a period not to exceed 30 years.

GASB 45 does not require pre-funding of OPEB benefits. Therefore, the County's funding policy is to continue to pay healthcare premiums for retirees as they fall due. The County has elected not to establish an irrevocable trust at this time.

The Board of Supervisors reserve the authority to review and amend this funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the County.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Annual OPEB Cost and Net OPEB Obligation

The following table shows the components of the County's Annual OPEB Cost for the fiscal year ended June 30, 2015, the amount actually contributed to the plan, and changes in the County's Net OPEB Obligation:

Annual Required Contribution	\$ 3,716,045
Interest on Net OPEB Obligation	501,340
Amortization Adjustment to ARC	<u>(724,813)</u>
Annual OPEB Cost	3,492,572
Contributions Made	<u>(1,680,290)</u>
Increase in NET OPEB Obligation	1,812,282
Net OPEB Obligation - Beginning of Year	<u>12,533,493</u>
Net OPEB Obligation - End of Year	<u><u>\$ 14,345,775</u></u>

The following shows the calculation for the Annual Required Contributions for the year ended June 30, 2015:

Normal Cost at Year End	\$ 1,406,719
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	<u>2,309,326</u>
Annual Required Contribution (ARC)	<u><u>\$ 3,716,045</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the current and prior two years are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2013	\$ 3,666,435	38.38%	\$ 10,373,351
June 30, 2014	\$ 3,626,153	40.43%	\$ 12,533,492
June 30, 2015	\$ 3,492,572	48.11%	\$ 14,345,775

The quantifications of costs set forth above should not be interpreted in any way as vesting such benefits; rather the disclosures are made solely to comply with the County's reporting obligations under GASB 45, as the County understands these obligations.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Schedule of Funding Progress

The funded status of the plan as of the most recent three actuarial valuations was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Projected Unit Credit Actuarial Accrued</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
July 1, 2010	\$ --	\$ 29,825,990	\$ 29,825,990	0.00%	\$ 23,288,859	128.07%
July 1, 2012	\$ --	\$ 39,152,496	\$ 39,152,496	0.00%	\$ 20,555,593	190.47%
July 1, 2014	\$ --	\$ 39,932,938	\$ 39,932,938	0.00%	\$ 14,255,068	280.13%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the Annual Required Contributions of the County are subject to continual revision as actual results are compared with past expectations, and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of the valuation and historical pattern of sharing of benefits costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The plan's most recent actuarial valuation was performed as of July 1, 2014. In that valuation, the Projected Unit Credit (PUC) Cost Method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses) and an annual healthcare cost trend 8% initially, reduced by decrements to an ultimate rate of 5% after 3 years. The County's unfunded actuarial accrued liability is being amortized as a level dollar amount on an open basis over 30 years. The County's plan is considered a single-employer plan under GASB 45.

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 8: FUND BALANCES

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned. The fund balances for all major and non-major governmental funds as of June 30, 2015, were distributed as follows:

	<u>General Fund</u>	<u>Community Action Agency</u>	<u>Road</u>	<u>Mental Health Services Act</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:						
Imprest cash	\$ 4,795	\$ --	\$ --	\$ --	\$ 25	\$ 4,820
Prepaid expense	152,899	3,507	--	--	8,832	165,238
Inventory	--	43,647	33,437	--	--	77,084
Advances to other funds	1,557,714	--	--	--	--	1,557,714
Subtotal	<u>1,715,408</u>	<u>47,154</u>	<u>33,437</u>	<u>--</u>	<u>8,857</u>	<u>1,804,856</u>
Restricted:						
General government	221,135	--	--	--	301,746	522,881
Public protection	1,365,745	--	--	--	3,517,736	4,883,481
Public ways and facilities	--	--	3,397,787	--	522,408	3,920,195
Health and sanitation	81,655	--	--	88,509	232,145	402,309
Public assistance	-	3,046,392	--	--	1,619,644	4,666,036
Education	--	--	--	--	540,855	540,855
Debit service	--	--	--	--	59,970	59,970
Subtotal	<u>1,668,535</u>	<u>3,046,392</u>	<u>3,397,787</u>	<u>88,509</u>	<u>6,794,504</u>	<u>14,995,727</u>
Committed:						
General government	163,447	--	--	--	--	163,447
Subtotal	<u>163,447</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>163,447</u>
Assigned:						
Public protection	15,247	--	--	--	--	15,247
Subtotal	<u>15,247</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>15,247</u>
Unassigned						
	<u>2,221,994</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,221,994</u>
Total	<u>\$ 5,784,631</u>	<u>\$ 3,093,546</u>	<u>\$ 3,431,224</u>	<u>\$ 88,509</u>	<u>\$ 6,803,361</u>	<u>\$ 19,201,271</u>

The Board of Supervisors has adopted a fund balance policy for financial statement reporting. The policy establishes procedures for reporting fund balance classifications, and establishes a hierarchy of fund balance expenditures.

NOTE 9: 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; and natural disasters for which the County has entered into a Joint Powers Authority (JPA). The County and the County's special districts formed the Golden State Risk Management Authority (Authority) for the purpose of creating a common pool of funds to be used to meet obligations of the parties to provide coverage for worker's compensation and general liability exposures and to pay for the administration of the program. The Joint Powers Agreement established for its members the Golden State Risk Management Authority Liability and Worker's Compensation Plans.

COUNTY OF GLENN

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2015

NOTE 9: RISK MANAGEMENT (CONTINUED)

As defined by GASB Statement No. 10, the Authority is a "risk-sharing pool". The Authority manages one pool for all members. The arrangement allows its members to transfer or pool risks and share in the cost of losses. The County currently reports all of its risk management activities in its General Fund. Premiums due to the Plans are reported when incurred. Each member of the Plan pays an annual premium to the Authority which is evaluated each year.

The agreement for the formation of the Authority provides that the Authority will be self-sustaining through member premiums and will reinsure through a commercial company for claims in excess of self-insured retention amounts. Settled claims have not exceeded commercial insurance coverage in any of the past 3 fiscal years and there have been no reductions in insurance covered from the prior year.

NOTE 10: CONTINGENCIES

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

The County is involved in several lawsuits. Due to the nature of the cases, County Counsel is unable to estimate at this time the probability of favorable or unfavorable outcomes. Therefore, no provision has been made in the financial statements for a loss contingency.

NOTE 11: SUBSEQUENT EVENTS

Management has evaluated events subsequent to June 30, 2015 through March 14, 2016, the date on which the financial statements were available for issuance.

On July 15, 2015, the County entered into a capital lease agreement with Bank of America, National Association to finance a new phone system. Total lease payments will be \$395,920 over a five year period.

NOTE 12: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Restatement of Fund Balance/ Net Position

Adjustments resulting from errors or a change to comply with provisions of the accounting standards are treated as adjustments to prior periods. Accordingly, the County reports these changes as restatements of beginning fund balance/ net position. During the current year adjustments to fund balance or net position were as follows:

COUNTY OF GLENN

Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2015

NOTE 12: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Restatement of Fund Balance/ Net Position (continued)

Government-Wide Financial Statements	Governmental Activities	Business-Type Activities
Beginning balance, July 1, 2014	\$ 43,575,971	\$ (5,840,403)
Adjustment for pension	(48,527,072)	(536,876)
Adjustment for OPEB	--	22,583
Adjustment for landfill closure	--	2,051,460
Adjustment for other	(1,811,728)	--
	\$ (6,762,829)	\$ (4,303,236)

Enterprise Funds	Solid Waste Operating	Solid Waste Closure	Airport
Beginning balance, July 1, 2014	\$ 2,481,883	\$ (9,608,438)	\$ 1,286,152
Adjustment for pension	(536,876)	--	--
Adjustment for OPEB	--	--	22,583
Adjustment for landfill closure	--	2,051,460	--
	\$ 1,945,007	\$ (7,556,978)	\$ 1,308,735

Internal Service Fund	Fleet & Service Center	Health and Human Resource Agency	Public Works Administration	County Services
Beginning balance, July 1, 2014	\$ 2,390,849	\$ (92,584)	\$ 231,531	\$ 233,584
Adjustment for pension	(459,358)	(3,278,083)	(962,049)	(896,283)
Adjustment for OPEB	(185,057)	(755,055)	(518,812)	--
	\$ 1,746,434	\$ (4,125,722)	\$ (1,249,330)	\$ (662,699)

Deficit Fund Balance/ Net Position

The Solid Waste Closure fund, had a deficit net position at June 30, 2015 of \$(8,197,264). This deficit is expected to be eliminated through future additional funding of the closure/ postclosure liability.

The following internal service funds had a deficit net position at June 30, 2015 totaling \$(5,989,533). The deficit was caused by the implementation of GASB 68. The deficit is expected to be eliminated next fiscal due to the conversion of these ISF funds into governmental funds.

Health & Human Resource Agency Administration	\$(4,131,908)
Public Works Administration	(1,310,888)
County Services	(546,737)





REQUIRED SUPPLEMENTARY INFORMATION



COUNTY OF GLENN

Required Supplementary Information
For the Fiscal Year Ended June 30, 2015

1. SOURCES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Miscellaneous Plans:

The Schedule of Changes in the Net Position Liability and Related Ratios presents a detailed look at the County's total pension liability, total plan fiduciary net position, and various informative ratios. Of particular interest to most is the Plan fiduciary net position as a percentage of total pension liability. The closer the plan is to a 100 percent funded status, the better position it will be in to meet all of its future liabilities.

Schedule of Changes in the Net Position Liability and Related Ratios – Miscellaneous Plans

Last 10 Years*

	<u>2014</u>
Total Pension Liability	
Service cost	\$ 2,700,013
Interest on the total pension liability	8,997,458
Changes of benefit terms	--
Differences between expected and actual experience	--
Changes of assumptions	--
Benefit payments, including refunds of employee contributions	<u>(5,946,120)</u>
Net change in total pension liability	5,751,351
Total Pension Liability - Beginning	121,589,167
Total Pension Liability - Ending	<u>127,340,518</u>
 Plan Fiduciary Net Position	
Contributions - employer	2,639,570
Contributions - employee	1,286,424
Net investment income	13,571,107
Benefit payments, including refunds of employee contributions	(5,946,120)
Other changes in fiduciary net position	--
Net change in plan fiduciary net position	<u>11,550,981</u>
Total Fiduciary Net Position - Beginning	78,862,779
Total Fiduciary Net Position - Ending	<u>90,413,760</u>
 Net Pension Liability - Ending	<u>\$ 36,926,758</u>
 Plan fiduciary net position as a percentage of the total pension liability	71.00%
Covered employee payroll	\$ 17,081,126
Net pension liability as a percentage of covered employee payroll	216.18%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies to voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: There were no changes in assumptions.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

Schedule of Plan Contributions presents the actuarial determined contribution required by CalPERS from the County to fund the current costs related to pension payments to former employees and other related costs. The County fully funded the determined contribution.

COUNTY OF GLENN

Required Supplementary Information
For the Fiscal Year Ended June 30, 2015

1. SOURCES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)

Schedule of Plan Contributions – Miscellaneous Plans

Last 10 Years*

	2014
Actuarial determined contribution	\$ 2,639,570
Contributions in relation to the actuarially determined contribution	(2,639,570)
Contribution deficiency (excess)	\$ --
Covered employee payroll	\$ 17,081,126
Contributions as a percentage of covered employee payroll	15.45%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions from Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial Cost Method:	Entry Age Normal
Amortization Method/ Period:	Level percentage of assumed future payrolls over rolling 30 year period.
Asset Valuation Method:	Actuarial Value of Assets
Inflation factor:	2.75%
Salary Increases:	Varies by Entry Age and Service
Payroll Growth factor:	3.00%
Investment Rate of Return:	7.50% Net of Pension Plan Investment and Administrative Expenses; includes inflation.
Retirement Age:	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality:	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

Safety Cost Sharing Plans:

The Schedule of Changes in the Net Position Liability and Related Ratios presents a detailed look at the County's total pension liability, total plan fiduciary net position, and various informative ratios. Of particular interest to most is the Plan fiduciary net position as a percentage of total pension liability. The closer the plan is to a 100 percent funded status, the better position it will be in to meet all of its future liabilities.

COUNTY OF GLENN

Required Supplementary Information
For the Fiscal Year Ended June 30, 2015

1. SOURCES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)

Schedule of Changes in the Net Position Liability and Related Ratios – Cost Sharing Plans

Last 10 Years*	<u>2014</u>
Portion of the net pension liability	0.13312%
Proportionate share of the net pension liability	\$ 8,283,504
Covered employee payroll	\$ 1,968,330
Proportionate share of the net pension liability as a percentage of covered employee payroll	420.84%
Proportionate share of the fiduciary net position	\$ 5,782,452
Plan fiduciary net position as a percentage of the total pension liability	69.81%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014. This applies to voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: There were no changes in assumptions.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

COUNTY OF GLENN

Required Supplementary Information
For the Fiscal Year Ended June 30, 2015

1. SOURCES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)

Schedule of Plan Contributions – Cost Sharing Plans

Last 10 Years*

	<u>2014</u>
Actuarially determined contribution	\$ 625,871
Contributions in relation to the actuarially determined contribution	<u>(625,871)</u>
Contribution deficiency (excess)	<u>\$ --</u>
Covered employee payroll	\$ 1,968,330
Contributions as a percentage of covered employee payroll	31.80%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions from Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial Cost Method:	Entry Age Normal
Amortization Method/ Period:	Level percentage of assumed future payrolls over rolling 30 year period.
Asset Valuation Method:	Actuarial Value of Assets
Inflation factor:	2.75%
Salary Increases:	Varies by Entry Age and Service
Payroll Growth factor:	3.00%
Investment Rate of Return:	7.50% Net of Pension Plan Investment and Administrative Expenses; includes inflation.
Retirement Age:	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality:	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

*- Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

COUNTY OF GLENN

Required Supplementary Information
For the Fiscal Year Ended June 30, 2015

2. Schedule of Funding Progress – Other Postemployment Benefits (OPEB)

The Schedule of Funding Progress – Other Postemployment Benefits provides a consolidated snapshot of the County’s ability to meet current and future liabilities with the plan assets. Of particular interest to most is the funded status ratio. This ration conveys a plan’s level of assets to liabilities, an important indicator to determine the financial health of the OPEB plan. The closer the plan is to a 100% funded status, the better position it will be in to meet all of its future liabilities.

The table below shows a 3 year analysis of the market value of assets as a percentage of the actuarial accrued liabilities and the unfunded actuarial accrued liability as a percentage of the annual covered payroll for the County Other Postemployment Benefit Plan.

Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Cruded Liability (AAL)	Funded Ratio	Unfunded Acruarial Accrued Liability (UAAL)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
July 01, 2010	\$ --	\$ 29,825,990	0.00%	\$ 29,825,990	\$ 23,288,859	128.07%
July 01, 2012	--	39,152,496	0.00%	\$ 39,152,496	20,555,593	190.47%
July 01, 2014	--	39,932,938	0.00%	\$ 39,932,938	14,255,068	280.13%

3. Budget to Actual Comparison Schedules

Formal budgetary integration is employed as a management control device during the year. The County presents a comparison of annual budgets to actual results for the County’s governmental funds.

In accordance with the provisions of §29000 and §29143, inclusive of the California Government Code and other statutory provisions, commonly known as the County Budget Act, the County prepares a budget for each fiscal year on or before June 30th and October 2nd. Budgeted expenditures are enacted into law through the passage of an appropriation ordinance. This ordinance mandates the maximum authorized expenditures for the fiscal year.

The legal level of budgetary control is established at the object (category) level within each budget unit (department). All amendments or transfers of appropriations between objects within the same budget unit of less than \$10,000 require Department of Finance approval; greater than \$10,000 requires Board approval. Transfers of appropriations between budget units, appropriation of unanticipated revenue or use of contingency require Board approval. During the year ended June 30, 2015, there was no excess of expenditures over appropriations.

The County uses an encumbrance system as an extension of normal budgetary accounting for the general and other governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as committed fund balance, since they do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year’s budget.

COUNTY OF GLENN

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 5,731,000	\$ 5,731,000	\$ 5,911,343	\$ 180,343
Licenses, permits, and franchises	1,016,094	1,042,362	1,096,619	54,257
Fees and fines	1,397,150	1,478,650	1,603,108	124,458
Revenues from uses of money and property	4,141	10,141	15,890	5,749
Aid from other governments	35,774,465	36,990,414	31,667,560	(5,322,854)
Charges for services	4,577,224	4,628,062	4,151,872	(476,190)
Other revenues	636,291	689,781	989,325	299,544
Total Revenues	<u>49,136,365</u>	<u>50,570,410</u>	<u>45,435,717</u>	<u>(5,134,693)</u>
EXPENDITURES				
Current:				
General government	5,058,439	5,029,807	4,757,716	272,091
Public protection	19,244,537	20,097,091	19,029,154	1,067,937
Health and sanitation	12,346,075	12,513,702	9,880,914	2,632,788
Public assistance	19,636,871	20,559,393	17,168,994	3,390,399
Education	397,989	397,989	391,797	6,192
Debt Service:				
Interest and other charges	--	8,000	8,535	(535)
Capital Outlay	366,938	471,360	109,863	361,497
Total Expenditures	<u>57,050,849</u>	<u>59,077,342</u>	<u>51,346,973</u>	<u>7,730,369</u>
Deficiency of Revenues Under Expenditures	<u>(7,914,484)</u>	<u>(8,506,932)</u>	<u>(5,911,256)</u>	<u>2,595,676</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	--	--	21,777	21,777
Transfers in	18,150,769	18,406,324	6,070,092	(12,336,232)
Transfers out	(11,007,115)	(11,553,598)	(1,146,393)	10,407,205
Total Other Financing Sources	<u>7,143,654</u>	<u>6,852,726</u>	<u>4,945,476</u>	<u>(1,907,250)</u>
Net Change in Fund Balances	<u>(770,830)</u>	<u>(1,654,206)</u>	<u>(965,780)</u>	<u>688,426</u>
Fund Balances - Beginning	<u>6,750,411</u>	<u>6,750,411</u>	<u>6,750,411</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 5,979,581</u>	<u>\$ 5,096,205</u>	<u>\$ 5,784,631</u>	<u>\$ 688,426</u>

COUNTY OF GLENN

Required Supplementary Information
 Budgetary Comparison Schedule
 Community Action Agency – Major Special Revenue Fund
 For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenues from uses of money and property	\$ 15,445	\$ 15,560	\$ 8,582	\$ (6,978)
Aid from other governments	3,511,455	3,565,248	1,655,219	(1,910,029)
Charges for services	11,000	27,000	3,085	(23,915)
Other revenues	11,946	35,739	22,530	(13,209)
Total Revenues	<u>3,549,846</u>	<u>3,643,547</u>	<u>1,689,416</u>	<u>(1,954,131)</u>
EXPENDITURES				
Current:				
Public assistance	2,721,672	2,958,509	2,671,755	286,754
Total Expenditures	<u>2,721,672</u>	<u>2,958,509</u>	<u>2,671,755</u>	<u>286,754</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>828,174</u>	<u>685,038</u>	<u>(982,339)</u>	<u>(1,667,377)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	--	--	13,715	13,715
Transfers in	2,478,312	2,733,384	677,277	(2,056,107)
Transfers out	(2,822,138)	(3,563,110)	(117,389)	3,445,721
Total Other Financing Sources (Uses)	<u>(343,826)</u>	<u>(829,726)</u>	<u>573,603</u>	<u>1,403,329</u>
Net Change in Fund Balances	484,348	(144,688)	(408,736)	(264,048)
Fund Balances - Beginning	<u>3,502,282</u>	<u>3,502,282</u>	<u>3,502,282</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 3,986,630</u>	<u>\$ 3,357,594</u>	<u>\$ 3,093,546</u>	<u>\$ (264,048)</u>

COUNTY OF GLENN

Required Supplementary Information
 Budgetary Comparison Schedule
 Road – Major Special Revenue Fund
 For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Licenses, permits, and franchises	\$ 14,500	\$ 14,500	\$ 20,831	\$ 6,331
Revenues from uses of money and property	5,000	5,000	10,835	5,835
Aid from other governments	11,342,360	11,342,360	5,548,054	(5,794,306)
Charges for services	480,000	480,000	363,006	(116,994)
Other revenues	--	--	28,645	28,645
Total Revenues	<u>\$ 11,841,860</u>	<u>\$ 11,841,860</u>	<u>\$ 5,971,371</u>	<u>\$ (5,870,489)</u>
EXPENDITURES				
Current:				
Public ways and facilities	\$ 12,860,247	\$ 12,860,247	\$ 3,226,573	\$ 9,633,674
Capital Outlay	500,000	500,000	2,829,641	(2,329,641)
Total Expenditures	<u>13,360,247</u>	<u>13,360,247</u>	<u>6,056,214</u>	<u>7,304,033</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,518,387)</u>	<u>(1,518,387)</u>	<u>(84,843)</u>	<u>1,433,544</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	--	--	3,528	3,528
Transfers in	1,822,065	1,822,065	56,553	(1,765,512)
Transfers out	(500,000)	(500,000)	--	500,000
Total Other Financing Sources (Uses)	<u>1,322,065</u>	<u>1,322,065</u>	<u>60,081</u>	<u>(1,261,984)</u>
Net Change in Fund Balances	<u>(196,322)</u>	<u>(196,322)</u>	<u>(24,762)</u>	<u>171,560</u>
Fund Balances - Beginning	<u>3,455,986</u>	<u>3,455,986</u>	<u>3,455,986</u>	<u>--</u>
Fund Balances - Ending	<u>\$ 3,259,664</u>	<u>\$ 3,259,664</u>	<u>\$ 3,431,224</u>	<u>\$ 171,560</u>

COUNTY OF GLENN

Required Supplementary Information
 Budgetary Comparison Schedule
 Mental Health Services Act – Major Special Revenue Fund
 For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Revenues from uses of money and property	\$ --	\$ --	\$ 7,130	\$ 7,130
Aid from other governments	2,817,089	2,817,089	1,549,197	(1,267,892)
Total Revenues	<u>\$ 2,817,089</u>	<u>\$ 2,817,089</u>	<u>\$ 1,556,327</u>	<u>\$ (1,260,762)</u>
EXPENDITURES				
Current:				
Health and sanitation	\$ 7,936	\$ 16,437	\$ 7,937	\$ 8,500
Total Expenditures	<u>7,936</u>	<u>16,437</u>	<u>7,937</u>	<u>8,500</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,809,153</u>	<u>2,800,652</u>	<u>1,548,390</u>	<u>(1,252,262)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,809,153)	(2,800,652)	(1,548,391)	1,252,261
Total Other Financing Sources (Uses)	<u>(2,809,153)</u>	<u>(2,800,652)</u>	<u>(1,548,391)</u>	<u>1,252,261</u>
Net Change in Fund Balances	<u>--</u>	<u>--</u>	<u>(1)</u>	<u>(1)</u>
Fund Balances - Beginning	<u>88,510</u>	<u>88,510</u>	<u>88,510</u>	<u>--</u>
Fund Balances - Ending	<u>\$ 88,510</u>	<u>\$ 88,510</u>	<u>\$ 88,509</u>	<u>\$ (1)</u>





SUPPLEMENTARY INFORMATION





**COMBINING FINANCIAL STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS**



COUNTY OF GLENN

Combining Non-major Governmental Fund Statements

SPECIAL REVENUE FUNDS

Special Revenue funds are established to finance particular governmental activities and are financed by specific taxes or other revenues. The non-major Special Revenue Funds are listed below:

❖ General Governmental Funds

The General Governmental Funds group includes the Cal Boat Launching, Property Admin Grant, Secure Rural Schools/ Community, Per Capita Grant 2002, Title III Forest Reserves, and Advertising fund.

❖ Public Protection Funds

The Public Protection Funds group includes the County Local Revenue Fund 2011, Trial Court Security, Vital & Health Statistics, Surface/ Ground Water Stewardship, Ground Water Grant, Weed Management Grant, Surface Water Prop 13/419, Prism Grant, Abandoned Vehicle Abatement, BSASRF Fee, CDBG Public Works 9760, and Fish & Game Fund.

❖ Health & Sanitation Funds

The Health & Sanitation Funds group includes Behavioral Health Realignment, Local Revenue Fund – Health Services, California Waste Management Grant, Substance Abuse Prop 36, Bio Terrorism Grant, WIC Program, Emerging Mosquito West Nile Grant, Mosquito Abatement Assessment Area, Hospital Preparedness Grant, and Health CDC H1N1 influenza.

❖ Public Assistance Funds

The Public Assistance Funds group includes Local Revenue Fund – Human Services, CalWORKs Incentive Fund, IHSS Public Authority Fund, and the SSD Stuart Foundation Grant.

❖ Education Funds

The Education Funds group includes the Superintendent of Schools and related education funds.

❖ Special Districts Governed by the Board of Supervisors Funds

The Special Districts Governed by the Board of Supervisors Funds group includes Artois Fire District, Hamilton Fire District, Bayliss Fire District, Willows Rural Fire District, Storm Drain Maintenance #1, #3, North Willows County Service Area, Air Pollution Control District (including Carl Moyer Program), Air Pollution Vehicle Registration, and the Olive Fruit Fly Pest Management District.

CAPITAL PROJECTS

The Capital Projects Fund is used to account for financial resources to be used for the acquisition of land or acquisition and construction of major facilities other than those financed by the proprietary fund types.

DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt.



COUNTY OF GLENN

Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2015

	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	Totals
ASSETS				
Cash and investments	\$ 6,410,196	\$ 522,375	\$ 75,379	\$ 7,007,950
Due from other funds	174,934	--	--	174,934
Interest receivable	3,680	33	--	3,713
Accounts receivable	8,869	--	--	8,869
Due from other governments	784,366	--	--	784,366
Prepaid costs	8,832	--	--	8,832
Total Assets	\$ 7,390,877	\$ 522,408	\$ 75,379	\$ 7,988,664
LIABILITIES				
Accounts payable	\$ 92,031	\$ --	\$ 15,409	\$ 107,440
Accrued salaries and benefits	35,708	--	--	35,708
Due to other funds	647,312	--	--	647,312
Unearned revenue	20,622	--	--	20,622
Advances from other funds	200,000	--	--	200,000
Total Liabilities	995,673	--	15,409	1,011,082
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	174,221	--	--	174,221
FUND BALANCES				
Nonspendable	8,857	--	--	8,857
Restricted	6,212,126	522,408	59,970	6,794,504
Total Fund Balances	6,220,983	522,408	59,970	6,803,361
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 7,390,877	\$ 522,408	\$ 75,379	\$ 7,988,664

COUNTY OF GLENN

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Special Revenue Funds	Capital Projects Fund	Debt Service Fund	Total
REVENUES				
Taxes	\$ 312,412	\$ --	\$ --	\$ 312,412
Licenses, permits, and franchises	242,827	--	--	242,827
Fines and forfeitures	8,774	--	--	8,774
Revenues from uses of money and property	8,419	72	--	8,491
Aid from other governments	8,207,328	--	--	8,207,328
Charges for services	859,995	--	--	859,995
Other revenues	8,619	--	--	8,619
Total Revenues	<u>9,648,374</u>	<u>72</u>	<u>--</u>	<u>9,648,446</u>
EXPENDITURES				
Current:				
General government	6,855	--	--	6,855
Public protection	2,350,153	--	--	2,350,153
Health and sanitation	274,162	--	--	274,162
Public assistance	280,850	--	--	280,850
Debt Service:				
Principal	57,879	--	103,558	161,437
Interest and other charges	6,239	--	72,213	78,452
Capital Outlay	521,659	--	--	521,659
Total Expenditures	<u>3,497,797</u>	<u>-</u>	<u>175,771</u>	<u>3,673,568</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>6,150,577</u>	<u>72</u>	<u>(175,771)</u>	<u>5,974,878</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	5,000	--	--	5,000
Transfers in	109,213	--	213,798	323,011
Transfers out	(4,593,997)	--	--	(4,593,997)
Total Other Financing Sources (Uses)	<u>(4,479,784)</u>	<u>--</u>	<u>213,798</u>	<u>(4,265,986)</u>
Net Change in Fund Balances	1,670,793	72	38,027	1,708,892
Fund Balances - Beginning	<u>4,550,190</u>	<u>522,336</u>	<u>21,943</u>	<u>5,094,469</u>
Fund Balances - Ending	<u>\$ 6,220,983</u>	<u>\$ 522,408</u>	<u>\$ 59,970</u>	<u>\$ 6,803,361</u>

COUNTY OF GLENN

Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2015

	General Governmental Funds	Public Protection Funds	Health & Sanitation Funds	Public Assistance Funds	Education Funds	Special Districts Governed by the Board of Supervisors	Total
ASSETS							
Cash and investments	\$ 302,853	\$ 1,781,201	\$ 433,174	\$ 1,567,527	\$ 539,278	\$ 1,786,163	\$ 6,410,196
Accounts receivable	--	--	--	--	--	8,869	8,869
Interest receivable	53	714	250	200	592	1,871	3,680
Due from other governments	--	125,375	215,757	424,434	--	18,800	784,366
Prepaid costs	--	--	--	8,832	--	--	8,832
Due from other funds	117	462	4,687	163,023	985	5,660	174,934
Total Assets	\$ 303,023	\$ 1,907,752	\$ 653,868	\$ 2,164,016	\$ 540,855	\$ 1,821,363	\$ 7,390,877
LIABILITIES							
Accounts payable	\$ 1,273	\$ 1,753	\$ 5,806	\$ 27,472	--	\$ 55,727	\$ 92,031
Accrued salaries and benefits	--	21,376	--	--	--	14,332	35,708
Due to other funds	4	95,337	165,036	384,606	--	2,329	647,312
Unearned revenue	--	20,500	--	122	--	--	20,622
Advances from other funds	--	--	135,000	65,000	--	--	200,000
Total Liabilities	1,277	138,966	305,842	477,200	--	72,388	995,673
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	--	--	115,881	58,340	--	--	174,221
Total Deferred Inflows of Resources	--	--	115,881	58,340	--	--	174,221
FUND BALANCES							
Nonspendable	--	--	--	8,832	--	25	8,857
Restricted	301,746	1,768,786	232,145	1,619,644	540,855	1,748,950	6,212,126
Total Fund Balances	301,746	1,768,786	232,145	1,628,476	540,855	1,748,975	6,220,983
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 303,023	\$ 1,907,752	\$ 653,868	\$ 2,164,016	\$ 540,855	\$ 1,821,363	\$ 7,390,877

COUNTY OF GLENN

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	General Governmental Funds	Public Protection Funds	Health & Sanitation Funds	Public Assistance Funds	Education Funds	Special Districts Governed by the Board of Supervisors	Total
REVENUES							
Taxes	\$ --	\$ --	\$ --	\$ --	\$ 170,862	\$ 141,550	\$ 312,412
Licenses, permits, and franchises	11,109	32,350	--	--	--	199,368	242,827
Fines and forfeitures	509	2,340	--	--	--	5,925	8,774
Revenues from uses of money and property	639	1,468	596	343	1,291	4,082	8,419
Aid from other governments	531,239	1,621,845	1,290,600	4,209,848	2,745	551,051	8,207,328
Charges for services	--	3,394	199,707	38,595	--	618,299	859,995
Other revenues	--	1,102	1,435	--	--	6,082	8,619
Total Revenues	<u>543,496</u>	<u>1,662,499</u>	<u>1,492,338</u>	<u>4,248,786</u>	<u>174,898</u>	<u>1,526,357</u>	<u>9,648,374</u>
EXPENDITURES							
Current:							
General government	6,855	--	--	--	--	--	6,855
Public protection	--	946,345	--	--	--	1,403,808	2,350,153
Health and sanitation	--	--	274,162	--	--	--	274,162
Public assistance	--	--	--	280,850	--	--	280,850
Debt Service:							
Principal	--	--	--	--	--	57,879	57,879
Interest and other charges	666	--	--	--	--	5,573	6,239
Capital Outlay	515,309	6,350	--	--	--	--	521,659
Total Expenditures	<u>522,830</u>	<u>952,695</u>	<u>274,162</u>	<u>280,850</u>	<u>--</u>	<u>1,467,260</u>	<u>3,497,797</u>
Excess of Revenues Over Expenditures	<u>20,666</u>	<u>709,804</u>	<u>1,218,176</u>	<u>3,967,936</u>	<u>174,898</u>	<u>59,097</u>	<u>6,150,577</u>
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	--	--	--	--	--	5,000	5,000
Transfers in	6,000	4,200	2,341	--	--	-	12,541
Transfers out	--	(180,703)	(1,135,024)	(3,011,092)	(136,991)	(33,515)	(4,479,325)
Total Other Financing Sources (Uses)	<u>6,000</u>	<u>(176,503)</u>	<u>(1,132,683)</u>	<u>(3,011,092)</u>	<u>(136,991)</u>	<u>(28,515)</u>	<u>(4,479,784)</u>
Net Change in Fund Balances	<u>26,666</u>	<u>533,301</u>	<u>85,493</u>	<u>956,844</u>	<u>37,907</u>	<u>30,582</u>	<u>1,670,793</u>
Fund Balances - Beginning	<u>275,080</u>	<u>1,235,485</u>	<u>146,652</u>	<u>671,632</u>	<u>502,948</u>	<u>1,718,393</u>	<u>4,550,190</u>
Fund Balances - Ending	<u>\$ 301,746</u>	<u>\$ 1,768,786</u>	<u>\$ 232,145</u>	<u>\$ 1,628,476</u>	<u>\$ 540,855</u>	<u>\$ 1,748,975</u>	<u>\$ 6,220,983</u>

COUNTY OF GLENN

Budgetary Comparison Schedule
 Non-Major Special Revenue – Non-Major Governmental Funds
 For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 285,375	\$ 285,375	\$ 312,412	\$ 27,037
Licenses, permits, and franchises	224,000	224,000	242,827	18,827
Fees and fines	5,600	5,600	8,774	3,174
Revenues from uses of money and property	4,710	4,710	8,419	3,709
Aid from other governments	7,539,803	7,661,012	8,207,328	546,316
Charges for services	886,840	888,040	859,995	(28,045)
Other revenues	19,822	19,822	8,619	(11,203)
Total Revenues	8,966,150	9,088,559	9,648,374	559,815
EXPENDITURES				
Current:				
General government	59,636	64,816	6,855	57,961
Public protection	2,753,162	2,903,316	2,350,153	553,163
Health and sanitation	288,321	295,059	274,162	20,897
Public assistance	326,700	326,700	280,850	45,850
Debt Service:				
Principal	68,813	68,813	57,879	10,934
Interest and other charges	7,959	7,959	6,239	1,720
Capital Outlay	558,384	567,617	521,659	45,958
Total Expenditures	4,062,975	4,234,280	3,497,797	736,483
Excess of Revenues Over Expenditures	4,903,175	4,854,279	6,150,577	1,296,298
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	--	--	5,000	5,000
Transfers in	108,000	110,500	12,541	(97,959)
Transfers out	(5,352,832)	(5,379,135)	(4,497,325)	881,810
Total Other Financing Uses	(5,244,832)	(5,268,635)	(4,479,784)	788,851
Net Change in Fund Balances	(341,657)	(414,356)	1,670,793	2,085,149
Fund Balances - Beginning	4,550,190	4,550,190	4,550,190	--
Fund Balances - Ending	\$ 4,208,533	\$ 4,135,834	\$ 6,220,983	\$ 2,085,149

COUNTY OF GLENN

Budgetary Comparison Schedule
 Capital Projects – Non-Major Governmental Funds
 For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
				Budget
REVENUES				
Revenues from uses of money and property	\$ 25	\$ 25	\$ 72	\$ 47
Total Revenues	<u>25</u>	<u>25</u>	<u>72</u>	<u>47</u>
Net Change in Fund Balances	25	25	72	47
Fund Balances - Beginning	<u>522,336</u>	<u>522,336</u>	<u>522,336</u>	<u>--</u>
Fund Balances - Ending	<u>\$ 522,361</u>	<u>\$ 522,361</u>	<u>\$ 522,408</u>	<u>\$ 47</u>

COUNTY OF GLENN

Budgetary Comparison Schedule
Debt Service – Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXPENDITURES				
Debt Service:				
Principal	\$ 103,560	\$ 103,560	\$ 103,558	\$ 2
Interest and other charges	110,240	110,240	72,213	38,027
Total Expenditures	<u>213,800</u>	<u>213,800</u>	<u>175,771</u>	<u>38,029</u>
Deficiency of Revenues Under Expenditures	<u>(213,800)</u>	<u>(213,800)</u>	<u>(175,771)</u>	<u>38,029</u>
OTHER FINANCING SOURCES				
Transfers in	267,070	267,070	213,798	(53,272)
Total Other Financing Sources	<u>267,070</u>	<u>267,070</u>	<u>213,798</u>	<u>(53,272)</u>
Net Change in Fund Balances	53,270	53,270	38,027	(15,243)
Fund Balances - Beginning	<u>21,943</u>	<u>21,943</u>	<u>21,943</u>	<u>--</u>
Fund Balances - Ending	<u>\$ 75,213</u>	<u>\$ 75,213</u>	<u>\$ 59,970</u>	<u>\$ (15,243)</u>



COUNTY OF GLENN

INTERNAL SERVICE FUNDS

Internal Service funds are established to serve other funds or departments within the primary government on a cost-reimbursement basis.

❖ **Fleet & Fleet Service Center**

The Fleet & Fleet Service Center ISF provide vehicle and vehicle maintenance for the County and other local governments. Costs are recuperated based on vehicle miles driven.

❖ **Underground Storage Tanks**

The Underground Storage Tanks ISF distributes administrative charges for the CUPA and UST programs.

❖ **Environmental Management**

The Environmental Management ISF distributes vehicle, pest abatement, and weed management costs to departments and local governments that utilize County spraying services.

❖ **Tri County Bee**

The Tri County Bee ISF protects County Bee populations from destructive pests and vectors.

❖ **Health & Human Resource Agency Administration**

The Health & Human Resource Agency Administration ISF distributes administrative and overhead costs to grants and programs under the management of the HHRA department.

❖ **Public Works Administration**

The Public Works Administration ISF distributes administrative and overhead costs to the grants and programs under the management of the PPW department.

❖ **County Services**

The County Services ISF maintains and manages facility, phone, and data processing costs for the County. Costs are distributed by building square footage, handsets, and terminals.



COUNTY OF GLENN

Combining Statement of Net Position
Internal Service Funds
June 30, 2015

	Fleet & Service Center	Underground Storage Tanks	Environmental Management	Tri County Bee	Health & Human Resource Agency Administration	Public Works Administration	County Services	Total
ASSETS								
Current assets:								
Cash and investments	\$ 1,359,669	\$ 284,822	\$ 62,953	\$ --	\$ 273,789	\$ 155,983	\$ 336,053	\$ 2,473,269
Accounts receivable	44,629	--	--	1,200	--	2	--	45,831
Interest receivable	1,406	388	51	6	--	52	311	2,214
Due from other governments	--	6,700	--	--	6,537	--	27,761	40,998
Prepaid costs	--	--	--	--	8,782	--	7,038	15,820
Due from other funds	6,815	--	--	--	147,918	40,868	11,822	207,423
Inventory	23,179	--	11,545	--	--	--	--	34,724
Total Current Assets	1,435,698	291,910	74,549	1,206	437,026	196,905	382,985	2,820,279
Noncurrent assets:								
Capital Assets:								
Depreciable, net	1,074,225	15,261	--	--	25,357	154,282	188,233	1,457,358
Total Noncurrent Assets	1,074,225	15,261	--	--	25,357	154,282	188,233	1,457,358
DEFERRED OUTFLOWS OF RESOURCES								
Pension contributions	30,554	--	--	--	218,040	63,990	59,616	372,200
Total Deferred Outflows of Resources	30,554	--	--	--	218,040	63,990	59,616	372,200
LIABILITIES								
Current Liabilities:								
Accounts payable	5,795	2,753	575	52	1,083	38,742	20,999	69,999
Accrued salaries and benefits	8,676	--	--	--	44,089	18,729	21,095	92,589
Deposits payable	--	--	--	--	--	908	--	908
Due to other funds	4,080	90	226	--	27,772	3,848	43,154	79,170
Advance from other funds	--	--	--	--	283,000	--	36,213	319,213
Compensated absences	4,289	--	--	--	16,039	20,478	6,808	47,614
Capital leases	512	--	--	--	--	--	--	512
Total Current Liabilities	23,352	2,843	801	52	371,983	82,705	128,269	610,005
Noncurrent liabilities:								
Compensated absences	12,868	--	--	--	46,202	34,240	16,882	110,192
Net OPEB obligation	211,477	--	--	--	865,684	573,589	67,680	1,718,430
Net pension obligation	423,147	--	--	--	3,019,670	886,211	825,628	5,154,656
Total Noncurrent Liabilities	647,492	--	--	--	3,931,556	1,494,040	910,190	6,983,278
DEFERRED INFLOWS OF RESOURCES								
Actuarial Differences	71,297	--	--	--	508,792	149,320	139,112	868,521
Total Deferred Inflows of Resources	71,297	--	--	--	508,792	149,320	139,112	868,521
NET POSITION								
Net investment in capital assets	1,073,713	15,261	--	--	25,357	154,282	188,233	1,456,846
Unrestricted	724,623	289,067	73,748	1,154	(4,157,265)	(1,465,170)	(734,970)	(5,268,813)
Total Net Position (Deficit)	\$ 1,798,336	\$ 304,328	\$ 73,748	\$ 1,154	\$ (4,131,908)	\$ (1,310,888)	\$ (546,737)	\$ (3,811,967)

COUNTY OF GLENN

Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2015

	Fleet & Service Center	Underground Storage Tanks	Environmental Management	Tri-County Bee	Health & Human Resource Agency Administration	Public Works Administration	County Services	Total
OPERATING REVENUES								
Charges for services	\$ 773,928	\$ 169,667	\$ 120,344	\$ 6,030	\$ 2,888,277	\$ 1,066,932	\$ 1,593,747	\$ 6,618,925
Other revenues	11,393	2,201	--	--	8,123	4,860	13,326	39,903
Total Operating Revenues	785,321	171,868	120,344	6,030	2,896,400	1,071,792	1,607,073	6,658,828
OPERATING EXPENSES								
Salaries and benefits	370,224	--	--	--	2,475,155	784,426	879,515	4,509,320
Services and supplies	170,578	235,117	112,754	280	369,754	295,158	959,116	2,142,757
Depreciation	251,493	3,052	--	--	6,537	14,912	40,407	316,401
Total Operating Expenses	792,295	238,169	112,754	280	2,851,446	1,094,496	1,879,038	6,968,478
Operating Income (Loss)	(6,974)	(66,301)	7,590	5,750	44,954	(22,704)	(271,965)	(309,650)
NON-OPERATING REVENUES (EXPENSES)								
Aid from other governments	--	91,772	--	--	--	--	--	91,772
Investment income	2,973	867	132	10	--	121	498	4,601
Gain (loss) on sale of capital assets	56,116	--	--	--	--	--	--	56,116
Interest expense	(213)	--	--	--	--	--	--	(213)
Total Non-Operating Revenue	58,876	92,639	132	10	-	121	498	152,276
Income (Loss) Before Contributions and Transfers	51,902	26,338	7,722	5,760	44,954	(22,583)	(271,467)	(157,374)
Transfers in	--	--	--	--	--	--	387,429	387,429
Transfers out	--	--	(7,257)	(6,000)	(51,140)	(38,795)	--	(103,192)
Change in Net Position	51,902	26,338	465	(240)	(6,186)	(61,378)	115,962	126,863
Total Net Position (Deficit) - Beginning	2,390,849	277,990	73,283	1,394	(92,584)	231,351	233,584	3,115,867
Prior period adjustment	(644,415)	--	--	--	(4,033,138)	(1,480,861)	(896,283)	(7,054,697)
Total Net Position (Deficit) - Beginning, Restated	1,746,434	277,990	73,283	1,394	(4,125,722)	(1,249,510)	(662,699)	(3,938,830)
Total Net Position (Deficit) - Ending	\$ 1,798,336	\$ 304,328	\$ 73,748	\$ 1,154	\$ (4,131,908)	\$ (1,310,888)	\$ (546,737)	\$ (3,811,967)

COUNTY OF GLENN

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Fleet & Service Center	Underground Storage Tanks	Environmental Management	Tri County Bee	Health & Human Resource Agency Administration	Public Works Administration	County Services	Totals
CASH FLOWS FROM OPERATING ACTIVITIES								
Charges for services	\$ 804,658	\$ 171,868	\$ 120,344	\$ 4,830	\$ 2,961,128	\$ 1,064,221	\$ 1,602,335	\$ 6,729,384
Payments to suppliers	(195,016)	(232,695)	(112,299)	(248)	(400,202)	(287,699)	(941,721)	(2,169,880)
Payments to employees	(336,445)	--	--	--	(2,413,850)	(733,552)	(782,448)	(4,266,295)
Net Cash Provided (Used) by Operating Activities	<u>273,197</u>	<u>(60,827)</u>	<u>8,045</u>	<u>4,582</u>	<u>147,076</u>	<u>42,970</u>	<u>(121,834)</u>	<u>293,209</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Grants and other receipts	--	93,972	--	--	(6,537)	--	(27,761)	59,674
Interfund loan repayments received	17,362	--	4,449	--	172,312	100,666	55,465	350,254
Interfund loans received	4,080	90	226	--	287,772	3,848	50,192	346,208
Interfund loans made	(6,815)	--	--	--	(147,918)	(40,868)	(11,822)	(207,423)
Interfund loans repaid	(5,819)	(18)	--	--	(296,771)	(17,294)	(56,947)	(376,849)
Transfers in	--	--	--	--	--	--	387,429	387,429
Transfers out	--	--	(7,257)	(6,000)	(51,140)	(38,795)	--	(103,192)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>8,808</u>	<u>94,044</u>	<u>(2,582)</u>	<u>(6,000)</u>	<u>(42,282)</u>	<u>7,557</u>	<u>396,556</u>	<u>456,101</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Acquisition of capital assets	(156,441)	(18,313)	--	--	(17,234)	--	(6,594)	(198,582)
Proceeds from sale of capital assets	82,825	--	--	--	--	19,527	--	102,352
Principal paid on capital debt	(6,349)	--	--	--	--	--	--	(6,349)
Interest paid on capital debt	(213)	--	--	--	--	--	--	(213)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(80,178)</u>	<u>(18,313)</u>	<u>--</u>	<u>--</u>	<u>(17,234)</u>	<u>19,527</u>	<u>(6,594)</u>	<u>(102,792)</u>
CASH FLOWS FROM INVESTING ACTIVITIES								
Interest and dividends	2,546	739	125	9	--	106	207	3,732
Net Cash Provided by Investing Activities	<u>2,546</u>	<u>739</u>	<u>125</u>	<u>9</u>	<u>--</u>	<u>106</u>	<u>207</u>	<u>3,732</u>
Net Increase (Decrease) in Cash and Cash Equivalents	204,373	15,643	5,588	(1,409)	87,560	70,160	268,335	650,250
Cash and Cash Equivalents - Beginning	1,155,296	269,179	57,365	1,409	186,229	85,823	67,718	1,823,019
Cash and Cash Equivalents - Ending	<u>\$ 1,359,669</u>	<u>\$ 284,822</u>	<u>\$ 62,953</u>	<u>\$ --</u>	<u>\$ 273,789</u>	<u>\$ 155,983</u>	<u>\$ 336,053</u>	<u>\$ 2,473,269</u>

COUNTY OF GLENN

Reconciliation of the Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Fleet & Service Center	Underground Storage Tanks	Environmental Management	Tri County Bee	Health & Human Resource Agency Administration	Public Works Administration	County Services	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES								
Operating income (loss)	\$ (6,974)	\$ (66,301)	\$ 7,590	\$ 5,750	\$ 44,954	\$ (22,704)	\$ (271,965)	\$ (309,650)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:								
Depreciation	251,493	3,052	--	--	6,537	14,912	40,407	316,401
Decrease (increase) in:								
Accounts receivable	19,337	--	--	(1,200)	64,728	(2)	--	82,863
Prepaid costs	103	--	--	--	3,980	1,206	(1,965)	3,324
Inventory	1,957	--	--	--	--	--	--	1,957
Pension contributions	(30,554)	--	--	--	(218,040)	(63,990)	(59,616)	(372,200)
Increase (decrease) in:								
Accounts payable	(26,498)	2,422	455	32	(34,428)	6,253	19,360	(32,404)
Accrued salaries and benefits	1,652	--	--	--	(12,003)	4,845	(3,144)	(8,650)
Unearned revenue	--	--	--	--	--	(7,569)	(4,738)	(12,307)
Compensated absences	1,175	--	--	--	(69,660)	(18,240)	23,690	(63,035)
Net OPEB obligation	26,420	--	--	--	110,629	54,777	67,680	259,506
Pension obligation	(36,211)	--	--	--	(258,413)	(75,838)	(70,655)	(441,117)
Pension actuarial differences	71,297	--	--	--	508,792	149,320	139,112	868,521
Net Cash Provided (Used) by Operating Activities	<u>\$ 273,197</u>	<u>\$ (60,827)</u>	<u>\$ 8,045</u>	<u>\$ 4,582</u>	<u>\$ 147,076</u>	<u>\$ 42,970</u>	<u>\$ (121,834)</u>	<u>\$ 293,209</u>

COUNTY OF GLENN

FIDUCIARY TYPE FUNDS

Fiduciary Funds account for assets held by the County in a trustee capacity, or as an agent for private organizations, other governmental units, or other funds.

AGENCY FUNDS

❖ Other Agency Funds

The Other Agency Funds account for assets held for other governmental agencies and governmental units by the County in a fiduciary capacity.

❖ The Unappropriated Taxes Fund

The Unappropriated Taxes Fund accounts for funds reserved for losses and property tax receipts apportioned to other local governmental agencies participating the in the Teeter Plan.



COUNTY OF GLENN

Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2015

	<u>Other Agency Funds</u>	<u>Unapportioned Taxes</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 5,819,899	\$ 1,505,984	\$ 7,325,883
Due from other funds	105,558	--	105,558
Interest receivable	90,577	4,681	95,258
Property taxes receivable	--	1,882,355	1,882,355
Total Assets	<u>\$ 6,016,034</u>	<u>\$ 3,393,020</u>	<u>\$ 9,409,054</u>
LIABILITIES			
Due to other funds	\$ 316,440	\$ 97,697	\$ 414,137
Advances from other funds	3,501	--	3,501
Agency obligations	5,696,093	3,295,323	8,991,416
Total Liabilities	<u>\$ 6,016,034</u>	<u>\$ 3,393,020</u>	<u>\$ 9,409,054</u>

COUNTY OF GLENN

Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2015

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
OTHER AGENCY FUNDS				
ASSETS				
Cash and investments	\$ 1,128,441	\$ 4,691,458	\$ --	\$ 5,819,899
Due from other funds	216,983	--	111,425	105,558
Interest receivable	--	90,577	--	90,577
Total Assets	<u>1,345,424</u>	<u>4,782,035</u>	<u>111,425</u>	<u>6,016,034</u>
LIABILITIES				
Due to other funds	168,492	147,948	--	316,440
Advances from other funds	--	3,501	--	3,501
Agency obligations	1,176,932	4,519,161	--	5,696,093
Total Liabilities	<u>1,345,424</u>	<u>4,670,610</u>	<u>--</u>	<u>6,016,034</u>
UNAPPORTIONED TAXES				
ASSETS				
Cash and investments	2,913,674	--	1,407,690	1,505,984
Due from other funds	79,893	--	79,893	-
Interest receivable	--	4,681	--	4,681
Property taxes receivable	2,107,637	--	225,282	1,882,355
Total Assets	<u>5,101,204</u>	<u>4,681</u>	<u>1,712,865</u>	<u>3,393,020</u>
LIABILITIES				
Due to other funds	1,530,860	--	1,433,163	97,697
Agency obligations	3,570,344	--	275,021	3,295,323
Total Liabilities	<u>5,101,204</u>	<u>--</u>	<u>1,708,184</u>	<u>3,393,020</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	4,042,115	4,691,458	1,407,690	7,325,883
Due from other funds	296,876	--	191,318	105,558
Interest receivable	--	95,258	--	95,258
Property taxes receivable	2,107,637	--	225,282	1,882,355
Total Assets	<u>6,446,628</u>	<u>4,786,716</u>	<u>1,824,290</u>	<u>9,409,054</u>
LIABILITIES				
Due to other funds	1,699,352	147,948	1,433,163	414,137
Advances from other funds	--	3,501	--	3,501
Agency obligations	4,747,276	4,519,161	275,021	8,991,416
Total Liabilities	<u>\$ 6,446,628</u>	<u>\$ 4,670,610</u>	<u>\$ 1,708,184</u>	<u>\$ 9,409,054</u>



STATISTICAL SECTION



COUNTY OF GLENN

Statistical Section

The information in this section is not covered by the Independent Auditor's Report, but is presented as supplemental data for the benefit of the reader of the Comprehensive Annual Financial Report. The objectives of the statistical section information is to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess a government's economic condition.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain trend information to help the reader assess the County's most significant local revenue source, which is property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place.

Sources: Unless otherwise noted, the information presented in the following schedules are derived from the Comprehensive Annual Financial Reports/ Basic Financial Statements from the relevant year.



COUNTY OF GLENN

**Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities										
Net investment in capital assets	\$ 12,297,189	\$ 33,872,766	\$ 34,190,619	\$ 33,145,903	\$ 32,134,715	\$ 33,082,456	\$ 34,784,007	\$ 34,641,669	\$ 35,534,157	\$ 36,052,069
Restricted	7,547,161	4,960,569	5,072,172	5,000,252	6,809,720	--	11,901,193	13,909,650	16,373,832	15,587,546
Unrestricted	5,469,111	6,828,701	6,995,788	4,932,102	1,972,809	3,952,689	(5,252,331)	(6,689,821)	(8,332,018)	(56,140,027)
Total governmental net position	<u>25,313,461</u>	<u>45,662,036</u>	<u>46,258,579</u>	<u>43,078,257</u>	<u>40,917,244</u>	<u>37,035,145</u>	<u>41,432,869</u>	<u>41,861,498</u>	<u>43,575,971</u>	<u>(4,500,412)</u>
Business-type activities										
Net investment in capital assets	1,458,512	1,395,991	1,726,975	909,788	1,382,515	1,377,100	1,275,944	1,488,042	2,082,696	1,655,595
Restricted	(934,705)	65,735	(1,975,301)	(2,945,284)	(5,183,923)	(4,660,841)	(6,813,976)	(6,489,237)	(7,923,099)	(5,925,295)
Unrestricted	523,807	1,461,726	(248,326)	(2,035,496)	(3,801,408)	(3,283,741)	(5,538,032)	(5,001,195)	(5,840,403)	(4,269,700)
Total business net position	<u>523,807</u>	<u>1,461,726</u>	<u>(248,326)</u>	<u>(2,035,496)</u>	<u>(3,801,408)</u>	<u>(3,283,741)</u>	<u>(5,538,032)</u>	<u>(5,001,195)</u>	<u>(5,840,403)</u>	<u>(4,269,700)</u>
Primary government										
Net investment in capital assets	13,755,701	35,268,757	35,917,594	34,055,691	33,517,230	34,459,556	36,059,951	36,129,711	37,616,853	37,707,664
Restricted	7,547,161	4,960,569	5,072,172	5,000,252	6,809,720	--	11,901,193	13,909,650	16,373,832	15,587,546
Unrestricted	4,534,406	6,894,436	5,020,487	1,986,818	(3,211,114)	(708,152)	(12,066,307)	(13,179,058)	(16,255,117)	(62,065,322)
Total primary government net position	<u>\$25,837,268</u>	<u>\$47,123,762</u>	<u>\$46,010,253</u>	<u>\$41,042,761</u>	<u>\$37,115,836</u>	<u>\$33,751,404</u>	<u>\$35,894,837</u>	<u>\$36,860,303</u>	<u>\$37,735,568</u>	<u>\$ (8,770,112)</u>

Notes:

1 – Capital assets include land, construction in progress, infrastructure, buildings and improvements, equipment and vehicles.

2 – Accounting standards require that net position be reported in three components in the financial statements: investment in capital assets, net of related debt; restricted; and unrestricted. Net position is considered restricted only when an external party, such as the state or federal government, places a restriction on how resources may be used or through enabling legislation by the County.

3 – In 2007 the County added Infrastructure to assets reported in the CAFR

4 – In 2015 the County implemented GASB 68, recognizing pension liability by adjusting unrestricted net position.

Source: County of Glenn Department of Finance

COUNTY OF GLENN

**Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities:										
General Government	\$ 6,460,876	\$ 7,907,220	\$ 8,318,471	\$ 8,167,686	\$ 7,506,910	\$ 7,262,290	\$ 6,518,028	\$ 4,239,562	\$ 6,963,916	\$ 6,309,888
Public protection	15,721,499	18,080,328	19,744,449	20,326,745	19,120,888	21,329,040	21,722,044	22,368,454	22,380,161	22,234,343
Public ways & facilities	3,186,281	4,697,971	3,562,569	4,632,494	4,440,998	5,238,295	5,929,146	4,312,262	3,317,352	7,483,035
Health & sanitation	10,981,458	11,844,587	13,433,831	13,652,656	13,016,928	14,735,415	13,865,670	13,870,132	13,354,684	10,366,544
Public assistance	21,407,340	20,567,464	21,849,282	24,769,097	22,208,718	31,168,438	26,670,870	26,029,577	26,140,090	20,272,064
Education	355,383	413,518	388,084	410,711	395,772	453,880	447,138	434,324	441,421	395,045
Interest on long-term debt	369,751	356,992	394,460	278,806	251,541	240,706	82,550	484,130	173,190	176,437
Total governmental activities	<u>58,482,588</u>	<u>63,868,080</u>	<u>67,691,146</u>	<u>72,238,195</u>	<u>66,941,755</u>	<u>80,428,064</u>	<u>75,235,446</u>	<u>71,738,441</u>	<u>72,770,814</u>	<u>67,237,356</u>
Business-type activities:										
Solid waste	1,344,661	1,697,407	3,434,743	1,853,899	3,966,895	1,784,707	4,783,591	1,895,780	1,169,509	1,774,887
Solid waste closure	--	--	--	--	--	--	--	2,078,423	2,078,423	651,868
Airport	631,980	524,599	663,890	793,817	639,798	444,609	722,517	592,841	520,123	632,618
Hospital	15,552	32,015	36,382	--	--	--	--	--	--	--
Total business-type activities	<u>1,992,193</u>	<u>2,254,021</u>	<u>4,135,015</u>	<u>2,647,716</u>	<u>4,606,693</u>	<u>2,229,316</u>	<u>5,506,108</u>	<u>4,567,044</u>	<u>3,768,055</u>	<u>3,059,373</u>
Total primary government	<u>60,474,781</u>	<u>66,122,101</u>	<u>71,826,161</u>	<u>74,885,911</u>	<u>71,548,448</u>	<u>82,657,380</u>	<u>80,741,554</u>	<u>76,305,485</u>	<u>76,538,869</u>	<u>70,296,729</u>
Program Revenues										
Governmental Activities:										
Charges for services										
General government	1,781,124	2,574,216	2,361,479	2,302,085	3,205,675	5,675,858	4,404,325	1,014,586	3,096,408	2,860,524
Public protection	3,990,266	3,805,798	5,095,769	4,033,052	4,258,923	4,297,202	4,152,140	4,367,977	4,463,916	4,129,290
Public ways & facilities	--	--	--	--	343,840	408,614	742,265	663,223	1,119,189	387,608
Health & sanitation	--	--	--	--	1,099,535	958,668	1,007,050	1,055,228	1,360,420	418,007
Public assistance	--	--	--	--	144,114	4,341,468	4,310,195	4,076,575	3,263,988	94,367
Education	--	--	--	--	4,905	3,893	826	4,538	4,620	1,568
Other activities	596,416	389,730	604,960	1,261,174	--	--	--	--	--	--
Operating Grants and contributions	42,163,401	42,652,625	44,784,626	46,613,141	43,944,014	47,158,777	51,367,279	42,947,868	43,324,505	40,494,839
Capital grants and contributions	180,968	18,294	788,490	244,000	788,490	--	424,117	3,394,062	4,866,198	5,570,726
Total governmental activities	<u>48,712,175</u>	<u>49,440,663</u>	<u>53,635,324</u>	<u>54,453,452</u>	<u>53,789,496</u>	<u>62,844,480</u>	<u>66,408,197</u>	<u>57,524,057</u>	<u>61,499,244</u>	<u>53,956,929</u>
Business-type activities:										
Charges for services:										
Solid waste	1,443,850	1,331,771	1,259,297	1,268,821	2,134,791	2,210,492	2,407,218	1,986,051	2,046,750	2,058,399
Airport	378,380	552,488	623,719	678,852	632,966	438,204	558,761	526,191	322,407	292,132
Hospital	50	--	--	--	--	--	--	--	--	--
Operating grants and contributions	194,155	139,454	53,000	75,639	30,000	67,000	77,472	261,051	55,000	194,911
Capital grants and contributions	--	--	299,205	7,074	--	--	--	7,886	--	--
Total business-type activities	<u>2,016,435</u>	<u>2,023,713</u>	<u>2,235,221</u>	<u>2,030,386</u>	<u>2,797,757</u>	<u>2,715,696</u>	<u>3,043,451</u>	<u>2,781,179</u>	<u>2,424,157</u>	<u>2,545,442</u>
Total primary government program	<u>50,728,610</u>	<u>51,464,376</u>	<u>55,870,545</u>	<u>56,483,838</u>	<u>56,587,253</u>	<u>65,560,176</u>	<u>69,451,648</u>	<u>60,305,236</u>	<u>63,923,401</u>	<u>56,502,371</u>
Net Expense										
Governmental	(9,770,413)	(14,427,417)	(14,055,822)	(17,784,743)	(13,152,259)	(17,583,584)	(8,827,249)	(14,214,384)	(11,271,570)	(13,280,427)
Business-type	24,242	(230,308)	(1,899,794)	(617,330)	(1,808,936)	486,380	(2,462,657)	(1,785,865)	(1,343,898)	(513,931)
Total primary government	<u>\$ (9,746,171)</u>	<u>\$(14,657,725)</u>	<u>\$(15,955,616)</u>	<u>\$(18,402,073)</u>	<u>\$(14,961,195)</u>	<u>\$(17,097,204)</u>	<u>\$(11,289,906)</u>	<u>\$(16,000,249)</u>	<u>\$(12,615,468)</u>	<u>\$(13,794,358)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	\$ 4,349,572	\$ 5,080,207	\$ 5,588,047	\$ 5,721,194	\$ 5,647,492	\$ 5,540,388	\$ 5,516,279	\$ 5,691,883	\$ 5,901,621	\$ 6,088,381
Sales and use taxes	1,098,831	1,409,251	1,203,372	1,058,034	749,074	928,129	1,114,225	691,604	1,156,215	1,013,477
Real property transfer taxes	196,565	148,506	111,129	69,906	217,018	98,460	86,813	123,546	223,015	128,819
Other taxes	20,958	20,288	25,160	25,159	22,643	261,153	20,894	23,080	18,999	6,555
Franchise fees	--	--	--	--	--	--	559,112	540,985	584,269	624,752
Grants and contributions - unrestricted	--	--	--	--	--	--	3,223,024	3,229,320	3,334,410	3,421,057
Interest and investment earnings	666,175	907,778	812,040	438,810	169,178	176,493	6,700	83,779	103,905	51,758
Miscellaneous	4,851,397	5,361,942	6,271,060	6,029,712	4,144,922	5,475,339	2,753,230	3,137,680	1,663,609	4,203,045
Sale of assets	--	--	17,980	48,522	--	--	197,416	--	--	--
Transfers	--	--	--	--	--	--	--	(29,797)	--	5,000
Total governmental activities general revenues	<u>11,183,498</u>	<u>12,927,972</u>	<u>14,028,788</u>	<u>13,391,337</u>	<u>10,950,327</u>	<u>12,479,962</u>	<u>13,280,277</u>	<u>13,689,496</u>	<u>12,986,043</u>	<u>15,542,844</u>
Business-type activities:										
Interest and investment earnings	74,485	168,087	189,742	73,676	29,002	21,957	19,245	12,351	314,150	343,481
Miscellaneous	55	1,000,140	--	(38,532)	--	--	189,121	202,131	190,540	208,986
Transfers	--	--	--	--	--	--	--	29,797	--	(5,000)
Total business-type activities general revenues	<u>74,540</u>	<u>1,168,227</u>	<u>189,742</u>	<u>35,144</u>	<u>29,002</u>	<u>21,957</u>	<u>208,366</u>	<u>244,279</u>	<u>504,690</u>	<u>547,467</u>
Total primary government general revenues	<u>11,258,038</u>	<u>14,096,199</u>	<u>14,218,530</u>	<u>13,426,481</u>	<u>10,979,329</u>	<u>12,501,919</u>	<u>13,488,643</u>	<u>13,933,775</u>	<u>13,490,733</u>	<u>16,090,311</u>
Changes in Net Position										
Governmental Activities	1,413,085	(1,499,445)	(27,034)	(4,393,406)	(2,201,932)	(5,103,622)	4,453,028	(524,888)	1,714,473	2,262,417
Business-type activities	98,782	937,919	(1,710,052)	(582,186)	(1,779,934)	508,337	(2,254,291)	(1,541,586)	(839,208)	33,536
Total primary government	<u>\$ 1,511,867</u>	<u>\$(561,526)</u>	<u>\$(1,737,086)</u>	<u>\$(4,975,592)</u>	<u>\$(3,981,866)</u>	<u>\$(4,595,285)</u>	<u>\$ 2,198,737</u>	<u>\$(2,066,474)</u>	<u>\$ 875,265</u>	<u>\$ 2,295,953</u>

Net (expense) revenue is the difference between the expenses and program revenues of a function or program. It indicates the extent to which a function or program supports itself with its own fees and grants verses its reliance upon funding from taxes and other general revenues. Numbers in parentheses are net expenses, indicating that the expenses were greater than the program revenues needed to finance the function or program.

Source: Glenn County Department of Finance

COUNTY OF GLENN

Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Nonspendable	\$ 200,047	\$ 202,521	\$ 366,166	\$ 1,284,922	\$ 999,953	\$ 439,127	\$ 1,563,917	\$ 1,352,088	\$ 1,361,476	\$ 1,715,408
Restricted	3,685,847	3,489,905	2,789,441	2,028,065	1,339,815	--	1,672,384	2,179,436	3,299,461	1,668,535
Committed	243,946	144,067	91,971	86,069	44,796	--	--	--	--	163,447
Assigned	--	--	--	--	--	176,271	--	--	--	15,247
Unassigned	4,027,552	3,438,874	2,104,653	1,363,945	148,932	1,974,123	201,991	1,753,708	2,014,119	2,221,994
Total general fund	<u>8,157,392</u>	<u>7,275,367</u>	<u>5,352,231</u>	<u>4,763,001</u>	<u>2,533,496</u>	<u>2,589,521</u>	<u>3,438,292</u>	<u>5,285,232</u>	<u>6,675,056</u>	<u>5,784,631</u>
Other Governmental Funds										
Nonspendable	1,653,890	2,025,728	2,202,082	2,240,266	2,246,685	511,634	467,510	225,192	354,582	89,448
Restricted	3,550,592	3,018,109	4,769,842	5,710,776	6,776,788	6,878,767	8,661,852	10,459,011	12,010,134	13,327,192
Committed	--	--	217,114	130,892	--	--	--	--	--	--
Assigned	--	--	--	--	--	175,158	67,828	20,750	21,943	--
Unassigned	--	--	--	--	--	397,713	(77,631)	(4,733)	(22,263)	--
Total other governmental funds	<u>5,204,482</u>	<u>5,043,837</u>	<u>7,189,038</u>	<u>8,081,934</u>	<u>9,023,473</u>	<u>7,963,272</u>	<u>9,119,559</u>	<u>10,700,220</u>	<u>12,364,396</u>	<u>13,416,640</u>
Total Governmental Funds										
Nonspendable	1,853,937	2,228,249	2,568,248	3,525,188	3,246,638	950,761	2,031,427	1,577,280	1,716,058	1,804,856
Restricted	7,236,439	6,508,014	7,559,283	7,738,841	8,116,603	6,878,767	10,334,236	12,638,447	15,309,595	14,995,727
Committed	243,946	144,067	309,085	216,961	44,796	--	--	--	--	163,447
Assigned	--	--	--	--	--	351,429	67,828	20,750	21,943	15,247
Unassigned	4,027,552	3,438,874	2,104,653	1,363,945	148,932	2,371,836	124,360	1,748,975	1,991,856	2,221,994
Total governmental funds	<u>\$ 13,361,874</u>	<u>\$ 12,319,204</u>	<u>\$ 12,541,269</u>	<u>\$ 12,844,935</u>	<u>\$ 11,556,969</u>	<u>\$ 10,552,793</u>	<u>\$ 12,557,851</u>	<u>\$ 15,985,452</u>	<u>\$ 19,039,452</u>	<u>\$ 19,201,271</u>

Notes: Other governmental funds include, special revenue funds, debt service funds, and capital project funds.

Source: Glenn County Department of Finance

COUNTY OF GLENN

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues										
Taxes	\$ 4,567,095	\$ 5,249,001	\$ 5,724,336	\$ 5,816,259	\$ 5,739,790	\$ 6,585,637	\$ 5,926,615	\$ 5,838,509	\$ 6,143,635	\$ 6,223,755
Licenses, permits, and franchises	1,362,534	1,256,335	1,298,983	1,284,799	1,276,883	1,220,836	1,193,307	1,146,542	1,230,934	1,360,277
Fines and forfeitures	1,552,544	1,542,526	1,702,254	1,794,010	1,550,877	1,544,870	1,564,852	1,508,416	1,863,440	1,611,882
Use of money and property	638,227	863,095	766,263	408,069	156,014	172,813	(2,282)	77,073	93,713	50,928
Aid from other governments	47,056,722	47,781,427	50,805,391	52,129,959	49,209,896	50,587,324	53,426,775	51,076,330	52,760,407	48,627,358
Charges for services	3,773,014	3,991,797	5,398,369	4,745,214	6,453,256	13,149,090	12,417,754	9,068,154	10,798,436	5,377,958
Other revenues	1,137,830	1,537,576	2,102,917	1,691,354	827,756	1,798,769	2,753,230	3,137,680	1,612,067	1,049,119
Total revenues	<u>60,087,966</u>	<u>62,221,757</u>	<u>67,798,513</u>	<u>67,869,664</u>	<u>65,214,472</u>	<u>75,059,339</u>	<u>77,280,251</u>	<u>71,852,704</u>	<u>74,502,632</u>	<u>64,301,277</u>
Expenditures										
General government	3,716,494	4,811,397	4,926,084	4,394,073	4,549,636	6,239,118	5,659,607	2,776,257	5,391,545	4,764,571
Public protection	16,931,455	18,933,986	20,810,202	20,622,676	19,605,694	20,367,542	20,420,422	21,419,309	21,452,400	21,379,307
Public ways and facilities	3,248,816	4,740,647	3,580,399	4,025,327	3,997,854	3,893,731	4,588,906	3,762,081	2,894,349	3,226,573
Health and sanitation	11,305,877	12,107,165	13,711,761	13,462,731	12,950,873	14,209,733	13,579,145	13,510,803	12,833,742	10,163,013
Public assistance	21,438,426	20,679,837	21,934,963	24,724,486	22,317,310	30,415,458	26,115,892	25,543,645	25,658,185	20,121,599
Education	339,751	363,369	407,464	409,447	386,402	384,613	386,511	379,516	377,951	391,797
Debt Service:										
Principal	2,912,623	287,768	366,945	389,796	183,325	189,077	189,450	212,195	108,856	161,437
Interest and other charges	368,138	383,315	391,281	274,059	247,607	273,185	128,179	482,962	172,568	86,987
Capital Outlay	1,426,565	956,943	2,025,860	956,494	1,037,858	1,443,085	4,237,504	1,404,021	2,601,373	3,461,163
Total expenditures	<u>61,688,145</u>	<u>63,264,427</u>	<u>68,154,959</u>	<u>69,259,089</u>	<u>65,276,559</u>	<u>77,415,542</u>	<u>75,305,616</u>	<u>69,490,789</u>	<u>71,490,969</u>	<u>63,756,447</u>
Excess (deficiency) of revenues over expenditures	<u>(1,600,179)</u>	<u>(1,042,670)</u>	<u>(356,446)</u>	<u>(1,389,425)</u>	<u>(62,087)</u>	<u>(2,356,203)</u>	<u>1,974,635</u>	<u>2,361,915</u>	<u>3,011,663</u>	<u>544,830</u>
Other financing sources (uses)										
Proceeds from debt	2,750,000	--	--	--	--	395,900	224,183	27,881	42,337	--
Sale of capital assets	--	--	--	--	--	--	--	337,126	--	44,020
Other sources (uses)	--	--	--	608,187	--	--	--	--	--	--
Transfers in	1,206,791	704,487	1,501,002	1,694,061	2,834,886	2,365,331	13,313,470	17,222,156	15,937,367	7,030,261
Transfers out	(1,206,791)	(704,487)	(1,501,002)	(1,694,061)	(2,834,886)	(2,365,331)	(13,313,470)	(17,251,953)	(15,937,367)	(7,309,498)
Total other financing sources (uses)	<u>2,750,000</u>	<u>-</u>	<u>--</u>	<u>608,187</u>	<u>--</u>	<u>395,900</u>	<u>224,183</u>	<u>335,210</u>	<u>42,337</u>	<u>(235,217)</u>
Net change in fund balance	<u>\$ 1,149,821</u>	<u>\$ (1,042,670)</u>	<u>\$ (356,446)</u>	<u>\$ (781,238)</u>	<u>\$ (62,087)</u>	<u>\$ (1,960,303)</u>	<u>\$ 2,198,818</u>	<u>\$ 2,697,125</u>	<u>\$ 3,054,000</u>	<u>\$ 309,613</u>
Debt services as a percentage of non-capital expenditures	5.44%	1.08%	1.15%	0.97%	0.67%	0.61%	0.45%	1.02%	0.41%	0.40%

Source: County of Glenn Department of Finance

COUNTY OF GLENN

Property Tax Rates – Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Real Property	Personal Property	Total Secured	Total Unsecured	Less: Tax Exempt Property	Total Taxable Assessed Property	Total Direct Tax Rate
2006	1,725,290,096	126,158,013	1,851,448,109	79,399,969	60,391,958	1,870,456,120	1.00%
2007	1,907,913,649	136,557,480	2,044,471,129	84,847,842	65,914,256	2,063,404,715	1.00%
2008	2,157,081,752	140,148,546	2,297,230,298	93,191,770	70,225,190	2,320,196,878	1.00%
2009	2,370,480,259	142,944,841	2,513,425,100	107,019,954	72,405,420	2,548,039,634	1.00%
2010	2,442,096,508	142,944,841	2,585,041,349	105,943,126	72,405,420	2,618,579,055	1.00%
2011	2,392,593,009	141,247,166	2,533,840,175	104,357,949	74,793,805	2,563,404,319	1.00%
2012	2,350,932,784	132,397,040	2,483,329,824	108,297,897	78,745,702	2,512,882,019	1.00%
2013	2,344,152,537	139,349,503	2,483,502,040	120,006,813	86,352,981	2,517,155,872	1.00%
2014	2,417,841,696	171,226,974	2,589,068,670	127,888,473	89,047,944	2,627,909,199	1.00%
2015	2,475,019,895	176,899,227	2,651,919,122	138,438,783	89,947,937	2,700,409,968	1.00%



Article XIII A, added to the California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value as appeared on the Assessor’s 1975-76 assessment roll.

Thereafter, full cash value can be increased to reflect:

- a) Annual inflation up to 2%; or
- b) Current market value at time of ownership change; or
- c) Market value for new construction

Note: Estimated actual value of taxable property cannot be easily determined as the property in the County is not reassessed annually. Reassessment normally occurs when ownership changes.

Source: Glenn County Department of Finance

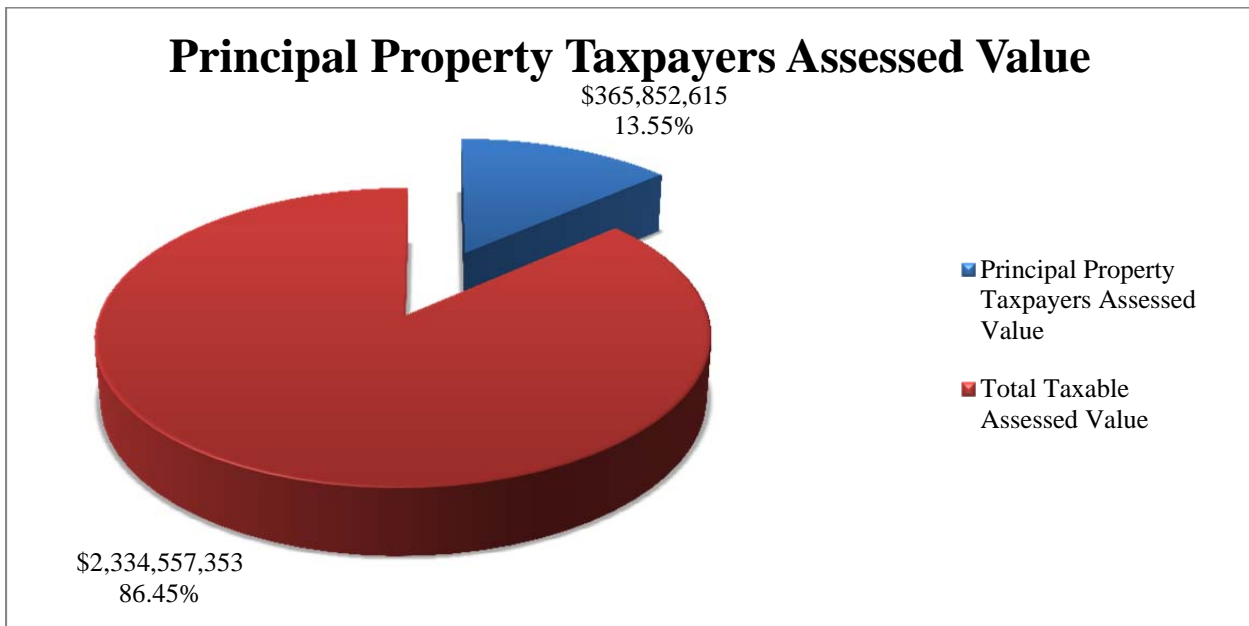
COUNTY OF GLENN

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Fiscal Year Ended June 30, 2015			Fiscal year Ended June 30, 2006		
	Assessed Value	Rank	Percentage of Taxable Assessed Value	Assessed Value	Rank	Percentage of Taxable Assessed Value
Pacific Gas & Electric Co.	\$ 102,447,041	1	3.79%	\$ 68,616,202	2	3.67%
Johns Manville Intl. Inc.	58,398,242	2	2.16%	77,930,730	1	4.17%
Violich Farms Inc.	42,853,583	3	1.59%			
Big W. Ranch Corp.	38,494,293	4	1.43%	15,818,095	4	0.85%
California Olive Ranch Inc.	38,196,344	5	1.41%			
Vintage Production CA LLC	31,863,220	6	1.18%			
Koehnen C. F. & Sons Orchards	13,879,710	7	0.51%	9,222,773	8	0.49%
JJB Farms LP	13,718,875	8	0.51%			
Cedar Hills Manor LP	13,124,800	9	0.49%			
Omega Walnut LLC	12,876,507	10	0.48%			
Venoco Inc.				18,890,895	3	1.01%
Paul Violich Inc.				10,823,619	5	0.58%
The Nature Conservancy				10,310,918	6	0.55%
Royale Energy Inc.				10,401,138	7	0.56%
Lario Oil and Gas				7,360,211	9	0.39%
SBC California				7,005,089	10	0.37%
	<u>\$ 365,852,615</u>		<u>13.55%</u>	<u>\$ 236,379,670</u>		<u>12.64%</u>
Net Assessed Value of Taxable Property	<u>\$ 2,700,409,968</u>			<u>\$ 1,870,456,120</u>		

Note: Assessed Value amounts include Secured and Unsecured less exemptions.

Source: County of Glenn Department of Finance



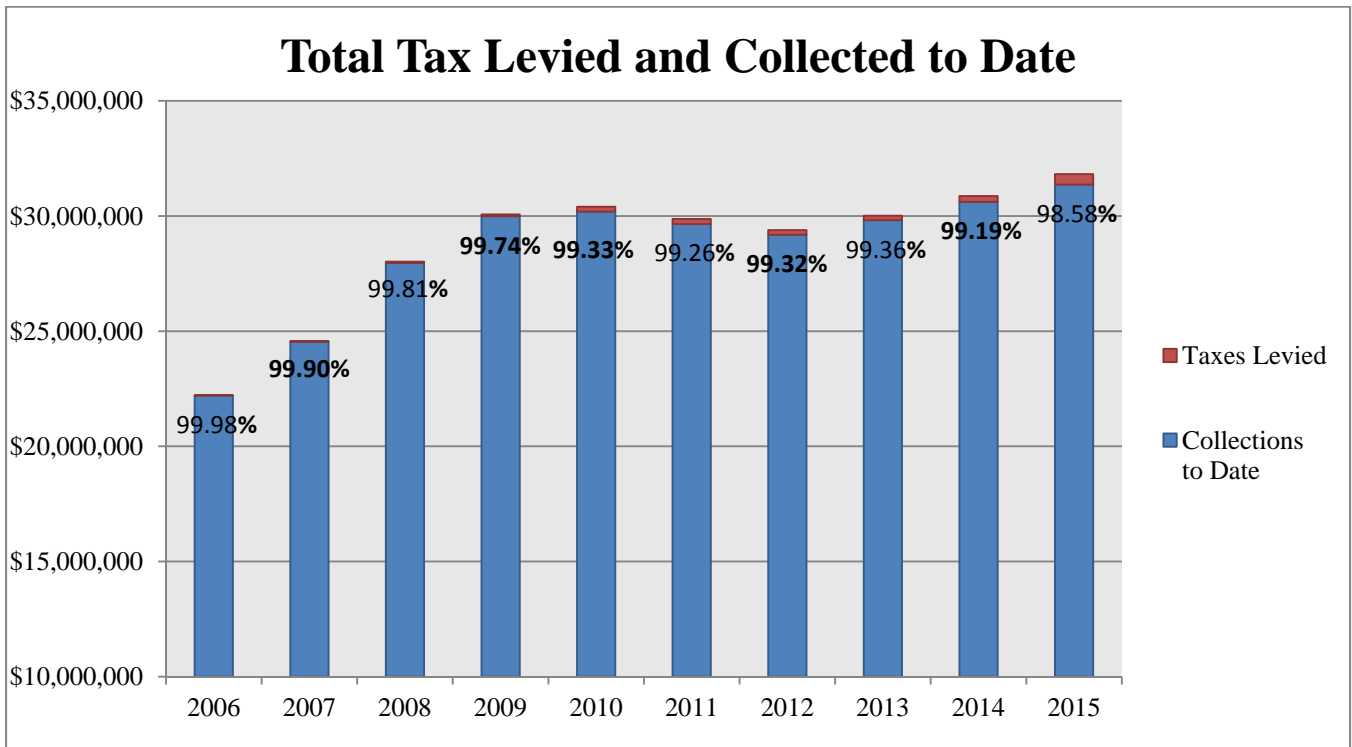
COUNTY OF GLENN

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 22,217,663	\$ 21,873,919	98.45%	\$ 338,358	\$ 22,212,277	99.98%
2007	24,570,077	23,933,004	97.41%	613,291	24,546,295	99.90%
2008	28,016,678	26,784,865	95.60%	1,178,681	27,963,546	99.81%
2009	30,072,295	29,211,267	97.14%	782,448	29,993,715	99.74%
2010	30,401,258	29,528,685	97.13%	668,369	30,197,054	99.33%
2011	29,875,679	29,084,997	97.35%	569,425	29,654,422	99.26%
2012	29,389,848	28,670,690	97.55%	519,480	29,190,170	99.32%
2013	30,013,501	29,454,246	98.14%	366,441	29,820,687	99.36%
2014	30,871,137	30,229,374	97.92%	391,848	30,621,222	99.19%
2015	31,816,694	31,365,992	98.58%	--	31,365,992	98.58%

Note: Amounts include secured and unsecured tax levy for the County itself, school districts, cites and special districts under the supervision of their own governing boards.

Source: County of Glenn Department of Finance

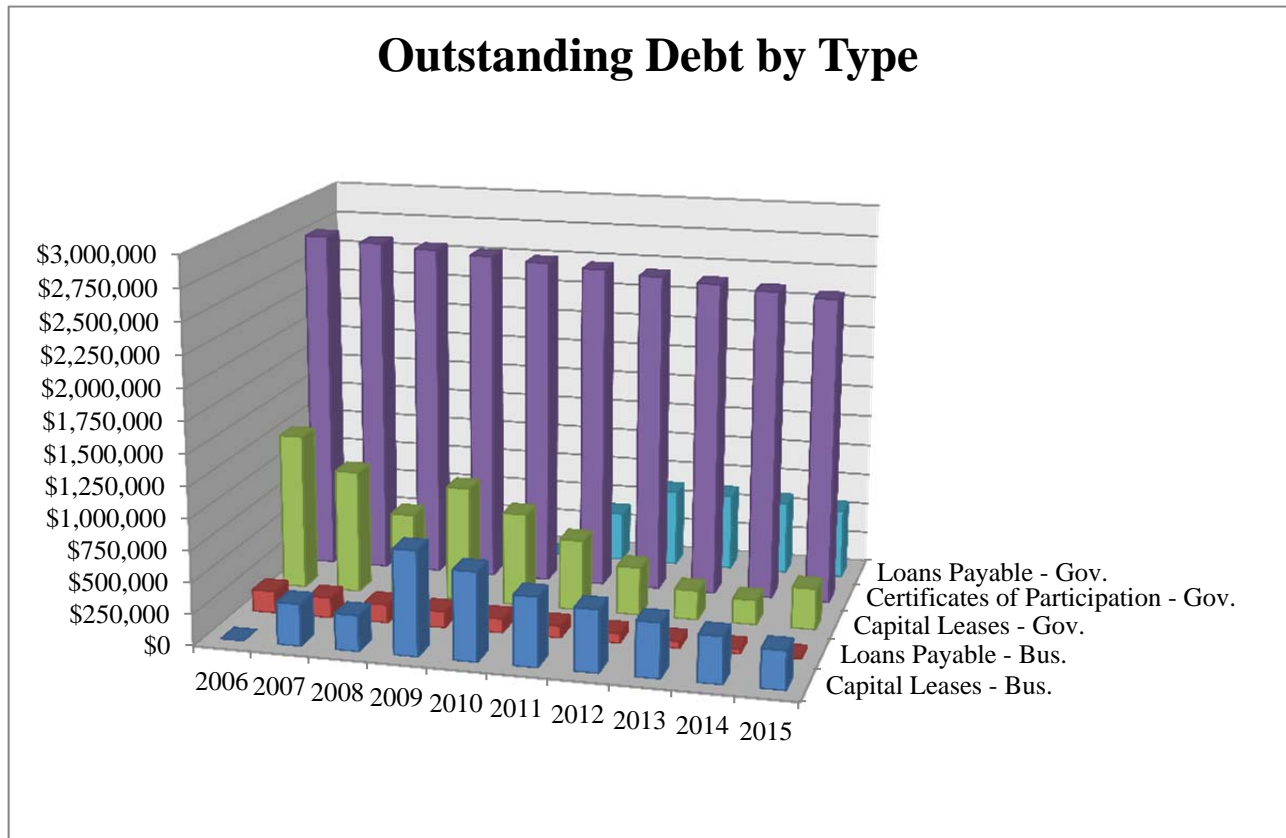


COUNTY OF GLENN

Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government
	Loans Payable	Certificates of Participation	Capital Leases	Loans Payable	Capital Leases	
2006	\$ --	\$ 2,750,000	\$ 1,255,531	\$ 177,511	\$ --	\$ 4,183,042
2007	--	2,715,000	992,774	163,174	336,641	4,207,589
2008	--	2,685,000	672,070	147,871	286,800	3,791,741
2009	--	2,655,000	925,390	131,603	833,170	4,545,163
2010	--	2,625,000	748,699	114,369	706,961	4,195,029
2011	395,900	2,595,000	569,424	96,169	552,944	4,209,437
2012	620,083	2,560,000	386,982	77,003	495,001	4,139,069
2013	620,144	2,525,000	237,390	56,871	435,091	3,874,496
2014	591,323	2,490,000	229,233	35,774	371,543	3,717,873
2015	561,631	2,455,000	331,159	13,710	305,457	3,666,957

Source: County of Glenn Department of Finance



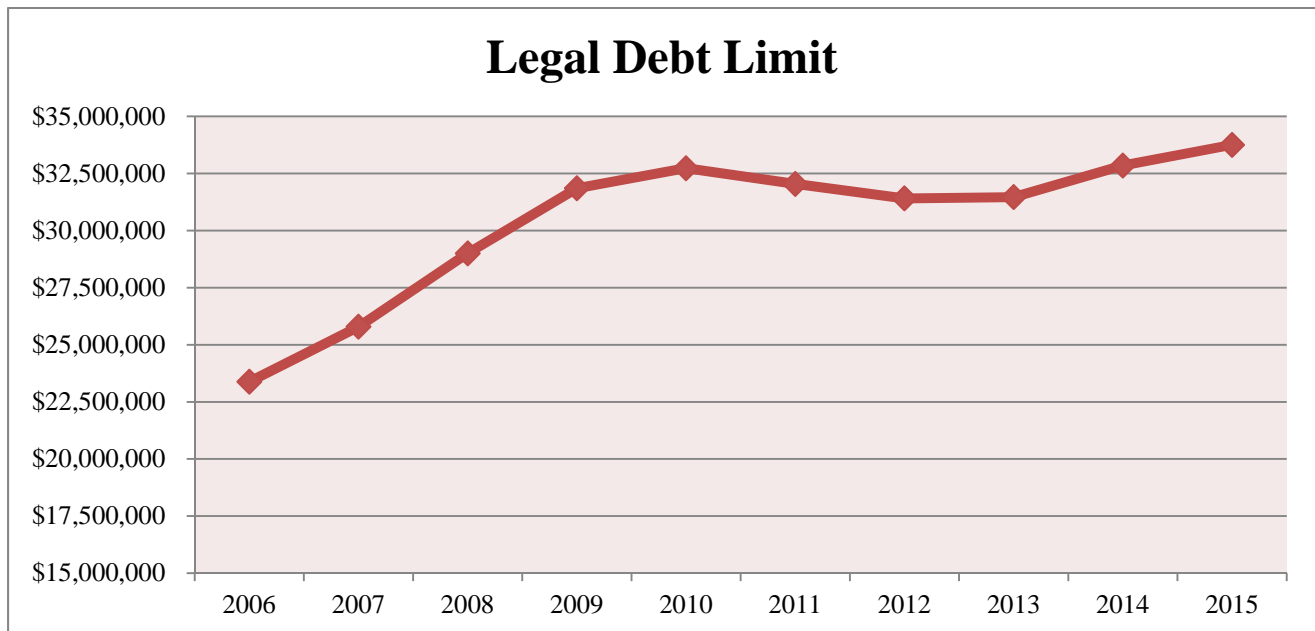
COUNTY OF GLENN

Computation of Legal Debt Margin
Last Ten Fiscal Years

Fiscal Year	Assessed Value (1)	Legal Debt Limit (2)	General Bonded Debt (3)	Legal Debt Margin (4)	Legal Debt margin/ Debt Limit
2006	\$ 1,870,456,120	\$ 23,380,702	\$ --	\$ 23,380,702	100.00%
2007	2,063,404,715	25,792,559	--	25,792,559	100.00%
2008	2,320,196,878	29,002,461	--	29,002,461	100.00%
2009	2,548,039,634	31,850,495	--	31,850,495	100.00%
2010	2,618,579,055	32,732,238	--	32,732,238	100.00%
2011	2,563,404,319	32,042,554	--	32,042,554	100.00%
2012	2,512,882,019	31,411,025	--	31,411,025	100.00%
2013	2,517,155,872	31,464,448	--	31,464,448	100.00%
2014	2,627,909,199	32,848,865	--	32,848,865	100.00%
2015	2,700,409,968	33,755,125	--	33,755,125	100.00%

Notes:

- 1 – Total assessed valuation does not include exempt property.
 - 2 – The legal debt limit is set by statute at 1.25% of the total assessed valuation.
 - 3 – The County does not have any general bonded debt.
 - 4 – The legal debt margin is the legal debt limit reduced by all general bonded debt.
- Source: Glenn County Department of Finance



COUNTY OF GLENN

Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	County Population	Personal Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
2006	27,393	700,534,000	25,573	5,945	10.9%
2007	27,652	706,222,000	25,540	5,907	9.6%
2008	27,775	834,370,000	30,040	5,934	10.3%
2009	28,019	903,857,000	32,259	5,790	11.6%
2010	28,100	918,489,000	32,686	5,672	14.4%
2011	28,101	955,296,000	33,995	5,664	17.1%
2012	28,173	1,069,060,000	37,946	5,600	18.0%
2013	27,957	1,087,544,000	38,901	5,515	16.5%
2014	27,940	1,106,571,000	39,605	5,544	14.8%
2015	27,955	1,070,048,000	38,278	5,669	12.9%

Sources:

Economic Data – U.S. Department of Commerce, Bureau of Economic Analysis

Education Data – California Department of Education

Unemployment Data – U.S. Bureau of Labor Statistics

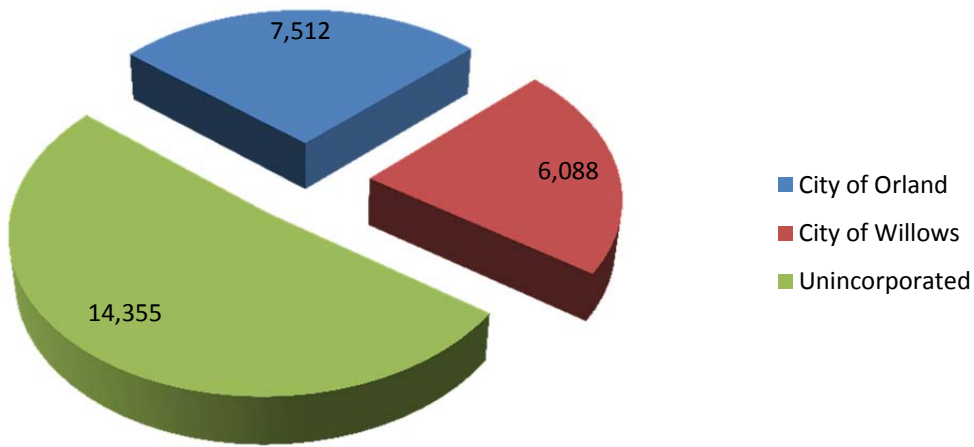
Detail of estimated population

Incorporated Cities

City of Orland	7,512
City of Willows	6,088
Total of incorporated	<u>13,600</u>
Total of unincorporated	<u>14,355</u>

Total Population	<u><u>27,955</u></u>
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County Estimated Population by Location



COUNTY OF GLENN

Miscellaneous Statistical Information

Geographic Location: The County of Glenn is located 85 miles north of Sacramento and 75 miles south of Redding along Interstate 5. Glenn County has a total area of 1327 square miles. Glenn County represents 0.81% of the total area of the State of California.

County Seat: Willows, California
Date of Incorporation: March 5, 1891
Form of Government: General Law County, governed by a five-member Board of Supervisors
Fiscal Year: July 1 through June 30
Incorporated Cities: Orland
Willows

Roads: 826 miles of County maintained streets and roads in the unincorporated areas

Capital Assets:

Function / Program	As of June 30, 2015
General Government	
Law library	1
Public Protection	
Fire stations (under the BOS)	4
Juvenile center	1
Sheriff headquarters	1
Sheriff stations	2
Jail	1
Public Ways and Facilities	
Airports	2
Health and Sanitation	
Clinics	2
Landfills	1
Public Assistance	
Employment and Training Centers	2
Education	
Libraries - (partial County funded)	5

Source: Glenn County Department of Finance

COUNTY OF GLENN

Principal Employers and County FTEs by Function
Current Year and Comparisons

Company or Organization	Fiscal Year Ended June 30, 2015			Fiscal year Ended June 30, 2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
County of Glenn	474	1	3.7%	510	1	3.4%
Johns Manville	250-499	2	2.0%-4.0%	250-499	2	1.7%-3.3%
Erick Nielsen Enteerprises	100-249	3-8	0.8%-2.0%	100-249	3-8	0.7%-1.7%
Glenn Medical Center	100-249	3-8	0.8%-2.0%	100-249	3-8	0.7%-1.7%
Jacinto Grange	100-249	3-8	0.8%-2.0%	100-249	3-8	0.7%-1.7%
Rumiano Cheese	100-249	3-8	0.8%-2.0%	100-249	3-8	0.7%-1.7%
Sunsweet Dryers	100-249	3-8	0.8%-2.0%	100-249	3-8	0.7%-1.7%
Wal-Mart	100-249	3-8	0.8%-2.0%	NA	NA	NA
Glenn County Office of Education	50-99	9-10	0.4%-0.8%	50-99	9-10	0.3%-0.7%
Land O' Lakes Inc.	50-99	9-10	0.4%-0.8%	50-99	9-10	0.3%-0.7%
Shasta Packing Co.	NA	NA	NA	100-249	3-8	0.7%-1.7%
Total	950-2173		11.3%-21.3%	1460-2701		9.9%-18.3%

Source: California EDD and Glenn County Department of Finance

Function/ Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	59.5	60.5	61.5	59.5	60.5	54.5	43.5	42.5	43.0	35.0
Public Protection	161.8	166.8	168.8	160.6	153.5	145.0	144.5	142.8	153.7	155.3
Public Ways & Facilities	38.0	38.0	37.0	38.0	39.0	37.0	39.0	37.5	38.0	52.0
Health & Sanitation	97.6	102.0	110.8	101.8	103.5	87.5	85.5	87.0	90.0	111.0
Public Assistance	151.5	151.5	153.5	152.5	151.5	151.5	150.5	148.5	143.0	119.0
Education	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total full-time equivalent employees	<u>510.4</u>	<u>520.8</u>	<u>533.6</u>	<u>514.3</u>	<u>510.0</u>	<u>477.5</u>	<u>465.0</u>	<u>460.3</u>	<u>469.7</u>	<u>474.3</u>

Source: Glenn County Department of Finance